Prospectus
Dated: July 14, 2018
Read with Section 26 of the Companies Act, 2013
100% Fixed Price

USHANTI COLOUR CHEM LIMITED

Our Company was incorporated under the provisions of Companies Act, 1956 as 'Ushanti Colour Chem Private Limited' in Gujarat vide Certificate of Incorporation issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli, on May 12, 1993. Consequently, it was converted into a public limited company pursuant to special resolution passed at Extra-ordinary General Meeting of our Company held on February 19, 2018 and the name of our Company was changed to 'Ushanti Colour Chem Limited' and a fresh certificate of incorporation consequent upon Conversion of Private Limited to Public Limited dated March 07, 2018 was issued by Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U24231GJ1993PLC019444. For further details of Incorporation and Change of Registered Office of our company, please refer to chapter titled "General Information" and "Our History and Certain Other Corporate Matters" beginning on page 66 and page 155 of this Prospectus.

Registered Office: 88/8 GIDC, Phase I, Vatva, Ahmedabad- 382445, Gujarat, India
Tel. No.: 079-25833315; **Fax No.**: Not Available
Contact Person: Archita Jitendrakumar Shah, Company Secretary and Compliance Officer
Email: admin@ushanti.com**; Website**: www.ushanti.com

PROMOTERS OF OUR COMPANY: Maunal Shantilal Gandhi and Minku Shantilal Gandhi

THE ISSUE

INITIAL PUBLIC OFFER CONSISITING OF FRESH ISSUE OF 19,26,000 EQUITY SHARES OF FACE VALUE OF Rs. 10/- EACH FULLY PAID OF USHANTI COLOUR CHEM LIMITED ("THE ISSUER" OR "OUR COMPANY") FOR CASH AT A PRICE OF Rs. 60/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS. 50/- PER EQUITY SHARE) (THE "ISSUE PRICE") AGGREGATING UP TO RS 1155.60 LAKHS (THE"ISSUE") OF WHICH 98,000 EQUITY SHARES OF FACE VALUE RS. 10/- EACH FOR CASH AT A PRICE OF RS. 60/- PER EQUITY SHARE, AGGREGATING RS. 58.80 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 18,28,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. 60/- PER EQUITY SHARE, AGGREGATING RS. 1096.80 LAKHS IS HEREINAFTER REFERED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.38% AND 25.04%, RESPECTIVELY OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10/- EACH AND THE ISSUE PRICE OF RS. 60/- IS 6 TIMES OF THE FACE VALUE OF THE EQUITY SHARES

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Offer only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to the chapter titled "Issue Procedure" beginning on page 234 of this Prospectus. A copy will be delivered for registration to the Registrar of Companies as required under Section 26 of the Companies Act, 2013.

THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED FROM TIME TO TIME ("SEBI (ICDR) REGULATIONS"). FOR FURTHER DETAILS PLEASE REFER THE SECTION TITLED 'ISSUE INFORMATION' BEGINNING ON PAGE 225 OF THIS PROSPECTUS.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first public Issue of the Issuer, there has been no formal market for our Equity Shares. The face value of the Equity Shares is Rs.10/- each and the Issue price of Rs. 60/- per Equity Share is 6 times of the face value. The Issue Price (as determined and justified by our Company in consultation with the Lead Manager as stated in the chapter titled 'Basis for Issue Price' beginning on page 108 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their 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 the Company and this Issue, including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to the section titled 'Risk Factors' beginning on page 19 of Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to the Issuer and this Issue, which is material in the context of this 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 or inclusion 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 of our Company issued through this Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited ('NSE EMERGE'). In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, our Company has received an In-principle approval letter dated June 29, 2018 from National Stock Exchange of India Limited for using its name in this Issue document for listing of our shares on the EMERGE Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange.

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED 406-408, Keshva Premises, Behind Family Court, Bandra Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra, India **Tel**: +91-22 6194 6700 **Fax**: +91-22 2659 8690 **Website:**www.pantomathgroup.com **Email:** ipo@pantomathgroup.com **Investor Grievance Id:** ipo@pantomathgroup.com **Contact Person:** Unmesh Zagade / Hardik Bhuta **SEBI Registration No:**INM000012110	**BIGSHARE SERVICES PRIVATE LIMITED** 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra, India **Tel:** +91 22 6263 8200 **Fax:** +91 22 6263 8299 **Email:** ipo@bigshareonline.com **Website:** www.bigshareonline.com **Investor Grievance Id:** ipo@bigshareonline.com **Contact Person:** Jibu John **SEBI Registration Number:** INR000001385

ISSUE PROGRAMME	
ISSUE OPENS ON: July 23, 2018, Monday	**ISSUE CLOSES ON: July 25, 2018, Wednesday**

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The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended ("U.S. Securities Act") or any state securities laws in the United States of America and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. Persons (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

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

SECTION I – GENERAL

DEFINITION AND ABBREVIATION

In this Prospectus, unless the context otherwise requires, the terms and abbreviations stated hereunder shall have the meanings as assigned therewith.

COMPANY RELATED TERMS

Term	Description
"Ushanti Colour Chem Limited " or "Ushanti Colour Chem", or "the Company" ,or "our Company" or "we", "us", "our", or "Issuer" or the "Issuer Company"	Unless the context otherwise requires, refers to Ushanti Colour Chem Limited, a public limited Company incorporated under the Companies Act, 1956.
"AoA" or "Articles" or "Articles of Association"	Articles of Association of Ushanti Colour Chem Limited, as amended from time to time
Audit Committee	The committee of the Board of Directors constituted as the Company's Audit Committee in accordance with Section 177 of the Companies Act, 2013
Board of Directors/ the Board / our Board/ Director(s)	The Board of Directors of Ushanti Colour Chem Limited, including all duly constituted Committee(s) thereof
Bankers to the Company	Such banks which are disclosed as Bankers to the Company in the chapter titled "General Information" on page 66 of this Prospectus
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Archita Shah
Director(s)	Director(s) of Ushanti Colour Chem Limited, unless otherwise specified
Equity Shares	Equity Shares of our Company of face value of Rs. 10/- each fully paid up
Equity Shareholders/ shareholders	Persons/ Entities holding Equity Shares of our Company
Group Companies	Such Companies as are included in the chapter titled 'Our Group Companies' beginning on page 179 of this Prospectus
ISIN	International Securities Identification Number In this case being INE00NI01015.
Key Managerial Personnel (KMP)	Key managerial personnel of our Company in terms of Regulation 2 (1) (s) of the SEBI Regulations and as disclosed in the chapter titled "Our Management" beginning on page 160 of this Prospectus.
"MoA" / "Memorandum / Memorandum of Association"	The Memorandum of Association of our Company, as amended from time to time
Nomination and Remuneration Committee	The committee constituted as the Company's Nomination & Remuneration Committee in accordance with Section 177 of the Companies Act, 2013
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 as defined under FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.

Term	Description
Person or Persons	Any Individual, Sole Proprietorship, Unincorporated Association, Unincorporated Organization, Body Corporate, Corporation, Company, Partnership Firm, Limited Liability Partnership Firm, Joint Venture, or Trust or any other Entity or Organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
"Promoter", "Promoters" or "our Promoters"	Promoters of our Company being Maunal Gandhi and Minku Gandhi.
Promoter Group	Includes such persons and entities are constituting our promoter group in terms of Regulation 2(1) (zb) of the SEBI (ICDR) Regulations and as enlisted in the chapter titled "Our Promoter and Promoter Group" beginning on page 175 of this Prospectus
Peer Reviewed Auditor	Independent Auditor having a valid Peer Reviewed Certificate in our case being M/s. N K Aswani & Co., Chartered Accountants
Registered Office	The Registered office of our Company situated at 88/8, Phase I GIDC Vatva, Ahmedabad - 382445, Gujarat, India.
RoC / Registrar of Companies	Registrar of Companies, ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, India.
Shareholders	Shareholders of our Company
Stakeholders Relationship Committee	The committee constituted as the Company's Stakeholders Relationship Committee in accordance with Section 178(5) of the Companies Act, 2013
"Statutory Auditor" / "Auditor"	The Statutory Auditor of our Company, being M/s. ANA & Associates, Chartered Accountants
"you", "your" or "yours"	Prospective investors in this Issue

ISSUE RELATED TERMS

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid.
Allotment/ Allot/ Allotted	Issue and allotment of Equity Shares of our Company pursuant to the Issue of the Equity Shares to successful Bidders
Allottee(s)	Successful Bidders(s) to whom Equity Shares have been allotted/transferred
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Application Amount	The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form.
Application Collecting Intermediaries	1. a SCSB with whom the bank account to be blocked, is maintained 2. a syndicate member (or sub-syndicate member) If any 3. a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity)('broker') if any 4. a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity) 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)

Term	Description
Application Form	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue
ASBA / Application Supported by Blocked Amount	An application, whether physical or electronic, used by Bidders, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account
ASBA Account	An account maintained with an SCSB and specified in the Bid cum Application Form submitted by Bidders for blocking the Bid Amount mentioned in the Bid cum Application Form
ASBA form	An application form, whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of this Prospectus.
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, and Ahmedabad.
Banker(s) to the Issue	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being ICICI Bank.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Bidders under the Issue and which is described under chapter titled "Issue Procedure" beginning on page 234 of this Prospectus.
Bid	An indication to make an issue during the Bid/Issue Period by a Bidder pursuant to submission of the Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an ASBA Bidder
Bidding	The process of making a Bid.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue
Bid cum Application form	The form used by a Bidder, to make a Bid and which will be considered as the application for Allotment in terms of the Prospectus
Bid Cum Application Collecting Intermediaries	a SCSB with whom the bank account to be blocked, is maintained a syndicate member (or sub-syndicate member) If any a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity)('broker') if any a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity) 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)
Bid Lot	19,26,000 Equity shares and in multiples of 2,000 Equity Shares thereafter

Term	Description
Bid/ Issue Period	The period between the Bid/ Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof.
Bidding/Collecting Centre	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e, Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Issue can be made
Broker Centres	Broker centres notified by the Stock Exchanges, where the Bidders can submit the Bid cum application forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of National Stock Exchange of India Limited.
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Bidder indicating the Equity Shares which will be Allotted/ transferred, after approval of Basis of Allotment by the Designated Stock Exchange.
Collecting Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Controlling Branch of SCSBs	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants 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
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Controlling Branch/Designated Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants 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
Demographic Details	The demographic details of the Bidders/Applicants such as their address, PAN, occupation and bank account details
Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Date	The date on which the Collection Banks transfer funds from the public issue accounts, and the SCSBs issue instructions for transfer of funds from the ASBA Accounts, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Prospectus following which the Board of Directors may Allot Equity Shares to successful Bidders in the Fresh Issue may give delivery instructions for the transfer of the respective Offered Shares.
Designated RTA Locations	Such centres of the RTAs where Bidder can submit the Bid cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchange (www.nseindia.com) and updated from time to time

Term	Description
Designated Stock Exchange	National Stock Exchange of India Limited.
Draft Prospectus	The Draft Prospectus dated June 19, 2018 issued in accordance with section 32 of the Companies Act, 2013 and filed with the Emerge Platform of National Stock Exchange of India Limited under SEBI (ICDR) Regulations, which does not contain
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s) for the Issue and in whose favour the Applicants (excluding ASBA Applicants) will issue cheques or drafts in respect of the Application Amount when submitting any Application(s) pursuant to this Issue
Escrow Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the Lead Manager, and the Escrow Collection Bank(s) for collection of the Application Amounts and where applicable, refunds of the amounts collected to the Applicants (excluding ASBA Applicants) on the terms and conditions thereof
First/sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
FII/ Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
General Information Document/GID	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 and included in "Issue Procedure" on page 234 of this Prospectus
Issue/ Issue Size/ Initial Public Issue/ Initial Public Offer/ Initial Public Offering/ IPO	Public Issue aggregating 19,26,000 Equity Shares of face value of Rs. 10 each fully paid of Ushanti Colour Chem Limited for cash at a price of Rs 60/- per Equity Share (including a premium of Rs. 50/- per Equity Share) aggregating Rs.1,155.60 lakhs.
Issue Agreement	The agreement dated April 18, 2018 between our Company and the Lead Managers, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing date	July 25, 2018
Issue Opening Date	July 23, 2018
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective Investors may submit their application
Issue Price	The price at which the Equity Shares are being issued by our Company under this Prospectus being Rs. 60/- per Equity Share of face value of Rs. 10 each fully paid
Issue Proceeds/Gross Proceeds	The proceeds of the Issue that is available to our Company. For further information about use of Issue Proceeds, see "Objects of the Issue" on page 97 of this Prospectus
Indian GAAP	Generally Accepted Accounting Principles in India
IFRS	International financial reporting standard
Lead Managers LM	Lead Manager to the Issue in this case being Pantomath Capital Advisors Private Limited (PCAPL).

Term	Description
Listing Agreement	The Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited.
Market Making Agreement	Market Making Agreement dated April 18, 2018 between our Company, Lead Manager and Market Maker
Market Maker	Market Maker appointed by our Company from time to time, in this case being Pantomath Stock Brokers 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 98,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs 60/- per Equity Share aggregating Rs. 58,80,000 for the Market Maker in this Issue.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India.
NSE Emerge of NSE	The EMERGE Platform of National Stock Exchange of India Limited, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter XB of the SEBI (ICDR) Regulations.
NSE	National Stock Exchange of India Limited
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 18,28,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs. 60/- per Equity Share aggregating Rs. 10,96,80,000/- by our Company
Net Proceeds	Proceeds of the Fresh Issue less our Company's share of the Issue expenses. For further information about use of the Issue Proceeds and the Issue expenses, see "Objects of the Issue" on page 97
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Non Institutional Bidders	All Bidders, including Category III FPIs that are not QIBs or Retail Individual Investors, who have apply for Equity Shares for an amount of more than Rs. 2,00,000/- but not including NRIs other than Eligible NRIs
Non-Resident	A person resident outside India, as defined under FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended from time to time, and includes FIIs and FPIs
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue
Other Investors	Investors other than Retail Individual Investors. These include individual bidders/applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other

Term	Description
	entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Prospectus	The Prospectus to be filed with the RoC and the SEBI containing, inter alia, the Issue Price, the size of the Issue and certain other information
Public Issue Account	Account opened with the Banker to the Issue i.e. ICICI Bank under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the bidders on the Designated Date.
Public Issue Account Agreement/ Banker to the Issue Agreement	Agreement entered on June 18, 2018 amongst our Company, Lead Manager, the Registrar to the Issue and Public Issue Bank/Banker to the Issue for collection of the Bid Amount on the terms and conditions thereof.
Qualified Institutional Buyers or QIBs or QIB Bidders	Qualified Institutional Buyers as defined under Regulation 2(1)(zd) of the SEBI (ICDR) Regulations, 2009.
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to Bidders) shall be made.
Refund Bank(s) / Refund Banker(s)	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being ICICI Bank.
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of NSE having right to trade in stocks listed on 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/dynaContent/find_a_broker.htm
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Bigshare Services Private Limited having registered office at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai - 400059
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Resident Indian	A person resident in India, as defined under FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended from time to time
Retail Individual Bidder(s)/Retail Individual Investor(s)/RII(s)/RIB(s)	Individual Bidders, or minors applying through their natural guardians, including HUFs (applying through their Karta), who apply for an amount less than or equal to Rs 2,00,000/-
Revision Form	Form used by the Bidders, to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
Registrar Agreement	The agreement dated June 18, 2018, entered by our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue

Term	Description
SCSB/ Self Certified Syndicate Banker	Bank which is registered with SEBI under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which Issue the service of making Bids/Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised Intermediaries or at such other website as may be prescribed by SEBI from time to time
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 (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
TRS or Transaction Registration Slip	The slip or document issued by the Syndicate, or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid
Underwriter	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The agreement dated June 18, 2018 entered into between the Underwriter and our Company
Working Day	i. (i) Till Application / Offer closing date: All days other than a Sunday or a public holiday, on which commercial banks in Mumbai are open for business; (ii). Post Application / Issue closing date and till the Listing of Equity Shares: All trading days of stock exchanges excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

TECHNICAL AND INDUSTRY TERMS

Term	Description
CSO	Central Statistics Office
EPFO	Employees' Provident Fund Organisation
ESI	Employee State Insurance
FDI	Foreign Direct Investment
FCNR	Foreign Currency Non-Resident
FY	Financial Year
GDP	Gross Domestic Product
GST	Goods and Services Tax
GVA	Gross Value Added
IMF	International Monetary Fund
INR	Indian Rupees Official Currency of India
MSMEs	Micro, Small & Medium Enterprises
MYEA	Mid-Year Economic Analysis
NITI Aayog	National Institution for Transforming India
NMP	National Manufacturing Policy
US/ U.S./ USA	United States of America

Term	Description
WPI	Wholesale Price Index
PMGKY	Pradhan Mantri Garib Kalyan Yojana
RBI	Reserve Bank of India
SEZ	Special Economic Zone
TADF	Technology Acquisition and Development Fund
TASL	Tata Advanced Systems Ltd
UDAY	Ujwal DISCOM Assurance Yojana Scheme
US$	United States Dollar, the official currency of United States of America

CONVENTIONAL AND GENERAL TERMS/ABBREVIATIONS

Term	Description
A/C	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AS/Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A.Y./AY	Assessment Year
AoA	Articles of Association
ASBA	Application Supported by Blocked Amount
BIFR	Board for Industrial and Financial Reconstruction
NSE	National Stock Exchange of India Limited
CAGR	Compounded Annual Growth Rate
Category I Foreign Portfolio Investors	FPIs who are registered as – Category I foreign portfolio investors under the SEBI FPI Regulations
Category II Foreign Portfolio Investors	FPIs who are registered as – Category II foreign portfolio investors under the SEBI FPI Regulations
Category III Foreign Portfolio Investors	FPIs who are registered as – Category III foreign portfolio investors under the SEBI FPI Regulations
CC	Cash Credit
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CS	Company Secretary
CST	Central Sales Tax
Cm	Centimetre
CMD	Chairman and Managing Director
CENVAT	Central Value Added Tax
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013.
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of the notified sections
Depositories	NSDL (National Securities Depository Limited) and CDSL (Central Depository Services Limited); Depositories registered with the SEBI

Term	Description
	under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DGFT	Directorate General of Foreign Trade
DIN	Director Identification Number
DIPP	Department of Industrial Policy & Promotion
DP	Depository Participant
DP ID	Depository Participant's Identity
EBIDTA	Earnings before interest, depreciation, tax, amortization and extraordinary items
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPFA	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
ESPS	Employee Stock Purchase Scheme
EPS	Earnings Per Share
EPF	Employees Provident Fund
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under
FII(s)	Foreign Institutional Investor, as defined under the FII Regulations and registered with the SEBI under applicable laws in India
FPI(s)	Foreign Portfolio Investor means a person who satisfies the eligibility criteria prescribed under Regulation 4 and has been registered under Chapter II of Securities And Exchange Board Of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act,1992
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
FIs	Financial Institutions
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, GoI
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
FV	Face Value
F.Y./FY	Financial Year
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GIR Number	General Index Registry number
GoI/ Government	Government of India
HNI	High Networth Individual
HUF	Hindu Undivided Family

Term	Description
ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations/Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time
Indian GAAP	Generally Accepted Accounting Principles in India
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IPO	Initial Public Offering
IRDA	Insurance Regulatory and Development Authority
I. T. Act	The Income Tax Act, 1961, as amended.
IT Authorities	Income Tax Authorities
IT Rules	The Income Tax Rules, 1962, as amended from time to time
INR	Indian National Rupee
Key Managerial Personnel / KMP	The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled "Our Management" beginning on page 160 of this Prospectus
KVA	Kilovolt-ampere
LM	Lead Manager
Ltd.	Limited
Mn	Million
MoA	Memorandum of Association
MoF	Ministry of Finance, GoI
MoU	Memorandum of Understanding
MD	Managing Director
MICR	Magnetic Ink Character Recognition
N/A or N.A.	Not Applicable
NAV	Net Asset Value
NBFC	Non Banking Finance Company
Net Worth	The aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
NOC	No Objection Certificate
NR	Non Resident
NRE Account	Non Resident (External) Account
NRI	Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time
NRO Account	Non Resident (Ordinary) Account
NSDL	National Securities Depository Limited
NI Act	Negotiable Instruments Act, 1881
OCB	Overseas Corporate Bodies
p.a.	per annum
PAN	Permanent Account Number
PAT	Profit After Tax
Pvt.	Private

Term	Description
PBT	Profit Before Tax
P/E Ratio	Price Earnings Ratio
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
RoC	Registrar of Companies
RoNW	Return on Net Worth
Rs. / INR	Indian Rupees
SCRA	Securities Contracts (Regulation) Act, 1956 as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self-Certified Syndicate Bank
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to the SEBI AIF Regulations
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI Takeover Regulations /Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Listing Regulations / SEBI Listing Regulations/ SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small Medium Enterprise
Sec	Section
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange	National Stock Exchange of India Limited
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip

Term	Description
TIN	Taxpayers Identification Number
TNW	Total Net Worth
u/s	Under Section
UIN	Unique Identification Number
US/ U.S. / USA/ United States	United States of America
USD / US$ / $	United States Dollar, the official currency of the United States of America
U.S. GAAP	Generally accepted accounting principles in the United States of America
UOI	Union of India
UV	Ultraviolet
VAT	Value Added Tax
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
WDV	Written Down Value
WTD	Whole-time Director
w.e.f.	With effect from
YoY	Year over year

Notwithstanding the following: -

i) In the section titled "Main Provisions of the Articles of Association" beginning on page 319 of this Prospectus, defined terms shall have the meaning given to such terms in that section;
ii) In the section titled "Financial Statements" beginning on page 182 of this Prospectus, defined terms shall have the meaning given to such terms in that section;
iii) In the section titled "Risk Factors" beginning on page 19 of this Prospectus, defined terms shall have the meaning given to such terms in that section;
iv) In the chapter titled "Statement of Possible Tax Benefits" beginning on page 108 of this Prospectus, defined terms shall have the meaning given to such terms in that chapter; and
v) In the chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 183 of this Prospectus, defined terms shall have the meaning given to such terms in that chapter.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

All references to "India" are to the Republic of India and all references to the "Government" are to the Government of India.

FINANCIAL DATA

Unless stated otherwise, the financial data included in this Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled *'Financial Statements as Restated'* beginning on page 182 this Prospectus. 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 (ICDR) Regulations.

Our fiscal year commences on April 1st of each year and ends on March 31st of the next year. All references to a particular fiscal year are to the 12 month period ended March 31st of that year. 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, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company's financial data. Accordingly to what extent, the financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Prospectus should accordingly be limited.

Any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and elsewhere in this Prospectus unless otherwise indicated, have been calculated on the basis of the Company's restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled *'Financial Statements as Restated'* beginning on page 182 of this Prospectus.

CURRENCY OF PRESENTATION

In this Prospectus, references to "Rupees" or "Rs." or "INR" are to Indian Rupees, the official currency of the Republic of India. All references to "$", "US$", "USD", "U.S. $"or "U.S. Dollars" are to United States Dollars, the official currency of the United States of America.

All references to 'million' / 'Million' / 'Mn' refer to one million, which is equivalent to 'ten lacs' or 'ten lakhs', the word 'Lacs / Lakhs / Lac' means 'one hundred thousand' and 'Crore' means 'ten million' and 'billion / bn./ Billions' means 'one hundred crores'.

INDUSTRY & MARKET DATA

Unless stated otherwise, Industry and Market data and various forecasts used throughout this Prospectus have been obtained from publically available Information, Industry Sources and Government Publications.

Industry Sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness and underlying assumptions 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 by the Lead Manager or our Company or any of their affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section *"Risk Factors"* on page 19 of this Prospectus. Accordingly, investment decisions should not be based solely on such information.

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

FORWARD LOOKING STATEMENT

This Prospectus contains certain "forward-looking statements". These forward looking statements can generally be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "shall", "will", "will continue", "will pursue" or other words or phrases of similar meaning. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results and property valuations 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 the following:-

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in laws and regulations relating to the sectors / areas in which we operate;
- Increased competition in the sectors / areas in which we operate;
- Factors affecting the Industry in which we operate;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our failure to keep pace with rapid changes in technology;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Conflict of Interest with affiliated companies, the promoter group and other related parties; and
- Changes in government policies and regulatory actions that apply to or affect our business.

For a further discussion of factors that could cause our actual results to differ, refer to section titled *"Risk Factors"* and chapter titled *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* beginning on pages 19 and 183 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.

Future looking statements speak only as of the date of this Prospectus. Neither we, our Directors, Lead Manager, Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, the LM and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.

SECTION II – RISK FACTORS

An investment in Equity Shares involves a high degree of risk. 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. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this issue including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or any part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.

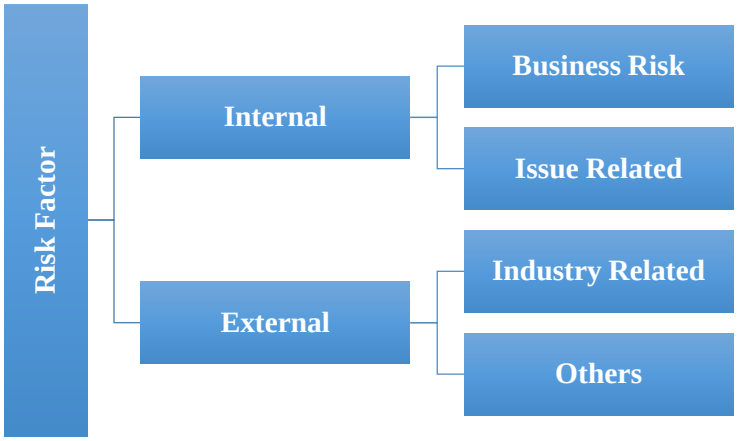
Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act, 2013 and its applicable Companies Act Rules (as amended from time to time) and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled "Our Business" beginning on page 126, "Our Industry" beginning on page 110 *and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 183 respectively, of this Prospectus as well as other financial information contained herein.*

The following factors have been considered for determining the materiality of Risk Factors:

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

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this section is derived from our financial statements under Indian GAAP, as restated in this Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled "Definitions and Abbreviation" beginning on page 3 *of this Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.*

The risk factors are classified as under for the sake of better clarity and increased understanding:



INTERNAL RISK FACTORS:

BUSINESS SPECIFIC RISKS:

1. ***We specialise in only 1 product type, i.e., Blue colour Dyes.***

   Initially, Our Company was into manufacturing various colours of dyestuffs till year 2013. After getting permission for manufacturing of CPC Blue Crude dyestuff and witnessing the growing demand of our CPC Blue product, our Company decided to focus into business of manufacturing on one specific product type and specialise in it, consequently we started manufacturing Turquoise Blue reactive dyes only with their sub-variants. Although this has led to the growth of our business both in terms of operational and financial performance in recent years, however, our business model is restricted to a particular product type and limits the growth to an extent owing to our inability to meet the demand of customers having requirements of various colour dyes and pigments. Presence substantially in only 1 colour product makes our business comparatively small and prone to competition risks. However, we market other colour products like Black, Orange and Red also but those are based on specific orders received and we are not into full-time manufacturing of the same. Customers may not prefer us as their business partner if they have requirements of multiple colours as we are not in a position to supply them multi-colour options from under one roof. This may adversely affect our overall business.

2. ***Our products use raw materials, prices of which have been very volatile in past.***

   Manufacturing of Dyes requires numerous dye intermediates, such as, Vinyl Sulhpor, Phosphorus Trichloride, Soda Ash. These intermediates forms substantial portion of our total production cost. Our cost of material consumed was approx. 58.44% of our Total Expense for the financial year ended 31st March, 2018. Although our Company produces one of the intermediates, but we procure majority of our raw materials requirements from third party suppliers. These chemicals are produced only by few companies such as Kutch Chemicals, Aksar Chem, Bodal Chemicals and Kiri Industries. We procure our major requirements from them and till now we have been able to procure it at the normal prevailing rates in market. However, there have been situations in past where prices of these intermediates have increased by multiple times causing us to pay abnormal cost for such intermediates adversely affecting our overall profitability thereby causing working capital crunch. As there are only few producers for these intermediates, we face a risk of substantial increase in prices by these producers. Occurrence of any such event in future may affect our business substantially both in terms of operations and financials.

3. ***Presently our major focus of revenue is on the sale of Blue Dyestuffs and any decrease in the demand for them will adversely affect our business.***

   Our Company has been focusing only on production of Blue dyestuffs. Our percentage revenue in F.Y. 2017-18 for Blue Dyestuffs was around 99%. We being a specialised player in Blue Reactive Dyes, our focus has remained intact in this segment. Any decrease in demand or our inability to supply our product on timely basis it may adversely affect our operational and financial performance.

4. ***Intense competition from China may affect our business adversely.***

Dye manufacturing business is carried majorly in India and China across the globe. Our company faces tough competition from players situated in China as they have a competitive advantage of manufacturing dyestuffs at lower cost. Since only 2 countries manufacture dyes, there is an intense competition between both the countries which are trying to increase their market share. There have been environmental restrictions on companies in China which has led to shut down of many dye manufacturers favouring other manufacturers, however, there is no assurance that such restrictions would kill the competition to our advantage and we will not face any threat from companies in China.

5. ***We are subject to various laws and regulations relating to the handling and disposal of hazardous materials and wastes. If we fail to comply with such laws and regulations, we can be subjected to prosecution, including imprisonment and fines or incur costs that could have a material adverse effect on the success of our business.***

The Environmental Protection Act, 1986, as amended, the Air (Prevention and Control of Pollution) Act, 1981, as amended, the Water (Prevention and Control of Pollution) Act, 1974, as amended and other regulations promulgated by the Ministry of Environment and Forest and various statutory and regulatory authorities and agencies in India regulate our handling of hazardous substances and wastes. We are required to obtain registrations from the relevant State Pollution Control Board to be able to handle and dispose hazardous and wastes. We are also required to take a number of precautionary measures and follow prescribed practices in this regard. Our failure to comply with these laws could result in us being prosecuted, including our directors and officers responsible for compliance being subjected to imprisonment and fines. We may also be liable for damage caused to the environment. Any such action could adversely affect our business and financial condition.

6. ***Our future growth is majorly dependent on the new manufacturing facility which we are setting up. Any delay in commissioning the new facility may hamper the business operations of our company.***

We have been into the business of dyestuffs since 1993, with the experience we possess our company has built a large customer base. At present, our manufacturing facility is operating at more than 90% of its installed capacity providing us limited scope to grow within the facility. To capitalize on this fact, we are setting up a new manufacturing facility spread over an area of 75,060 sq. meters with an annual production capacity of approx. 16,140 tons including dye intermediates and dyestuffs while the permitted capacity is approx. 32,800 tons p.a. Hence, our Company is largely dependent on the upcoming facility for further growth of our business. Our Company has received approval from Gujarat Pollution Control Board (GPCB) for their consent to establish this facility with the list of intermediates we intend to manufacture. Our Company has also received the No Objection Certificate from GPCB. However, any non-compliance with their rules and regulations, unavailability of the required funds for machineries, or any other internal or external factors within or beyond our control may adversely affect our expansion plan and may hinder the growth of our business. We may not be able to assure about the timely commencement of the proposed facility which may also possess a blockage to the growth plans of the company and cause stress on capital structure of the company.

7. ***We have not placed orders for 100% of the Plant & Machineries which will be required to be installed in the new manufacturing facility.***

Our Company has planned to set-up a new manufacturing facility in which company intends to increase its production capacity of manufacturing dyes. Further, the company also plans to manufacture certain intermediates which are required for manufacturing of dyestuffs. For this purpose, the Company has already acquired land at Saykha Industrial Estate – Dahej and our company has finalised the list of the machineries which are to be purchased. However, the plant and machineries which are to be installed are yet to be ordered and none of the machinery has been

purchased. Further, we have not entered into any definitive agreement with any of the suppliers for the purchase of the machineries.

8. ***We are in business related to chemicals which faces excessive government regulations.***

Dye chemical business involves use of numerous toxic acids and its related chemical components. Usage of such intermediates is hazardous to the environment as a whole. This leads to excessive government focus and regulations to be followed in such business model. With increased compliances and regulations, Company faces challenges on many aspects such as control on use of materials, discharge of effluent treatment which may affect the business directly. Any such non-compliances may lead to imposition of penalties, fines or imprisonment. Further, operations of the Company may be suspended; manufacturing licenses may be suspended, withdrawn or terminated.

9. ***Our Company generates major portion of its revenue from export operations. Any problems in such geographies may affect our business adversely.***

Our company manufactures dyestuffs and exports it to many countries like, Turkey, Egypt, Bangladesh, Pakistan etc. Our company has generated around 53.94% and 59.5% of its total revenue from export operations for the year ended F.Y. 2017-18 and for the year ended F.Y. 2016-17. The company's performance is largely dependent on the political and economic conditions in these regions. Any adverse situation in these regions may affect our business substantially. We believe the customer base which we have created over the years is strong enough to weather any such conditions, however, we may not guarantee that any problems in these region will not affect our business.

Consequently, any adverse changes in these economies such as slowdown in the economy, appreciation of the Indian Rupee vis-à-vis the currencies of these economies, acts of terrorism or hostility targeting these countries, etc. would directly impact our revenues and results from operations. In the event of change in policies or laws in these regions with respect to our industry, quality standards, our financial condition and business operations may be adversely affected. In case of any contingencies in future due to which we are unable to operate effectively in these markets, our results from operations, revenues and profitability may be adversely affected.

10. ***Our Company intends to utilise part of the proceeds of this Issues towards repayment of secured borrowings.***

As mentioned in the "Objects of the Issue" beginning on Page 97 of this Prospectus, we intend to utilise part of the proceeds towards repayment of certain secured borrowings availed by the Company. The rate of Interest charged on this borrowings are 9.5% and 12.5%. However, our Company has also certain borrowings for which higher rate of interest is charged by our lenders and the same is yet to be repaid. Our decision of repayment of lower rate borrowings prior to repaying borrowings with higher rate of interest may impact our finance cost consequently leading to lower profitability.

11. ***Our export operations are largely dependent on various treaties and government agreements between India and foreign nations.***

Our Company derives substantial portion of its revenue from exporting its products outside India. In this regards, our business with such countries are largely dependent on the signed treaties and agreements signed between such governments. Signed treaties and agreements controls the rules, regulations, prohibitions among other important factors which decides the trade relations between the countries which have entered into treaties and agreements. We have been able to trade with these countries owing to liberal and favourable treaties and business relations among the nations. However, with increasing competition and escalating trade wars situations, countries may impose certain restrictions, prohibitions or imposition of unfavourable terms, which may lead to inferior operational and financial performance.

12. ***Our manufacturing unit and proposed manufacturing facility is situated on plots that are taken on long-term lease from G.I.D.C., and we will have to comply with the terms and***

conditions/covenants laid down in lease agreements with G.I.D.C., noncompliance of the same may affect our business operations.

Our Company has its manufacturing unit situated at 88/6-8, GIDC Phase I, Vatva, Ahmedabad – 382445, Gujarat, India within G.I.D.C. limits. The said plot is taken on long-term lease from G.I.D.C. Further, the proposed manufacturing facility at Saykha Industrial Estate of Dahej, Gujarat has also been taken on long term lease from G.I.D.C. We have been complying with all on-going requirements of G.I.D.C. and as on date of this Prospectus there are no litigations or disputes on our occupancy of such land with G.I.D.C. However, any defaults in complying with the said terms and conditions/covenants on our part may be subjected to penal provisions and it may also lead to the cancellation of such lease, which will adversely affect our business, financial conditions and results of operations.

13. *Delay in schedule of the setting up of facility may subject our Company to risks related to time and cost overrun which may have a material adverse effect on our business, results of operations and financial condition.*

Our Company is currently proposing to set-up a new manufacturing facility at Saykha GIDC, Dahej. For further details regarding to our proposed manufacturing facility, please refer the chapter titled "*Objects of the Issue*" on page 97 of this Prospectus. We may face risks relating to the delay in schedule of setting up of facility, complete the project within our estimated budget, failure of our contractors and suppliers to adhere to our specifications and timelines, and changes in the general economic and financial conditions in India. Further as and when we complete our set-up work, our material requirements and costs as well as our staffing requirements and employee expenses may increase and we may face other challenges in extending our financial and other controls to our unit managing our consequent growth. In the event that the risks and uncertainties discussed above or any other unanticipated risks, uncertainties, contingencies or other events or circumstances limit or delay our efforts to use the Net Proceeds to achieve the planned growth in our business, the use of the Net Proceeds for purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of your investment in our Equity Shares.

14. *We depend on a limited number of customers for a significant portion of our revenues. The loss of a major customer or significant reduction in production and sales of, or demand for our products from, our major customers may adversely affect our business, financial condition, results of operations and prospects.*

We derive our entire operational revenues from sale of dyestuffs in the domestic as well as overseas market. We depend on a limited number of customers for a significant portion of our revenues. Revenue from our top 10 and top 5 customers constituted 44.49% and 27.61% of our revenue for Financial Year 2017-18. We face competition from both domestic and international manufacturers in the international market. However, we believe that we have good and long term relationship with our customers, any loss of customer base or reduction in volume of orders, out of our existing customers, will impact our overall sales, resulting in a decline in our revenues. While we are constantly striving to increase our customer base and reduce dependence on any one particular customer, there is no assurance that we will be able to broaden our customer base in any future periods or that our business or results of operations will not be adversely affected by a reduction in demand or cessation of our relationship with any of our major customers.

15. *Our dependence on few suppliers puts us at risk of interruptions in the availability of raw materials, which could adversely affect our business, financial condition and results of operations. Further, we have not entered into any long-term agreements with our suppliers for raw materials and accordingly may face disruptions in supply from our current suppliers.*

We procure raw materials / intermediates required for the manufacturing of dyestuffs from various companies in the domestic market. We chose to deal with suppliers on the basis of quality assurance, cost effectiveness and relationships. Though we prefer to deal with a fixed set of suppliers with whom we have cordial relationships, there are no fixed suppliers for our raw material

purchases and we have not entered into any fixed supply agreement or MoU or any other arrangement with any of our suppliers. Our top 10 and top 5 suppliers contributed 88.51% and 70.6% of our Total Purchases for the F.Y. 2017-18.

These suppliers have accorded their trust and service based on our long operating history in the industry, our credit worthiness, and our goodwill. However, in the absence of written agreements, our suppliers are not bound to supply goods to us and can withdraw their commitments from us at any time. There can be no assurance that there will not be a significant disruption in the supply of raw materials from current sources, or, in the event of a disruption, that we would be able to locate alternative suppliers of the raw materials of comparable quality on terms acceptable to us, or at all. Identifying a suitable supplier involves a process that requires us to become satisfied with their quality control, consistency, responsiveness and service, financial stability and other ethical practices.

16. Our performance is majorly dependent on textile and garment Industry. Any slowdown in these sectors may adversely impact our financial performance.

Our products, dyestuffs are used in textile industry for dying the cloths. Growth of dye industry is directly related to the progress of the textile industry. With increased manufacturing activity in textile and garment sector, there would be drive in demand for the dyestuffs. Any slowdown in the concerned sectors would hamper the demand scenario which may lead to under-utilization of capacity owing to reduced sales. With lower capacity utilization, there would be an increase in cost burden ultimately affecting the operational and financial performance of the company adversely.

17. *Our statutory auditor has included an audit qualification in its audit reports for the year ended March 31, 2012 to March 31, 2017.*

Our Statutory Auditor in its Audit report for the year ended 31st March, 2012 to 31st March, 2017 has made a qualification, which read as under:

"The company does not include excise duty payable on the unsold stock of finished goods in Valuation of finished goods as required under Accounting Standard – 2 "Valuation of Inventories" in respect of valuation of inventories, which constitutes departure from the Accounting Standard specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. However, such non-inclusion of excise duty will not affect the profit of the year".

Other than as mentioned above, our Company did not had any qualifications from the auditors, however, this may not guarantee that such qualifications may not occur in future if there is any violation of relevant accounting standards.

18. Our Company has changed an accounting policy in last 3 years.

Our Company during the applicability of Companies Act, 1956 was following an accounting policy for depreciation on Plant & Machineries considering the useful life as 40 years. With the applicability of Companies Act, 2013 and rules thereon, our Company changed the accounting policy for depreciation on Plant & Machineries from 40 years to 15 years and therefore the rates of deprecation have been changed accordingly. However, this change is in compliance with the relevant provisions and accounting standards as applicable, we may not be able to assure of any further changes in accounting policy which may impact the profitability and presentation of financial statements.

19. We do not have any offshore office or business place to look after our export operations.

We sell our products to both domestic as well as international markets. A major portion of our revenue from operations is derived from international markets. However, we do not have any offshore office as a result of which we may not be able to capitalize on opportunities offered by the evolving international tiles sector in a timely manner. The business operations of our Company are mainly handled from our registered office located at Gujarat. Apart from this, our Company does not have any place of business overseas either in the nature of liaison office or corporate

office. Owing to this, we may not be able to expand our business effectively in the international market, thereby affecting the results of operations and profitability.

20. We are subject to foreign currency exchange rate fluctuations which could have a material and adverse effect on our results of operations and financial conditions.

Our foreign exchange transactions are not hedged. Our Company has derived approx. 53.94% of revenue from export operations in FY 2017-18. We export our products and receive sale proceeds in foreign currency denominated in USD. Changes in value of currencies with respect to the Rupee may cause fluctuations in our operating results expressed in Rupees. The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. As our exposures are not hedged, we are exposed to foreign currency fluctuation risk and may affect our Company's results of operations. However, our Company has gained on account of foreign exchange fluctuation to the extent of Rs. 11.81 Lakhs for the year ended 31st March, 2018.

21. *The industry segments in which we operate being fragmented, we face competition from other players, which may affect our business operational and financial conditions.*

The market for our products is competitive on account of both the organized and unorganized players. Players in this industry generally compete with each other on key attributes such as technical competence, quality of products, customer base, pricing and timely delivery. Some of our competitors may have longer industry experience and greater financial, technical and other resources, which may enable them to react faster in changing market scenario and remain competitive. Moreover, the unorganized sector offers their products at highly competitive prices which may not be matched by us and consequently affect our volume of sales and growth prospects. Growing competition may result in a decline in our market share and may affect our margins which may adversely affect our business operations and our financial condition.

22. *Our manufacturing facilities are located at Gujarat. Any delay in production at, or shutdown of, or any interruption for a significant period of time, in these facilities may in turn adversely affect our business, financial condition and results of operations.*

Our Company has its manufacturing facilities are located at Vatva in Gujarat. Our success depends on our ability to successfully manufacture and deliver our products to meet our customer demand. Our manufacturing facility is susceptible to damage or interruption or operating risks, such as human error, power loss, breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, loss of services of our external contractors, terrorist attacks, acts of war, break-ins, earthquakes, other natural disasters and industrial accidents and similar events. Further, our manufacturing facility is also subject to operating risk arising from compliance with the directives of relevant government authorities. Operating risks may result in personal injury and property damage and in the imposition of civil and criminal penalties. If our Company experiences delays in production or shutdowns due to any reason, including disruptions caused by disputes with its workforce or any external factors, our Company's operations will be significantly affected, which in turn would have a material adverse effect on its business, financial condition and results of operations.

23. Our Company has negative cash flows from its investing and financing activities in the past years, details of which are given below. Sustained negative cash flow could impact our growth and business.

Our Company had negative cash flows from its investing and financing activities in the previous years as per the Restated Financial Statements and the same are summarized as under:

Amount (Rs. In lakhs)

Particulars	For the year ended 31st March				
	2018	2017	2016	2015	2014
Cash Flow from / (used in) Operating Activities	308.76	412.25	191.87	309.64	113.59

Particulars	For the year ended 31st March				
	2018	2017	2016	2015	2014
Cash Flow from / (used in) Investing Activities	(770.07)	(171.66)	(155.97)	(570.83)	(165.11)
Cash Flow from / (used in) Financing Activities	471.81	(368.72)	99.45	189.09	111.21

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows in future, it may adversely affect our business and financial operations.

24. Our Company requires significant amounts of working capital for a continued growth. Our inability to meet our working capital requirements may have an adverse effect on our results of operations.

Our business is working capital intensive. A significant portion of our working capital is utilized towards trade receivables and trade payables. Summary of our working capital position is given below:-

Amount (Rs. In lakhs)

Particulars	For the year ended 31st March				
	2018	2017	2016	2015	2014
A. Current Assets					
(a) Inventories	313.24	277.38	239.91	232.52	407.65
(b) Trade receivables	624.81	514.38	488.49	488.95	578.25
(c) Cash and cash equivalents	25.04	14.55	142.67	7.32	79.42
(d) Short-term loans and advances	319.40	242.06	142.18	159.72	289.76
B. Current Liabilities					
(a) Trade payables	614.57	661.83	452.91	524.05	719.37
(b) Other current liabilities	109.71	102.48	151.58	109.28	31.67
(c) Short-term provisions	94.87	109.09	91.49	67.51	121.47
Working Capital (A-B)	**463.36**	**174.97**	**317.28**	**187.66**	**482.58**
Trade Receivables as % of total current assets	**48.72%**	**49.07%**	**48.21%**	**55.03%**	**42.67%**
Trade Payables as % of total current liabilities	**75.03%**	**75.78%**	**65.08%**	**74.77%**	**82.45%**

We intend to continue growing by expanding our business operations. This may result in increase in the quantum of current assets particularly trade receivables and trade payables. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the chapter titled "*Objects of the Issue*" beginning on page 97 of this Prospectus.

25. We depend on certain brand names and our corporate name and logo that we may not be able to protect and/or maintain. We have a logo which is used for our business purpose. Further the said logo is not applied for registration with the registrar of trademarks.

Our ability to market and sell our products depends upon the recognition of our brand names and associated consumer goodwill. Currently, we do not have registered trademarks for our corporate name and logo under the Trade Marks Act, 1999. Consequently, we do not enjoy the statutory protections accorded to registered trademarks in India for the corporate name and logo of our company. In the absence of such registrations, competitors and other companies may challenge the

validity or scope of our intellectual property right over these brands or our corporate name or logo. As a result, we may be required to invest significant resources in developing new brands or names, which could materially and adversely affect our business, financial condition, results of operations and prospects.

Our failure to comply with existing or increased regulations, or the introduction of changes to existing regulations, could adversely affect our business, financial condition, results of operations and prospects.

The material approvals, licences or permits required for our business include trade licence, excise and approvals related to tax laws and environment laws among others. See "Government and other Statutory Approvals" on page 207 of this Prospectus for further details on the required material approvals for the operation of our business.

26. Our industry is labour intensive and our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.

We believe that the industry in which we operate face competitive pressures in recruiting and retaining skilled and unskilled labour. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. We have not experienced any major disruptions to our business operations due to disputes or other problems with our work force in the past; there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment.

We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

27. We require a number of approvals, NOCs, licences, registrations and permits in the ordinary course of our business. Some of the approvals are required to be transferred in the name of "USHANTI COLOUR CHEM LIMITED" from "USHANTI COLOUR CHEM PRIVATE LIMITED" pursuant to name change of our company and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.

We need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course of our business Approval like TAN allotment letter is currently not traceable and the Company has not applied for Udyog Aadhaar Memorandum. Any failure to renew the approvals that have expired, or to apply for and obtain the required approvals, licences, registrations or permits, or any suspension or revocation of any of the approvals, licences, registrations and permits that have been or may be issued to us, could result in delaying the operations of our business, which may adversely affect our business, financial condition, results of operations and prospects. We cannot assure you that the approvals, licences, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Additionally, our company is in the course of expansion of its business. It shall be establishing Unit II as a part of expansion. There are a complete series of mandatory approval and other certifications to be applied by the Company as mentioned in "Mandatory Approvals related to Proposed Unit II yet to be applied by the Company" in the Government and Other Statutory

Approvals Chapter. In case of any failure to obtain the same, it may adversely affect our business operations. For more information, see chapter "Government and Other Statutory Approvals" on page 207 of this Prospectus.

28. ***Our export operations are majorly done via Pipavav Port and Mundra Port in Gujarat. Thus, the growth of our business is directly linked to facilities provided at these major ports and Infrastructural development on these ports.***

Our export operations outside India are primarily done from the Pipavav and Mundra ports in Gujarat. The Mundra Port is one of the largest ports in India and any interruption in port or any sanctions by the GoI on the facilities at these ports could adversely affect our business operations and financial position and thereby affecting the overall profitability of the business.

29. ***The shortage or non-availability of power and water facilities may adversely affect our manufacturing processes and have an adverse impact on our results of operations and financial condition.***

Our manufacturing processes requires substantial amount of power and water facilities. The quantum and nature of requirements of our industry and Company is such that it cannot be supplemented/ augmented by alternative/ independent sources of supply since it involves significant capital expenditure and per unit cost produced is very high. We are mainly dependent on State Government for meeting our electricity and water requirements. Any defaults or noncompliance of the conditions may render us liable for termination of the agreement or any future changes in the terms of the agreement may lead to increased costs, thereby affecting the profitability. Further, since we are majorly dependent on third party power supply; there may be factors beyond our control affecting the supply of power.

30. ***We are dependent on third party transportation providers for transportation of raw materials and finished goods. Accordingly, any increase in transportation costs or unavailability of transportation services for our products may have an adverse effect on our business.***

Our company is engaged in manufacturing of dyestuffs and have our manufacturing facility at Vatva, Gujarat. We procure raw materials from manufacturers in Gujarat. Also, our finished goods are sold and delivered to various locations across the country and exported to various other countries. Most of these raw material and finished products are transported to and from our manufacturing unit by third party transportation providers. Transportation strikes could have an adverse effect on our receipt of goods, raw materials and our ability to deliver our products to our customers. Non-availability of ships, barges and trucks could also adversely affect our receipt of goods, raw materials and the delivery of our products.

Further, India's physical infrastructure is less developed than that of many developed nations, and problems with its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity, including our supply of goods, raw materials and the delivery of our products to customers by third-party transportation providers. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our business operations, which could have a material adverse effect on our results of operations and financial condition.

31. ***Our Company's failure to maintain the quality and concentration of the dyestuffs or keep pace with the technological developments could adversely impact our business, results of operations and financial condition.***

Our products depend on recent trends and developments as we manufacture and market the products as per the market trends. Any failure to maintain the quality standards patterns may affect our business. Although we have put in place strict quality control procedures, we cannot assure that our products will always be able to satisfy our customers' quality standards. Any negative publicity regarding our Company, or products, including those arising from any deterioration in quality of our products from our vendors, or any other unforeseen events could adversely affect

our reputation, our operations and our results from operations. Also, rapid change in our customers' expectation on account of changes in technology or introduction of new products or for any other reason and failure on our part to meet their expectation could adversely affect our business, result of operations and financial condition. While, we believe that we have always introduced quality products based on consumers need to cater to the growing demand of our customers and also endeavour to regularly update our existing technology, our failure to anticipate or to respond adequately to changing technical, market demands and/or client requirements could adversely affect our business and financial results.

32. ***We have not entered into any definitive agreements with our customers. If our customers choose not to buy their products from us, our business, financial condition and results of operations may be adversely affected and our business are on purchase order basis with our customers.***

We have not entered into any definitive agreements with our customers, and instead we majorly rely on Purchase orders to govern the volume, pricing and other terms of sales of our products. However, such orders may be amended or cancelled prior to finalisation, and should such an amendment or cancellation take place. Consequently, there is no commitment on the part of the customer to continue to source their requirements from us, and as a result, our sales from period to period may fluctuate significantly as a result of changes in our customers vendor preferences. Any failure to meet our customers' expectations could result in cancellation of orders. There are also a number of factors other than our performance that are beyond our control and that could cause the loss of a customer. We do not have long-term contracts with our customers and there can be no assurance that we will continue to receive repeat orders from any of them, including our long-standing customers. Further, even if we were to continue receiving orders from our clients, there can be no assurance that they will be on the same terms, and the new terms may be less favourable to us than those under the present terms.

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

Our Company has entered into various transactions with our Promoter, Directors and their Relatives. While we believe that all such transactions are conducted on arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions were not entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in future. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to chapter "*Related Party Transactions*" beginning on page 180 of the Prospectus.

34. We are subject to risks associated with expansion into new geographic regions.

Expansion into new geographic regions, including different states in India, subjects us to various challenges, including those relating to our lack of familiarity with the culture, legal regulations and economic conditions of these new regions, language barriers, difficulties in staffing and managing such operations, and the lack of brand recognition and reputation in such regions. For instance, we intend to set up new stores in certain parts of northern India. The risks involved in entering new geographic markets and expanding operations, may be higher than expected, and we may face significant competition in such markets. By expanding into new geographical regions, we could be subject to additional risks associated with establishing and conducting operations, including, laws and regulations, uncertainties and customer's preferences, political and economic stability.

By expanding into new geographical regions, we may be exposed to significant liability and could lose some or all of our investment in such regions, as a result of which our business, financial condition and results of operations could be adversely affected.

35. ***Under-utilization of manufacturing capacity at our unit may affect our business which in turn may affect our results of operations.***

Presently, our manufacturing facility operates at an efficiency level in excess of 90% of its installed capacity. Further, we are in the process of establishing a new manufacturing facility at Dahej. In the event that we are unable to fully utilize the increased capacity, our cost of production owing to fixed costs may increase substantially which may adversely affect our result of operations.

36. *Our Company has lapsed/delayed in making the required filings under Companies Act, 2013. Our Company also has not complied with certain statutory provisions under Companies Act. Such non-compliances/lapses may attract penalties.*

Our Company is required to make filings under various rules and regulations as applicable under the Companies Act, 2013 and under the applicable provisions of the Companies Act, 1956. Some of which has not been done within the stipulated time period at some instances. For instance, our Company has lapsed in filing of Form 20B by mentioning wrong number of shares of Mr. Shantilal Gandhi and Mr. Maunal Gandhi in the form for financial year 2003-04, 2004-05 and 2005-06. Although, we have not received any show-cause notice in respect of the above, such delay/non-compliance may in the future render us liable to statutory penalties and could have serious consequences on our operations. While this could be attributed to technical lapses and human errors, our Company has now appointed a Company Secretary and is in the process of setting up a system to ensure that requisite filings are done appropriately with the requisite timeline.

37. Our insurance coverage may not be adequate.

Our Company has obtained insurance coverage in respect of certain risks. We have taken insurance policies such as Marine, Standard Fire and Special Perils Policy policy. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like loss of profits, losses due to terrorism, etc. Further there can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected.

For further details, please refer chapter titled "*Our Business*" beginning on page 126 of this Prospectus.

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

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

39. Our operations may be adversely affected in case of industrial accidents at any of our production facilities.

Usage of heavy machinery, handling of materials by labour during production process or otherwise, lifting of materials by humans, heating processes of the furnace etc. may result in accidents, which could cause injury to our labour, employees, other persons on the site and could also damage our properties thereby affecting our operations. Though our plants and machinery are covered under insurance, occurrence of accidents could hamper our production and consequently affect our profitability.

40. Compliance with, and changes in, safety, health and environmental laws and regulations may adversely affect our business, prospects, financial condition and results of operations.

Due to the nature of our business, we expect to be or continue to be subject to extensive and increasingly stringent environmental, health and safety laws and regulations and various labour, workplace and related laws and regulations. We are also subject to environmental laws and regulations, including but not limited to:

- Environment (Protection) Act, 1986
- Air (Prevention and Control of Pollution) Act, 1981
- Water (Prevention and Control of Pollution) Act, 1974
- Hazardous Waste Management & Handling Rules, 2008
- The Indian Boilers Act, 1923
- Other regulations promulgated by the Ministry of Environment and Forests and the Pollution Control Boards of the state of Gujarat

which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from the operations of our business. The scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted and hence the costs and management time required to comply with these requirements could be significant. Amendments to such statutes may impose additional provisions to be followed by our Company and accordingly the Company needs to incur clean-up and remediation costs, as well as damages, payment of fines or other penalties, closure of production facilities for non - compliance, other liabilities and related litigation, could adversely affect our business, prospects, financial condition and results of operations.

41. *We have issued Equity Shares during the last 12 months at a price which may be below the Issue price.*

We have issued certain Equity shares in the last twelve months at a price that are lower than the Issue price. Details of such issuances are given in the table below:

Date of Allotment	No. of Equity Shares	Issue price	Nature of allotment
March 16, 2018	48,87,000	Nil	Bonus Issue

For further details of equity shares issued, please refer to the section titled "*Capital Structure*" beginning on page no. 75 of the Prospectus.

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

We have secured our lenders by creating a charge over our movable and immovable properties in respect of loans / facilities availed by us from banks and financial institutions. The total amounts outstanding and payable by us as secured loans were Rs. 750.64 Lakhs as on March 31, 2018. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information on the "*Financial Indebtedness"* please refer to page 197 of this Prospectus.

43. Our lenders have imposed certain restrictive conditions on us under our financing arrangements. Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure. Further, we are required to maintain certain financial ratios.

There can be no assurance that we will be able to comply with these financial or other loan covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that is not waived by our lenders

or is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. For further information, see the chapter titled "*Financial Indebtedness*" on page 197 of the Prospectus.

Though these covenants are restrictive to some extent for us, however it ensures financial discipline, which would help us in the long run to improve our financial performance.

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

As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the issue. We meet our capital requirements through our bank finance, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled "*Objects of the Issue*" beginning on page 97 of this Prospectus.

45. Our Company has unsecured loans which are repayable on demand. Any demand loan from lenders for repayment of such unsecured loans, may adversely affect our cash flows.

As on March 31, 2018, our Company has unsecured loans amounting to Rs. 520.63 lakhs from related and other parties that are repayable on demand to the relevant lender. Further, some of these loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows. For further details of unsecured loans of our Company, please refer the chapter titled "*Financial Statements as Restated"* beginning on page 182 of this Prospectus.

46. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "*Dividend Policy*" on page 181 of this Prospectus.

47. Within the parameters as mentioned in the chapter titled 'Objects of this Issue' beginning on page 97 of this Prospectus, our Company's management will have flexibility in applying the proceeds of this Issue.

We intend to use Issue Proceeds towards meeting the fund required for expansion, towards repayment of secured loan, general corporate purpose and to meet the issue expenses. We intend to deploy the Net Issue Proceeds by financial year 2019-20 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy

of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled "*Objects of the Issue*" beginning on page 97 of this Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company's Board of Directors. The fund requirement and deployment is based on internal management estimates and has been appraised by ANA & Associates. Accordingly, within the parameters as mentioned in the chapter titled '*Objects of the Issue*' beginning on page 97 of this Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. Our Board of Directors will monitor the proceeds of this Issue. However, Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. However in accordance with Section 27 of the Companies Act, 2013, and relevant provisions of SEBI ICDR Regulations, 2009, a company shall not vary the objects of the offer without our Company being authorise to do so by our shareholders by way of special resolution and other compliances in this regard. Our Promoters and controlling shareholders shall provide 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.

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

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

49. Our future funds requirements, in the form of issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.

We may require additional capital from time to time depending on our business needs. Any issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

50. Our success depends largely upon the services of our Directors, Promoters and other Key Managerial Personnel and our ability to attract and retain them. Demand for Key Managerial Personnel in the industry is intense and our inability to attract and retain Key Managerial Personnel may affect the operations of our Company.

Our success is substantially dependent on the expertise and services of our Directors, Promoters and our Key Managerial Personnel ("KMP"). They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our future performance will depend upon the continued services of these persons. Demand for KMP in the industry is intense. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

51. In addition to normal remuneration or benefits and reimbursement of expenses, some of our Directors and key managerial personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.

Our Directors and Key Managerial Personnel ("KMP") are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to

them. In addition, some of our Directors and KMP may also be interested to the extent of their shareholding and dividend entitlement in our Company. For further information, see "*Capital Structure*" and "*Our Management*" on pages 75 and 160, respectively, of this Prospectus.

52. Our Promoter and members of the Promoter Group will continue jointly to retain majority control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.

After completion of the Issue, our Promoters and Promoter Group will collectively own 73.62% of the Equity Shares. As a result, our Promoter together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our AoA. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

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

53. *We have taken guarantees from Promoters and members of Promoter Group in relation to debt facilities provided to us.*

We have taken guarantees from Promoters and members of Promoter Group in relation to our secured debt facilities availed from our Bankers. In an event any of these persons withdraw or terminate its/their guarantees, the lender for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information please see the chapter titled *"Financial Indebtedness"* beginning on page 197 of this Prospectus.

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

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

55. Certain agreements may be inadequately stamped or may not have been registered as a result of which our operations may be adversely affected.

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

56. The average cost of acquisition of Equity Shares by our Promoters could be lower than the floor price.

Our Promoters average cost of acquisition of Equity Shares in our Company may be lower than the Floor Price of the Price Band as may be decided by the Company in consultation with the LM. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our

Company and build-up of Equity Shares by our Promoters in our Company, please refer chapter title "*Capital Structure*" beginning on page 75 of this Prospectus.

57. *Negative publicity could adversely affect our revenue model and profitability.*

Our business is dependent on the trust our customers have in the quality of our products. Any negative publicity regarding our company, brand, or products, including those arising from a drop in quality of merchandise from our vendors, mishaps resulting from the use of our products, or any other unforeseen events could affect our reputation and our results from operations. Further, our brand may also be affected if there is any negative publicity associated with our products.

58. *Industry information included in this Prospectus has been derived from industry reports. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.*

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although, we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us, or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Prospectus.

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

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

ISSUE SPECIFIC RISKS

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

Once listed, we would be subject to circuit breakers imposed by stock exchange in India i.e. National Stock Exchange of India Limited, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do

not inform us of the percentage limit of the circuit breaker in effect from time to time, and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

61. 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 is Rs. 60/-. This price is based on numerous factors (For further information, please refer chapter titled "*Basis for Issue Price*" beginning on page 105 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. The following:

- 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.

62. Sale of Equity Shares by our Promoters or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.

Any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

63. *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 Exchange 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 Industry in which we operate;
- Changes in our estimates of performance or recommendations by financial analysts;
- Significant developments in India's economic and fiscal 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.

64. *You will not be able to sell immediately on Stock Exchange any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.*

The Equity Shares will be listed on the Stock Exchange. 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 investor's demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in the Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the Companies Act, 2013, 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.

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

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid Period and withdraw their Bids until Bid Closing Date. While our Company is required to complete Allotment pursuant to the Issue within six Working Days from the Bid Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Bidders ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

EXTERNAL RISK FACTORS

INDUSTRY RISKS

66. Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.

Our business and industry is regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

OTHER RISKS

67. Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with SEBI ICDR Regulations contained in this Prospectus.

As stated in the reports of the Auditor included in this Prospectus under chapter "*Financial Statements as restated*" beginning on page 182, the financial statements included in this Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Prospectus. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Prospectus should accordingly be limited.

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

Under the Income-tax Act, 1961, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India except any gain realised on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the Securities Transaction Tax ("STT") has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realised on the sale of shares held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realised on the sale of shares on a stock exchange held for a period of 12 months or less will be subject to short term capital gains tax. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India.

In Finance Bill 2017, Section 10(38) was amended to provide that exemption under this section for income arising on transfer of equity share acquired on or after 1st day of October 2004 shall be available only if the acquisition of share is chargeable to STT under Chapter VII of the Finance (No 2) Act, 2004. In this case, this provision becomes effective, sale shares acquired on or after 1st day of October 2004 on which STT was not charged will attract tax under provisions of Long Term Capital Gains.

As per Finance Bill 2018, exemption under section 10(38) for income arising from long term gains on transfer of equity share shall not be available on or after 1st day of April 2018 if the long term capital gains exceeds Rs. 1,00,000/- p.a. Such income arising from long term gains on transfer of equity share on or after 1st day of April 2018 in excess of Rs. 1,00,000/- pa. shall be chargeable at the rate of 10%.

Capital gains arising from the sale of shares will be exempt from taxation in India in cases where an exemption is provided under a tax treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of the shares subject to relief available under the applicable tax treaty or under the laws of their own jurisdiction.

69. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business and financial performance.*

Our business and financial performance could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business. Please refer to "*Key Industry Regulations and Policies*" on page 143 for details of the laws currently applicable to us. There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

GST has been implemented with effect from July 1, 2017 and has replaced the indirect taxes on goods and services such as central excise duty, service tax, central sales tax, state VAT and surcharge currently being collected by the central and state governments. The GST is expected to increase tax incidence and administrative compliance. Given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to the tax regime following implementation of the GST. The implementation of this new structure may be affected by any disagreement between certain state Governments, which could create uncertainty.

Any future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

Further, the general anti avoidance rules ("GAAR") provisions have been made effective from assessment year 2018-19 onwards, i.e.; financial Year 2017-18 onwards and the same may get triggered once transactions are undertaken to avoid tax. The consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain.

The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. If such tax laws, rules and regulations are amended, new adverse laws, rules or regulations are adopted or current laws are interpreted adversely to our interests, the results could increase our tax payments (prospectively or retrospectively) and/or subject us to penalties. Further, changes in capital gains tax or tax on capital market transactions or sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

70. 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.

71. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.

The GoI has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

72. Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

73. ***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.

74. ***The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.***

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

75. ***Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.***

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

76. ***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, floods etc. 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 operations as well as the price of the Equity Shares.

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

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

PROMINENT NOTES:

1. Public Issue of 19,26,000 Equity Shares of face value of Rs. 10 each of our Company for cash at a price of Rs. 60/- per Equity Share ("Issue Price") aggregating upto Rs. 1,155.60 Lakhs, of which 98,000 Equity Shares of face value of Rs. 10 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. Net Issue of 18,28,000 Equity Shares of face value of Rs. 10 each is hereinafter referred to as the "Net Issue". The Issue and the Net Issue will constitute 26.38% and 25.04% respectively of the post Issue paid up equity share capital of the Company.

2. Investors may contact the LM or the Company Secretary & Compliance Officer for any complaint/clarification/information pertaining to the Issue. For contact details of the Lead Manager and the Company Secretary & Compliance Officer, please refer to chapter titled "*General Information*" beginning on page 66 of this Prospectus.

3. The pre-issue net worth of our Company was Rs. 869.78 Lakhs for the period ended 31st March, 2018 and Rs. 631.27 lakhs as of March 31, 2017. The book value of Equity Share post bonus issue was Rs 16.18 as at March 31, 2018 and Rs. 11.74 as at March 31, 2017 as per the restated financial statements of our Company. For more information, please refer to section titled "*Financial Statements*" beginning on page 182 of this Prospectus.

4. The average cost of acquisition per Equity Share by our Promoter is set forth in the table below:

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Maunal Gandhi	13,51,427	1.04
Minku Gandhi	13,51,427	1.04

   For further details relating to the allotment of Equity Shares to our Promoters, please refer to the chapter titled *"Capital Structure"* beginning on page 75 of this Prospectus.

5. For details on related party transactions and loans and advances made to any company in which Directors are interested, please refer *"Related Party Transaction"* under chapter titled *"Financial Statements as restated"* beginning on page 182 of this Prospectus.

6. Investors may note that in case of over-subscription in the Issue, allotment to Retail applicants and other applicants shall be on a proportionate basis. For more information, please refer to the chapter titled *"Issue Structure"* beginning on page 231 of this Prospectus.

7. Except as disclosed in the chapter titled *"Capital Structure", "Our Promoter and Promoter Group*", "*Our Management*" and *"Related Party Transaction"* beginning on pages 75, 175, 160 and 180 respectively, of this Prospectus, none of our Promoter, Directors or Key Management Personnel has any interest in our Company.

8. Except as disclosed in the chapter titled "Capital Structure" beginning on page 75 of this Prospectus, we have not issued any Equity Shares for consideration other than cash.

9. Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.

10. There has been no capitalisation of reserves since inception.

11. Investors are advised to refer to the chapter titled *"Basis for Issue Price"* beginning on page 105 of the Prospectus.

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

13. Our Company was incorporated under the provisions of Companies Act, 1956 as 'Ushanti Colour Chem Private Limited' in Gujarat *vide* Certificate of Incorporation issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli, on May 12, 1993. Consequently, it was converted

into a public limited company pursuant to special resolution passed at Extra-ordinary General Meeting of our Company held on February 19, 2018 and the name of our Company was changed to 'Ushanti Colour Chem Limited' and a fresh certificate of incorporation consequent upon Conversion of Private Limited to Public Limited dated 7th March, 2018 was issued by Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U24231GJ1993PLC019444. For further details of incorporation, change of name of the Registered Office our Company, please refer to chapter titled "*Our History and Certain Other Corporate Matters"* beginning on page 155 of this Prospectus.

14. As on date of this Prospectus, our Company does not have any Group Company.

SECTION III - INTRODUCTION

SUMMARY OF INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled "Risk Factors" and "Financial Statements" and related notes beginning on pages 19 and 182 respectively of this Prospectus before deciding to invest in our Equity Shares.

INTRODUCTION TO DYE CHEMICAL INDUSTRY

Basic dye chemicals and their related products (petrochemicals, fertilisers, paints, varnishes, glass, perfumes, toiletries, pharmaceuticals, etc.) constitute a significant part of the Indian economy. Among the most diversified industrial sectors, chemicals cover an array of more than 70,000 commercial products. In April-June 2017, total Foreign Direct Investments (FDI) in chemicals (excluding fertilisers) stood at US$ 679 million whereas cumulative FDI till June 2017 from April 2000 was US$ 13.972 billion. India is the sixth largest producer of chemicals globally and third largest producer in Asia in terms of output. The country ranks third globally in the production of agro chemicals and contributes around 16 per cent to the global dyestuff and dye intermediates production.

(Source: Introduction to Indian Dye Chemicals Industry, India Brand Equity Foundation - *www.ibef.org)*

GLOBAL ECONOMIC OVERVIEW

According to the International Monetary Fund (IMF), the global economy is experiencing a near-synchronous recovery, the most broad-based since 2010. In 2017, roughly three-quarters of countries experienced improvements in their growth rates, the highest share since 2010. The latest World Economic Outlook (WEO) of the IMF shows global GDP growth accelerated to around 3.6 percent in 2017 from 3.2 percent in 2016, and the forecast for 2018 has been upgraded by 0.2 percentage points to 3.9 percent. Although rebounding, global growth is still well below levels reached in the 2000s.

One reason why the recovery has spread around the globe is that world trade in goods and services has finally emerged from its torpor, registering 4.7 percent real volume growth in 2017 compared with 2.5 percent in 2016. Another reason is that commodity producers such as Russia, Brazil, and Saudi Arabia, which for the past few years been suffering from depressed prices, have benefitted from the upswing in demand. Commodity prices increased smartly in 2017, led by petroleum, whose price rose by 16 percent to reach $61 per barrel by the end of the year.

Even as global growth and commodity prices have surged, inflation has remained remarkably quiescent, remaining below 2 percent in the main advanced regions. Consequently, monetary policies in the US, Eurozone and Japan have remained highly accommodative despite a strong recovery. These unusual settings—rapid growth, ultra-low interest rates—at a late stage in the economic cycle have produced the rarest of combinations: record-high high bond prices and stock market valuations, both at the same time. The consensus forecast calls for these conditions to be sustained in 2018, as companies respond to buoyant demand conditions by stepping up investment, some governments (such as the US) embark on expansionary fiscal policies, while advanced country monetary policies remain stimulative and world trade continues to grow briskly.

What are the risks? Of course, there are the usual geo-political and geo-economic risks: war in the Korean peninsula; political upheaval in the Middle East; aggressive output cuts by Saudi Arabia (and Russia) in advance of the planned listing of the Saudi Arabian oil company, Aramco, which could force oil prices even higher; a final reckoning from China's unprecedented credit surge in the form of capital controls, slowdown in growth, and a sharply depreciating currency with consequences for the global

economy (Economic Survey, 2016-17, Chapter 1); and trade tensions that could lead to skirmishes, and then spiral out of control. But perhaps the main risks lie on the macro-finance front in advanced economies. These stem from three, inter-related, sources:

- Asset valuations (price-equity ratios) tend to revert to their mean. And the faster and higher they climb, especially so late in the economic cycle, the greater the risk of sharp corrections.
- Simultaneously high valuations of both bonds and equities tend to be briefly lived because they suffer from an acute tension: if future earnings and economic growth are so bright, justifying high equity prices, interest rates cannot be forever so low.
- And if interest rates rise—or if markets even sense that central banks will need to shift their stance—both bond and equity prices could correct sharply. A plausible scenario would be the following. The IMF is now forecasting that advanced country output gaps will close in 2018 for the first time since the Global Financial Crisis. As this occurs, wages would start rising, eating into profits (which would prick equity valuations); and as inflation rises in tandem, policy makers would be forced into raising rates, deflating bond valuations and further undermining share prices.

What would happen to growth if asset prices correct? Surely, the impact would be far smaller than it was in 2007-09, because advanced countries are far less vulnerable than they were a decade ago. In particular, the leverage tied to these assets is much lower, which would minimize contagious propagation; while banks are much better buffered, with higher levels of capital and core deposits, and lower levels of risky assets.

Even so, there would be some consequences. For one, a large decline in wealth would force advanced country consumers to cut back on their spending, which in turn would lead firms to curtail their investments. And if this happens, monetary and fiscal policies would have much less room for expansionary manoeuvre since interest rates are already low while government debts are high. And the political implications of yet another decline in asset prices, the second in a decade, could also be significant, with effects that are difficult to imagine.

In sum, assessing future risks hinges on two calls: interest rate policy and asset valuations. On policy, extraordinarily low rates have, to paraphrase Paul Krugman, become "an obsession in search of a justification." Initially justified by the dislocations caused by the Global Financial Crisis, then by large output gaps, they are now defended on the grounds that inflation remains weak, even as the slack in product and labor markets is disappearing rapidly. Will the gathering new evidence on closing output gaps and rising employment dispel that obsession?

On valuations, the prognosticator must navigate a narrow strait: steering clear of the "Cry of Wolf" trap (bond prices will finally, finally correct, having defied the prediction of correction in each of the last several years), without succumbing to the siren call of "This Time is Different" (stock valuations are sustainable this time because interest rates will remain at historic lows).

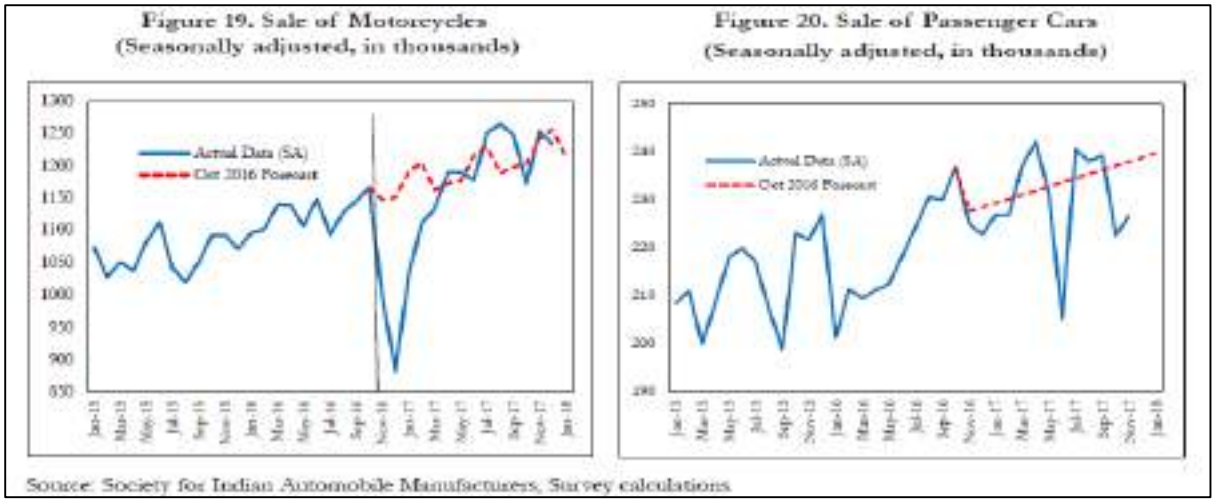
(Source: Economic Survey 2017-18 Volume 1 www.indiabudget.nic.in)

OVERVIEW OF INDIA'S ECONOMIC PERFORMANCE IN 2017-18

Economic activity

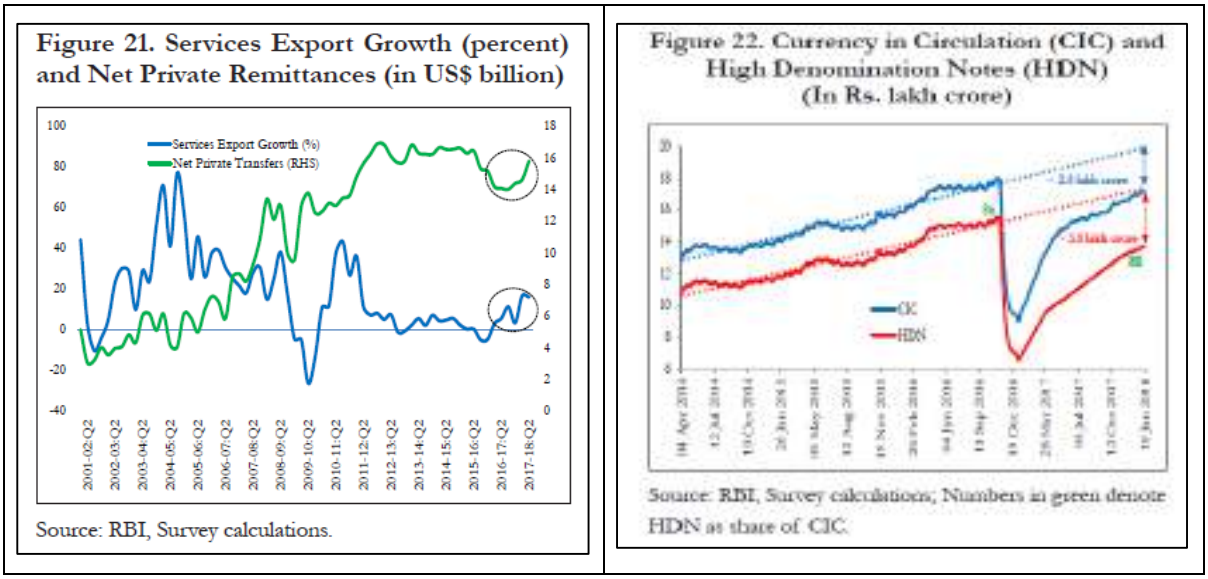
The key question going forward is whether the economy has troughed, and if so at what pace it will recover toward its medium term trend. High frequency indicators do suggest that a robust recovery is taking hold as reflected in a variety of indicators, including overall GVA, manufacturing GVA, the IIP, gross capital formation (Figure 17) and exports.

Similarly, real non-food credit growth has rebounded to 4 percent in November 2017 on a year-on-year basis, while the squeeze on real credit to industry is abating (Figure 18). Moreover, the flow of nonbank resources to the corporate sector, such as bond market borrowing and lending by NBFCs, has increased by 43 percent (April-December 2017 compared to the same period a year ago), substituting in part for weak bank credit. Rural demand, proxied by motor cycle sales, and auto sales, while not yet back to its pre-demonetization trend, are recovering (Figures 19 and 20).



Perhaps most significantly, the behaviour of manufacturing exports and imports in the second and third quarters of this fiscal year has started to reverse. The re-acceleration of export growth to 13.6 percent in the third quarter of FY2018 and deceleration of import growth to 13.1 percent, in line with global trends, suggest that the demonetization and GST effects are receding. Services export and private remittances are also rebounding (Figure 21).

On demonetization specifically, the cash-to-GDP ratio has stabilized, suggesting a return to equilibrium. The evidence is that since about June 2017 the trend in currency is identical to that pre-demonetization (Figure 22). The stabilization also permits estimation of the impact of demonetization: about Rs. 2.8 lakh Crores less cash (1.8 percent of GDP) and about Rs. 3.8 lakh Crores less high denomination notes (2.5 percent of GDP).



A final, important factor explaining the growth recovery is fiscal, which is providing a boost to aggregate demand. For reasons related to smoothening the transition, GST revenues will only be collected for 11 months, which is akin to a tax cut for consumers. Meanwhile, overall revenue expenditure growth by the central and state governments at remains strong at 11.7 percent (April to November). Cyclical conditions may also lead to lower tax and non-tax revenues, which act as an automatic stabilizer.

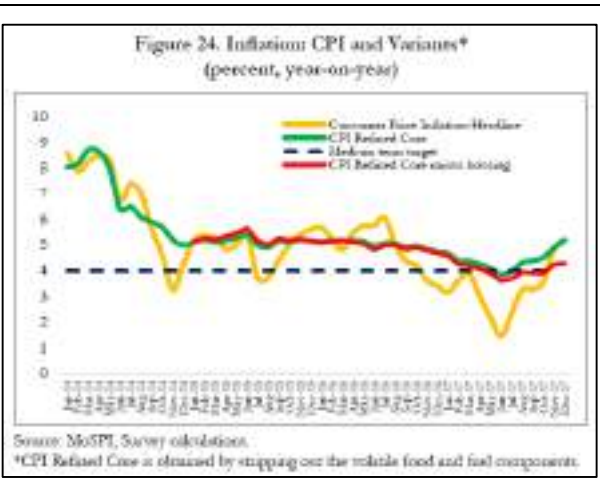
All this said, while the direction of the indicators is positive, their level remains below potential. IIP growth (April-November 2017 over same period in the previous year) is 3.2 percent, real credit growth to industry is still in negative territory, and the growth in world trade remains less than half its level of a decade ago. Moreover, even though the cost of equity has fallen to low levels, corporates have not raised commensurate amounts of capital, suggesting that their investment plans remain modest (Box 6).

In other words, the twin engines that propelled the economy's take-off in the mid-2000s – exports and investment – are continuing to run below take-off speed.

Meanwhile, developments in the agriculture sector bear monitoring. The trend acceleration in rural wages (agriculture and non-agriculture), which had occurred through much of 2016 because of increased activity on the back of a strong monsoon, seems to have decelerated beginning just before the kharif season of 2017-18 (Figure 23) but it is still greater than much of the last three years. Three crop-specific developments are evident. Sowing has been lower in both kharif and rabi, reducing the demand for labor. The acreage for kharif and rabi for 2017-18 is estimated to have declined by 6.1 percent and 0.5 percent, respectively. Pulses and oilseeds have seen an increase in sowing, but this has translated into unusually low farmgate prices (below their minimum support price, MSP), again affecting farm revenues. The so-called TOP perishables (tomatoes, onions, and potatoes) have meanwhile fluctuated between high and low prices, engendering income uncertainty for farmers.

The CSO has forecast real GDP growth for 2017-18 at 6.5 percent. However, this estimate has not fully factored in the latest developments in the third quarter, especially the greater-than-CSO-forecast exports and government contributions to demand. Accordingly, real GDP growth for 2017-18 as a whole is expected to be close to 6 3/4 percent. Given real GDP growth of 6 percent in the first half, this implies that growth in the second half would rebound to 7.5 percent, aided by favourable base effects, especially in the fourth quarter.





Average CPI inflation for the first nine months has averaged 3.2 percent and is projected to reach 3.7 percent for the year as a whole. Thisimplies average CPI inflation in the last quarter of 5 percent, in line with the RBI's forecast. Therefore, the GDP deflator is expected to grow by 3.6 percent for 2017-18, somewhat higher than the CSO's forecast of 2.8 percent. Consequentially, nominal GDP growth is estimated at 10.5 percent, compared with the CSO's 9.5 percent estimate.

(Source: Economic Survey 2017-18 Volume 1 www.indiabudget.nic.in)

OUTLOOK FOR 2018-19

The outlook for 2018-19 will be determined by economic policy in the run-up to the next national election. If macro-economic stability is kept under control, the ongoing reforms are stabilized, and the world economy remains buoyant as today, growth could start recovering towards its medium term economic potential of at least 8 percent.

Consider the components of demand that will influence the growth outlook. The acceleration of global growth should in principle provide a solid boost to export demand. Certainly, it has done so in the past, particularly in the mid-2000s when the booming global economy allowed India to increase its exports by more than 26 percent per annum. This time, the export response to world growth has been in line with the long-term average, but below the response in the mid-2000s. Perhaps it is only a matter of time until exports start to grow at a healthy rate. Remittances are already perking up, and may revive further due to higher oil prices.

Private investment seems poised to rebound, as many of the factors exerting a drag on growth over the past year finally ease off. Translating this potential into an actual investment rebound will depend on the resolution and recapitalization process. If this process moves ahead expeditiously, stressed firms will be put in the hands of stronger ownership, allowing them to resume spending. But if resolution is delayed, so too will the return of the private cape cycle. And if this occurs public investment will not be able to step into the breach, since it will be constrained by the need to maintain a modicum of fiscal consolidation to head off market anxieties.

Consumption demand, meanwhile, will encounter different tugs. On the positive side, it will be helped by the likely reduction in real interest rates in 2018-19 compared to the 2017-18 average. At the same time, average oil prices are forecast by the IMF to be about 12 percent higher in 2018-19, which will crimp real incomes and spending—assuming the increase is passed on into higher prices, rather than absorbed by the budget through excise tax reductions or by the oil marketing companies. And if higher oil prices requires tighter monetary policy to meet the inflation target, real interest rates could exert a drag on consumption.

Putting all these factors together, a pick-up in growth to between 7 and 7.5 percent in 2018-19 can be forecasted, re-instating India as the world's fastest growing major economy. This forecast is subject to upside potential and downside risks. The biggest source of upside potential will be exports. If the relationship between India's exports and world growth returns to that in the boom phase, and if world growth in 2018 is as projected by the IMF, then that could add another ½ percentage point to growth.

Another key determinant of growth will be the implementation of the IBC process. Here timeliness in resolution and acceptance of the IBC solutions must be a priority to kick-start private investment. The greater the delays in the early cases, the greater the risk that uncertainty will soon shroud the entire IBC process. It is also possible that expeditious resolution may require the government to provide more resources to PSBs, especially if the haircuts required are greater than previously expected, the ongoing process of asset quality recognition uncovers more stressed assets, and if new accounting standards are implemented.

Persistently high oil prices (at current levels) remain a key risk. They would affect inflation, the current account, the fiscal position and growth, and force macroeconomic policies to be tighter than otherwise. One eventuality to guard against is a classic emerging market "sudden stall" induced by sharp corrections to elevated stock prices. (Box 9 suggests that India's stock price surge is different from that in other countries but does not warrant sanguine-ness about its sustainability.) Savers, already smarting from reduced opportunities in the wake of demonetization, from depressed gold prices, and from lower nominal interest rates, would feel aggrieved, leading to calls for action. Stock price corrections could also trigger capital outflows, especially if monetary policy unwinds less hesitantly in advanced countries and if oil prices remain high. Policy might then have to respond with higher interest rates, which could choke off the nascent recovery. The classic emerging market dilemma of reconciling the trade-off between macro-stability and growth could then play itself out.

A key policy question will be the fiscal path for the coming year. Given the imperative of establishing credibility after this year, given the improved outlook for growth (and hence narrowing of the output gap), and given the resurgence of price pressures, fiscal policy should ideally have targeted a reasonable fiscal consolidation. However, setting overly ambitious targets for consolidation—especially in a pre-election year—based on optimistic forecasts that carry a high risk of not being realized will not garner credibility either. Pragmatically steering between these extremes would suggest the following: a modest consolidation that credibly signals a return to the path of gradual but steady fiscal deficit reductions.

Against this overall economic and political background, economic management will be challenging in the coming year. If the obvious pitfalls (such as fiscal expansion) are avoided and the looming risks are averted that would be no mean achievement.

(Source: Economic Survey 2017-18 Volume 1 www.indiabudget.nic.in)

GLOBAL MANUFACTURING SECTOR

World manufacturing growth

World manufacturing growth accelerated in the third quarter of 2017, as economic recovery strengthened worldwide. Positive results re- ported in the First half of this year carried over into the third quarter. Steady progress over several consecutive quarters characterizes both industrialized and developing and emerging industrial economies, and prospects for sustained global industrial growth in forthcoming periods are good (Figure 1). For the first time in several years, industrial growth moved back to the positive zone in all of the major economies.

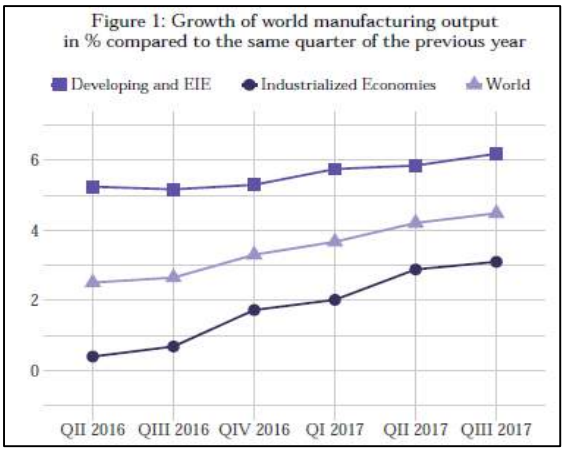
The driving forces behind the positive developments in global manufacturing were improving business conditions, rising consumer spending, promising investment plans directed towards developing economies and healthy external demand support activities. On the other hand, risks for global growth such as concerns where Brexit negotiations will lead to, changes in global trade arrangements or high geopolitical uncertainty have not yet dissipated.

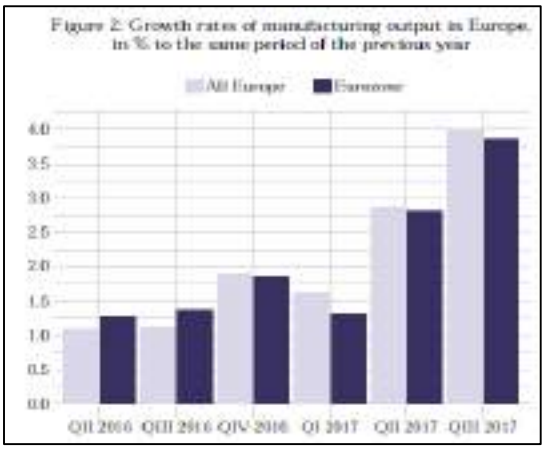
Global manufacturing output rose by 4.5 per cent in the third quarter of 2017 compared to the same period of the previous year .This impressive gain was based on an already strong growth throughout the first half of 2017. The disaggregated data points to the thriving performance of major industrialized economies with a significant share in global manufacturing output, namely the United States, Japan, Germany, the Republic of Korea, Italy as well as Brazil. The manufacturing output of China, the world's largest manufacturer, continued to register a high growth rate in the third quarter.

Industrialized economies as a whole exhibited record-breaking growth at 3.1 per cent in the third quarter of 2017 - the highest manufacturing output growth in a year-by-year comparison in the post-crisis period. Such growth was attributable to Europe's dynamic recovery, where a 4.0 per cent growth was achieved. East Asian industrialized economies experienced a healthy 4.5 per cent year-by-year upward trend and the nearly two-year consecutive slump has all but been forgotten. Relative lower growth was observed in the North America region, where manufacturing output expanded by a mere 1.4 per cent.

A reversal of negative trends in Argentina and Brazil has had a considerable impact on recovery in the Latin America region. Manufacturing output of the region rose by 2.5 per cent in the third quarter of 2017, which also resulted in an accelerated growth rate of developing and emerging industrial economies as a whole at 6.2 per cent. A relatively higher increase was achieved by Asia's developing economies with a 6.5 per cent expansion recorded in the third quarter on a year-to-year basis. The manufacturing production of African regions remained in the positive zone of high growth despite the weak foundation of these countries' manufacturing industries. According to UNIDO's latest estimates, African manufacturing experienced a 6.4 per cent year-to-year gain in the third quarter of 2017.

Entering the second half of the year 2017, recovery in global manufacturing has evolved from being relatively modest to becoming more dynamic. Improvements were recorded in both industrialized economies and developing and emerging industrial economies.

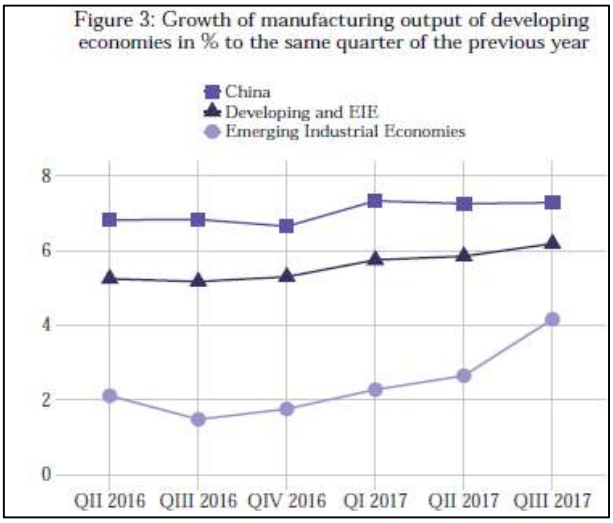


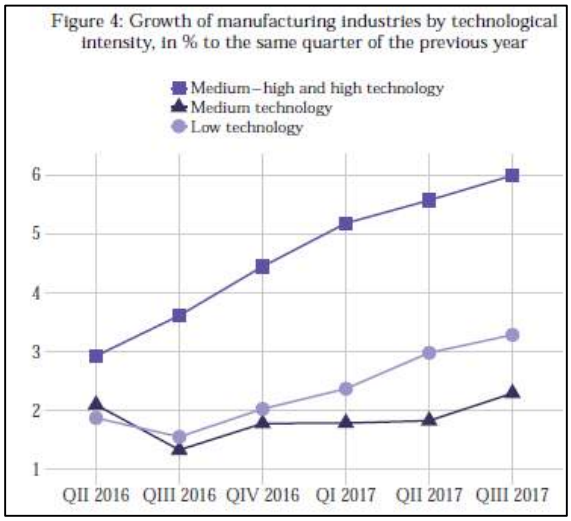


(Source: World Manufacturing Production- Statistics for Quarter III, 2017; United Nations Industrial Development Organisation - www.unido.org)

Key Findings - Global manufacturing Sector

Global manufacturing production maintained a positive growth rate in all industries in the third quarter of 2017. Advanced manufacturing such as automation, robotics and digital products have been experiencing a steady expansion at the global level. Shifting from low technology to high technology manufacturing industries plays a key role in promoting innovation in the long term and, moreover, determines the positioning of economies within the global market. Therefore, the competition between advanced and emerging economies in high-tech leadership will be compelling and crucial for both groups. In the wake of the fourth industrial revolution, embracing emerging technologies brings global manufacturing production to a new level. The high growth rate in medium high and high technology industries observed in the third quarter of 2017 led to an increase in high value goods, indicating a high level of consumer confidence (Figure 4). UNIDO data largely support this pro-technology approach.





(Source: World Manufacturing Production- Statistics for Quarter III, 2017; United Nations Industrial Development Organisation - www.unido.org)

Medium high and high technology manufacturing industries have repeatedly held top positions when looking at year-by-year comparisons - these industries witnessed a 6.0 per cent growth rate, a record-breaking result in the last five years. When reviewing the individual top industries, the manufacturing of computers, electronics and optical products grew by 8.3 per cent, the production of machinery and equipment rose by 8.0 per cent, the manufacturing of pharmaceutical products by 6.7 per cent (which recorded a visibly accelerated growth rate compared to the results of the previous quarter), the production of electrical equipment by 6.1 per cent and the manufacturing of motor vehicles by 5.9 per cent. The production in all of the above- mentioned industries was dominated by developing and emerging industrial economies compared with industrialized economies (Figure 5).

As regards medium technology manufacturing industries, 2.3 per cent growth was registered worldwide in the third quarter of 2017. The global manufacturing of rubber and plastic products increased by 3.4 per cent in a year-by-year comparison, while the manufacturing of non-metallic mineral products recorded a growth rate of 3.0 per cent. The global manufacturing of basic metals rose at a moderate pace of 1.6 per cent.

In low technology manufacturing industries, overall global production rose by 3.3 per cent in the third quarter of 2017 compared to the same period of the previous year. The global manufacturing of fabricated metal products grew by 4.6 per cent, followed by the manufacturing of furniture with a 4.3 per cent increase. Relatively high growth rates were maintained worldwide in the production of basic consumer goods - the global manufacturing of food products rose by 3.8 per cent, beverages by 3.4 per cent and the global manufacturing of both textile and wearing apparel increased by slightly over 2.5 per cent. The growth rate of the manufacturing of paper products expanded by 2.4 per cent, while coke and refined petroleum products and printing remained below 2.0 per cent.

(Source: World Manufacturing Production- Statistics for Quarter III, 2017; United Nations Industrial Development Organisation - www.unido.org)

MANUFACTURING SECTOR IN INDIA

Introduction

Manufacturing has emerged as one of the high growth sectors in India. Prime Minister of India, Mr Narendra Modi, had launched the 'Make in India' program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy. India is expected to become the fifth largest manufacturing country in the world by the end of year 2020*.

Market Size

The Gross Value Added (GVA) at basic current prices from the manufacturing sector in India grew at a CAGR of 4.34 per cent during FY12 and FY18 as per the second advance estimates of annual national income published by the Government of India. Quarterly GVA at basic prices from manufacturing sector grew by 10.92 per cent in the third quarter of FY18. Under the Make in India initiative, the Government of India aims to increase the share of the manufacturing sector to the gross domestic product (GDP) to 25 per cent by 2022, from 16 per cent, and to create 100 million new jobs by 2022. Business conditions in the Indian manufacturing sector continue to remain positive.

Investments

With the help of Make in India drive, India is on the path of becoming the hub for hi-tech manufacturing as global giants such as GE, Siemens, HTC, Toshiba, and Boeing have either set up or are in process of setting up manufacturing plants in India, attracted by India's market of more than a billion consumers and increasing purchasing power. Cumulative Foreign Direct Investment (FDI) in India's manufacturing sector reached US$ 73.70 billion during April 2000-December 2017. India has become one of the most attractive destinations for investments in the manufacturing sector.

Government Initiatives

The Government of India has taken several initiatives to promote a healthy environment for the growth of manufacturing sector in the country.

Road Ahead

India is an attractive hub for foreign investments in the manufacturing sector. Several mobile phone, luxury and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country. The manufacturing sector of India has the potential to reach US$ 1 trillion by 2025 and India is expected to rank amongst the top three growth economies and manufacturing destination of the world by the year 2020. The implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of US$ 2.5 trillion along with a population of 1.32 billion people, which will be a big draw for investors. With impetus on developing industrial corridors and smart cities, the government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

Exchange Rate Used: INR 1 = US$ 0.015 as on March 01, 2018

*Notes: * - According to the Global Manufacturing Competitiveness Index published by Deloitte*

(Source: Indian Manufacturing Sector – India Brand Equity Foundation www.ibef.org)

INDIAN CHEMICAL INDUSTRY: OVERVIEW

Introduction

Basic chemicals and their related products (petrochemicals, fertilisers, paints, varnishes, glass, perfumes, toiletries, pharmaceuticals, etc.) constitute a significant part of the Indian economy. Among the most diversified industrial sectors, chemicals cover an array of more than 70,000 commercial products. In April-June 2017, total Foreign Direct Investments (FDI) in chemicals (excluding fertilisers) stood at US$ 679 million whereas cumulative FDI till June 2017 from April 2000 was US$ 13.972 billion. India is the sixth largest producer of chemicals globally and third largest producer in Asia in

terms of output. The country ranks third globally in the production of agro chemicals and contributes around 16 per cent to the global dyestuff and dye intermediates production.

Key Markets and Export Destinations

Total exports of dyes and dye intermediates, organic and inorganic chemicals, including agro chemicals, cosmetics and toiletries, essential oils, incense sticks and castor oil, stood at US$ 12.15 billion during the year 2016-17. The US, the UAE, the UK, Bangladesh and Saudi Arabia are the leading importers of cosmetics, toiletries and essential oils. In the year 2016-17, exports of dyes and dye intermediaries increased 2.94per cent year-on-year to US$ 2.11 billion. During the period, exports of essential oils, cosmetics and toiletries increased 6.84 per cent to US$ 15.72 billion and exports of castor oil stood at US$ 676.43 million. Exports of inorganic, organic and agro chemicals stood at US$ 7.78 billion, an increase of 4.46 per cent year-on-year.

Basic Chemicals, Pharmaceuticals and Cosmetics Export Promotion Council

The promotion of product groups such as dyes and dye intermediates, basic inorganic and organic chemicals, including agro-chemicals, cosmetics, toiletries, essential oils, incense sticks, castor oil and its derivatives, is handled by the Basic Chemicals, Pharmaceuticals and Cosmetics Export Promotion Council, which is popularly known as CHEMEXCIL. The Council organises promotional events and fairs to help exporters identify potential markets abroad and providing publicity and marketing back-up.

Global Dye Supplier - India accounts for approximately 16 per cent of the world production of dyestuff & dye, intermediates, particularly for reactive acid & direct dyes. Chemical exports from India stood at USD13.58 billion for FY 17 (1). Exports in the chemical industry grew from USD22.43 billion in FY13 to USD26.97 billion in FY16, registering a growth of 4.71 per cent.

(Source: Indian Chemical Industry – India Brand Equity Foundation www.ibef.org)

INDIAN DYES & DYE INTERMEDIATES

India enjoys leading position in the reactive dyes segment (end use in cotton textile segment) with low threat of imports. Demand of reactive dyes has grown at healthy CAGR of 8% for the period FY2012-FY2017. China is the largest producer of dyes intermediates (used for dyes production), disperse dyes (end use in polyester textile segment) and azo dyes. Cheaper imports from China and competition within domestic manufacturers had impacted the profitability of Indian players till FY2013. Nevertheless, structural changes in environmental regulations in China have improved cost competency and sales volume of domestic players while reducing imports of dyes intermediates. Combined total operating income of major players grew by CAGR of 17% during FY2013-FY2017 while PBILDT margins improved significantly from 7.74% during FY2013 to 14.50-16.25% during FY2014-FY2017. This has also resulted in rationalization of debt levels and strengthened debt coverage indicators for the industry. It is expected that domestic dyes industry shall witness growth of around 8.50% over FY2017-FY2022 mainly driven by growth in exports volume and demand from textile industry.

Consequently, dyes intermediate segment is also expected to witness similar demand growth due to demand from dyes and increase in dyes intermediates exports from India. However, it is expected that overall size of dyes and dyes intermediate industry is expected to remain constant during FY2018 despite growth in volume due to correction in sales prices though it is expected to remain far above FY2013 levels. Profitability though expected to be moderated in FY2018 from peak of 16.25% by 150-200 bps on account of stabilization of sales prices of dyes and intermediates (notwithstanding disruption of production in China) and increase in some of the crude linked raw material prices, it shall continue to remain comfortable in the medium term. Although threat of imports from China continues due to its large capacities, improved capital structure of the major industry players is expected to result in strong resilience for the domestic dyes and dyes intermediate players. Furthermore, increase in effluent handling cost, prices fluctuations of intermediates and implementation of goods and service tax (GST) are expected to provide competitive edge to the organized integrated players over un-organized dyes manufacturers lacking backward integration for intermediates.

(Source: Indian Dyes and Dyes Intermediate Industry – CARE Ratings - www.careratings.com)

DOMESTIC DYES INDUSTRY

The dyes industry in India is fragmented and unorganized comprising of more than 800 small scale units and 15-20 large sized organized players manufacturing more than 600 different type of dyes. The western state of Gujarat and Maharashtra accounts for more than 90% of the country's production.

The total installed capacity for various dyes in India is estimated at 3,80,000-4,00,000 MTPA as of FY2017while the domestic production of the dyes is estimated at 2,05,000 MT during FY2017. The domestic installed capacity and the production is largely driven by the reactive dyes, followed by disperse dyes which majorly finds application across various segments of textile industry.

Over the years the end users focus has shifted from highly toxic azo dyes to reactive and disperse dyes resulting into increased contribution of the reactive dyes and disperse dyes in domestic production during FY2012-FY2017. Overall demand driver for domestic dyes in India is textile Industry with 70% consumption of dyes followed by food (8%), leather (6%), Paper (5%) and other industries (11%). India is the major player in the reactive dyes segment with low threat of imports. Hence, demand of reactive dyes has grown at healthy CAGR of 8% for the period FY2012-FY2017.

(Source: Indian Dyes and Dyes Intermediate Industry – CARE Ratings - www.careratings.com)

OUTLOOK FOR DYE AND DYES INTERMEDIATE INDUSTRY

Demand of reactive dyes has grown at healthy CAGR of 8% for the period FY2012-FY2017. CARE Ratings expects domestic dyes industry to witness growth of around 8.50% over FY2017-FY2022 mainly driven by growth in exports volume and demand from textile industry. Key drivers for growth shall be increase in disposable income, higher penetration in the rural market and around 75% share of cotton fabric in total fabric consumption. Implementation of stringent pollution control norms in China is expected to increase India's share in the global dyes and dyes intermediate market from 16% currently to 20% by FY2021. Consequently, dyes intermediate segment is also expected to witness similar demand growth due to demand from dyes and increase in dyes intermediates exports from India. CARE Ratings expects that overall size of dyes and dyes intermediate industry is expected to remain constant during FY2018 despite growth in volume due to correction in sales prices.

On supply front, capacity addition of 23,000-25,000 MTPA is estimated in the dyes segment over FY2018-FY2019. Dyes intermediate segment has higher entry barriers for environmental clearance due to generation of large quantum of effluent and challenges involved in treating the same. Hence, CARE Ratings doesn't envisage major capacity addition in the dyes intermediate segment over next three years except for balancing capacity of VS and H-acid aggregating around 15,000 MTPA for efficient handling of effluent as well as for captive consumption and 4,000-5,000 MTPA for other intermediates. Significant increase in average sales realization of dyes intermediates and dyes had resulted in healthy profitability for industry players.

Profitability though expected to be moderated in FY2018 by 150-200 bps on account of stabilization of sales prices of dyes and intermediates (notwithstanding disruption of production in China) and increase in some of the crude linked raw material prices, it shall continue to remain healthy in the medium term. Furthermore, increase in effluent handling cost, prices fluctuations of intermediates and implementation of goods and service tax (GST) are expected to provide competitive edge to the organized integrated players over un-organized dyes manufacturers lacking backward integration for intermediates.

(Source: Indian Dyes and Dyes Intermediate Industry – CARE Ratings - www.careratings.com)

SUMMARY OF OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled "Forward-Looking Statements" beginning on page 18 of this Prospectus, 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 fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

The financial information used in this section, unless otherwise stated, is derived from our Financial Information, as restated prepared in accordance with Indian GAAP, Companies Act and SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Prospectus, including the information contained in the sections titled "Risk Factors" and "Financial Information" beginning on pages 19 and 182, respectively.

OVERVIEW OF THE BUSINESS:

Our Company was originally incorporated as 'Ushanti Colour Chem Private Limited' under the provisions of Companies Act, 1956 at Gujarat *vide* Certificate of Incorporation issued by Registrar of Companies, Gujarat on May 12, 1993. Consequently, it was converted into a public limited company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on February 19, 2018 and the name of our Company was changed to 'Ushanti Colour Chem Limited' and a fresh certificate of incorporation consequent upon Conversion of Private Company to Public Limited dated March 07, 2018 was issued by Registrar of Companies, Gujarat, Ahmedabad. The Corporate Identification Number of our Company is U24231GJ1993PLC019444.

Our Company is in the business of manufacturing and trading of various colours of dyestuffs since 1993 till 2013. After getting permission for manufacturing of CPC Blue Crude dyestuff and witnessing the growing demand of our CPC Blue product our Company decided to focus into business of manufacturing on one specific product type and specialise in it. Our Company manufactures reactive and direct dyestuffs also known as Synthetic Organic Dyes with an integrated production process. The company also manufactures Copper Phthalocyanine, Blue Cued which are one of the major raw materials used for manufacturing of Dyestuffs. The pigment and dyestuffs manufactured by us caters to the raw material requirement of textile, garment, cotton, leather, nylon, paper, wool, ink, wood, plastic and paint industries. We concentrate in manufacturing "Turquoise Blue" Dyestuffs and Pigments. The Company has 3 manufacturing facilities situated together at Vatva GIDC in Gujarat. The facilities are spread over 2,739 sq. meters in total area. Our company also has its own Ice generation machinery, further it recovers Ammonium Carbonate from its effluent stream which are reused in the plant as well as sold to the Soda Ash Industry reducing wastage giving us incremental revenue. The Company currently has a production capacity of approx. 2,520 tons per annum. The manufacturing facilities are equipped with requisite machineries to keep a constant check on quality. The company is an ISO 9001:2015 certified company certifying the quality of the product our company manufactures.

Our Company is promoted and managed by Mr. Maunal Gandhi and Mr. Minku Gandhi. With decades of experience in this industry, our promoters along with the team of management are actively involved in the day-to-day affairs of our company's operations adding valuable knowledge and experience required for sustainable growth.

Our presence in the business for more than 2 decades have aided us to create a brand image coupled with the industry experience we possess, our brand is well received by the market and we aim to continue to further strengthen our brand by supplying qualitative products at competitive prices across the globe.

Geographical wise sales for F.Y. 2017-18

Our Company generates approx. 46% of its Revenue from Operation from Domestic market while approx. 54% of Revenue is generated by its export operations. The details of geographical break up is as under:

Amount Rs. In Lakhs

Country	Amount	Percentage to Total Sales
India	1,813.90	46.06%
Pakistan	437.67	11.11%
China	314.50	7.99%
Bangladesh	308.80	7.84%
U.A.E.	302.59	7.68%
Others	760.58	19.31%
Gross Revenue	**3,938.04**	**100.00%**

OUR PRODUCTS:

Product Name	Product	Description
Turquoise Blue Dyes		Direct/ Reactive Turquoise Blue dyes are a class of highly coloured organic substances, primarily used for textiles, paper and ink. The Reactive Dyestuffs attach themselves to their substrates by a chemical reaction that forms a covalent bond between the molecule of dye and fibre. The Direct Dyestuffs have multiple applications in Textiles, Inks, Paper but do not react with the substrates.
Alpha Blue		This is a product manufactured by pigmentation of CPC Blue Crude and has very good applications in Textile, Plastic, Paper, Ink, Paint and many other industries.

Copper Phthalocyanine Blue		A bright, crystalline, synthetic blue pigment from the group of Phthalocyanine dyes. It is highly valued for its superior properties such as light fastness, tinting strength, covering power and resistance to the effects of alkalis and acids. It is a Raw Material for production of Turquoise Blue Dyestuffs, Pigment Green, Pigment Alpha Blue & Pigment Beta Blue.

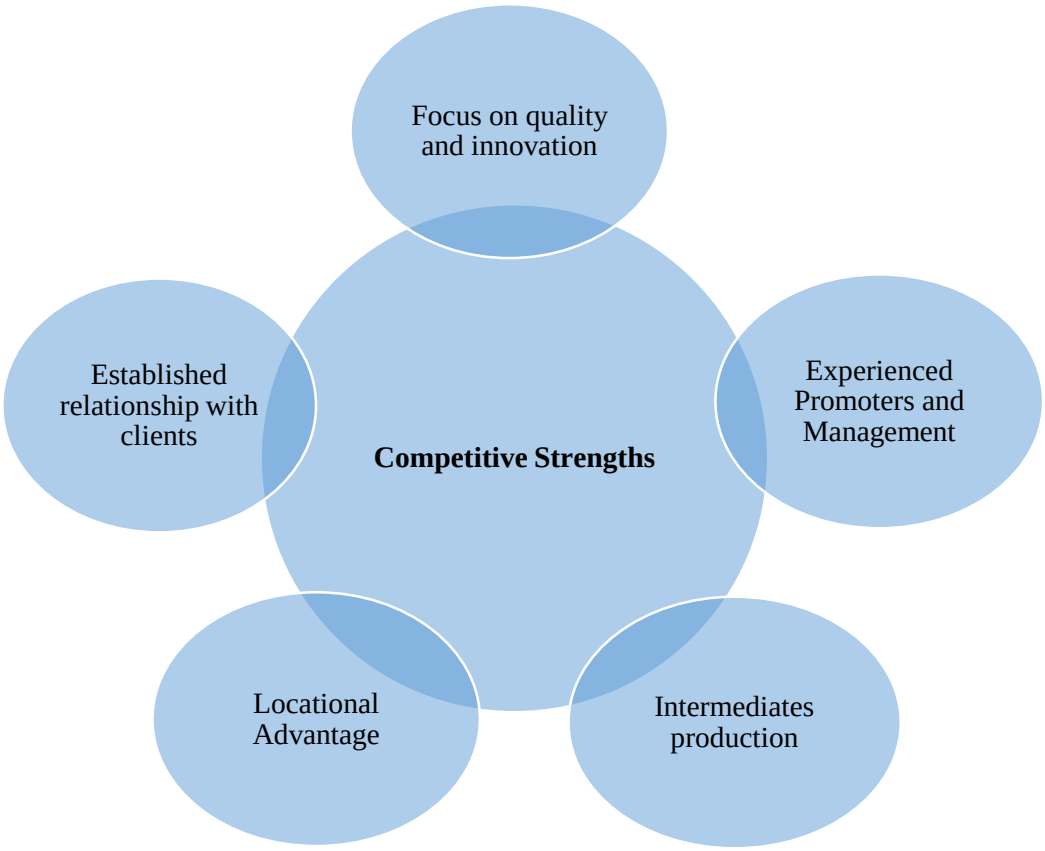
END USERS:

We cater to International and Domestic customers. Currently we offer our products through traders. We manufacture dyes that are used for dying cloths in textile and garment industry and are sold as per the orders received by parties either directly from manufacturers or traders.

RAW MATERIALS:

Our company procures more than 10 raw materials of different types and nature. Major raw materials of the company are VinyleSulhpone, Phosphorus Trichloride, Soda Ash, Ammonium Moly date, etc. We meet our raw materials requirements by procuring such materials from domestic market.

OUR COMPETITIVE STRENGTHS:



1. **Focus on quality and innovation**

   We believe our strength and success factor has been our constant focus on quality and innovation. To keep sailing on it, we stress on and constantly strive to improve the quality of our products. We have a dedicated R&D team which constantly works for waste effluent management, improving the quality, alternative cost saving methods and the likes. Our Company is an ISO 9001:2015 certified and our technically qualified team ensures that we procure raw materials which meet the quality standards. To ensure quality products, we test samples from every lot of raw material in our laboratory and only once they meet the quality criteria, it is further used for production. Further, finished products are also checked with respect to quality, and only after meeting the quality standards, products are considered for packing. We have produced a wide range of colours and their combinations meeting wide range of customers' demands.

2. **Experienced Promoters and Management**

   We have an experienced management team including our promoters who have an experience of more than 2 decades in dyestuff industry. Our Company is led by our promoters, Mr. Maunal Gandhi and Mr. Minku Gandhi who has rich experience and knowledge of the industry. Their vision and values have been the foundation of our growth story. The business which was started just as a trading company has now become an export oriented manufacturing company with further expansions plans in place. We understand quality forms an important aspect in dyestuff industry and hence we have established a qualified technical team to ensure quality output. It is through the constant vision and experience of our management team including the promoters, we have been able to build a sustainable business model and created a wide market reach. We strongly believe that the success of our organization lies in the efforts of our human resources.

3. **Intermediates Production**

   Dyestuffs manufacturing involves use of many raw materials and intermediates in the whole process, prices of which are highly volatile and forms a significant part of total manufacturing costs. Further, dependency on third party suppliers affects the overall costs. Hence, our company has been into manufacturing of one of the intermediates, CPC Blue, which helps us to reduce our dependency on third parties, saving us substantial amount.

4. **Locational Advantage leading to reduction of cost**

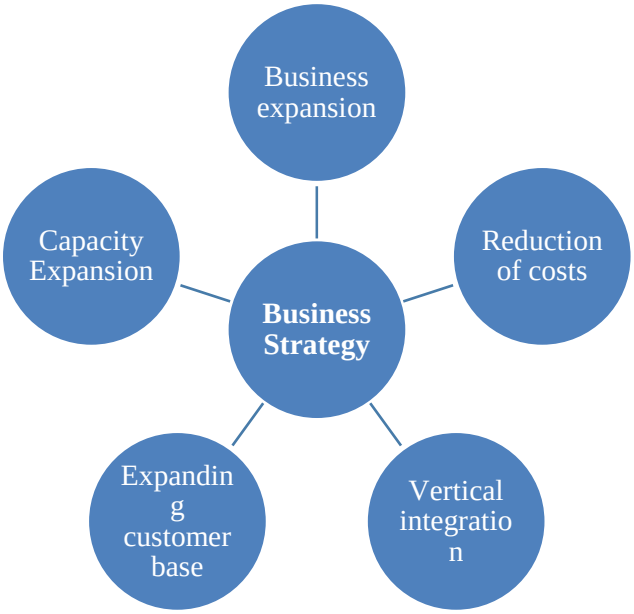
   Reducing cost of production is an inherent activity which our company has been focussing on since its inception. Procuring raw material at a competitive price effects our financial position substantially. We procure almost all of our raw materials mostly from domestic players having their facility/warehouses in close proximity to our manufacturing facility hence reducing the cost of transportation without compromising on the quality of the raw material procured. It also ensures us a continuous supply of raw materials. Further, our upcoming facility is strategically located at Bharuch, Gujarat which is approx. 15 kms from the nearby port which will further help us reduce our overall cost.

5. **Established relationship with clients**

   Our company generates most of its revenue from export operations, it has trusted buyers in foreign countries from which we receive repeated orders in frequent intervals. The repetition of orders is basically owing to the quality of the products we provide and also the healthy relationships we maintain. Our promoter visits regularly to our foreign traders to understand their needs, concerns and address them personally. We understand the dye industry is highly competitive and maintaining healthy relationships will help us to beat the competition.

OUR BUSINESS STRATEGY:

Our vision is to grow in existing and new markets by providing quality products. We intend to capitalize on the growing demand for our products in India and abroad. In line with this vision, our Company is implementing a business strategy with the following key components. Our strategy will be to focus on capitalizing on our core strengths and expanding the operations of our business.



1. **Business expansion**

   We started our business in 1993 and steadily increased the capacity to around 2,520 tons per annum. With the customer base we already have, rich experience we possess and the growth we foresee due to structural shift of demand to India, we intend to tap the opportunity by expanding our business by setting up a new facility with a manufacturing capacity of around 16,140 tons per annum in various phases while the permitted capacity is around 32,800 tons p.a. To implement this, we have already purchased a land measuring 75,060 sq. meters in Saykha Industrial Estate - Bharuch, Gujarat. The machineries required for this facility would be funded partly by proceeds of this issue and partly from other sources of funds. The facility is expected to commence by F.Y. 2020-21 in various stages.

2. **Reduction of costs**

   Our company acknowledges the fact that having a manufacturing facility which will enable manufacturing of dye intermediates is an effective way of reducing costs. Till date, we have been procuring raw materials and intermediates from third parties the prices of which are volatile and affect our overall profitability adversely. However, our management aims to manufacture certain more intermediates in the new facility which will aid us to reduce our overall costs along with reducing the dependency on third party suppliers.

3. **Vertical integration of production process**

   The company intends to increase the research and development efforts to develop manufacturing process for a wider range of dyes products, by vertically integrating the production processes. This will serve as an effective cost cutting as well as expansion measure. This can be done through continual improvement in technology, cut manufacturing costs through process improvement, develop new product lines which are environmentally responsible.

4. **Expanding customer base**

   Dye manufacturing is done only in India, China and Indonesia. However, India and China meets the substantial portion of global demand and hence the market for manufacturers in India is huge. The company's product is currently marketed majorly in Asia and Middle East. The strategy going forward is to cater the market of other international locations, viz., UK, USA, Canada, etc. The demand for dye is ever increasing including in India where catering to newer customer will be comparatively an easier task.

5. **Capacity expansion**

   Our company is currently operating at around 90% of its capacity. With the strong relationship we possess with our customers, marketing our product can be done without much effort. Since, the

market with the buyer is readily available, we intend to ramp up our production to boost the revenue. As mentioned in the "*Objects of the issue*" in Page 97 of this Prospectus, we would be increasing our overall production capacity which will enable us to enter into new phase of growth.

SWOT ANALYSIS:

Strengths:

1. **Locational Advantage –**

   The manufacturing facility of our company is located at Vatva GIDC, Gujarat and the new proposed plant is located in Saykha Industrial Estate in Dahej, Gujarat which is 15 kms form Dahej Port allowing easy export to major markets. Raw material procurement are mostly done from players within Gujarat which are in near proximity to the manufacturing facility. This reduces our costs significantly.

2. **Strong customer base** –

   We supply our products to traders in foreign countries. These customers bring repititve orders and ensures continuous business to our company. This industry being a highly competitive industry requires strong customer base to grow and stay ahead.

3. **Experienced management** –

   Our promoters are in the dye industry for more than 2 decade. Our technical team is led by qualified people who has the relevant technical knolwedge. Their knwoledge and experience gives our company a major benefit in devising and implementing the perfect strategy to stand above the competition.

Weakness:

1. **Presence in one type of colour –**

   Although the company is producing variety of color shades in Reactive Blue dyes, we are majorly present only in 1 color, i.e., Blue. This restricts us to cater wider category of customers. However, going forward, our company intends to expand its portfolio to multi-colors with dyestuff/intermediates integrated plants of Blacks and other colors.

2. **Dependent on third party suppliers –**

   Our company procures most of the Dye intermediates from third party producers. It does not have its own manufacturing facility for producing all the required intermediates and hence is dependent on third parties to some extent. In the past, company has faced profitability issues owing to sudden increase in prices of intermediates, we are prone to such threats by our suppliers. However, the relationship and the volume of business we generate for them mitigates this weakness of us. Further all new plants proposed to be commisioned are with backward integration of raw materials intermediates also.

3. **Failure to implement plans –**

   We believe successful implementation of strategy is more important than devising the strategy. If the plan as envisaged is not implemented properly, it may affect the business. However, with the decades of experience our management possess and the past trend of our business, we believe we would implement our strategies at the right direction without any difficulties.

Opportunities:

1. **Decreasing competition from China –**

   Dye industry has only 2 major players across the globe, India and China apart from Indonesia. With increasing environmental norms and strict governmental regulations w.r.t operting a chemical industry, the competition which was being faced due to China is slowly eroding. There have been shutdowns of many facilities in China positively impacting the dye industry in India consequently

growth in Dye prices. With decrease in total supply, dye manufacturers have huge opportunity both in terms of volume and value.

2. **Introduction of GST –**

   Introduction of GST is expected to benefit all the organized sector players in the industry in long term. This will help the organized players like ours to tighten their grip over the market by maintaining a cost structure more efficient than that of any unorganized local manufacturers. Indian Dyes and Dyestuff market is highly fragmented, with 40-50% of the market being unorganised. The recent events including GST, stricter environment norms, rising compliance needs from global clients could eventually lead to a need to consolidate, large and efficient players growing higher than the industry and smaller units closing or consolidating with large players.

Threats:

1. **Increasing competition –**

   Dye industry is highly competitive which faces competition from both organised and unorganised player. Our company faces tough competition from them in terms of pricing and customer base. Further, there is contingency on the longevity of benefit accruing due to restrictions in China. There may be turnaround in China's dye industry which possess huge threat to Indian market. However, our company has been successful enough to compete with them with increasing market share.

2. **Regulatory risks –**

   Our company deals in hazardous chemicals. Hyaluronic acid, one of the products that is used in dye manufacturing is the most polluting industrial effluent. It is toxic and non-biodegradable. Hence here there is huge amount of compliance risk wherein it is obvious to state that if the Company fails to comply with Environmental Laws and Regulations, the results of operations will be adversely affected.

SUMMARY OF FINANCIAL STATEMENTS

ANNEXURE-I - STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Amount in Lakhs)

Particulars	AS at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
I. EQUITY AND LIABILITIES						
1. Shareholders' funds						
(a) Share capital	538.57	49.87	49.87	49.87	49.87	49.87
(b) Reserves and surplus	331.21	581.40	453.86	428.33	404.96	192.56
Sub-Total	**869.78**	**631.27**	**503.73**	**478.20**	**454.83**	**242.43**
2. Share application money pending allotment	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-
3. Non-current liabilities	-	-	-	-	-	-
(a) Long-term borrowings	653.72	496.12	597.60	530.80	153.59	96.98
(b) Deferred tax liabilities (Net)	-	-	-	-	6.88	11.24
(c) Long Term Provisions	55.03	57.78	54.75	52.39	46.96	32.89
(d) Non-Current Liabilities	84.87	-	-	-	-	-
Sub-Total	**793.62**	**553.90**	**652.35**	**583.19**	**207.43**	**141.11**
4. Current liabilities	-	-	-	-	-	-
(a) Short-term borrowings	617.55	228.46	398.42	266.30	355.01	306.33
(b) Trade payables	614.57	661.83	452.91	524.05	719.37	507.69
(c) Other current liabilities	109.71	102.48	151.58	109.28	31.67	69.40
(d) Short-term provisions	94.87	109.09	91.49	67.51	121.47	48.80
Sub-Total	**1,436.70**	**1,101.86**	**1,094.40**	**967.14**	**1,227.52**	**932.22**
TOTAL	**3,100.10**	**2,287.03**	**2,250.48**	**2,028.53**	**1,889.78**	**1,315.76**
II. ASSETS	-	-	-	-	-	-
1. Non-current assets	-	-	-	-	-	-
(a) Fixed Assets	-	-	-	-	-	-
(i) Tangible Assets	1,460.30	1,062.55	381.94	426.86	460.99	433.31
(i)Intangible Assets	24.91	31.36	22.96	21.87	24.85	25.14
(i) Capital Work in Progress	214.96	8.15	75.28	-	4.09	4.09
(i) Intengible assets Under Development	-	-	-	-	-	-
	-	-	-	-	-	-
(b) Non-current investments	13.38	13.38	13.48	13.48	13.48	13.38
(c) Deferred tax assets (net)	6.24	13.87	12.32	6.22	-	-
(d) Long-term loans and advances	97.82	109.35	731.25	670.89	29.64	21.33
(e) Other Non Current Assets	-	-	-	0.70	1.65	4.68
Sub-Total	**1,817.61**	**1,238.66**	**1,237.23**	**1,140.02**	**534.70**	**501.93**
2. Current assets	-	-	-	-	-	-
(a) Current investments	-	-	-	-	-	-
(b) Inventories	313.24	277.38	239.91	232.52	407.65	204.07
(c) Trade receivables	624.81	514.38	488.49	488.95	578.25	373.57
(d) Cash and cash equivalents	25.04	14.55	142.67	7.32	79.42	19.73
(e) Short-term loans and advances	319.40	242.06	142.18	159.72	289.76	216.46
(f) Other current assets	-	-	-	-	-	-
Sub-Total	**1,282.49**	**1,048.37**	**1,013.25**	**888.51**	**1,355.08**	**813.83**
TOTAL	**3,100.10**	**2,287.03**	**2,250.48**	**2,028.53**	**1,889.78**	**1,315.76**

ANNEXURE-II - STATEMENT OF PROFIT AND LOSS AS RESTATED

(Amount in Lakhs)

Particulars	For the period ended March 31,2018	For the period ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
I. Revenue from operations						
Turnover(Gross)	4,015.80	3,160.80	2,667.21	3,115.48	3,771.03	2,556.26
Less: Excise Duty/GST	364.51	212.94	173.96	174.15	284.37	170.41
Net revenue from sale of products/ services	3,651.29	2,947.86	2,493.25	2,941.33	3,486.66	2,385.85
II. Other income	23.58	14.15	18.06	29.64	55.32	28.81
III. Total Revenue (I + II)	**3,674.87**	**2,962.01**	**2,511.31**	**2,970.97**	**3,541.98**	**2,414.66**
IV. Expenses:	-	-	-	-	-	-
Cost of Material Consumed	1,942.40	1,416.40	1,123.63	1,321.07	2,266.73	1,360.27
Purchases of Stock-in-Trade	28.96	45.46	39.89	130.84	53.40	114.10
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	(90.97)	3.42	10.06	195.91	(203.61)	(50.71)
Employee benefits expense	397.86	348.23	331.54	356.68	297.86	192.02
Finance costs	86.69	89.65	103.94	119.90	40.03	51.75
Depreciation and amortization expense	117.21	84.00	89.48	102.99	63.81	68.84
Other expenses	841.81	769.40	766.10	701.10	700.02	613.13
Total expenses	**3,323.96**	**2,756.56**	**2,464.63**	**2,928.49**	**3,218.24**	**2,349.40**
V. Profit before exceptional and extraordinary items and tax (III-IV)	**350.91**	**205.45**	**46.67**	**42.48**	**323.74**	**65.26**
VI. Exceptional items	-	-	-	-	-	-
VII. Profit before extraordinary items and tax (V - VI)	**350.91**	**205.45**	**46.67**	**42.48**	**323.74**	**65.26**
VIII. Extraordinary Items-	-	-	-	-	-	-
IX. Profit before tax (VII- VIII)	**350.91**	**205.45**	**46.67**	**42.48**	**323.74**	**65.26**
X. Tax expense:	-	-	-	-	-	-
(1) Current tax	104.77	79.46	27.24	30.46	115.70	33.82
(2) MAT Credit	-	-	-	-	-	-
(3) Deferred tax	7.63	(1.55)	(6.10)	(13.10)	(4.36)	(10.99)
(4) Current tax expense relating to prior years	-	-	-	-	-	-
XI. Profit (Loss) for the period from continuing operations (VII-VIII)	**238.52**	**127.53**	**25.53**	**25.12**	**212.40**	**42.42**
XII. Profit/(loss) from discontinuing operations	-	-	-	-	-	-
XIII. Tax expense of discontinuing operations	-	-	-	-	-	-
XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)	-	-	-	-	-	-
XV. Profit (Loss) for the period (XI + XIV)	**238.52**	**127.53**	**25.53**	**25.12**	**212.40**	**42.42**
XVI Earnings per equity share:						
(1) Basic & Diluted	**4.44**	**0.47**	**0.47**	**3.95**	**0.79**	**2.37**

ANNEXURE-III - STATEMENT OF CASH FLOW AS RESTATED

(Amount in Lakhs)

Particulars	For the period ended March 31,2018	For the period ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
CASH FLOW FROM OPERATING ACTIVITIES						
Restated Net profit Before Tax and Extraordinary Items	350.91	205.45	46.67	42.48	323.74	65.26
Adjustments For:	-	-	-	-	-	-
Depreciation	117.21	84.00	89.48	102.99	63.81	68.84
Preliminary Expenses	-	-	-	-	-	-
(Interest Received)	(8.67)	(10.01)	(6.16)	(6.00)	(7.36)	(4.30)
Dividend Received	(1.61)	(1.61)	(1.61)	(2.01)	(2.01)	(2.01)
Net (gain) / loss on Foreign Exchanges	(11.81)	7.62	(4.46)	(20.49)	(45.95)	(22.50)
Net (gain) / loss on Sale of Asset	(0.79)	(0.47)	(0.02)	4.09	1.56	-
Net (gain) / loss on Sale of Investments	-	(0.02)	-	-	-	-
Interest and Finance Charges	86.69	89.65	103.94	119.90	40.03	51.75
Operating Profit before working capital changes	**531.94**	**374.63**	**227.85**	**240.96**	**373.82**	**157.03**
Adjustment For:	-	-	-	-	-	-
Decrease/(Increase) in Inventories	(35.86)	(37.47)	(7.40)	175.13	(203.58)	14.46
Decrease/(Increase) in Trade receivables	(110.43)	(25.90)	0.46	89.31	(204.68)	0.01
Decrease/(Increase) in Other Current Assets	-	-	-	-	-	14.90
Decrease/(Increase) in Other Non-Current Assets	-	-	0.70	0.94	3.04	-
(Decrease)/Increase in Trade Payables	(47.25)	208.91	(71.13)	(195.33)	211.68	122.40
(Decrease)/Increase in Other Current Liabilities	7.23	(49.09)	42.30	77.61	(37.73)	(31.18)
(Decrease)/Increase in Short Term Provisions	(14.24)	17.61	23.97	(53.95)	72.66	42.58
(Decrease)/Increase in Other Non Current Liabilities	84.87	-	-	-	-	-
(Decrease)/Increase in Long Term Provisions	(2.75)	3.03	2.35	5.43	14.08	17.13
Cash Generated from Operations	**413.52**	**491.72**	**219.11**	**340.09**	**229.29**	**337.33**
Taxes Paid	104.77	79.46	27.24	30.46	115.70	33.82
Net Cash From /(Used In) Operating Activities (A)	**308.76**	**412.25**	**191.87**	**309.64**	**113.59**	**303.52**
Cash Flow From Investing Activities	-	-	-	-	-	-
(Purchase) / Sale of Fixed Assets/ Capital Work In Progress	(715.30)	(705.88)	(120.93)	(63.55)	(91.20)	(54.19)
Decrease/(Increase) in Non Current investments	-	0.10	-	-	(0.10)	-
Profit on Sales of Asset	0.79	0.47	0.02	(4.09)	(1.56)	-
Other Statutory Adjustments	-	-	-	-	-	-
Decrease/(Increase) in Short-term loans and advances	(77.36)	(99.86)	17.53	130.05	(73.30)	(150.30)

Decrease/(Increase) in Long Term Loans and Advances	11.53	621.89	(60.35)	(641.25)	(8.31)	72.57
Net gain / loss on Sale of Investments	-	0.02	-	-	-	-
Interest Received	8.67	10.01	6.16	6.00	7.36	4.30
Dividend Received	1.61	1.61	1.61	2.01	2.01	2.01
Rental income	-	-	-	-	-	-
Net Cash From /(Used In) Investing Activities (B)	**(770.07)**	**(171.66)**	**(155.97)**	**(570.83)**	**(165.11)**	**(125.61)**
Cash Flow From Financing Activities	-	-	-	-	-	-
Proceeds from Issue of Shares	-	-	-	-	-	-
Interest and Finance Charges	(86.69)	(89.65)	(103.94)	(119.90)	(40.03)	(51.75)
Proceeds / (Repayments) of Share Application Money	-	-	-	-	-	-
(Decrease)/Increase in Short Term Borrowing	389.09	(169.96)	132.12	(88.71)	48.68	(112.11)
(Decrease)/Increase in Long Term Borrowing	157.59	(101.48)	66.80	377.21	56.61	(29.20)
Share Issue Expenses	-	-	-	-	-	-
Prelimanary Expenses	-	-	-	-	-	-
Net gain / loss on Foreign Exchanges	11.81	(7.62)	4.46	20.49	45.95	22.50
Net Cash From Financing Activities (c)	**471.81**	**(368.72)**	**99.45**	**189.09**	**111.21**	**(170.56)**
Net Increase / (Decrease) in Cash (A)+(B)+(C)	**10.49**	**(128.12)**	**135.35**	**(72.10)**	**59.69**	**7.35**
Cash and Cash equivalents at the beginning of the year	**14.55**	**142.67**	**7.32**	**79.42**	**19.73**	**12.39**
Cash and Cash equivalents at the end of the year	**25.04**	**14.55**	**142.67**	**7.32**	**79.42**	**19.73**

I. The Cash Flow statement has been prepared under Indirect method as per Accounting Standard-3 "Cash Flow Statements"

II. Figures in Brackets represent outflows

III. The above statement should be read with the Restated Statement of Assets and Liabilities, Statement of Profit and loss, Significant Accounting Policies and Notes to Accounts as appearing in Annexure I, II, IV(A) respectively.

THE ISSUE

PRESENT ISSUE IN TERMS OF THIS PROSPECTUS	
Particulars	**Details of Equity Shares**
Public Issue of Equity Shares	19,26,000 Equity Shares of face value of Rs.10/- each fully paid of the Company for cash at price of Rs. 60/- per Equity Share aggregating Rs. 1,155.60 lakhs
Of which:	
Market Maker Reservation Portion	98,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs 60/- per Equity Share aggregating Rs. 58.80 lakhs
Net Issue to the Public	18,28,000 Equity Shares of face value of Rs.10/- each fully paid of the Company for cash at price of Rs. 60/- per Equity Share aggregating Rs. 1,096.80 lakhs
Of which	
Retail Portion	9,14,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 60/- per Equity Share aggregating Rs. 548.40 lakhs will be available for allocation for allotment to Retail Individual Investors of up to Rs. 2 lakhs
Non-Institutional Portion	9,14,000 Equity Shares of face value of Rs. 10 /- each fully paid of the Company for cash at price of Rs. 60/- per Equity Share aggregating Rs. 548.40 lakhs will be available for allocation to investors above Rs. 2 lakhs
Pre and Post Issue Equity Shares	
Equity Shares outstanding prior to the Issue	53,75,700 Equity Shares
Equity Shares outstanding after the Issue	73,01,700 Equity Shares of face value of Rs. 10 each
Use of Proceeds (Objects of the Issue)	For further details please refer chapter titled *"Objects of the Issue"* beginning on page 97 of this Prospectus for information on use of Issue Proceeds

Notes:

The Issue has been authorized by the Board of Directors *vide* a resolution passed at its meeting held on March 19 2018 and by the shareholders of our Company *vide* a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extraordinary General Meeting held on March 24, 2018.

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

a) Minimum fifty percent to retail individual investors; and
b) Remaining to
i. Individual applicants other than retail individual investors; and
ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

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

*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 section titled *'Issue Information'* beginning on page 233 of this Prospectus

GENERAL INFORMATION

Our Company was incorporated under the provisions of Companies Act, 1956 as 'Ushanti Colour Chem Private Limited' in Gujarat *vide* Certificate of Incorporation issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli, on May 12, 1993. Consequently, it was converted into a public limited company pursuant to special resolution passed at Extra-ordinary General Meeting of our Company held on February 19, 2018 and the name of our Company was changed to 'Ushanti Colour Chem Limited' and a fresh certificate of incorporation consequent upon Conversion of Private Limited to Public Limited dated March 07, 2018 was issued by Registrar of Companies, Gujarat, Ahmedabad. The Corporate Identification Number of our Company is U24231GJ1993PLC019444.

Shantilal Bhailal Gandhi and Minku Shantilal Gandhi were the initial subscribers to the Memorandum of Association of our Company.

Maunal Shantilal Gandhi and Minku Shantilal Gandhi are the promoters of our Company.

For details of Business, Incorporation and other details of our company, please refer to chapter titled "*Our Business", "Our History and Certain Other Corporate Matters"* beginning on page 126 and 155 of this Prospectus.

REGISTERED OFFICE OF OUR COMPANY:

Ushanti Colour Chem Limited
88/8, GIDC, Phase I,
Vatva, Ahmedabad 382445,
Gujarat, India
Tel: 079-25833315
Fax: NA
Email: admin@ushanti.com
Website: www.ushanti.com
Corporate Identification Number: U24231GJ1993PLC019444

For details relating to changes in our registered office, see the section titled "History and Certain Corporate Matters - Changes in Registered Office" on page 155 of this Prospectus.

ADDRESS OF REGISTRAR OF COMPANIES:

Our Company is registered with the RoC - Gujarat situated at the following address:
ROC Bhavan, Opp. Rupal Park Society,
Behind Ankur Bus Stop,
Naranpura, Ahmedabad-380013, Gujarat, India

Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex
Bandra, East, Mumbai – 400051,
Maharashtra, India

BOARD OF DIRECTORS:

The following table sets out details regarding our Board as on the date of this Prospectus:

Sr. No.	Name	DIN	Designation	Address, Age and Occupation
1.	Maunal Shantilal Gandhi	00118559	Joint Managing Director	***Address***: Someshwar - II, Bunglow No. 17, Nr. Bidiwala Park, Satellite Road, Ahmedabad 380015, Gujarat, India. ***Age***: 48 years ***Occupation***: Business
2.	Minku Shantilal Gandhi	00118617	Joint Managing Director	***Address:*** 04-Vanshree, Opp. Vraj Villa, Behind Nova Village, Mahakali Mandir Road, Bodakdev, Ahmedabad 380015, Gujarat, India ***Age:*** 48 years ***Occupation***: Business
3.	Shantilal Bhailal Gandhi	00118509	Chairman and Executive Director	***Address***: Someshwar - II, Bunglow No. 17, Nr. Bidiwala Park, Satellite Road, Ahmedabad 380015, Gujarat, India. ***Age***: 89 years ***Occupation***: Business
4.	Shailesh Indradaman Patwari	00411439	Independent Director	***Address:*** 6-B, Krishna Society, Ellisbridge, Ahmedabad 380006, Gujarat ***Age:*** 64 years ***Occupation:*** Business
5.	Hanisha Jinish Patel	07190911	Independent Director	***Address:*** 2, Laxmi Nagar Society, Opp. DK Patel Hall, Naranpura Ahmedabad 380013, Gujarat, India. ***Age:*** 27 years ***Occupation:*** Service
6.	Purvi Tapan Trivedi	08064080	Independent Director	***Address:*** 51, Lavaniya Society, Near Jivraj Mehta Hospital, Dr. CV Raman Marg, Ahmedabad 380007, Gujarat, India ***Age:*** 48 years ***Occupation:*** Service

For further details of our Directors, please refer to the chapter titled *"Our Management"* beginning on page 160 of this Prospectus.

COMPANY SECRETARY & COMPLIANCE OFFICER

Archita Shah
Ushanti Colour Chem Limited
88/8 GIDC, Phase I, Vatva,
Ahmedabad 382445, Gujarat, India
Tel: +91 79 25833315
Fax: NA
Email: csucl@ushanti.com
Website: www.ushanti.com

CHIEF FINANCIAL OFFICER

Pradip Parikh
Ushanti Colour Chem Limited
88/8 GIDC, Phase I, Vatva,
Ahmedabad 382445, Gujarat, India
Tel: +91 79 25833315
Fax: NA
Email: cfoucl@ushanti.com
Website: www.ushanti.com

Bidders are advised to contact the Company Secretary and Compliance Officer and/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 Equity Shares in the respective beneficiary account, non-receipt of funds by electronic mode etc.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the Bidder, number of Equity Shares applied for, the Bid amount paid on submission of the Bid cum Application Form 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 to whom the Application was submitted (at ASBA Locations), giving full particulars such as name, address of the applicant, number of Equity Shares applied for, Amount Blocked, ASBA Account number and the Designated branch of the relevant SCSBs to whom the Application was submitted (at ASBA locations) by the ASBA Applicants.

LEAD MANAGER:

Pantomath Capital Advisors Private Limited
406-408, Keshava Premises
Bandra Kurla Complex, Bandra East,
Mumbai – 400 051, Maharashtra, India
Tel: +91 22 6194 6700
Fax: +91 22 2659 8690
Email: ipo@pantomathgroup.com
Investor Grievance Email: ipo@pantomathgroup.com
Website: www.pantomathgroup.com
Contact Person: Hardik Bhuta/Unmesh Zagade
SEBI Registration No: INM000012110

LEGAL COUNSEL TO THE COMPANY:

M. V. Kini Law Firm
Kini House,
1st Floor, 261/263,
Near City Bank, D.N. Road,
Fort, Mumbai - 400001,
Maharashtra, India
Tel: 022-2261 2527/ 28/ 29
Fax: 022-2261 2530
E-mail: vidisha@mvkini.com
Contact Person: Vidisha Krishnan
Website: www.mvkini.com

STATUTORY AUDITOR TO OUR COMPANY:

M/s. ANA & Associates

Chartered Accountants
A, 4th Floor, Galaxy Line,
B/h. Samartheshwar Temple,
Law Garden, Ahmedabad-380006
Gujarat, India
Tel: +91 79 48947108
Fax: NA
E-mail: niravana2010@gmail.com
Contact Person: CA Nirav Choksi
Firm Registration No: 130797W
Membership No: 112249

PEER REVIEWED AUDITOR

M/s. N K Aswani & Co.
701/A Block, Wall Street-2, Opp. Orient Club,
Nr. Gujarat College Crossing, Ellisbridge,
Ahmedabad – 3800006, Gujarat, India
Tel No.: 079-26402552
Fax No.: 079-26402553
Email: narainkaswani@yahoo.co.in
Contact Person: Narian Aswani
Firm Registration No.: 100738W
Membership No.: 033278

M/s N.K. Aswani & Co., Chartered Accountant holds a peer reviewed certificate dated November 13, 2013 issued by the Institute of Chartered Accountants of India.

REGISTRAR TO THE ISSUE

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road, Marol,
Andheri East, Mumbai 400059
Tel: +91 22 62638200
Fax: +91 22 62638299
Email: ipo@bigshareonline.com
Website: www.bigshareonline.com
Contact Person: Jibu John
SEBI Registration No: INR000001385
CIN: U99999MH1994PTC076534

BANKER TO THE COMPANY

The Kalupur Commercial Co-Operative Bank Limited
SME & Mid Corporate Branch
Annexe Building, Kalupur Bank Bhavan,
Nr. Income Tax Circle, Ashram Road,
Ahmedabad -380014, Gujarat, India
Tel: +91 79 2758 2020 to 26
Fax: +91 79 2754 3900
Email: paresh_dave@kalupurbank.com
Website: www.kalupurbank.com
Contact Person: Paresh J Dave
CIN: U99999MH1994PTC076534

PUBLIC ISSUE BANK/ BANKERS TO THE ISSUE AND REFUND BANKER

ICICI Bank Limited
Capital Market Division,
1st Floor, 122, Mistry Bhavan,
Dinshaw Vachha Road, Backbay Reclamation,
Churchgate, Mumbai -400020,
Maharashtra, India
Tel: 022-66818923/924/932
Fax: 022-22611138
E-mail: shweta.surana@icicibank.com
Website: www.icicibank.com
Contact Person: Shweta Surana
SEBI Registration No.: INBI00000004

APPRAISING AGENCY

M/s. ANA & Associates
A, 4th Floor, Galaxy Line,
B/H. Samartheshwar Mahadev Temple,
Law Garden, Ahmedabad – 380006,
Tel: +91 79 30007108
Email: infoana2010@gmail.com
Website: NA
Contact Person: Nirav Choksi

DESIGNATED INTERMEDIARIES

Self-Certified Syndicate Banks

The list of SCSBs for the ASBA process is provided on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or such other websites as updated from time to time. For details of the Designated Branches which shall collect Bid cum Application Forms from the ASBA Bidders and Designated Intermediaries, please refer to the above-mentioned link.

Registered Brokers

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

Registrar to Issue

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

Collecting Depository Participants (CDPs)

The list of the CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange at National Stock Exchange of India Limited, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the

Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Pantomath Capital Advisors Private Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Lead Managers is not applicable.

CREDIT RATING

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

EXPERTS

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

Our Company has received written consent from the Peer Review Auditor, who holds a valid peer review certificate, to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 2013 in respect of the examination report dated April 07, 2018 of the Auditor on the Financial Information, as restated, of our Company as of and for Fiscals ended December 2017, March 31, 2017, 2016, 2015, 2014 and 2013 and the statement of tax benefits dated April 07, 2018, included in this Prospectus and such consents have not been withdrawn as on the date of this Prospectus.

DEBENTURE TRUSTEES

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

MONITORING AGENCY

As per regulation 16(1) of the SEBI ICDR Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 10,000 Lakhs. Since the Issue size is only of Rs. 1,155.60 lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

UNDERWRITER

Our Company has entered into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through this Issue. The Underwriting Agreement is dated June 18, 2018 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 Equity Shares:

Name, address, telephone number, fax number and e-mail address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (Rs in Lakhs)
Pantomath Capital Advisors Private Limited 406-408, Keshava Premises Bandra Kurla Complex, Bandra East, Mumbai – 400 051, Maharashtra, India **Tel**: +91 22 6194 6700 **Fax**: +91 22 2659 8690 **Email**: ipo@pantomathgroup.com **Investor Grievance Email**: ipo@pantomathgroup.com **Website**: www.pantomathgroup.com **Contact Person**: Hardik Bhuta/Unmesh Zagade **SEBI Registration No**: INM000012110	19,26,000 equity shares of Rs. 10 being issued at Rs. 60/- each	1,155.60

**Includes 98,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 106 V (4) of the SEBI (ICDR) Regulations, 2009, as amended.*

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

DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Lead Manager have entered into an agreement dated April 18, 2018, with the following Market Maker, duly registered with NSE Emerge to fulfil the obligations of Market Making.

Pantomath Stock Brokers Private Limited
108, Madhava Premises,
Behind Family Court, Bandra Kurla Complex,
Bandra (East), Mumbai 400051,
Maharashtra, India
Tel: 022 42577000
Fax: 022 26598692
Email: broking@pantomathgroup.com
Website: www.pantomathbroking.com
Contact Person: Mahavir Toshnival
SEBI Registration No.: INZ000068338

Pantomath Stock Brokers Private Limited, registered with SME platform of NSE will act as the Market Maker and has agreed to receive or deliver of 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 any amendment to SEBI (ICDR) Regulations.

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

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and the buy quote) shall not be more than 10% or as specified by the stock exchange Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to Issue their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of 60/- the minimum lot size is 2,000 Equity Shares thus minimum depth of the quote shall be Rs. 1,20,000/- until the same, would be revised by NSE.
3. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Issue Size (including upto 98,000 Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduce to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
4. There shall be no exemption / threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.

6. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Pantomath Stock Brokers Private Limited is acting as the sole Market Maker.
7. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to Rs. 250 crores, the applicable price bands for the first day shall be:
    i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
    ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.
    iii. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading.
8. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on Emerge Platform of National Stock Exchange of India Limited and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.
9. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily / fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
10. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

    In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

11. NSE Emerge 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.
12. NSE Emerge Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

    The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.

13. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Market Makers during market making process has been made applicable, based on the issue size and as follows:

Issue size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)
Up to Rs. 20 Crore	25%	24%
Rs. 20 crore to Rs. 50 crore	20%	19%
Rs. 50 to Rs. 80 crore	15%	14%
Above Rs. 80 crore	12%	11%

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI / NSE from time to time.

CAPITAL STRUCTURE

Our Equity Share capital, as at the date of this Prospectus and after the proposed Issue, is set forth below: -

(Rs. in lakhs, except share data)

	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
A.	**AUTHORISED SHARE CAPITAL**		
	1,00,00,000 Equity Shares of Rs. 10/- each.	1,000.00	-
B.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE**		
	53,75,700 Equity Shares of Rs. 10/- each	537.57	-
C.	**PRESENT ISSUE IN TERMS OF THIS PROSPECTUS**		
	Issue of 19,26,000 Equity Shares of Rs. 10/- each at a price of 60 /- per Equity Share	192.60	1,155.60
	Consisting of:		
	Reservation for Market Maker – 98,000 Equity Shares of face value of Rs. 10/- each reserved as Market Maker portion at a price of Rs. 60/- per Equity Share	9.80	58.80
	Net Issue to Public – 18,28,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. 60/- per Equity Share	182.80	1,096.80
	Of the Net Issue to the Public		
	Retail Portion - Allocation to Retail Individual Investors of 9,14,000 Equity Shares	91.40	548.40
	Other than Retail Portion - Allocation to Other than Retails Individual Investors of 9,14,000 Equity Shares	91.40	548.40
D.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE**		
	Up to 73,01,700 Equity Shares of 10/- each	730.17	-
E.	**SECURITIES PREMIUM ACCOUNT**		
	Before the Issue		55.63
	After the Issue		1,018.63

The Issue has been authorized by the Board of Directors of our Company vide a resolution passed at its meeting held on March 19, 2018 and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on March 24, 2018.

The Company has only one class of share capital i.e. Equity Shares of face value of Rs. 10/- each only. All Equity Shares issued are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Prospectus.

NOTES TO THE CAPITAL STRUCTURE

1. Details of changes in Authorized Share Capital:

The authorised share capital of our Company on incorporation comprised of Rs. 5,00,000 divided into 50,000 Equity Shares of Rs. 10/-each. The following table states the increase in the authorised share

capital since incorporation of our Company: -

Sr. No.	Particulars of Change	Date of Shareholder's meeting	AGM/ EGM
1.	Increase in authorised share capital from Rs. 5,00,000/- divided into 50,000 Equity Shares of Rs. 10/- each to Rs. 10,00,000/- divided into 1,00,000 Equity Shares of Rs. 10/- each.	May 10, 1998	EGM
2.	Increase in authorised share capital from Rs. 10,00,000/- divided into 1,00,000 Equity Shares of Rs. 10/- each to 20,00,000/- divided into 2,00,000 Equity Shares of Rs. 10/- each.	May 17, 1999	EGM
3.	Increase in authorised share capital from Rs. 20,00,000/- divided into 2,00,000 Equity Shares of Rs. 10/- each to 50,00,000/- divided into 5,00,000 Equity Shares of Rs. 10/- each.	January 16, 2007	EGM
4.	Increase in authorised share capital from Rs. 50,00,000/- divided into 5,00,000 Equity Shares of Rs. 10/- each to 60,00,000/- divided into 6,00,000 Equity Shares of Rs. 10/- each.	February 11, 2012	EGM
5.	Increase in authorized share capital from Rs. 60,00,000/- divided into 6,00,000 Equity Shares of Rs. 10/- each to 5,50,00,000/- divided into 55,00,000 Equity Shares of Rs. 10/- each.	January 03, 2018	EGM
6.	Increase in authorized share capital from Rs. 5,50,00,000/- divided into 55,00,000 Equity Shares of Rs. 10/- each to 10,00,00,000/- divided into 1,00,00,000 Equity Shares of Rs. 10/- each.	March 15, 2018	EGM

2. History of the Equity Share Capital of our Company:

Date of allotment of Equity Shares	No. of Equity Shares Allotted	Face Value	Issue Price	Nature of consideration	Reasons for allotment	Cumulative no. of Equity Shares	Cumulative paid-up Equity Capital (in Rs.)
At the time of incorporation[(1)]	200	10	10	Cash	Subscription to MoA	200	2,000
November 18, 1993[(2)]	6,800	10	10	Cash	Further Issue	7,000	70,000
May 15, 1995[(3)]	6,700	10	10	Cash	Further Issue	13,700	1,37,000
January 01, 1998 [(4)]	10,000	10	10	Cash	Further Issue	23,700	2,37,000
March 05, 1998 [(5)]	26,300	10	10	Cash	Further Issue	50,000	5,00,000
May 18, 1998 [(6)]	50,000	10	10	Cash	Further Issue	1,00,000	10,00,000

July 31, 1999 [7]	75,000	10	10	Cash	Further Issue	1,75,000	17,50,000
April 28, 2003 [8]	20,000	10	160	Cash	Further Issue	1,95,000	19,50,000
February 14, 2007 [9]	2,92,500	10	NA	NA	Bonus Issue	4,87,500	48,75,000
March 15, 2012[10]	1,200	10	500	Cash	Further Issue	4,88,700	48,87,000
March 16, 2018[11]	48,87,000	10	NA	NA	Bonus Issue	53,75,700	5,37,57,000

(i) Initial Subscribers to Memorandum of Association subscribed 200 Equity Shares of face value of Rs. 10/- each fully paid *at par* on May 12, 1993, as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1.	Shantilal Bhailal Gandhi	100
2.	Minku Shantilal Gandhi	100
	Total	**200**

(ii) Further Issue of 6,800 Equity Shares of face value of Rs. 10/- each fully paid at par on November 18, 1993, as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Shantilal Bhailal Gandhi	900
2.	Minku Shantilal Gandhi	900
3.	Maunal Shantilal Gandhi	1,000
4.	Ushaben Shantilal Gandhi	1,000
5.	Asha Pradeep Shah	1,000
6.	Sheafali Sureshbhai Shah	1,000
7.	Mona Pankajbhai Gandhi	1,000
	Total	**6,800**

(iii) Further Issue of 6,700 Equity Shares of face value of Rs. 10/- each fully paid at par on May 15, 1995, as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Shantilal Bhailal Gandhi	1,000
2.	Minku Shantilal Gandhi	1,000
3.	Maunal Shantilal Gandhi	1,000
4.	Ushaben Shantilal Gandhi	1,000
5.	Shefali M. Gandhi	1,000
6.	Mona M. Gandhi	1,000
7.	Ghanshyamlal B. Gandhi and Dipak B. Gandhi and Gaurang G. Gandhi	500
8.	Biren N. Kapadia and Priti B. Kapadia	100
9.	Tarumati V. Kapadia and Maulik V. Kapadia	100
	Total	**6,700**

(iv) Further Issue of 10,000 Equity Shares of face value of Rs. 10/- each fully paid at par on January 01, 1998, as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Shantilal Bhailal Gandhi	2,000
2.	Minku Shantilal Gandhi	2,000
3.	Maunal Shantilal Gandhi	2,000
4.	Ushaben Shantilal Gandhi	2,000
5.	Shefali M. Gandhi	1,000
6.	Mona M. Gandhi	1,000
	Total	**10,000**

(v) Further Issue of 26,300 Equity Shares of face value of Rs. 10/- each fully paid at par on March 05, 1998, as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Minku Shantilal Gandhi	13,100
2.	Maunal Shantilal Gandhi	13,200
	Total	**26,300**

(vi) Further Issue of 50,000 Equity Shares of face value of Rs. 10/- each fully paid at par on May 18, 1998, as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Shantilal Bhailal Gandhi	23,000
2.	Sheafali M. Gandhi	13,500
3.	Mona M. Gandhi	13,500
	Total	**50,000**

(vii) Further Issue of 50,000 Equity Shares of face value of Rs. 10/- each fully paid at par on May 18, 1998, as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Shantilal Bhilal Gandhi	25,000
2.	Minku Shantilal Gandhi	25,000
3.	Maunal Shantilal Gandhi	25,000
	Total	**75,000**

(viii) Further Issue of 20,000 Equity Shares of face value of Rs. 10/- each fully paid at premium of Rs. 150/- per equity share on April 28, 2003, as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Shantilal Bhailal Gandhi	5,000
2.	Minku Shantilal Gandhi	6,000
3.	Maunal Shantilal Gandhi	6,000
4.	Ushaben Shantilal Gandhi	1,000
5.	Sheafali M. Gandhi	1,000
6.	Mona M. Gandhi	1,000
	Total	**20,000**

(ix) Bonus issue in the ratio of 3:2 (Three shares given for every two shares held) of 2,92,500 Equity Shares of face value of Rs. 10/- each fully paid on February 14, 2007, as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Shantilal Bhailal Gandhi	85,712
2.	Minku Shantilal Gandhi	72,075
3.	Maunal Shantilal Gandhi	72,335
4.	Ushaben Shantilal Gandhi	7,575
5.	Shefali M. Gandhi	26,250
6.	Mona M. Gandhi	26,250
7.	Asha Pradeep Shah	1,537
8.	Minku Shantilal Gandhi HUF	1
9.	Maunal Shantilal Gandhi HUF	2
10.	Jigitsha J. Shah	1
11.	Ganshyamlal Bhailal Gandhi	750
12.	Lajja Gandhi	2
13.	Pooja Pradeep Shah	1
14.	Ushanti Dyes and Intermediates	2
15.	Vinodrai C. Modi HUF	1
16.	Vinodbhai C Modi	2
17.	Vinaben V. Modi	1
18.	Harsha Mehta	2
19.	Dilipbhai Desai	1
	Total	**2,92,500**

(x) Further Issue of 1,200 Equity Shares of face value of Rs. 10/- each fully paid at a premium of Rs. 490/- per equity share issued on March 15, 2012, as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Anchi Devi Mahendrakumarji	500
2.	Mahendrakumar Pukharaji	700
	Total	**1,200**

(xi) Bonus issue in the ratio of 10:1 (Ten shares given for every one share held) of 48,87,000 Equity Shares of face value of Rs. 10/- each fully paid on March 16, 2018, as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Shantilal Bhailal Gandhi	15,54,770
2.	Minku Shantilal Gandhi	12,28,570
3.	Maunal Shantilal Gandhi	12,28,570
4.	Shefali M. Gandhi	4,37,500
5.	Mona M. Gandhi	4,37,500
6.	Minku Shantilal Gandhi HUF	30
7.	Maunal Shantilal Gandhi HUF	40
8.	Aadit Gandhi	10
9.	Shantilal Bhailal Gandhi HUF	10
	Total	**48,87,000**

3. We have not issued any Equity Shares for consideration other than cash except as mentioned below:

Date of Allotment/ Fully paid-up	Number of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Benefits accrued to our Company	Allottees	No. of Shares Allotted
February 14, 2007	2,92,500	10	NA	Bonus Issue	Capitalization of Reserves	Shantilal Bhailal Gandhi	85,712
						Minku Shantilal Gandhi	72,075
						Maunal Shantilal Gandhi	72,335
						Ushaben Shantilal Gandhi	7,575
						Sheafali M Gandhi	26,250
						Mona M. Gandhi	26,250
						Asha Pradeep Shah	1,537
						Minku Shantilal Gandhi HUF	1
						Maunal Shantilal Gandhi HUF	2
						Jigistha J. Shah	1

Date of Allotment/ Fully paid-up	Number of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Benefits accrued to our Company	Allottees	No. of Shares Allotted
						Ganshyamlal Bhailal Gandhi	750
						Lajja Gandhi	2
						Pooja Pradeep Shah	1
						Ushanti Dyes and Intermediates	2
						Vinodrai C. Modi HUF	1
						Vinodbhai C. Modi	2
						Vinaben V. Modi	1
						Harsha Mehta	2
						Dilipbhai Desai	1
March 16, 2018	48,87,000	10	NA	Bonus Issue	Capitalization of Reserves	Shantilal Bhailal Gandhi	15,54,770
						Minku Shantilal Gandhi	12,28,570
						Maunal Shantilal Gandhi	12,28,570
						Sheafali M. Gandhi	4,37,500
						Mona M. Gandhi	4,37,500
						Minku Shantilal Gandhi HUF	30
						Maunal Shantilal Gandhi HUF	40
						Aadit Gandhi	10
						Shantilal Bhailal Gandhi HUF	10

4. No Equity Shares have been allotted pursuant to any scheme approved under Section 230-240 of the Companies Act, 2013.

5. Our Company has not revalued its assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

6. We have not issued any shares at price below issue price within last one year from the date of this Prospectus except as given below:

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Allottees	No. of Shares Allotted
	48,87,000	10	NA		Shantilal Bhailal Gandhi	15,54,770

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Allottees	No. of Shares Allotted
March 16, 2018				Bonus Issue	Minku Shantilal Gandhi	12,28,570
					Maunal Shantilal Gandhi	12,28,570
					Sheafali M. Gandhi	4,37,500
					Mona M. Gandhi	4,37,500
					Minku Shantilal Gandhi HUF	30
					Maunal Shantilal Gandhi HUF	40
					Aadit Gandhi	10
					Shantilal Bhailal Gandhi HUF	10

7. As on the date of this Prospectus, our Company does not have any preference share capital.

8. Build-up of Promoters' capital, Promoter's contribution and lock-in

i. Built up of Promoter's shareholdings:

As on the date of this Prospectus our Promoters Maunal Shantilal Gandhi and Minku Shantilal Gandhi hold 27,02,854 Equity Shares, constituting 50.28% of the issued, subscribed and paid-up Equity Share capital of our Company. None of the Equity shares held by our Promoters are subject to any pledge. The built-up of shareholding of Promoters are as follows:

Maunal Shantilal Gandhi

Date of Allotment / Transfer/Date when made Fully Paid	No. Equity Shares Allotted / Transferred	Face Value	Issue/ Acquisition Price	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post Issue Paid up Capital
June 15, 1993	25	10	10	Transfer of shares from Minku Shantilal Gandhi	Negligible	Negligible
November 18, 1993	1,000	10	10	Further Issue	0.02%	0.01%
May 15, 1995	1,000	10	10	Further Issue	0.02%	0.01%
January 01, 1998	2,000	10	10	Further Issue	0.04%	0.03%
March 05, 1998	13,200	10	10	Further Issue	0.25%	0.18%
July 31, 1999	25,000	10	10	Fresh Issue	0.47%	0.34%
July 04, 2003	(1)	10	10	Transfer of shares to Harshaben Mehta	Negligible	Negligible

August 08, 2003	(1)	10	10	Transfer of shares to Dilip Desai	Negligible	Negligible
April 28, 2003	6,000	10	160	Further Issue	0.11%	0.08%
February 14, 2007	72,335	10	-	Bonus Issue	1.35%	0.99%
May 05, 2014	500	10	10	Transfer of shares from Anchidevi Mahendrakumarji	0.01%	0.01%
May 05, 2017	(1)	10	10	Transfer to Arjun Gandhi	Negligible	Negligible
	1,037	10	10	Transfer of shares from Asha Shah & Pradeep Shah	0.02%	0.01%
	750	10	10	Transfer of shares from Deepak Gandhi & Gaurang Gandhi	0.01%	0.01%
	3	10	10	Transfer of shares from Ushanti Dyes and Intermediates	Negligible	Negligible
	3	10	10	Transfer of shares from Lajja Gandhi	Negligible	Negligible
	2	10	10	Transfer of shares from Pooja Shah	Negligible	Negligible
	2	10	10	Transfer of shares from Vinodrai C Modi HUF	Negligible	Negligible
	3	10	10	Transfer of shares from Vinodrai C Modi	Negligible	Negligible
	2	10	10	Transfer of shares from Vinaben V. Modi	Negligible	Negligible
	2	10	10	Transfer of shares from Jigishaben Shah	Negligible	Negligible
	3	10	10	Transfer of shares from Harsha Mehta	Negligible	Negligible
	2	10	10	Transfer of shares from Dilip Desai	Negligible	Negligible
February 23, 2018	(8)	10	10	Transfer to Minku Shantilal Gandhi	Negligible	Negligible

	(1)	10	10	Transfer to Minku Shantilal Gandhi HUF	Negligible	Negligible
March 16, 2018	12,28,570	10	NA	Bonus Issue	22.85%	16.83%
Total	**13,51,427**	-	-	-	**25.14%**	**18.51%**

**Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment*

Minku Shantilal Gandhi

Date of Allotment / Transfer/ Date when made Fully Paid	No. Equity Shares Offered / Transferred	Face Value	Issue/ Acquisition Price	Nature of Transaction	% of Pre-Issue Paid up Capital	% of Post Issue Paid up Capital
May 12, 1993	100	10	10	Subscription to MOA	Negligible	Negligible
June 15, 1993	(25)	10	10	Transfer of shares to Maunal Shantilal Gandhi	Negligible	Negligible
June 15, 1993	(25)	10	10	Transfer of shares to Asha Shah & Pradip Shah	Negligible	Negligible
November 18, 1993	900	10	10	Further Issue	0.02%	0.00%
May 15, 1995	1000	10	10	Further Issue	0.02%	0.01%
January 01, 1998	2,000	10	10	Further Issue	0.04%	0.01%
March 05, 1998	13,100	10	10	Further Issue	0.24%	0.03%
July 31, 1999	25,000	10	-	Bonus Issue	0.47%	0.18%
April 28, 2003	6,000	10	160	Further Issue	0.11%	0.34%
February 14, 2007	72,075	10	-	Bonus Issue	1.34%	0.08%
May 5, 2014	700	10	10	Transfer of shares from Mahendrakumarji Pukraji	0.01%	0.99%
May 05, 2017	(1)	10	10	Transfer of shares to Aadit Gandhi	Negligible	Negligible
	1,525	10	10	Transfer of shares from Ashaben Shah & Pradeep	0.03%	0.00%

				Shah		
May 05, 2017	500	10	10	Transfer of shares from Deepak Gandhi & Gaurang Gandhi	0.01%	0.02%
February 23, 2018	8	10	10	Transfer of shares from Maunal Shantilal Gandhi	Negligible	Negligible
March 16, 2018	12,28,570	10	-	Bonus Issue	22.85%	16.38%
Total	**13,51,427**				**25.14%**	**18.51%**

**Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment*

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

Pursuant to Regulation 32 and 36 of SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoters, shall be locked-in for a period of three years from the date of Allotment and. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Our Promoters have given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Promoters' Contribution constituting 20.90% of the post issue Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution, for a period of three years from the date of allotment in the Issue.

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

Promoters	**No. of Equity Shares Locked in**	**Face Value**	**Issue / Acquisition Price**	**Date of Allotment/ Acquisition and when made fully paid-up**	**Nature of Allotment/ Transfer**	**Percentage of post-Issue paid-up capital**	**Source of Promoter's Contribution**	**Lock in Period**
Maunal Shantilal Gandhi	25	10	10	June 15, 1993	Transfer from Minku Gandhi	Negligible	Owned	3 Years
	1,000	10	10	November 18, 1993	Further Allotment	0.01	Owned	3 Years
	1,000	10	10	May 15, 1995	Further Allotment	0.01	Owned	3 Years
	2,000	10	10	January 01, 1998	Further Allotment	0.03	Owned	3 Years
	13,200	10	10	March 05, 1998	Further Allotment	0.18	Owned	3 Years
	25,000	10	10	July 31, 1999	Further Allotment	0.34	Owned	3 Years
	6,000	10	160	April 28, 2003	Further Allotment	0.08	Owned	3 Years

	72,335	10	NA	February 14, 2007	Bonus	0.99	Owned	3 Years
	500	10	10	May 05, 2014	Further Allotment	0.01	Owned	3 Years
	1,808	10	10	May 05, 2017	Further Allotment	0.02	Owned	3 Years
	6,40,000	10	NA	March 16, 2018	Bonus	8.77	Owned	3 Years
Total (A)	**7,62,868**					**10.45**		
Minku Shantilal Gandhi	100	10	10	May 12, 1993	Subscription to MOA	Negligible	Owned	3 Years
	900	10	10	November 18, 1993	Further Allotment	0.01	Owned	3 Years
	1,000	10	10	May 15, 1995	Further Allotment	0.01	Owned	3 Years
	2,000	10	10	January 01, 1998	Further Allotment	0.03	Owned	3 Years
	13,100	10	10	March 05, 1998	Further Allotment	0.18	Owned	3 Years
	25,000	10	10	July 31, 1999	Further Allotment	0.34	Owned	3 Years
	6,000	10	160	April 28, 2003	Further Allotment	0.08	Owned	3 Years
	72,075	10	NA	February 14, 2007	Bonus	0.99	Owned	3 Years
	700	10	10	May 5, 2014	Further Allotment	0.01	Owned	3 Years
	2024	10	10	May 5, 2017	Further Allotment	0.03	Owned	3 Years
	6,40,000	10	NA	March 15, 2018	Bonus	8.77	Owned	3 Years
Total (B)	**7,62,899**					**10.45**		
Grand Total	**15,25,767**					**20.90**		

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

a) The Equity Shares offered for minimum 20% Promoters' contribution have not been acquired in the three years preceding the date of this Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;

b) The minimum Promoters' contribution does not include Equity Shares acquired during the one

year preceding the date of this Prospectus at a price lower than the Issue Price;

c) No equity shares have been issued to our promoter upon conversion of a partnership firm during the preceding one year at a price less than the issue price.

d) No equity shares held by the Promoters and offered for minimum Promoters' contribution are subject to any pledge;

e) All the Equity Shares of our Company held by the Promoter and Promoter Group are in the process of being dematerialized; and

f) The Equity Shares offered for Promoters' contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoter for inclusion of its subscription in the Promoters' contribution subject to lock-in.

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

iii. Details of share capital locked in for one year

Other than the above Equity Shares that are locked in for three years, the entire pre-Issue Equity Share capital of our Company shall be locked-in for a period of one year from the date of allotment in the Public Issue.

iv. Other requirements in respect of lock-in

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

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

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, 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 SEBI Takeover Regulations, as applicable.

We further confirm that our Promoters' Contribution of 20.90% of the post Issue Equity Share capital does not include any contribution from Alternative Investment Fund.

9. The Promoter, Promoter Group, Directors of our Company and their relatives have not undertaken any transactions of equity shares of our Company, during a period of 6 (six) months preceding the

date on which this Prospectus is filed with Stock Exchange except as follows:

Sr. No.	Date of Transaction	Name of Transferor	No. of Shares	Price per Share (in Rs.)	Name of Transferee
1.	February 23, 2018	Maunal Shantilal Gandhi	8	10	Minku Shantilal Gandhi
2.	February 23, 2018	Maunal Shantilal Gandhi	1	10	Minku Shantilal Gandhi HUF
3.	February 23, 2018	Arjun Gandhi	1	10	Maunal Shantilal Gandhi HUF

10. Our Company has not issued any Equity Shares in the year preceding the date of this Prospectus, which may be at a price lower than the Issue price except as follows:

Date of Allotment	Number of Equity Shares	Face Value	Issue Price	Reasons for Allotment	Benefits occurred to the Company	Allottees	No. Of Shares Allotted
March 16, 2018	48,87,000	10	-	Bonus Shares	Capitalization of Reserves	Shantilal Bhailal Gandhi	15,54,770
						Minku Shantilal Gandhi	12,28,570
						Maunal Shantilal Gandhi	12,28,570
						Sheafali M. Gandhi	4,37,500
						Mona M. Gandhi	4,37,500
						Minku Shantilal Gandhi HUF	30
						Maunal Shantilal Gandhi HUF	40
						Aadit Gandhi	10
						Shantilal Bhailal Gandhi HUF	10

11. Our Shareholding Pattern:

The table below presents the shareholding pattern of our Company as on the date of this Prospectus:

Category	Category of shareholder	Number of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrant)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights										
								Class Equity X	Class Others Y	Total	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)	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII)As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	9	53,75,700	Nil	Nil	53,75,700	100.00%	53,75,700	Nil	53,75,700	100.00 %	Nil	100.00%	Nil	Nil	Nil	Nil	53,75,700
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non Promoter - Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares Underlyi	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	ng DRs																	
(C2)	**Shares Held By Employee Trust**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**9**	**53,75,700**	**Nil**	**Nil**	**53,75,700**	**100.00%**	**53,75,700**	**-**	**53,75,700**	**100.00 %**	**-**	**100.00%**	**-**	**-**	**-**	**-**	**53,75,700**

*As on the date of this Prospectus 1 Equity Share holds 1 vote.

**All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to Listing of Shares on National Stock Exchange of India Limited.

Note: PAN of shareholders will be provided to the Stock Exchange by our Company prior to listing of its Equity Shares on the Stock Exchange.

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of National Stock Exchange of India Limited before commencement of trading of such Equity Shares.

In terms of SEBI circular bearing Number Cir/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing no. SEBI/Cir/ISD/ 05 /2011, dated September 30, 2011, our Company shall ensure that the Equity Shares held by the Promoter / members of the Promoter Group shall be dematerialized prior to listing of Equity Shares.

12. Following are the details of the holding of securities of persons belonging to category "Promoter and Promoter Group":

Sr. No.	Name of Shareholder	Pre-Issue		Post-Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post - Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
Promoters					
1.	Maunal Shantilal Gandhi	13,51,427	25.14%	13,51,427	18.51%
2.	Minku Shantilal Gandhi	13,51,427	25.14%	13,51,427	18.51%
	Sub-Total (A)	**27,02,854**	**50.28%**	**27,02,854**	**37.02%**
Promoter-Group					
3.	Shantilal Bhailal Gandhi	17,10,247	31.81%	17,10,247	23.42%
4.	Shefali M. Gandhi	4,81,250	8.95%	4,81,250	6.59%
5.	Mona M. Gandhi	4,81,250	8.95%	4,81,250	6.59%
6.	Shantilal Bhailal Gandhi HUF	11	Negligible	11	Negligible
7.	Minku Shantilal Gandhi HUF	33	Negligible	33	Negligible
8.	Maunal Shantilal Gandhi HUF	44	Negligible	44	Negligible
9.	Aadit Gandhi	11	Negligible	11	Negligible
	Sub-Total (B)	**26,72,846**	**49.72%**	**26,72,846**	**36.61%**
	TOTAL (A)+(B)	**53,75,700**	**100.00%**	**53,75,700**	**73.62%**

13. There are no persons belonging to the category "Public" who holds securities (including shares, warrants, convertible securities) of more than 1% of the total number of shares as on the date of filing of this Prospectus.

14. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled "Our Management" beginning on page 160 of this Prospectus

15. The lists of top 10 shareholders of our Company and the number of Equity Shares held by them as on the date of filing, ten days before the date of filing and two years before the date of filing of this Prospectus are set forth below:

(a) Our top ten shareholders and the number of Equity Shares held by them as on the date of filing

this Prospectus, is as follows:

Sr. No.	Name	No. of Equity Shares	% of Pre-Issue Equity Share Capital
1.	Shantilal Bhailal Gandhi	17,10,247	31.81%
2.	Minku Shantilal Gandhi	13,51,427	25.14%
3.	Maunal Shantilal Gandhi	13,51,427	25.14%
4.	Sheafali M. Gandhi	4,81,250	8.95%
5.	Mona M. Gandhi	4,81,250	8.95%
6.	Maunal Shantilal Gandhi HUF	44	Negligible
7.	Minku Shantilal Gandhi HUF	33	Negligible
8.	Shantilal Bhailal Gandhi HUF	11	Negligible
9.	Aadit Gandhi	11	Negligible
	Total	**53,75,700**	**100.00%**

Note:- Our Company has only (9) shareholders as on date of filing of this Prospectus.

(b) Our top ten shareholders and the number of Equity Shares held by them 10 (ten) days prior to filing this Prospectus is as follows:

Sr. No.	Name	No. of Equity Shares	% of the then existing paid up Equity Share Capital
1.	Shantilal Bhailal Gandhi	17,10,247	31.81%
2.	Minku Shantilal Gandhi	13,51,427	25.14%
3.	Maunal Shantilal Gandhi	13,51,427	25.14%
4.	Sheafali M. Gandhi	4,81,250	8.95%
5.	Mona M. Gandhi	4,81,250	8.95%
6.	Maunal Shantilal Gandhi HUF	44	Negligible
7.	Minku Shantilal Gandhi HUF	33	Negligible
8.	Shantilal Bhailal Gandhi HUF	11	Negligible
9.	Aadit Gandhi	11	Negligible
	Total	**53,75,700**	**100.00%**

Note:- Our Company had only (9) shareholders as at ten days prior to the date of filing of this Prospectus.

(c) Our top ten shareholders and the number of Equity Shares held by them 2 (two) years prior to

date of filing of this Prospectus, is as follows:

Sr. No.	Name	No. of Equity Shares	% of the then existing paid up Equity Share Capital
1.	Shantilal Bhailal Gandhi	1,55,478	31.81%
2.	Maunal Shantilal Gandhi	1,21,058	24.72%
3.	Minku Shantilal Gandhi	1,20,825	24.77%
4.	Sheafali M. Gandhi	43,750	8.95%
5.	Mona M. Gandhi	43,750	8.95%
6.	Asha Pradeep Shah	2,562	0.52%
7.	Ghanshyamlal Gandhi	1,250	0.26%
8.	Maunal Shantilal Gandhi HUF	3	Negligible
9.	Lajjaben Gandhi	3	Negligible
10.	Ushanti Dyes and Intermediates	3	Negligible
	Total	**4,88,682**	**100%**

16. Neither the Lead Manager viz. Pantomath Capital Advisors Private Limited, nor their associates hold any Equity Shares of our Company as on the date of this Prospectus.

17. The associates and affiliates of the Lead Manager, if any, may subscribe the Equity Shares in the Issue, 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.

18. Under-subscription in the net issue, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the National Stock Exchange of India Limited.

19. Our Company, Directors and Lead Manager have not entered into any buy-back or standby/safety net arrangements for the purchase of the Equity Shares of our Company from any person.

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

21. Other than the Equity Shares, there are no other class of securities issued by our Company.

22. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Prospectus until the Equity Shares have been listed. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the Issue, by way of split / consolidation of the denomination of Equity Shares. However our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

23. There are no financing arrangements wherein the Promoters, Promoter Group, the Directors of our Company and their relatives, Directors of our Promoter Group companies have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the

financing entity during the period of six months immediately preceding the date of the Prospectus.

24. None of the equity shares of our Company have been pledged by the Promoters or the Promoter Group.

25. Our Company has not issued any bonus shares out of revaluation of reserves.

26. Except as set out below, none of the members of the Promoter Group, the Promoter and its directors, or our Directors and their immediate relatives have purchased or sold any Equity Shares during the period of six months immediately preceding the date of filing of the Prospectus.

Date of Allotment /Transfer	No. Of Equity Shares Allotted/Transferred	Face Value	Issue Price	Nature of Consideration	Nature of Transfer/ Allotment	Name of Allot tees/ Transferees
March 16, 2018	48,87,000	10	-	Other than Cash	Bonus Issue	Shantilal Bhailal Gandhi
						Minku Shantilal Gandhi
						Maunal Shantilal Gandhi
						Sheafali M. Gandhi
						Mona M. Gandhi
						Shantilal Bhailal Gandhi HUF
						Minku Shantilal Gandhi HUF
						Maunal Shantilal Gandhi HUF
						Aadit Gandhi
February 23, 2018	8	10	10	Cash	Transfer	Minku Shantilal Gandhi
	1	10	10			Minku Shantilal Gandhi HUF
	1	10	10			Maunal Shantilal Gandhi HUF

27. As on the date of this Prospectus, the Lead Manager, nor their associates does not hold any Equity Shares in our Company.

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

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Maunal Shantilal Gandhi	13,51,427	1.04
Minku Shantila Gandhi	13,51,427	1.04

29. Our Company does not have any Employee Stock Option Scheme/ Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme/ Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014

30. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Prospectus with the Registrar of Companies and the Bid/Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transaction.

31. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.

32. We do not have any intention or proposal to alter our capital structure within a period of 6 months from the

date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

33. Our Company has not raised any bridge loan against the proceeds of the Issue.

34. An over-subscription to the extent of 10% of the issue to the public can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment being equal to 2,000 Equity Shares, which is the minimum bid lot in this Issue. Consequently, the actual Allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-Issue paid up capital after the Issue would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares held by our Promoters and subject to lock- in shall be suitably increased; so as to ensure that a minimum of 20% of the post Issue paid-up capital is locked in.

35. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements SEBI (ICDR) Regulations, as amended from time to time.

36. The Equity Shares are fully paid up and there are no partly paid up Equity Shares as on date. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.

37. Our Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme.

38. Under-subscription in the net issue, if any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the National Stock Exchange of India Limited. Unsubscribed portion in any reserved category (if any) may be added to any other reserved category. The unsubscribed portion, if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.

39. There would be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of the Prospectus with Stock Exchange until the Equity Shares issued through the Prospectus are listed or application moneys refunded on account of failure of Issue.

40. As per RBI regulations, OCBs are not allowed to participate in this Issue.

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

42. There are no outstanding warrants, options or right to convert debentures, loans or other financial instruments into our Equity Shares as on the date of this Prospectus.

43. There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be prescribed by SEBI from time to time.

44. Our Company has 9 shareholders as on filing of the Prospectus.

45. Our Promoters and members of Promoter Group will not participate in this Issue.

46. No payment, direct or indirect, in the nature of discount, allowance, commission or otherwise, shall be made either by us or our Promoters to the persons who receive Allotments, if any, in this Issue other than to the Eligible Employees who shall be eligible for Employee Discount.

OBJECTS OF THE ISSUE

Requirement of Funds

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be Rs 1105.60 lakhs (the "**Net Proceeds**")

We intend to utilize the Net Proceeds towards the following objects:

1. To finance setting up of Dyestuff Pigment and Intermediates manufacturing facility at GIDC Saykha Industrial Estate, Bharuch;
2. Repayment/pre-payment of certain secured borrowings availed by our Company; and
3. General corporate purposes.

(Collectively, herein referred to as the "**Objects**")

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

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

ISSUE PROCEED

The details of the proceeds of the Issue are set out in the following table:

(Rs in Lakhs)

Particulars	Estimated amount
Gross Proceeds from the Issue	1155.60
(Less) Issue related expenses	50.00
Net Proceeds	1105.60

UTILISATION OF NET PROCEEDS

The Net Proceeds are proposed to be used in the manner set out in the following table:

(Rs in lakhs)

Sr. No.	Particulars	Estimated Amount
1.	To finance setting up of Dyestuff Pigment and Intermediates manufacturing facility at GIDC Saykha Industrial Estate, Bharuch;	300.00
2.	Repayment/pre-payment of certain secured borrowings availed by our Company	580.00
3.	General corporate purposes	225.60
	Total Net Proceeds	1105.60

SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF FUNDS

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

(Rs. In lakhs)

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Estimated Utilisation of Net Proceeds (Financial Year 2019)
1.	To finance setting up of Dyestuff Pigment and Intermediates manufacturing facility at GIDC Saykha Industrial Estate, Bharuch;	300.00	300.00
2.	Repayment/pre-payment of certain secured borrowings availed by our Company	580.00	580.00
3.	General corporate purposes	225.60	225.60

To the extent our Company is unable to utilise any portion of the Net Proceeds towards the Objects, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Objects

Means of Finance

The setting up of Dyestuff Pigment and Intermediates manufacturing facility at Saykha GIDC Bharuch will be met through the Net Proceeds to the extent of Rs 300.00 lakhs and balance through internal accruals/ net worth. Repayment of secured loan availed by our Company will be met entirely from the Net Proceeds of the Issue.

(Rs. in lakhs)

Object of the Issue	Amount Required	IPO Proceeds	Internal Accrual/ Networth
To finance setting up of Dyestuff Pigment and Intermediates manufacturing facility at GIDC Saykha Industrial Estate, Bharuch;	800.00	300.00	500.00
Repayment/pre-payment of certain secured borrowings availed by our Company	580.00	580.00	-
General Corporate purposes	225.60	225.60	-

Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 4(2) (g) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.

APPRAISAL BY APPRAISING AGENCY

ANA & Associates has conducted a Techno Economic Viability Report (Appraisal Report) dated May 02, 2018 in respect of the proposed setting up of Dyestuff Pigment and Intermediates manufacturing facility at Saykha GIDC Bharuch.

The fund requirements mentioned above except for setting up of Dyestuff Pigment and Intermediates manufacturing facility is based on the internal management estimates of our Company and have not been verified by the Lead Managers or appraised by any bank, financial institution or any other external agency. The fund requirements for setting up of Dyestuff Pigment and Intermediates manufacturing facility is based on the Appraisal Report of ANA & Associates. The fund requirements are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. The actual costs would depend upon the negotiated prices with the

suppliers/contractors and may vary from the above estimates. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking debt financing.

Details of the Object

The details of the objects of the Issue are set out below.

1. To finance setting up of Dyestuff Pigment and Intermediates manufacturing facility at GIDC Saykha Industrial Estate, Bharuch

Our Company is currently having existing set up of dyestuff, pigments and intermediates at 88/6/7/8 Phase I, GIDC Vatwa, Ahmedabad 382 445. The existing installed capacity of the manufacturing plant is 3540 MTPA. As a part of our business strategy, our Company proposes to set up 1200 MT per annum manufacturing facility of Dyestuff Pigment and Intermediates at GIDC Saykha Industrial Estate.

Vinyl Sulphone is one of the key raw material used by our Company in manufacturing of Reactive Blue 21.The addition of Vinyl Sulphone plant will enable our Company to increase the profitability and competitiveness of Reactive Blue 21.

Estimated Costs

The total estimated cost of setting up of Dyestuff Pigment and Intermediates manufacturing facility as per the appraisal report is Rs. 800.00 lakhs. The total cost for setting up of additional manufacturing facility has been estimated by our management in accordance with our business plan approved by our Board of Directors pursuant to its meeting dated May 3, 2018 and based on Appraisal Report of A.N.A. & Associates dated May 02, 2018 and quotations received from third party suppliers.

The detailed breakdown of such estimated cost is set forth below.

(Rs. in lakhs)

Sr. No	Description of Cost	Project Cost
1	Plant & Machinery & ETP for Dyestuff Pigment and Intermediates manufacturing facility of 1200 MT (Expandable) per annum Capacity	800.00
	Total Estimated Cost of the project	**800.00**

Means of finance

The total estimated cost for setting up of Dyestuff Pigment and Intermediates manufacturing facility is proposed to be funded as follows:

Particulars	Amount (Rs in Lakhs)
Out of Issue Proceeds	300.00
Internal Accruals/Networth	500.00
Total Means of Finance	**800.00**

Note: Any increase in the cost of setting up of Dyestuff Pigment and Intermediates manufacturing unit or shortfall in the funding would be financed through internal accruals.

Land

Our Company has already acquired three plots of land, namely, C-18, C-37 and DP 80-81-82-83 at GIDC Saykha Industrial Estate, Gujarat. The total area of theses plots of land is approximately 75000 square meters. The Dyestuff Pigment and Intermediates unit of Our Company will be commissioned on plot C-18.

Plant & Machinery

The entire manufacturing facility of Dyestuff Pigment and Intermediates will be set-up by OME Engineers & Fabricators; dated April; 27, 2018. The cost of the above facility has been estimated at Rs. 800.00 lakhs. The details of process work that will be undertaken by OME Engineers and Fabricators on behalf of our Company is given below:

Equipment List (Process Wise)					
No.	**Description**	**MOC**	**Capacity**	**Quantity**	**Type**
	Storage Tank				
1	CSA Storage Tank	MS	30 KL	2	Horizontal
2	TC Storage Tank	SS/MSBR/lead	25 KL	1	Vertical
3	Caustic Storage Tank	MS	30 KL	2	
4	Sulfuric Acid Storage Tank	MS	30 KL	1	
5	CSA Storage Tank Pump	MS		2	Submercible
6	TC Storage Tank Pump	SS		1	Centrifugal
7	Caustic Storage Tank Pump	MS		2	Centrifugal
8	Sulfuric Acid Storage Tank Pump	MS		1	Submercible
	Batch Tank				
9	CSA Batch Tank	MS	2 KL	1	
10	TC Batch Tank	SS/MSBR/lead	2 KL	1	
11	Caustic Batch Tank	MS	5 KL	2	
12	Sulfuric Acid Batch Tank	MS	4 KL	1	
	Sulponation				
13	Sulfonator Reactor	MS	18 KL	2	
14	Scrubbing System Of Chloro HCL	HDPE/ PPFRP/Graphite			
15	Scrubbing System Of TC HCL				
16	Scrubbing System Of SO2 Recovery				
17	Final Blower				
	Dumping				
18	Dumping Vessel	HDPE/FRP	8-10 KL	1	
19	Ice Crusher				
20	ASC Transferring Pump	MSRL		1	open impeller
	Reduction				
21	Vacuum Belt Filter/Porus Tiles Nutch				
22	Vacuum Pump / Ejector System	SS/ MSRL			
23	Vacuum Nutch For Water Supply To VP				
24	Reduction Vessel	SS304/316	24 KL	2	
25	Spent Tank 1	MSRLBR/FRP	25 KL	1	
26	Spent Tank 2	MSRLBR/FRP	25 KL	1	
27	Spent Tank 3	MSRLBR/FRP	25 KL	1	
28	Reduction Transferring Pump	SS 304		1	
	Ethoxylation				
29	Ethoxylene Reactor (Eo Reactor)	SS304/316	29 KL	2	
30	Dilute Sulfuric Tub	HDPE/FRP/PP	1.5-2 kl	2	

Equipment List (Process Wise)					
No.	**Description**	**MOC**	**Capacity**	**Quantity**	**Type**
31	EO Batch Tank With Load Cell	SS304	3 KL	3	
32	Condense Nutch				
33	Transferring Pump To Condense Nutch	SS304		1	
34	ML Vacuum Tank	MSRLBR/FRP	25 KL	2	
35	Washing ML Tank	MSRLBR/FRP	25 KL	1	
36	Vacuum Pump				
37	Vacuum Nutch For Water Supply To VP				
38	Centrifuge	MSRL	48"	4	
	Drying				
39	Flash Dryer	SS304	1000 kg/hr pdt	1	
	Esterification				
40	Esterification Reactor (Pan Vacuum Dryer)	SS316	1 ton	2	
41	Sulfuric Acid Limpet Tub	SS316	500 kgs	3	
42	Acetic Acid Recovery System				
43	Graphite Condenser	Graphite	6 M2	1	
44	Acetic Acid Storage Tank	MSRLBR/SS	15-20 KL	1	
45	Dilute Acetic Acid Tank	MSRLBR/SS	5 KL	1	
46	Vacuum Trap	MSRLBR/SS	3 KL	1	
47	Vacuum Pump	MSRL/SS			
	Packing				
48	Pulveriser	MS/CI	1000 kgs/hr	1	
49	Blender (If Provide)	MS/SS304	4 ton/10KL	1	

No second-hand machinery or material is proposed to be purchased out of the aforesaid objects. The abovementioned Plant & Machinery is proposed to be acquired in a ready-to use condition.

We have not entered into any definitive agreements with the suppliers and there can be no assurance that the same suppliers would be engaged to eventually set-up the Dyestuff Pigment and Intermediates facility at the same costs. The cost of Dyestuff Pigment and Intermediates manufacturing unit is based on the estimates of our management.

Our Promoters, Directors, Key Management Personnel or Group Entities have no interest in the proposed procurements, as stated above.

Proposed Schedule of Implementation:

Activities	Commencement	Estimated Completion Date
Acquisition of land	Already acquired	
Dyestuff Pigment and Intermediates Plant	October'18	September' 19
Commercial production	September' 19	Onwards

Land:

The Company has already acquired three plots of land namely C-18, C-37 and DP 80-81-82-83 at GIDC Saykha Industrial Estate, Gujarat. The total area of theses plots of land is approximately 75,000 square

meters. The Dyestuff Pigment and Intermediates unit of our Company is proposed to be commissioned on Plot C-18, which is having an estimated total area of 33,560 square meters.

Power:

The power requirement for Phase I is 1 MW which will be supplied by DAKSHIN GUJARAT VIDHYUT COMPANY LTD (DGVCL).

Water:

Water requirement for Phase I will be sourced from GIDC Saykha. The quantity and quality of water available at unit locations is adequate and good for production of Dyestuff/Pigments/Intermediates.

2. Repayment/pre-payment of certain Secured borrowings availed by our Company

Our Company has availed secured loan from various banks and financial institutions for funding the GIDC and Kalupur Bank Co-operative Bank. These loans were taken for capital expenditure and meeting working capital requirements of the Company. As on May 02, 2018, with respect to the loans proposed to be repaid from Net Proceeds of the Issue, our Company had outstanding indebtedness from concerned entities amounting to Rs. 644.00 lakhs as certified by the ANA & Associates, Chartered Accountants. We believe that such repayment will help reduce our outstanding indebtedness and improve our debt-equity ratio. We believe that reducing our indebtedness will result in enhanced equity base, reduce our financial costs, improve our profitability and improve our leverage capacity.

The details of the repayment of loans are provided below:

(Rs. In lakhs)

Name of Lender	Amount Outstanding as on May 02, 2018	Rate Of Interest	Security	Tenure	Purpose/ Utilisation	Repayment from the Net Proceeds of the Issue
The Kalupur Commercial Co-Operative Bank Limited	230.00	9.50%	Plot of land at 88/6/7/8, GIDC Phase I, Vatva, Ahmedabad-382445, Gujarat, India	60 months	Expansion of Business	230.00
Gujarat Industrial Development Corporation	414.00	12.50%	Plot of land at C-80, 81, 82 Dahej GID C	For first 2 years only interest is payable in 8 quarterly instalments. Capital is payable in 32 equal quarterly instalment	Expansion of Business	350.00
Total	**644.00**	**-**	**-**	**-**	**-**	**580.00**

We may repay the above loans, before we obtain proceeds from the Issue, through other means and source of financing, including bridge loan or other financial arrangements, which then will be repaid from the proceeds of the Issue.

3. General Corporate Purpose

The Net Proceeds will be first utilized towards the Objects as mentioned as mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

1. strategic initiatives
2. brand building and strengthening of marketing activities; and
3. On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head "General Corporate Purposes" and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above.

ISSUE RELATED EXPENSES

The total expenses of the Issue are estimated to be approximately Rs 50.00 lakhs. The expenses of this include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as follows:

Expenses	Expenses (Rs. in Lakhs)*	Expenses (% of total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Bankers etc.	25.00	50%	2.17%
Regulatory fees	5.00	10%	0.43%
Marketing and Other Expenses	20.00	40%	1.73%
Total estimated Issue expenses	50.00	100%	4.33%

As on June 30, 2018 our Company has incurred Rs. 22.43 Lakhs towards Issue Expenses out of internal accruals.

SCSBs will be entitled to a processing fee of Rs. 10/- per Application Form for processing of the Application Forms procured by other Application Collecting Intermediary and submitted to them on successful allotment.

Selling commission payable to Registered broker, SCSBs, RTAs, CDPs, on the portion for RIIs and NIIs, would be payable as follows:

Portion for RIIs	0.25% (exclusive of Goods and Service Tax)
Portion for NIIs	0.15% (exclusive of Goods and Service Tax)

The commissions and processing fees shall be payable within 30 working days post the date of receipt of final invoices of the respective intermediaries.

Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.

BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance setting up of additional manufacturing facility requirements until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance setting up of additional manufacturing facility requirements will be repaid from the Net Proceeds of the Issue.

INTERIMUSE OF FUNDS

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilisation of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

MONITORING UTILIZATION OF FUNDS

There is no requirement for the appointment of a monitoring agency, as the Issue size is less than Rs. 10,000 Lakhs. Our Board will monitor the utilization of the proceeds of the Issue and will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the .balance sheet of our Company for the relevant Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32(5) of the Listing Regulations, our Company shall disclose to the Audit Committee the uses and applications of the Net Proceeds. Our Company shall prepare an annual statement of funds utilized for purposes other than those stated in this Prospectus, certified by the statutory auditors of our Company and place it before the Audit Committee, as required under applicable laws. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. Furthermore, in accordance with the Regulation 32(1) of the Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the utilization of the proceeds of the Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the utilization of the proceeds from the Issue from the objects of the Issue as states above. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee.

VARIATION IN OBJECTS

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, 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 through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

OTHER CONFIRMATIONS

No part of the proceeds of the Issue will be paid by us to the Promoters and Promoter Group, the Directors, Associates, Key Management Personnel or Group Companies except in the normal course of business and in compliance with the applicable law.

BASIS FOR ISSUE PRICE

The Issue Price has been determined by our Company in consultation with the Lead Manager, on the basis of an assessment of quantitative and qualitative factors as described below. The face value of the Equity Shares is Rs. 10 each and the Issue Price is Rs. 60 per Equity Share and is 6 times the face value. Investors should also refer sections titled *"Risk Factors"* , *"Financial Statements"* and chapter titled *"Our Business"* beginning on pages 19, 182 and 126 respectively of this Prospectus, to have an informed view before making an investment decision. The trading price of the Equity Shares of our Company could decline due to risk factors and you may lose all or part of your investments.

QUALITATIVE FACTORS

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

- Focus on quality and innovation;
- Experienced Promoters and management;
- Intermediates Production;
- Wide range of products;
- Locational Advantage;
- Cost reduction initiatives; and
- Well established relationship with clients.

For further details, refer to heading *"Our Competitive Strengths"* under chapter titled *"Our Business"* beginning on page 126 of this Prospectus.

QUANTITATIVE FACTORS

The information presented below is based on the restated financial statements of the Company for the Financial Years ended March 31, 2018, 2017 and 2016, 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 Share (EPS) as per Accounting Standard 20 as adjusted for changes in capital

Year Ended	EPS (Rs.)	Weight
March 31, 2018	4.44	3
March 31, 2017	2.37	2
March 31, 2016	0.47	1
Weighted Average		**3.09**

Notes:

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

2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 60 per Equity Share of Rs. 10 each fully paid up

Particulars	P/E Ratio
P/E ratio based on Basic and Diluted EPS for FY 2017-18	13.51
P/E ratio based on Weighted Average Basic and Diluted EPS	19.42
***Industry P/E**	
Highest	68.72
Lowest	26.44
Average	45.99

**Industry Composite comprises of Meghmani Organics Limited, Yash Chemex Limited and Mahickra Chemicals Limited.*

3. Return on Net worth (RoNW)

Return on Net Worth ("RoNW") as per restated financial statements

Year Ended	RoNW (%)	Weight
March 31, 2018	27.42	3
March 31, 2017	20.20	2
March 31, 2016	5.07	1
Weighted average		**21.29%**

Note: *RoNW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding revaluation reserves, if any) of our Company.*

4. Minimum Return on Total Net Worth post Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2018 is 16.01%

5. Net Asset Value (NAV)

NAV per Equity Share	Amount (in Rs.)
Net Asset Value per Equity Share as of March 31, 2018	16.18
Net Asset Value per Equity Share after the Issue	27.74
Issue Price per equity share	60.00

Notes:

- Net Asset Value per Equity Share has been calculated as net worth divided by number of equity shares at the end of the year. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding revaluation reserves, if any) of our Company.

6. Comparison with other listed companies

Companies	CMP*	EPS (Basic and Diluted)	PE Ratio	RONW (%)	NAV (per share)	Face Value	Total Income (Rs. in Lakhs)
Ushanti Colour Chem Limited	60	4.44	13.51	27.42%	16.18	10.00	3,674.87
Peer Groups**							
Meghmani Organics Limited	80.10	3.03	26.44	11.04%	27.43	1.00	1,28,657.88
Yash Chemex Ltd	80.40	1.17	68.72	8.44%	13.92	10.00	8,392.99
Mahickra Chemicals Limited	45.80	1.07	42.80	14.86%	7.19	10.00	4,225.85

**CMP for our Company is considered as Issue Price*

***Source: www.bseindia.com and www.nseindia.com*

Notes:

- Considering the nature of business of our Company the peers are not strictly comparable. However, same have been included for broad comparison.
- The figures for Ushanti Colour Chem Limited are based on the restated financial results for the year ended March 31, 2018.
- The figures for the peer group are based on the standalone audited results for the year ended March 31, 2018 except Mahickra Chemicals Limited. The figures of Machikra Chemicals Limited is based on the prospectus filled with NSE for IPO for the year ended March 31, 2017.
- NAV is computed as the closing net worth divided by the closing outstanding number of equity shares.
- P/E Ratio has been computed based on the closing market price of equity shares on July 06, 2018 divided by the Basic EPS.
- Current Market Price (CMP) are the closing prices of respective scripts as on July 06, 2018 on BSE and NSE.
- RoNW is computed as net profit after tax divided by closing net worth. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserves, if any).
- The Issue Price of Ushanti Colour Chem Limited is Rs. 60 per Equity Share.

For further details see section titled *"Risk Factors"* beginning on page 19 of this Prospectus and the financials of the Company including profitability and return ratios, as set out in the section titled *"Financial Statements"* beginning on page 182 of this Prospectus for a more informed view.

STATEMENT OF POSSIBLE TAX BENEFITS

To,

The Board of Directors

Ushanti Colour Chem Limited

88/8, G.I.D.C. Phase-I, Vatva,

Ahmedabad-382445

Dear Sirs,

Sub: Statement of possible special tax benefits ("the Statement") available to Ushanti Colour Chem Limited ("the Company") and its shareholders prepared in accordance with the requirements in Schedule VIII-Clause (VII) (L) of the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2009, as amended ("the Regulations")

We hereby report that the enclosed annexure, prepared by the Management of the Company, states the possible special tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ("Act") as amended by the Finance Act, 2017 (i.e. applicable to Financial Year 2017-18 relevant to Assessment Year 2018-19), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed annexure cover only special tax benefits available to the Company and its Shareholders and do not cover any general tax benefits available to the Company or its Shareholders. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever changing tax laws in India.

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

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

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws.

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

We shall not be liable to Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith of intentional misconduct.

The enclosed annexure is intended for your information and for inclusion in the Draft Prospectus /Prospectus in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our written consent.

For, N. K. Aswani & Co.

Chartered Accountants

Firm Registeration No.: 100738W

N. K. Aswani

Proprietor

Membership No.: 033278

Date: July 11, 2018

Place: Ahmedabad

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

Outlined below are the possible benefits available to the Company and its shareholders under the current direct tax laws in India for the Financial Year 2016-17

A. SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE "ACT")

The company is not entitled to any special tax benefits under the Act.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE "ACT")

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

SECTION IV – ABOUT THE COMPANY

OUR INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled "Risk Factors" and "Financial Statements" and related notes beginning on pages 19 and 182 respectively of this Prospectus before deciding to invest in our Equity Shares.

INTRODUCTION TO DYE CHEMICAL INDUSTRY

Basic dye chemicals and their related products (petrochemicals, fertilisers, paints, varnishes, glass, perfumes, toiletries, pharmaceuticals, etc.) constitute a significant part of the Indian economy. Among the most diversified industrial sectors, chemicals cover an array of more than 70,000 commercial products. In April-June 2017, total Foreign Direct Investments (FDI) in chemicals (excluding fertilisers) stood at US$ 679 million whereas cumulative FDI till June 2017 from April 2000 was US$ 13.972 billion. India is the sixth largest producer of chemicals globally and third largest producer in Asia in terms of output. The country ranks third globally in the production of agro chemicals and contributes around 16 per cent to the global dyestuff and dye intermediates production.

Key Markets and Export Destinations

Total exports of dyes and dye intermediates, organic and inorganic chemicals, including agro chemicals, cosmetics and toiletries, essential oils, incense sticks and castor oil, stood at US$ 12.15 billion during the year 2016-17. The US, the UAE, the UK, Bangladesh and Saudi Arabia are the leading importers of cosmetics, toiletries and essential oils. In the year 2016-17, exports of dyes and dye intermediaries increased 2.94per cent year-on-year to US$ 2.11 billion. During the period, exports of essential oils, cosmetics and toiletries increased 6.84 per cent to US$ 15.72 billion and exports of castor oil stood at US$ 676.43 million. Exports of inorganic, organic and agro chemicals stood at US$ 7.78 billion, an increase of 4.46 per cent year-on-year.

(Source: Introduction to Indian Dye Chemicals Industry, India Brand Equity Foundation - *www.ibef.org*)

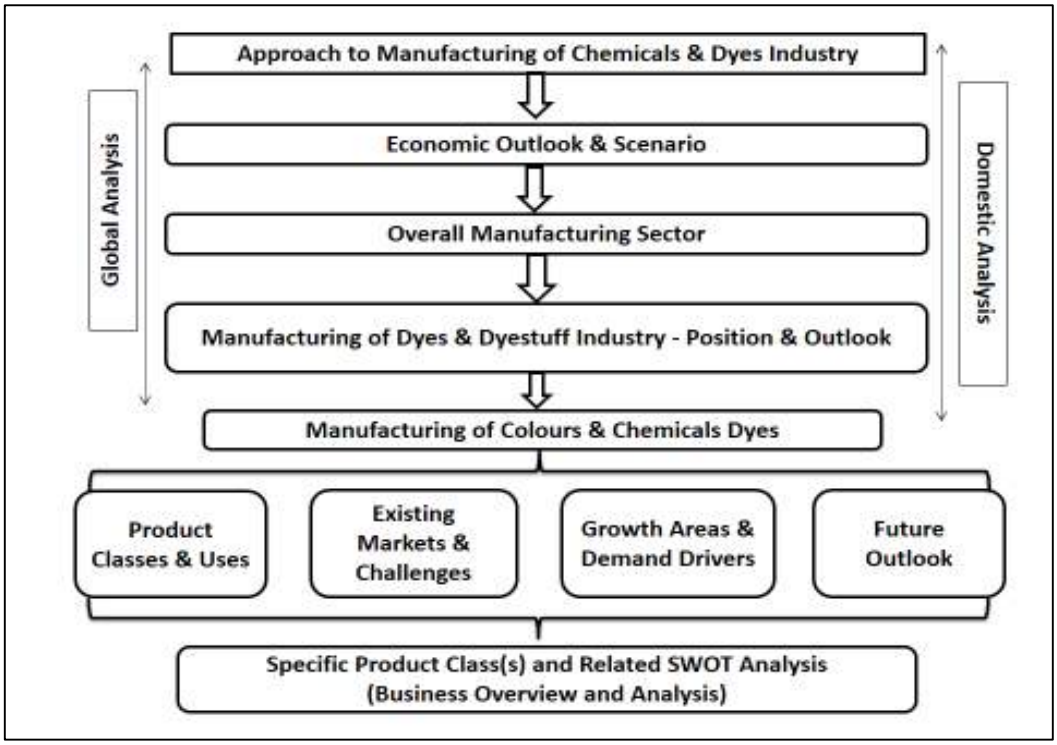
APPROACH TO DYE CHEMICALS INDUSTRY ANALYSIS

Analysis of Manufacturing of Dye Chemical Products Industry needs to be approached at both macro and micro levels, whether for domestic or global markets. Manufacturing of Dye Chemical Products Industry forms part of Manufacturing Sector at a macro level. Hence, broad picture of Manufacturing Sector should be at preface while analysing the Manufacturing of Dye Chemical Products Industry.

Manufacturing Sector comprises various industries, which in turn, have numerous sub-classes or products. One such major industry in the overall Manufacturing Sector is 'Dye Chemical Products Industry' which in turn encompasses Manufacturing of Chemicals and Dyestuff segment.

Thus, Manufacturing of Chemicals and dye stuff products segment should be analysed in the light of 'Dye Chemical Products Industry' at large. An appropriate view of Dye Chemical Products Industry, then calls for the analysis of overall economic outlook and scenario, performance and expectations of manufacturing sector, Micro analysis of the segment thereof.

This Approach Note is developed by Pantomath Capital Advisors Pvt. Ltd ('Pantomath') and any unauthorized reference or use of this Note, whether in the context of manufacturing of dye chemicals industry and/ or any other industry, may entail legal consequences.



GLOBAL ECONOMIC OVERVIEW

According to the International Monetary Fund (IMF), the global economy is experiencing a near-synchronous recovery, the most broad-based since 2010. In 2017, roughly three-quarters of countries experienced improvements in their growth rates, the highest share since 2010. The latest World Economic Outlook (WEO) of the IMF shows global GDP growth accelerated to around 3.6 percent in 2017 from 3.2 percent in 2016, and the forecast for 2018 has been upgraded by 0.2 percentage points to 3.9 percent. Although rebounding, global growth is still well below levels reached in the 2000s.

One reason why the recovery has spread around the globe is that world trade in goods and services has finally emerged from its torpor, registering 4.7 percent real volume growth in 2017 compared with 2.5 percent in 2016. Another reason is that commodity producers such as Russia, Brazil, and Saudi Arabia, which for the past few years been suffering from depressed prices, have benefitted from the upswing in demand. Commodity prices increased smartly in 2017, led by petroleum, whose price rose by 16 percent to reach $61 per barrel by the end of the year.

Even as global growth and commodity prices have surged, inflation has remained remarkably quiescent, remaining below 2 percent in the main advanced regions. Consequently, monetary policies in the US, Eurozone and Japan have remained highly accommodative despite a strong recovery. These unusual settings—rapid growth, ultra-low interest rates—at a late stage in the economic cycle have produced the rarest of combinations: record-high high bond prices and stock market valuations, both at the same time. The consensus forecast calls for these conditions to be sustained in 2018, as companies respond to buoyant demand conditions by stepping up investment, some governments (such as the US) embark on expansionary fiscal policies, while advanced country monetary policies remain stimulative and world trade continues to grow briskly.

What are the risks? Of course, there are the usual geo-political and geo-economic risks: war in the Korean peninsula; political upheaval in the Middle East; aggressive output cuts by Saudi Arabia (and Russia) in advance of the planned listing of the Saudi Arabian oil company, Aramco, which could force oil prices even higher; a final reckoning from China's unprecedented credit surge in the form of capital controls, slowdown in growth, and a sharply depreciating currency with consequences for the global economy (Economic Survey, 2016-17, Chapter 1); and trade tensions that could lead to skirmishes, and then spiral out of control. But perhaps the main risks lie on the macro-finance front in advanced economies. These stem from three, inter-related, sources:

- Asset valuations (price-equity ratios) tend to revert to their mean. And the faster and higher they climb, especially so late in the economic cycle, the greater the risk of sharp corrections.

- Simultaneously high valuations of both bonds and equities tend to be briefly lived because they suffer from an acute tension: if future earnings and economic growth are so bright, justifying high equity prices, interest rates cannot be forever so low.
- And if interest rates rise—or if markets even sense that central banks will need to shift their stance—both bond and equity prices could correct sharply. A plausible scenario would be the following. The IMF is now forecasting that advanced country output gaps will close in 2018 for the first time since the Global Financial Crisis. As this occurs, wages would start rising, eating into profits (which would prick equity valuations); and as inflation rises in tandem, policy makers would be forced into raising rates, deflating bond valuations and further undermining share prices.

What would happen to growth if asset prices correct? Surely, the impact would be far smaller than it was in 2007-09, because advanced countries are far less vulnerable than they were a decade ago. In particular, the leverage tied to these assets is much lower, which would minimize contagious propagation; while banks are much better buffered, with higher levels of capital and core deposits, and lower levels of risky assets.

Even so, there would be some consequences. For one, a large decline in wealth would force advanced country consumers to cut back on their spending, which in turn would lead firms to curtail their investments. And if this happens, monetary and fiscal policies would have much less room for expansionary manoeuvre since interest rates are already low while government debts are high. And the political implications of yet another decline in asset prices, the second in a decade, could also be significant, with effects that are difficult to imagine.

In sum, assessing future risks hinges on two calls: interest rate policy and asset valuations. On policy, extraordinarily low rates have, to paraphrase Paul Krugman, become "an obsession in search of a justification." Initially justified by the dislocations caused by the Global Financial Crisis, then by large output gaps, they are now defended on the grounds that inflation remains weak, even as the slack in product and labor markets is disappearing rapidly. Will the gathering new evidence on closing output gaps and rising employment dispel that obsession?

On valuations, the prognosticator must navigate a narrow strait: steering clear of the "Cry of Wolf" trap (bond prices will finally, finally correct, having defied the prediction of correction in each of the last several years), without succumbing to the siren call of "This Time is Different" (stock valuations are sustainable this time because interest rates will remain at historic lows).

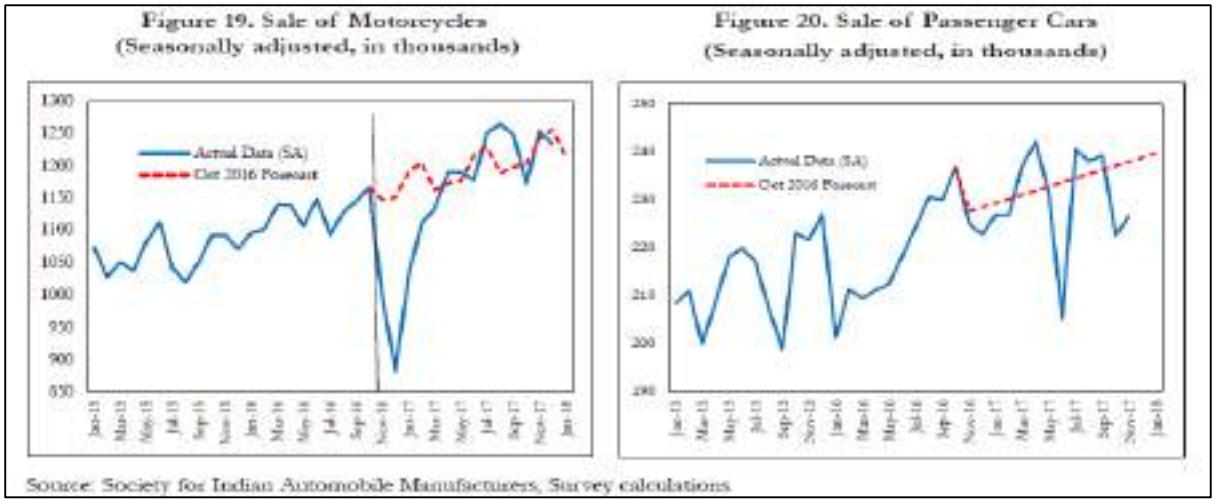
(Source: Economic Survey 2017-18 Volume 1 www.indiabudget.nic.in)

OVERVIEW OF INDIA'S ECONOMIC PERFORMANCE IN 2017-18

Economic activity

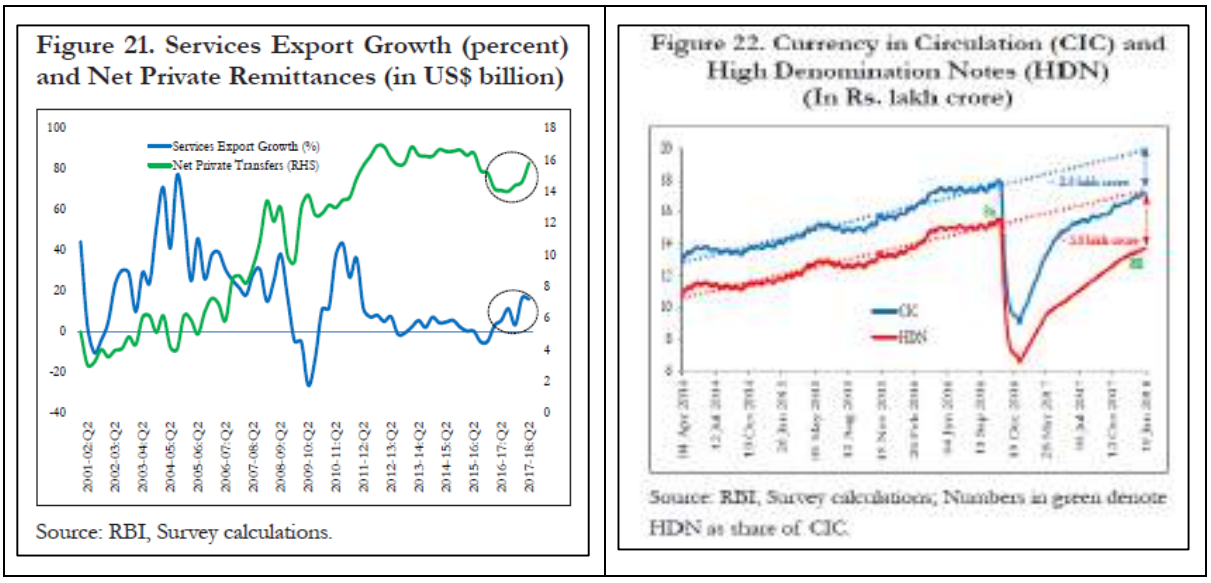
The key question going forward is whether the economy has troughed, and if so at what pace it will recover toward its medium term trend. High frequency indicators do suggest that a robust recovery is taking hold as reflected in a variety of indicators, including overall GVA, manufacturing GVA, the IIP, gross capital formation (Figure 17) and exports.

Similarly, real non-food credit growth has rebounded to 4 percent in November 2017 on a year-on-year basis, while the squeeze on real credit to industry is abating (Figure 18). Moreover, the flow of nonbank resources to the corporate sector, such as bond market borrowing and lending by NBFCs, has increased by 43 percent (April-December 2017 compared to the same period a year ago), substituting in part for weak bank credit. Rural demand, proxied by motor cycle sales, and auto sales, while not yet back to its pre-demonetization trend, are recovering (Figures 19 and 20).



Perhaps most significantly, the behaviour of manufacturing exports and imports in the second and third quarters of this fiscal year has started to reverse. The re-acceleration of export growth to 13.6 percent in the third quarter of FY2018 and deceleration of import growth to 13.1 percent, in line with global trends, suggest that the demonetization and GST effects are receding. Services export and private remittances are also rebounding (Figure 21).

On demonetization specifically, the cash-to-GDP ratio has stabilized, suggesting a return to equilibrium. The evidence is that since about June 2017 the trend in currency is identical to that pre-demonetization (Figure 22). The stabilization also permits estimation of the impact of demonetization: about Rs. 2.8 lakh Crores less cash (1.8 percent of GDP) and about Rs. 3.8 lakh Crores less high denomination notes (2.5 percent of GDP).

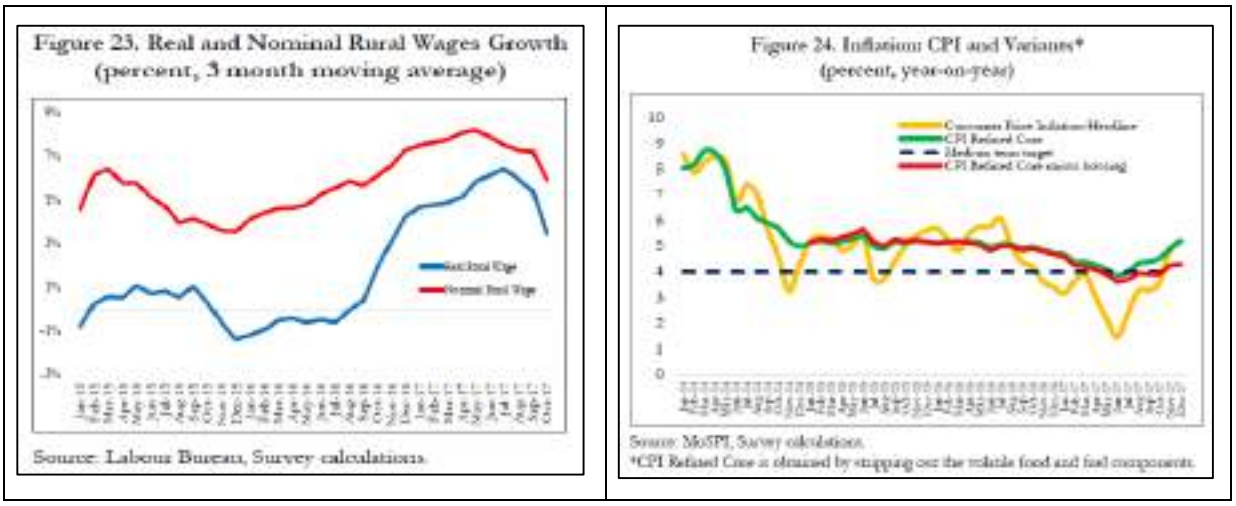


A final, important factor explaining the growth recovery is fiscal, which is providing a boost to aggregate demand. For reasons related to smoothening the transition, GST revenues will only be collected for 11 months, which is akin to a tax cut for consumers. Meanwhile, overall revenue expenditure growth by the central and state governments at remains strong at 11.7 percent (April to November). Cyclical conditions may also lead to lower tax and non-tax revenues, which act as an automatic stabilizer.

All this said, while the direction of the indicators is positive, their level remains below potential. IIP growth (April-November 2017 over same period in the previous year) is 3.2 percent, real credit growth to industry is still in negative territory, and the growth in world trade remains less than half its level of a decade ago. Moreover, even though the cost of equity has fallen to low levels, corporates have not raised commensurate amounts of capital, suggesting that their investment plans remain modest (Box 6). In other words, the twin engines that propelled the economy's take-off in the mid-2000s – exports and investment – are continuing to run below take-off speed.

Meanwhile, developments in the agriculture sector bear monitoring. The trend acceleration in rural wages (agriculture and non-agriculture), which had occurred through much of 2016 because of increased activity on the back of a strong monsoon, seems to have decelerated beginning just before the kharif season of 2017-18 (Figure 23) but it is still greater than much of the last three years. Three crop-specific developments are evident. Sowing has been lower in both kharif and rabi, reducing the demand for labor. The acreage for kharif and rabi for 2017-18 is estimated to have declined by 6.1 percent and 0.5 percent, respectively. Pulses and oilseeds have seen an increase in sowing, but this has translated into unusually low farmgate prices (below their minimum support price, MSP), again affecting farm revenues. The so-called TOP perishables (tomatoes, onions, and potatoes) have meanwhile fluctuated between high and low prices, engendering income uncertainty for farmers.

The CSO has forecast real GDP growth for 2017-18 at 6.5 percent. However, this estimate has not fully factored in the latest developments in the third quarter, especially the greater-than-CSO-forecast exports and government contributions to demand. Accordingly, real GDP growth for 2017-18 as a whole is expected to be close to 6 3/4 percent. Given real GDP growth of 6 percent in the first half, this implies that growth in the second half would rebound to 7.5 percent, aided by favourable base effects, especially in the fourth quarter.



Average CPI inflation for the first nine months has averaged 3.2 percent and is projected to reach 3.7 percent for the year as a whole. Thisimplies average CPI inflation in the last quarter of 5 percent, in line with the RBI's forecast. Therefore, the GDP deflator is expected to grow by 3.6 percent for 2017-18, somewhat higher than the CSO's forecast of 2.8 percent. Consequentially, nominal GDP growth is estimated at 10.5 percent, compared with the CSO's 9.5 percent estimate.

Macroeconomic indicators

After 13 months of continuously under-shooting the inflation target by an average of 130 basis points, headline inflation for the first time crossed the RBI's 4 percent target in November, posting a rate of 5.2 percent in December 2017 (Figure 24). The recent upswing in inflation stems from rising global oil prices (not all of which has been passed on to consumers), unseasonal increases in the prices of fruits and vegetables, and the 7th Pay Commission housing rent allowances, which mechanically increase inflation. Stripped of all these factors, underlying inflation has been increasing at a more modest pace, reaching 4.3 percent at end-December—in part because firms are passing the incidence of GST on to final consumers only gradually.

The current account deficit has also widened in 2017-18 and is expected to average about 1.5-2 percent of GDP for the year as a whole. The current account deficit can be split into a manufacturing trade deficit, an oil and gold deficit, a services deficit, and a remittances deficit (Figure 25). In the first half of 2017-18, the oil and gold balance has improved (smaller deficit of $47 billion) but this has been offset by a higher trade deficit ($18 billion) and a reduced services surplus ($37 billion), the latter two reflecting a deterioration in the economy's competitiveness.

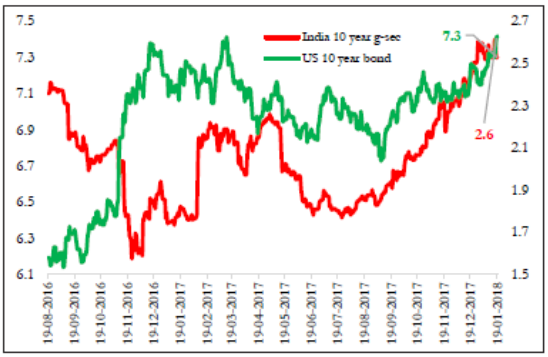
Despite these developments, the overall external position remains solid. The current account deficit is well below the 3 percent of GDP threshold beyond which vulnerability emerges. Meanwhile, foreign exchange reserves have reached a record level of about $432 billion (spot and forward) at end-December 2017, well above prudent norms.

Fiscal developments

Bond yields have increased sharply (Figure 26) since August 2017, reflecting a variety of factors, including concerns that the fiscal deficit might be greater-than-budgeted, expectations of higher inflation, a rebound in activity that would narrow the output gap, and expectations of rate increases in the US. As a result, the yield curve has become unusually steep (Figure 27).

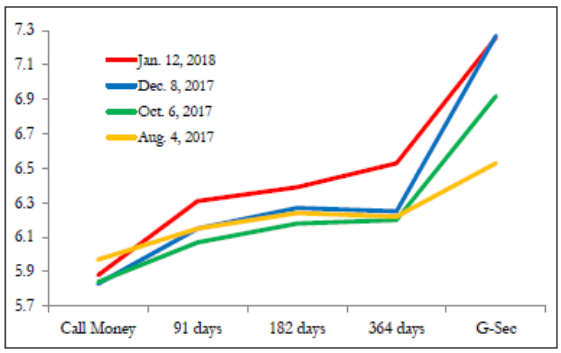
The fiscal deficit for the first eight months of 2017-18 reached 112 percent of the total for the year, far above the 89 percent norm (average of last 5 years), largely because of a shortfall in non-tax revenue, reflecting reduced dividends from government agencies and enterprises. Expenditure also progressed at a fast pace, reflecting the advancing of the budget cycle by a month which gave considerable leeway to the spending agencies to plan in advance and start implementation early in the financial year. Partially offsetting these trends will be disinvestment receipts which are likely to exceed budget targets.

Figure 26. 10-year G-sec Yields : India and US



Source: Bloomberg; RBI.

Figure 27. Yield Curve



Source: Bloomberg; RBI, Survey calculations.

GST revenue collections are surprisingly robust given that these are early days of such a disruptive change (See Box 7). Government measures to curb black money and encourage tax formalization, including demonetization and the GST, have increased personal income tax collections substantially (excluding the securities transactions tax). From about 2 percent of GDP between 2013-14 and 2015-16, they are likely to rise to 2.3 percent of GDP in 2017-18, a historic high. Precise estimates of the government's contribution to this improvement vary depending on the methodology used. An econometric exercise yields an estimate of Rs. 40,000 Crores over the two fiscal years of 2016-17 and 2017-18.3 Another based on comparing the difference in actual tax buoyancy in 2016-17 and 2017-18 over the previous seven-years' average buoyancy, yields an estimate of about Rs. 65,000 Crores (both exclude the 25,000 Crores collected under the Income Disclosure Scheme and Pradhan Mantri Garib Kalyan Yojana). Thus, the sum of all government efforts increased income tax collections, thus far, between Rs. 65,000 and Rs. 90,000 Crores. These numbers imply a substantial increase in reported incomes (and hence in formalization) of about 1.5 percent to 2.3 percent of GDP.

As a result of the budget overruns, the central government's fiscal deficit until November 2017 was Rs. 6.1 lakh crore compared to the budgeted Rs. 5.5 lakh crore. In contrast, state governments seem to be hewing closely to their targeted fiscal consolidation – in part because the centre has guaranteed them a large increase in their indirect tax take, as part of the GST agreement.

Reflecting largely fiscal developments at the centre, a pause in general government fiscal consolidation relative to 2016-17 cannot be ruled out. In addition, the measured deficit for 2017-18 will include Rs. 80,000 crore (0.5 percent of GDP) in capital provided to public sector banks. But this will not affect aggregate demand, as reflected in international accounting practice which deems such operations as financing ("below-the-line") rather than expenditure.

In the case of borrowing by the states, markets have perhaps inadequately taken into account the fact that higher market borrowings by them does not reflect higher deficits; rather about Rs. 50,000 crore or 0.3 percent of GDP of market borrowings is due to changes in the composition of financing, away from higher cost NSSF borrowings toward lower cost market borrowings. This lack of strict correspondence between the deficit and borrowings at the central and state levels (Figure 28) is discussed in greater detail in Box 8. For general

government, about Rs. 40,000 Crores represents greater market borrowings that is not due to deficits—a fact which markets apparently have not internalized.

Another factor contributing to the rise in bond yields has been stepped-up Open Market Operations (OMO) by the RBI. This amounted to a net sale of about Rs. 90,000 Crores during April-December 2017-18 (compared to a net redemption of Rs. 1.1 lakh Crores during the same period in 2016-17) to sterilize the impact of foreign flows, themselves induced by high interest rates.

(Source: Economic Survey 2017-18 Volume 1 www.indiabudget.nic.in)

OUTLOOK FOR 2018-19

The outlook for 2018-19 will be determined by economic policy in the run-up to the next national election. If macro-economic stability is kept under control, the ongoing reforms are stabilized, and the world economy remains buoyant as today, growth could start recovering towards its medium term economic potential of at least 8 percent.

Consider the components of demand that will influence the growth outlook. The acceleration of global growth should in principle provide a solid boost to export demand. Certainly, it has done so in the past, particularly in the mid-2000s when the booming global economy allowed India to increase its exports by more than 26 percent per annum. This time, the export response to world growth has been in line with the long-term average, but below the response in the mid-2000s. Perhaps it is only a matter of time until exports start to grow at a healthy rate. Remittances are already perking up, and may revive further due to higher oil prices.

Private investment seems poised to rebound, as many of the factors exerting a drag on growth over the past year finally ease off. Translating this potential into an actual investment rebound will depend on the resolution and recapitalization process. If this process moves ahead expeditiously, stressed firms will be put in the hands of stronger ownership, allowing them to resume spending. But if resolution is delayed, so too will the return of the private cape cycle. And if this occurs public investment will not be able to step into the breach, since it will be constrained by the need to maintain a modicum of fiscal consolidation to head off market anxieties.

Consumption demand, meanwhile, will encounter different tugs. On the positive side, it will be helped by the likely reduction in real interest rates in 2018-19 compared to the 2017-18 average. At the same time, average oil prices are forecast by the IMF to be about 12 percent higher in 2018-19, which will crimp real incomes and spending—assuming the increase is passed on into higher prices, rather than absorbed by the budget through excise tax reductions or by the oil marketing companies. And if higher oil prices requires tighter monetary policy to meet the inflation target, real interest rates could exert a drag on consumption.

Putting all these factors together, a pick-up in growth to between 7 and 7.5 percent in 2018-19 can be forecasted, re-instating India as the world's fastest growing major economy. This forecast is subject to upside potential and downside risks. The biggest source of upside potential will be exports. If the relationship between India's exports and world growth returns to that in the boom phase, and if world growth in 2018 is as projected by the IMF, then that could add another ½ percentage point to growth.

Another key determinant of growth will be the implementation of the IBC process. Here timeliness in resolution and acceptance of the IBC solutions must be a priority to kick-start private investment. The greater the delays in the early cases, the greater the risk that uncertainty will soon shroud the entire IBC process. It is also possible that expeditious resolution may require the government to provide more resources to PSBs, especially if the haircuts required are greater than previously expected, the ongoing process of asset quality recognition uncovers more stressed assets, and if new accounting standards are implemented.

Persistently high oil prices (at current levels) remain a key risk. They would affect inflation, the current account, the fiscal position and growth, and force macroeconomic policies to be tighter than otherwise. One eventuality to guard against is a classic emerging market "sudden stall" induced by sharp corrections to elevated stock prices. (Box 9 suggests that India's stock price surge is different from that in other countries but does not warrant sanguine-ness about its sustainability.) Savers, already smarting from reduced opportunities in the wake of demonetization, from depressed gold prices, and from lower nominal interest rates, would feel aggrieved, leading to calls for action. Stock price corrections could also trigger capital outflows, especially if monetary policy unwinds less hesitantly in advanced countries and if oil prices remain high. Policy might then have to

respond with higher interest rates, which could choke off the nascent recovery. The classic emerging market dilemma of reconciling the trade-off between macro-stability and growth could then play itself out.

A key policy question will be the fiscal path for the coming year. Given the imperative of establishing credibility after this year, given the improved outlook for growth (and hence narrowing of the output gap), and given the resurgence of price pressures, fiscal policy should ideally have targeted a reasonable fiscal consolidation. However, setting overly ambitious targets for consolidation—especially in a pre-election year—based on optimistic forecasts that carry a high risk of not being realized will not garner credibility either. Pragmatically steering between these extremes would suggest the following: a modest consolidation that credibly signals a return to the path of gradual but steady fiscal deficit reductions.

Against this overall economic and political background, economic management will be challenging in the coming year. If the obvious pitfalls (such as fiscal expansion) are avoided and the looming risks are averted that would be no mean achievement.

(Source: Economic Survey 2017-18 Volume 1 www.indiabudget.nic.in)

GLOBAL MANUFACTURING SECTOR

World manufacturing growth

World manufacturing growth accelerated in the third quarter of 2017, as economic recovery strengthened worldwide. Positive results re- ported in the First half of this year carried over into the third quarter. Steady progress over several consecutive quarters characterizes both industrialized and developing and emerging industrial economies, and prospects for sustained global industrial growth in forthcoming periods are good (Figure 1). For the first time in several years, industrial growth moved back to the positive zone in all of the major economies.

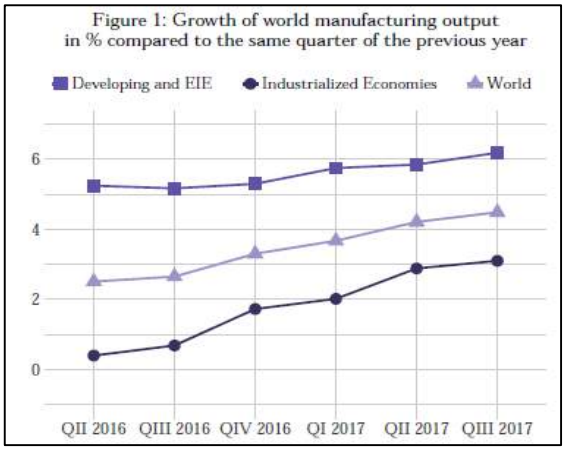
The driving forces behind the positive developments in global manufacturing were improving business conditions, rising consumer spending, promising investment plans directed towards developing economies and healthy external demand support activities. On the other hand, risks for global growth such as concerns where Brexit negotiations will lead to, changes in global trade arrangements or high geopolitical uncertainty have not yet dissipated.

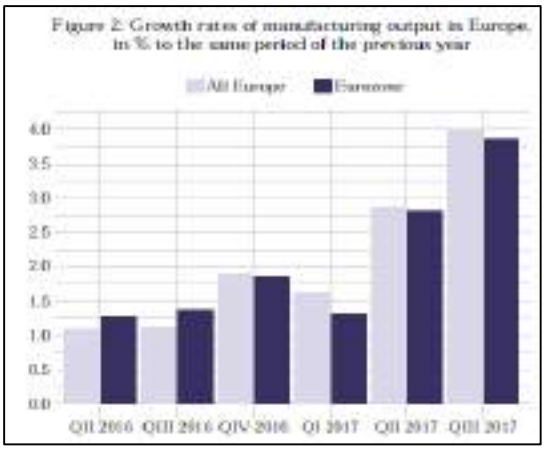
Global manufacturing output rose by 4.5 per cent in the third quarter of 2017 compared to the same period of the previous year .This impressive gain was based on an already strong growth throughout the first half of 2017. The disaggregated data points to the thriving performance of major industrialized economies with a significant share in global manufacturing output, namely the United States, Japan, Germany, the Republic of Korea, Italy as well as Brazil. The manufacturing output of China, the world's largest manufacturer, continued to register a high growth rate in the third quarter.

Industrialized economies as a whole exhibited record-breaking growth at 3.1 per cent in the third quarter of 2017 - the highest manufacturing output growth in a year-by-year comparison in the post-crisis period. Such growth was attributable to Europe's dynamic recovery, where a 4.0 per cent growth was achieved. East Asian industrialized economies experienced a healthy 4.5 per cent year-by-year upward trend and the nearly two-year consecutive slump has all but been forgotten. Relative lower growth was observed in the North America region, where manufacturing output expanded by a mere 1.4 per cent.

A reversal of negative trends in Argentina and Brazil has had a considerable impact on recovery in the Latin America region. Manufacturing output of the region rose by 2.5 per cent in the third quarter of 2017, which also resulted in an accelerated growth rate of developing and emerging industrial economies as a whole at 6.2 per cent. A relatively higher increase was achieved by Asia's developing economies with a 6.5 per cent expansion recorded in the third quarter on a year-to-year basis. The manufacturing production of African regions remained in the positive zone of high growth despite the weak foundation of these countries' manufacturing industries. According to UNIDO's latest estimates, African manufacturing experienced a 6.4 per cent year-to-year gain in the third quarter of 2017.

Entering the second half of the year 2017, recovery in global manufacturing has evolved from being relatively modest to becoming more dynamic. Improvements were recorded in both industrialized economies and developing and emerging industrial economies.





(Source: World Manufacturing Production- Statistics for Quarter III, 2017; United Nations Industrial Development Organisation - www.unido.org)

Industrialized economies

The manufacturing output of industrialized economies has followed a progressively improving upward trend over the last quarters. All industrialized regions, namely Europe, North America and East Asia, were characterized by robust dynamics in the third quarter and took a step towards a steady future.

The latest data revealed an acceleration of growth in the manufacturing sector of European economies during the third quarter of 2017 in a year-by-year comparison, beating expectations. Improved business and consumer confidence complemented by strong domestic and external demand resulted in new business and export orders. All of these factors provide tremendous opportunities to investors and signal that Europe's manufacturing sector is gradually stabilizing.

Taking a closer look at specific numbers, Europe's manufacturing sector as a whole stepped up production by 4.0 per cent in the third quarter of 2017, while the growth rate in the eurozone countries increased by 3.9 per cent compared to the same period of the previous year. In both cases, the result meant a 1.0 per cent jump from the previous quarter's results.

The major economies of the Eurozone recorded strong growth in the third quarter of 2017. Manufacturing output rose by 4.6 per cent in Germany, 3.8 per cent in Italy and 2.8 per cent in France comparing year-to-year developments. Spain, another leading Eurozone economy, achieved a 3.3 per cent growth rate. The manufacturing output of other economies of the single currency block seemingly remained healthy in the third quarter and continued on the trajectory of continuous improvement. The highest growth of over 8.0 per cent was observed in Slovenia and Lithuania. Among other economies, manufacturing output grew by 5.8 per cent in Austria, 4.7 per cent in Belgium, 5.2 per cent in Portugal and 3.8 per cent in Slovakia.

Among individual economies beyond the euro zone, the Swiss manufacturing sector experienced the strongest increase in the last 10 years and expanded sharply by 8.7 per cent compared to the same period of the previous year. The rapid surge from an upwardly revised 3.3 per cent gain in the previous quarter was primarily boosted by the manufacturing of pharmaceuticals and of computer, electronic and optical products. The manufacturing output in the United Kingdom rose by 2.7 per cent compared to the same period of the previous year. Another exceptionally positive result was observed in Sweden with a 5.8 per cent growth rate. Higher growth rates above 5.0 per cent were also observed in Czechia and Hungary.

North America's overall manufacturing growth was lower than in other industrialized regions at 1.4 per cent. The United States' manufacturers have recently picked up as the dollar dropped in value, making U.S. goods cheaper in foreign markets and boosting exports. However, a 1.2 per cent growth in the U.S.' total manufacturing production in the third quarter of 2017 represents a slight slowdown, given the performance of the U.S.' manufacturing sector in the second quarter. A solid performance was witnessed in Canadian manufacturing, where production expanded by 3.2 per cent.

Strong global growth continued to drive manufacturing activity in industrialized East Asian economies during the third quarter, leading the manufacturing production to expand by 4.5 per cent. Japan's manufacturing output

rose by 4.7 per cent compared to the same period of the previous year. Despite the slightly lower figure in the third quarter, Japan has maintained an uninterrupted period of high growth for several consecutive quarters. Growth momentum strengthened in Malaysia, where manufacturing output recorded a 7.0 per cent increase in the third quarter of 2017. A particularly strong two-digit growth rate was observed in Singapore, while the Republic of Korea and Taiwan, Province of China's manufacturing production expanded only moderately by 1.4 per and 3.3 per cent, respectively. The manufacturing recovery in Russia remained largely on track in the third quarter of 2017, with a nearly 1.0 per cent expansion recorded on a year-to-year basis. A similar growth rate was also observed in Norway which further reduced its contraction rate.

(Source: World Manufacturing Production- Statistics for Quarter III, 2017; United Nations Industrial Development Organisation - www.unido.org)

Developing and Emerging Industrial Economies

The combination of good results in all developing and emerging industrial regions helped the developing and emerging industrial economies as a whole achieve a 6.2 per cent growth in the third quarter of 2017 (Figure 3). The recovery of Latin America continues unabated, the growth momentum is also largely holding up across the Asian economies and production in Africa is further promoting from boosted investor confidence.

Manufacturing activity in China has stabilized at the same pace of growth since the beginning of 2017 - a 7.3 per cent increase on a year-by-year basis. The development of advanced manufacturing industries and the new investment plan in the environment has led to an overall upgrade of China's manufacturing industry.

Latin America has made positive developments in the manufacturing sector, following the resumption of growth in the second quarter. Brazilian manufacturers are finally emerging from the deep recession with an upward trend of 2.8 per cent recorded in the third quarter of 2017. The largest expansion was observed in the manufacturing of motor vehicles, trailers and semi-trailers. Meanwhile, Argentina has overcome a severe decline in economic growth with the country's manufacturing activity recording a growth of 4.4 per cent – its best performance over the last six years. Looking at other countries in the region, Mexico's manufacturing production retained a positive increase of nearly 3.5 per cent, Chile recorded a moderate upturn of 1.5 per cent, while manufacturing output in Peru and Ecuador decreased in comparison to the same period of 2016.

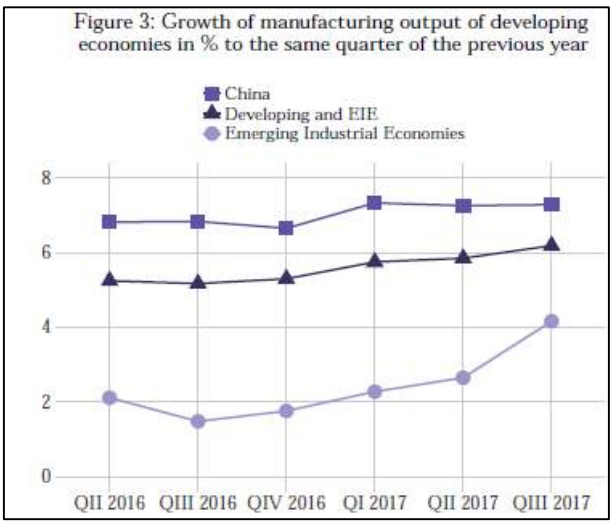
An impressive growth rate was observed in Asia and the Pacific region. Viet Nam, one of Asia's fast growing economies, continued to attract sizeable foreign direct investment in-ows. Its manufacturing sector was supported by strong demand for electronics and retained a solid pace in the third quarter, expanding by 12.8 per cent. However, the long-term trajectory of double-digit year-to-year growth in manufacturing was interrupted at the beginning of 2017 due to weakened exports. A positive development in growth was also observed in Indonesia, where manufacturing production accelerated and registered a 5.5 per cent gain in the third quarter of 2017. Similarly, the slowed performance of India's manufacturing sector in the last quarter improved slightly, with a moderate 2.2 per cent increase. In Thailand, manufacturing output rose by 4.2 per cent, which was mainly supported by a higher output of the automotive industry. As regards the manufacturing output of other economies from the region, Pakistan and Mongolia performed well, but the Philippines and Jordan's manufacturing sector contracted in a year-by-year comparison.

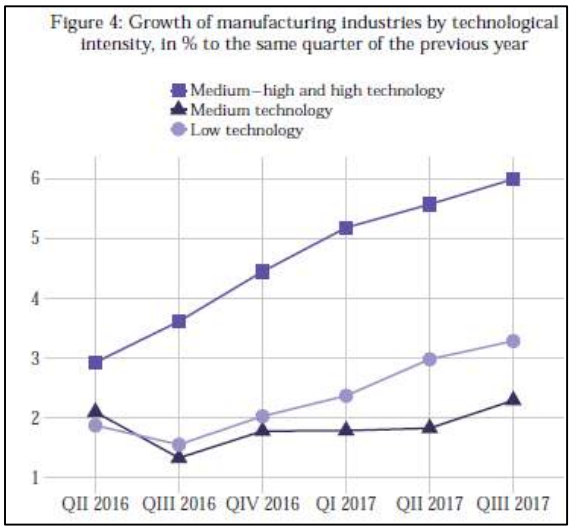
Among Africa's economies, South Africa, the region's most industrialized country, has been performing below its potential since the final quarter of 2016 and has entered a recession. Following three quarters of depressed manufacturing production in a row, South Africa's manufacturing sector showed marginal positive growth in the third quarter of 2017. However, its current growth is still too weak to project whether the recession will be overcome by the end of the year. Similarly, Tunisia's manufacturing output rose by 2.4 per cent following a period of contraction. A positive growth rate was also registered in Egypt and Morocco, while Senegal and Nigeria's manufacturing output fell compared to the same period of the previous year. However, it should be noted that estimates for Africa are based on limited data, revealing high instability and volatility.

Among other developing economies, the manufacturing output of Eastern European countries registered relatively higher growth rates in the third quarter of 2017. Manufacturing output rose by 8.2 per cent in Poland, 4.7 per cent in Belarus, 5.8 per cent in Bulgaria, 8.5 per cent in Serbia and over 9.0 per cent in Romania, Latvia and Bosnia and Herzegovina. Turkey's manufacturing sector also performed well and exceeded 10.0 per cent growth rate.

Key Findings - Global manufacturing Sector

Global manufacturing production maintained a positive growth rate in all industries in the third quarter of 2017. Advanced manufacturing such as automation, robotics and digital products have been experiencing a steady expansion at the global level. Shifting from low technology to high technology manufacturing industries plays a key role in promoting innovation in the long term and, moreover, determines the positioning of economies within the global market. Therefore, the competition between advanced and emerging economies in high-tech leadership will be compelling and crucial for both groups. In the wake of the fourth industrial revolution, embracing emerging technologies brings global manufacturing production to a new level. The high growth rate in medium high and high technology industries observed in the third quarter of 2017 led to an increase in high value goods, indicating a high level of consumer confidence (Figure 4). UNIDO data largely support this pro-technology approach.





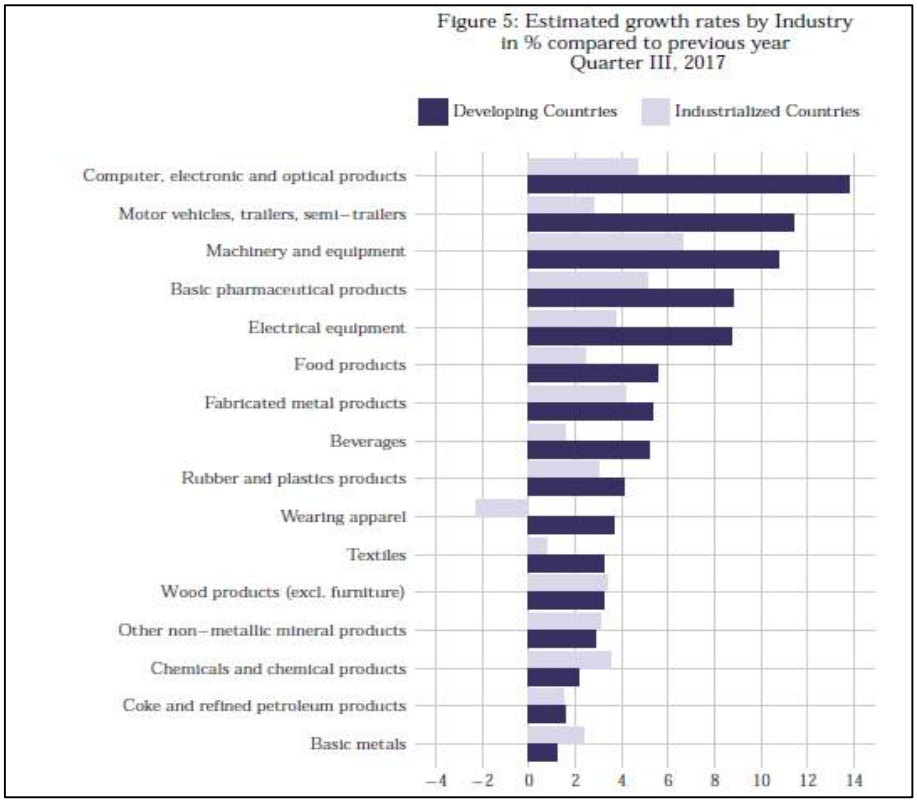
(Source: World Manufacturing Production- Statistics for Quarter III, 2017; United Nations Industrial Development Organisation - www.unido.org)

Medium high and high technology manufacturing industries have repeatedly held top positions when looking at year-by-year comparisons - these industries witnessed a 6.0 per cent growth rate, a record-breaking result in the last five years. When reviewing the individual top industries, the manufacturing of computers, electronics and optical products grew by 8.3 per cent, the production of machinery and equipment rose by 8.0 per cent, the manufacturing of pharmaceutical products by 6.7 per cent (which recorded a visibly accelerated growth rate compared to the results of the previous quarter), the production of electrical equipment by 6.1 per cent and the manufacturing of motor vehicles by 5.9 per cent. The production in all of the above- mentioned industries was dominated by developing and emerging industrial economies compared with industrialized economies (Figure 5).

As regards medium technology manufacturing industries, 2.3 per cent growth was registered worldwide in the third quarter of 2017. The global manufacturing of rubber and plastic products increased by 3.4 per cent in a year-by-year comparison, while the manufacturing of non-metallic mineral products recorded a growth rate of 3.0 per cent. The global manufacturing of basic metals rose at a moderate pace of 1.6 per cent.

In low technology manufacturing industries, overall global production rose by 3.3 per cent in the third quarter of 2017 compared to the same period of the previous year. The global manufacturing of fabricated metal products grew by 4.6 per cent, followed by the manufacturing of furniture with a 4.3 per cent increase. Relatively high growth rates were maintained worldwide in the production of basic consumer goods - the global manufacturing of food products rose by 3.8 per cent, beverages by 3.4 per cent and the global manufacturing of both textile and wearing apparel increased by slightly over 2.5 per cent. The growth rate of the manufacturing of paper products expanded by 2.4 per cent, while coke and refined petroleum products and printing remained below 2.0 per cent.

The growth rates for selected industries are presented below. Additional statistics on the growth rates in the third quarter of 2017 are available in the Statistical Tables.



(Source: World Manufacturing Production- Statistics for Quarter III, 2017; United Nations Industrial Development Organisation - www.unido.org)

MANUFACTURING SECTOR IN INDIA

Introduction

Manufacturing has emerged as one of the high growth sectors in India. Prime Minister of India, Mr Narendra Modi, had launched the 'Make in India' program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy. India is expected to become the fifth largest manufacturing country in the world by the end of year 2020*.

Market Size

The Gross Value Added (GVA) at basic current prices from the manufacturing sector in India grew at a CAGR of 4.34 per cent during FY12 and FY18 as per the second advance estimates of annual national income published by the Government of India. Quarterly GVA at basic prices from manufacturing sector grew by 10.92 per cent in the third quarter of FY18. Under the Make in India initiative, the Government of India aims to increase the share of the manufacturing sector to the gross domestic product (GDP) to 25 per cent by 2022, from 16 per cent, and to create 100 million new jobs by 2022. Business conditions in the Indian manufacturing sector continue to remain positive.

Investments

With the help of Make in India drive, India is on the path of becoming the hub for hi-tech manufacturing as global giants such as GE, Siemens, HTC, Toshiba, and Boeing have either set up or are in process of setting up manufacturing plants in India, attracted by India's market of more than a billion consumers and increasing purchasing power.

Cumulative Foreign Direct Investment (FDI) in India's manufacturing sector reached US$ 73.70 billion during April 2000-December 2017. India has become one of the most attractive destinations for investments in the manufacturing sector. Some of the major investments and developments in this sector in the recent past are:

- Mahindra and Mahindra is planning to start operating a fleet of electric cabs and supplying parts to Electric Vehicle (EV) manufacturers.

- Grasim Industries has received clearance for expansion of its plant at Vilayat. The expansion will entail an investment of Rs 2,560 crore (US$ 396.8 million)
- Over 350 mobile charger factories are expected to be set up in India by 2025, on the back of the government's push to encourage production of battery chargers. Setting up of these factories is expected to lead to production of 1.46 billion chargers and generation of 0.8 million jobs.
- Government of India is planning to invite bids for setting up of 20 Gigawatts (GW) of solar power capacity with the objective of boosting domestic manufacturing of solar power equipment.
- JSW Energy has signed a memorandum of understanding (MoU) with the Government of Gujarat, for setting up an electric vehicle (EV) manufacturing unit in Gujarat at an estimated cost of Rs 4,000 crore (US$ 608.88 million).
- With an aim to increase its presence in India, Denmark-based heating ventilation and air-conditioning (HVAC) giant, Danfoss, is planning to take its manufacturing localisation to 50 per cent as well as double its supplier base in India by 2020.

Government Initiatives

The Government of India has taken several initiatives to promote a healthy environment for the growth of manufacturing sector in the country. Some of the notable initiatives and developments are:

- As of March 2018, Government of India is in the process of coming up with a new industrial policy which envisions development of a globally competitive Indian industry.
- The government has introduced two new World Bank assisted projects viz. SANKALP scheme and STRIVE scheme for skill development in the country.
- In Union Budget 2018-19, the Government of India reduced the income tax rate to 25 per cent for all companies having a turnover of up to Rs 250 crore (US$ 38.75 million).
- Under the Mid-Term Review of Foreign Trade Policy (2015-20), the Government of India increased export incentives available to labour intensive MSME sectors by 2 per cent.
- The Ministry of Electronics and Information Technology is in the process of formulation of a new electronics manufacturing policy. The aim of the new policy will be to create an ecosystem of manufacturing in the country, enable India to become a significant global player in some of these categories.
- Ministry of Home Affairs liberalised Arms Rules to boost 'Make in India' manufacturing policy of the government. The liberalisation of the policy is expected to encourage investment in the manufacturing of arms and ammunition and weapon systems and promote employment generation.
- The Government of India has launched a phased manufacturing programme (PMP) aimed at adding more smartphone components under the Make in India initiative thereby giving a push to the domestic manufacturing of mobile handsets.
- The Government of India is in talks with stakeholders to further ease foreign direct investment (FDI) in defence under the automatic route to 51 per cent from the current 49 per cent, in order to give a boost to the Make in India initiative and to generate employment.
- The Ministry of Defence, Government of India, approved the "Strategic Partnership" model which will enable private companies to tie up with foreign players for manufacturing submarines, fighter jets, helicopters and armoured vehicles.
- The Union Cabinet has approved the Modified Special Incentive Package Scheme (M-SIPS) in which, proposals will be accepted till December 2018 or up to an incentive commitment limit of Rs 10,000 crore (US$ 1.5 billion).

Road Ahead

India is an attractive hub for foreign investments in the manufacturing sector. Several mobile phone, luxury and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the

country. The manufacturing sector of India has the potential to reach US$ 1 trillion by 2025 and India is expected to rank amongst the top three growth economies and manufacturing destination of the world by the year 2020. The implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of US$ 2.5 trillion along with a population of 1.32 billion people, which will be a big draw for investors. With impetus on developing industrial corridors and smart cities, the government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

Exchange Rate Used: INR 1 = US$ 0.015 as on March 01, 2018

*Notes: * - According to the Global Manufacturing Competitiveness Index published by Deloitte*

(Source: Indian Manufacturing Sector – India Brand Equity Foundation www.ibef.org)

INDIAN CHEMICAL INDUSTRY: OVERVIEW

Introduction

Basic chemicals and their related products (petrochemicals, fertilisers, paints, varnishes, glass, perfumes, toiletries, pharmaceuticals, etc.) constitute a significant part of the Indian economy. Among the most diversified industrial sectors, chemicals cover an array of more than 70,000 commercial products. In April-June 2017, total Foreign Direct Investments (FDI) in chemicals (excluding fertilisers) stood at US$ 679 million whereas cumulative FDI till June 2017 from April 2000 was US$ 13.972 billion. India is the sixth largest producer of chemicals globally and third largest producer in Asia in terms of output. The country ranks third globally in the production of agro chemicals and contributes around 16 per cent to the global dyestuff and dye intermediates production.

Key Markets and Export Destinations

Total exports of dyes and dye intermediates, organic and inorganic chemicals, including agro chemicals, cosmetics and toiletries, essential oils, incense sticks and castor oil, stood at US$ 12.15 billion during the year 2016-17. The US, the UAE, the UK, Bangladesh and Saudi Arabia are the leading importers of cosmetics, toiletries and essential oils. In the year 2016-17, exports of dyes and dye intermediaries increased 2.94per cent year-on-year to US$ 2.11 billion. During the period, exports of essential oils, cosmetics and toiletries increased 6.84 per cent to US$ 15.72 billion and exports of castor oil stood at US$ 676.43 million. Exports of inorganic, organic and agro chemicals stood at US$ 7.78 billion, an increase of 4.46 per cent year-on-year.

Basic Chemicals, Pharmaceuticals and Cosmetics Export Promotion Council

The promotion of product groups such as dyes and dye intermediates, basic inorganic and organic chemicals, including agro-chemicals, cosmetics, toiletries, essential oils, incense sticks, castor oil and its derivatives, is handled by the Basic Chemicals, Pharmaceuticals and Cosmetics Export Promotion Council, which is popularly known as CHEMEXCIL. The Council organises promotional events and fairs to help exporters identify potential markets abroad and providing publicity and marketing back-up.

Global Dye Supplier - India accounts for approximately 16 per cent of the world production of dyestuff & dye, intermediates, particularly for reactive acid & direct dyes. Chemical exports from India stood at USD13.58 billion for FY 17 (1). Exports in the chemical industry grew from USD22.43 billion in FY13 to USD26.97 billion in FY16, registering a growth of 4.71 per cent.

(Source: Indian Chemical Industry – India Brand Equity Foundation www.ibef.org)

INDIAN DYES & DYE INTERMEDIATES

India enjoys leading position in the reactive dyes segment (end use in cotton textile segment) with low threat of imports. Demand of reactive dyes has grown at healthy CAGR of 8% for the period FY2012-FY2017. China is the largest producer of dyes intermediates (used for dyes production), disperse dyes (end use in polyester textile segment) and azo dyes. Cheaper imports from China and competition within domestic manufacturers had impacted the profitability of Indian players till FY2013. Nevertheless, structural changes in environmental regulations in China have improved cost competency and sales volume of domestic players while reducing imports of dyes intermediates. Combined total operating income of major players grew by CAGR of 17% during FY2013-FY2017 while PBILDT margins improved significantly from 7.74% during FY2013 to 14.50-16.25%

during FY2014-FY2017. This has also resulted in rationalization of debt levels and strengthened debt coverage indicators for the industry. It is expected that domestic dyes industry shall witness growth of around 8.50% over FY2017-FY2022 mainly driven by growth in exports volume and demand from textile industry.

Consequently, dyes intermediate segment is also expected to witness similar demand growth due to demand from dyes and increase in dyes intermediates exports from India. However, it is expected that overall size of dyes and dyes intermediate industry is expected to remain constant during FY2018 despite growth in volume due to correction in sales prices though it is expected to remain far above FY2013 levels. Profitability though expected to be moderated in FY2018 from peak of 16.25% by 150-200 bps on account of stabilization of sales prices of dyes and intermediates (notwithstanding disruption of production in China) and increase in some of the crude linked raw material prices, it shall continue to remain comfortable in the medium term. Although threat of imports from China continues due to its large capacities, improved capital structure of the major industry players is expected to result in strong resilience for the domestic dyes and dyes intermediate players. Furthermore, increase in effluent handling cost, prices fluctuations of intermediates and implementation of goods and service tax (GST) are expected to provide competitive edge to the organized integrated players over un-organized dyes manufacturers lacking backward integration for intermediates.

(Source: Indian Dyes and Dyes Intermediate Industry – CARE Ratings - www.careratings.com)

UNDERSTANDING DYES AND DYES INTERMEDIATE INDUSTRY

The size of global dyes industry is estimated at USD 5.60 billion as of CY2016 (CY refers to the period January 1 to December 31). The global dyes market has gradually shifted from the countries like Europe, Japan and United States of America to Asian countries predominantly China and India in last two decades on account of the stricter environmental and pollution control norms in the developed countries. China is the largest manufacturer of dyes followed by India. India accounted for approximately 16% (during CY2016) of the world production of dyes and dye intermediates and is a leader in the production and export of reactive dyes while China is the largest player in disperse and azo dyes. Global dyes intermediate capacity is estimated at 17,50,000 metric tonne per annum (MTPA) to 18,00,000 MTPA as of CY2016. In terms of production, China contributes more than 70% share followed by around 17% share of India as of CY2016.

(Source: Indian Dyes and Dyes Intermediate Industry – CARE Ratings - www.careratings.com)

DOMESTIC DYES INDUSTRY

The dyes industry in India is fragmented and unorganized comprising of more than 800 small scale units and 15-20 large sized organized players manufacturing more than 600 different type of dyes. The western state of Gujarat and Maharashtra accounts for more than 90% of the country's production.

The total installed capacity for various dyes in India is estimated at 3,80,000-4,00,000 MTPA as of FY2017while the domestic production of the dyes is estimated at 2,05,000 MT during FY2017. The domestic installed capacity and the production is largely driven by the reactive dyes, followed by disperse dyes which majorly finds application across various segments of textile industry.

Over the years the end users focus has shifted from highly toxic azo dyes to reactive and disperse dyes resulting into increased contribution of the reactive dyes and disperse dyes in domestic production during FY2012-FY2017. Overall demand driver for domestic dyes in India is textile Industry with 70% consumption of dyes followed by food (8%), leather (6%), Paper (5%) and other industries (11%). India is the major player in the reactive dyes segment with low threat of imports. Hence, demand of reactive dyes has grown at healthy CAGR of 8% for the period FY2012-FY2017.

The export volume of the dyes registered CAGR of 9% for the period FY2012-FY2017 as presented below. In terms of value, the export of dyes has increased from Rs.3,216 crore during FY2012 to Rs.7,535 crore during FY2017 registering healthy CAGR of around 19%. It was on account of healthy volume growth and increase in the average sales realization subsequent to volatility in the prices of dyes intermediates mainly H-acid and Vinyl Sulphone (VS) from FY2014.

The major export destinations of dyes are United States of America (USA), followed by Turkey, Bangladesh, Germany, Italy, Brazil and China. Reactive dyes contributed 52% in total exports volume followed by azo dyes (25%), disperse dyes (6%), basic dyes (4%), acid dyes (2%) and other dyes (11%) during FY2017. Average

sales realization of reactive dyes has increased from around Rs.204 /kg during FY2013 to Rs.335/kg during FY2014 and declined marginally to Rs.312/kg during FY2017. CARE Ratings expects softening of the prices of reactive dyes to around Rs.265-280/kg in the medium term on the back of decline in the prices of dyes intermediates and appreciation of rupee against USD. However, sales prices are expected to remain higher than pre-FY2013 levels.

(Source: Indian Dyes and Dyes Intermediate Industry – CARE Ratings - www.careratings.com)

OUTLOOK FOR DYE AND DYES INTERMEDIATE INDUSTRY

Demand of reactive dyes has grown at healthy CAGR of 8% for the period FY2012-FY2017. CARE Ratings expects domestic dyes industry to witness growth of around 8.50% over FY2017-FY2022 mainly driven by growth in exports volume and demand from textile industry. Key drivers for growth shall be increase in disposable income, higher penetration in the rural market and around 75% share of cotton fabric in total fabric consumption. Implementation of stringent pollution control norms in China is expected to increase India's share in the global dyes and dyes intermediate market from 16% currently to 20% by FY2021. Consequently, dyes intermediate segment is also expected to witness similar demand growth due to demand from dyes and increase in dyes intermediates exports from India. CARE Ratings expects that overall size of dyes and dyes intermediate industry is expected to remain constant during FY2018 despite growth in volume due to correction in sales prices.

On supply front, capacity addition of 23,000-25,000 MTPA is estimated in the dyes segment over FY2018-FY2019. Dyes intermediate segment has higher entry barriers for environmental clearance due to generation of large quantum of effluent and challenges involved in treating the same. Hence, CARE Ratings doesn't envisage major capacity addition in the dyes intermediate segment over next three years except for balancing capacity of VS and H-acid aggregating around 15,000 MTPA for efficient handling of effluent as well as for captive consumption and 4,000-5,000 MTPA for other intermediates. Significant increase in average sales realization of dyes intermediates and dyes had resulted in healthy profitability for industry players.

Profitability though expected to be moderated in FY2018 by 150-200 bps on account of stabilization of sales prices of dyes and intermediates (notwithstanding disruption of production in China) and increase in some of the crude linked raw material prices, it shall continue to remain healthy in the medium term. Furthermore, increase in effluent handling cost, prices fluctuations of intermediates and implementation of goods and service tax (GST) are expected to provide competitive edge to the organized integrated players over un-organized dyes manufacturers lacking backward integration for intermediates.

(Source: Indian Dyes and Dyes Intermediate Industry – CARE Ratings - www.careratings.com)

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled "Forward-Looking Statements" beginning on page 18 of this Prospectus, 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 fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

The financial information used in this section, unless otherwise stated, is derived from our Financial Information, as restated prepared in accordance with Indian GAAP, Companies Act and SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Prospectus, including the information contained in the sections titled "Risk Factors" and "Financial Information" beginning on pages 19 and 182, respectively.

OVERVIEW OF THE BUSINESS:

Our Company was originally incorporated as 'Ushanti Colour Chem Private Limited' under the provisions of Companies Act, 1956 at Gujarat *vide* Certificate of Incorporation issued by Registrar of Companies, Gujarat on May 12, 1993. Consequently, it was converted into a public limited company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on February 19, 2018 and the name of our Company was changed to 'Ushanti Colour Chem Limited' and a fresh certificate of incorporation consequent upon Conversion of Private Company to Public Limited dated March 07, 2018 was issued by Registrar of Companies, Gujarat, Ahmedabad. The Corporate Identification Number of our Company is U24231GJ1993PLC019444.

Our Company is in the business of manufacturing and trading of various colours of dyestuffs since 1993 till 2013. After getting permission for manufacturing of CPC Blue Crude dyestuff and witnessing the growing demand of our CPC Blue product our Company decided to focus into business of manufacturing on one specific product type and specialise in it. Our Company manufactures reactive and direct dyestuffs also known as Synthetic Organic Dyes with an integrated production process. The company also manufactures Copper Phthalocyanine, Blue Cued which are one of the major raw materials used for manufacturing of Dyestuffs. The pigment and dyestuffs manufactured by us caters to the raw material requirement of textile, garment, cotton, leather, nylon, paper, wool, ink, wood, plastic and paint industries. We concentrate in manufacturing "Turquoise Blue" Dyestuffs and Pigments. The Company has 3 manufacturing facilities situated together at Vatva GIDC in Gujarat. The facilities are spread over 2,739 sq. meters in total area. Our company also has its own Ice generation machinery, further it recovers Ammonium Carbonate from its effluent stream which are reused in the plant as well as sold to the Soda Ash Industry reducing wastage giving us incremental revenue. The Company currently has a production capacity of approx. 2,520 tons per annum. The manufacturing facilities are equipped with requisite machineries to keep a constant check on quality. The company is an ISO 9001:2015 certified company certifying the quality of the product our company manufactures.

Our Company manufactures dyes of various concentrations which influences the pricing of the product. We procure quality raw materials from Chemical industries present in Domestic markets who manufactures intermediates of dyestuffs. Our focus on "Turquoise Blue" Dyestuffs has assisted us to be become a niche player in the segment. Our company generates most of its revenue from export operations and has received from Certificate of Recognition as Export House, products of the company are exported to countries like, Turkey, Egypt, Bangladesh, Pakistan, Indonesia, China etc. We have a dedicated Research & Development and Quality Control Team, which looks after the quality of the product we manufacture. Our customers are mostly traders who sell directly to textile manufacturers as well as other industries. Our relationship with our traders and esteemed customer base are key factors of our success in the industry.

The trading activity of our Company is dependent upon the orders received from its customers. In case of a bigger order which Company is not being able to fulfil out of its existing manufactured products and in order to meet such demand, the Company gets the differential quantity from the market. In alternate scenario, in case of a bundled order where the Company does not manufacture certain products from the total order received,

Company fulfils the demand by getting such products from the market. To sum up, the trading business of our Company is completely order driven.

Our Company is promoted and managed by Mr. Maunal Gandhi and Mr. Minku Gandhi. With decades of experience in this industry, our promoters along with the team of management are actively involved in the day-to-day affairs of our company's operations adding valuable knowledge and experience required for sustainable growth.

Our presence in the business for more than 2 decades have aided us to create a brand image coupled with the industry experience we possess, our brand is well received by the market and we aim to continue to further strengthen our brand by supplying qualitative products at competitive prices across the globe.

Our Company's registered office and manufacturing facilities are as below:

Registered Office:88/8, GIDC Phase I, Vatva, Ahmedabad – 382445, Gujarat, India

Manufacturing facility:

Unit 1 - 88/6, GIDC Phase I, Vatva, Ahmedabad – 382445, Gujarat, India

Unit 2 - 88/7, GIDC Phase I, Vatva, Ahmedabad – 382445, Gujarat, India

Unit 3 - 88/8, GIDC Phase I, Vatva, Ahmedabad – 382445, Gujarat, India

FINANCIAL SNAPSHOT:

Financial Performance of Company

Amount Rs. in Lakhs

Particulars	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Revenue	2,970.97	2,511.31	2,962.01	3,674.87
EBITDA	265.37	240.09	379.10	554.81
PAT	25.12	25.53	127.53	238.52

Geographical wise sales for F.Y. 2017-18

Our Company generates approx. 46% of its Revenue from Operation from Domestic market while approx. 54% of Revenue is generated by its export operations. The details of geographical break up is as under:

Amount Rs. In Lakhs

Country	Amount	Percentage to Total Sales
India	1,813.90	46.06%
Pakistan	437.67	11.11%
China	314.50	7.99%
Bangladesh	308.80	7.84%
U.A.E.	302.59	7.68%
Others	760.58	19.31%
Gross Revenue	**3,938.04**	**100.00%**

Bifurcation of sales

Amount Rs. In lakhs

Year	Trading		Manufacturing		Total	
	Amount	%	Amount	%	Amount	%

2012-13	141.27	6.02	2,205.67	93.98	2,346.94	100
2013-14	114.93	3.34	3,321.27	96.66	3,436.19	100
2014-15	186.76	6.43	2,715.10	93.57	2,901.87	100
2015-16	67.41	2.75	2,384.28	97.25	2,451.69	100
2016-17	57.87	2.02	2,804.58	97.98	2,862.45	100
2017-18	46.01	1.29	3,527.52	98.71	3,573.53	100

Note: The figures for bifurcation of sales are net of excise.

Top 5 customers for F.Y. 2017-18

Amount Rs. in Lakhs

Customer Name	Export/Domestic	Amount	Percentage to Total Sales
CMG Trading	Export	287.00	7.29%
VO Ltd.	Domestic	264.06	6.71%
Jagson Color. Ltd.	Domestic	192.83	4.90%
MD Pigments	Export	179.73	4.56%
M.B.Dyes Chem.	Domestic	163.50	4.15%
Total		**1,087.12**	**27.61%**

Top 10 Suppliers for F.Y. 2017-18

Amount Rs. in Lakhs

Sr. No.	Name	Amount	% of Total Supply
1.	Panoli intermediates (India) Pvt. Ltd.	519.37	26.74%
2.	Kutch Chemical Industries Limited	349.79	18.01%
3.	Gandhi Chemicals	224.04	11.53%
4.	Shyam Chemical Enterprise	187.37	9.65%
5.	Kamdhenu Agrochem Industries	90.70	4.67%
6.	Tradex Corporation	76.88	3.96%
7.	Real Metal Chem Pvt Ltd	71.15	3.66%
8.	Aashal Chemicals	67.89	3.50%
9.	Hindprakash Tradelink Pvt. Ltd.	66.60	3.43%
10.	Shital Chemicals	65.50	3.37%

OUR PROPOSED FACILITY

Our company has acquired a land which is spread over an area of 75,060 sq. meters at Saykha Industrial Estate - Bharuch, Gujarat to set up a new integrated manufacturing facility with an installed capacity of 16,140 tons per annum while permitted capacity being approx. 32,800 tons per annum. This facility at Bharuch is planned to manufacture Dyestuffs as well as intermediates used in manufacturing dyestuffs. Our company intends to commence the operation in this facility by F.Y. 2020-21 in 2 phases.

In Phase 1 of the expansion, Company is planning to commission Dyestuff Pigment and Intermediates facility which will be funded through internal accruals and by Net proceeds of this Issue. The Phase 2 will be set up at Sayka Industrial Estate in Bharuch District of Gujarat which will have manufacturing plant for CPC Blue Crude, Alpha Blue, Turquoise Blue, and Green 7. The focus of manufacturing will be on Turquoise Blues (Phthalocyanine Blues) in which our Company has experience for decades. The cost of the project will be funded by internal accruals and bank loans. Further, the said expansion will be carried on the available space of the land which is being used for current Phase 1 expansion.

Land Acquired for the Proposed Facility

Sr. No	Address of the Property	Area of the Property	Consideration Paid	Purchase year	Lessor	Current Usage
1.	Plot No: C-18, Saykha Industrial Estate, Ta: Vagra, Bharuch, Gujarat, India	33,560 sq. meters	Rs. 273.07 Lakhs	2016	G.I.D.C	Proposed manufacturing facility
2.	Plot No: C-37, Saykha Industrial Estate, Ta: Vagra, Bharuch, Gujarat, India	7,355 sq. meters	Rs. 121.24 Lakhs	2016	G.I.D.C	Proposed manufacturing facility
3.	Plot No: DP-80,81,82,83, Saykha Industrial Estate, Ta: Vagra, Bharuch, Gujarat, India	34,162 sq. meters	Rs. 591.90 Lakhs	2016	G.I.D.C	Proposed manufacturing facility

Plant Capacity

By completing its projects in 2 phases, our Company by FY 2020-21, product wise installed capacity p.a. will be as under:

Product	Installed Capacity (p.a.)
Turquoise Blue Dyestuff	8,100 mt
Copper Phthalocyanine	3,720 mt
VS Plant	1,200 mt
Alpha Blue	1,920 mt
Green 7	1,200 mt

Raw Material

Major Raw material requirement for this facility will be – Aniline, Acetic Acid, Chloro Sulphonic Acid, Acetanilide, Thionyl Chloride, Sulphuric Acid, Cuprous Chloride, Copper Phthalocyanine (CPC), Iso Butyl Alcohol (Solvent B) among others.

Power

The power requirement will be supplied by Dakshin Gujarat Vidhyut Company Ltd (DGVCL). Also with available land bank, the Company would explore other renewable sources of power, like, Solar.

Water

Water will be sourced from GIDC Saykha. The quantity and quality of water available at the unit locations is adequate and good for production of Dyestuff/Pigments/Intermediates.

List of Machineries

The Company proposes to acquire plant and machineries at an estimated cost of Rs. 800 lakhs. The manufacturing facility for Dyestuff Pigments and Intermediates will be set-up by OME Engineers & Fabricators. The detailed list of plant & machinery to be acquired by the company is as under:-

Equipment List (Process Wise)					
No.	**Description**	**MOC**	**Capacity**	**Quantity**	**Type**
Storage Tank					
1	CSA Storage Tank	MS	30 KL	2	Horizontal
2	TC Storage Tank	SS/MSBR/lead	25 KL	1	Vertical
3	Caustic Storage Tank	MS	30 KL	2	
4	Sulfuric Acid Storage Tank	MS	30 KL	1	
5	CSA Storage Tank Pump	MS		2	Submersible
6	TC Storage Tank Pump	SS		1	Centrifugal
7	Caustic Storage Tank Pump	MS		2	Centrifugal
8	Sulfuric Acid Storage Tank Pump	MS		1	Submersible
Batch Tank					
9	CSA Batch Tank	MS	2 KL	1	
10	TC Batch Tank	SS/MSBR/lead	2 KL	1	
11	Caustic Batch Tank	MS	5 KL	2	
12	Sulfuric Acid Batch Tank	MS	4 KL	1	
Sulponation					
13	Sulfonator Reactor	MS	18 KL	2	
14	Scrubbing System Of Chloro HCL	HDPE/ PPFRP/Graphite			
15	Scrubbing System Of TC HCL				
16	Scrubbing System Of SO2 Recovery				
17	Final Blower				
Dumping					
18	Dumping Vessel	HDPE/FRP	8-10 KL	1	
19	Ice Crusher				
20	ASC Transferring Pump	MSRL		1	Open Impeller
	Reduction				
21	Vacuum Belt Filter/Porus Tiles Nutch				
22	Vacuum Pump / Ejector System	SS/ MSRL			
23	Vacuum Nutch For Water Supply To VP				
24	Reduction Vessel	SS304/316	24 KL	2	
25	Spent Tank 1	MSRLBR/FRP	25 KL	1	
26	Spent Tank 2	MSRLBR/FRP	25 KL	1	
27	Spent Tank 3	MSRLBR/FRP	25 KL	1	
28	Reduction Transferring Pump	SS 304		1	
Ethoxylation					
29	Ethoxylene Reactor (Eo Reactor)	SS304/316	29 KL	2	
30	Dilute Sulfuric Tub	HDPE/FRP/PP	1.5-2 kl	2	
31	EO Batch Tank With Load Cell	SS304	3 KL	3	
32	Condense Nutch				
33	Transferring Pump To Condense Nutch	SS304		1	
34	ML Vacuum Tank	MSRLBR/FRP	25 KL	2	

Equipment List (Process Wise)					
No.	**Description**	**MOC**	**Capacity**	**Quantity**	**Type**
35	Washing ML Tank	MSRLBR/FRP	25 KL	1	
36	Vacuum Pump				
37	Vacuum Nutch For Water Supply To VP				
38	Centrifuge	MSRL	48"	4	
Drying					
39	Flash Dryer	SS304	1000 kg/hr pdt	1	
Esterification					
40	Esterification Reactor (Pan Vacuum Dryer)	SS316	1 ton	2	
41	Sulfuric Acid Limpet Tub	SS316	500 kgs	3	
42	Acetic Acid Recovery System				
43	Graphite Condenser	Graphite	6 M2	1	
44	Acetic Acid Storage Tank	MSRLBR/SS	15-20 KL	1	
45	Dilute Acetic Acid Tank	MSRLBR/SS	5 KL	1	
46	Vacuum Trap	MSRLBR/SS	3 KL	1	
47	Vacuum Pump	MSRL/SS			
Packing					
48	Pulveriser	MS/CI	1000 kgs/hr	1	
49	Blender (If Provide)	MS/SS304	4 ton/10KL	1	

Note: Our Company has not yet placed any order for any of the machinery required to be installed, further we have not entered into any definitive agreements with the suppliers.

For further details of the proposed facility, please refer to chapter titled – "*Objects of the Issue*" beginning Page 97 of this Prospectus.

Expected timeline for the project:

Particulars	**Project**		
	Commencement Date	**Expansion Phase**	**Estimated Completion Date**
Land	Purchased	-	Purchased
VS Plant	01/10/2018	I	30/09/2019
Effluent Treatment Plant	31/03/2019	II	31/03/2020 to 30/09/2020
Others (roads, offices, etc.)	31/03/2019	II	31/03/2020 to 30/09/2020
T. Blue Dyestuff Plant	31/03/2019	II	31/03/2020 to 30/09/2020
CPC Blue	31/03/2019	II	31/03/2020 to 30/09/2020
Alpha Blue Plant	31/03/2019	II	31/03/2020 to 30/09/2020
Green 7 Plant	31/03/2019	II	31/03/2020 to 30/09/2020
Commercial Operation	01/10/2018	I	30/09/2019
Commercial Operation	31/03/2019	II	31/03/2020 to 30/09/2020

The timeline for setting up any manufacturing plant depends upon the machineries being installed in the whole manufacturing facility. As our manufacturing unit will be a complete new setup it will take approximately 1 month for architectural planning's. Our manufacturing unit shall be equipped with bigger machineries like glass line vessels, specialized machines, driers. Such machines usually take 6 to 7 months for delivery once the order is placed. Certain smaller machines take 2 month time to be delivered. Once all machines are received it takes approximately 2 months for installing ancillary machines and other the infrastructure support for getting the whole plant operational and ready. Once the plant is operational the trial run and final tests w.r.t. safety shall take 1 month. On a whole the complete installation process will take approximately 12 months to be completely operational.

OUR PRODUCTS:

Product Name	Product	Description
Turquoise Blue Dyes		Direct/ Reactive Turquoise Blue dyes are a class of highly coloured organic substances, primarily used for textiles, paper and ink. The Reactive Dyestuffs attach themselves to their substrates by a chemical reaction that forms a covalent bond between the molecule of dye and fibre. The Direct Dyestuffs have multiple applications in Textiles, Inks, Paper but do not react with the substrates.
Alpha Blue		This is a product manufactured by pigmentation of CPC Blue Crude and has very good applications in Textile, Plastic, Paper, Ink, Paint and many other industries.
Copper Phthalocyanine Blue		A bright, crystalline, synthetic blue pigment from the group of Phthalocyanine dyes. It is highly valued for its superior properties such as light fastness, tinting strength, covering power and resistance to the effects of alkalis and acids. It is a Raw Material for production of Turquoise Blue Dyestuffs, Pigment Green, Pigment Alpha Blue & Pigment Beta Blue.

END USERS:

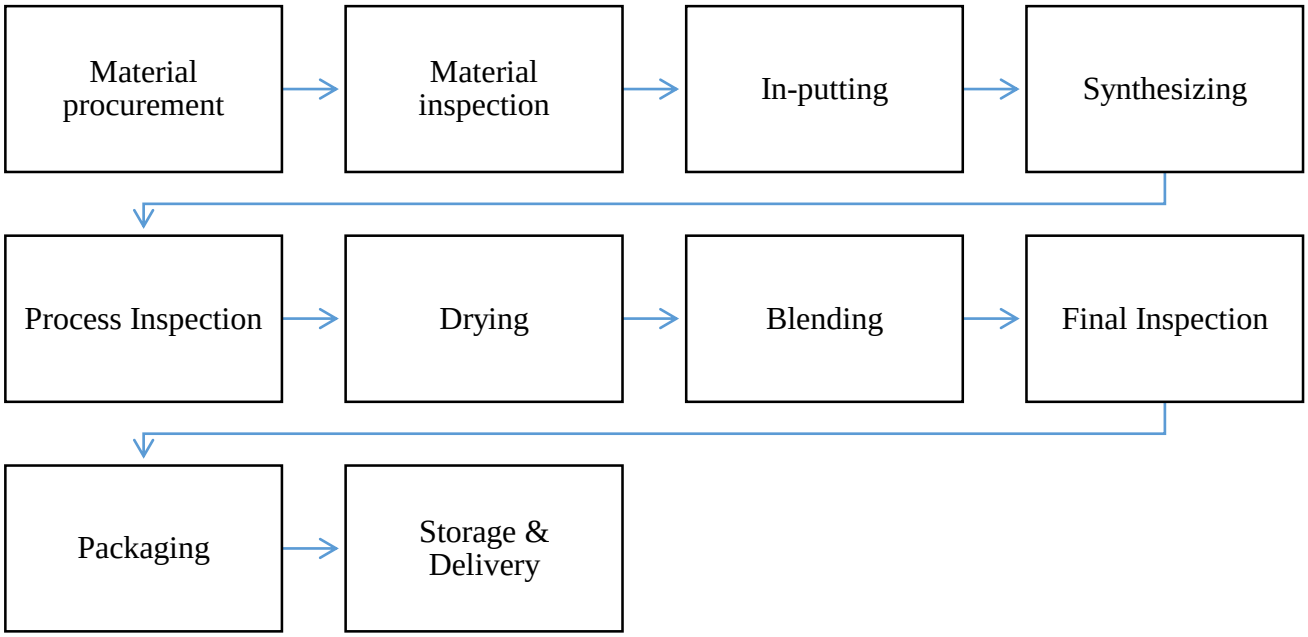
We cater to International and Domestic customers. Currently we offer our products through traders. We manufacture dyes that are used for dying cloths in textile and garment industry and are sold as per the orders received by parties either directly from manufacturers or traders.

RAW MATERIALS:

Our company procures more than 10 raw materials of different types and nature. Major raw materials of the company are VinyleSulhpone, Phosphorus Trichloride, Soda Ash, Ammonium Molybdate, etc. We meet our raw materials requirements by procuring such materials from domestic market.

OUR MANUFACTURING PROCESS:

The manufacturing of dyes requires a numerous process to obtain a complete powder form product. The major steps include:



1. **Material procurement:**

   We intend to maintain low-cum-sufficient level of inventory. To achieve this, we plan and forecast our productions and accordingly the order for raw material is placed. Our production team and sales team are in constant touch which helps us to order optimal level of raw material. Further, our technical team ensures that the raw materials we procure are meeting the quality standards. Once the raw materials are procured from nearby suppliers, it is stored in our manufacturing facility having adequate storage capacity.

2. **Material Inspection:**

   All materials procured or manufactured at our plants are properly tested for its purity and only after the approval of the purity, the same are used for further process.

3. **In-putting:**

   Once tested, the raw materials are used and charged at required pressure and temperature as per the product designs to ensure best yields.

4. **Synthesizing:**

   To maintain the optimum reaction conditions at every reaction stage, the chemical team controls the whole synthesizing/reaction process according to the procedure manual for each product. Synthesis/Reaction is the process in which all the elements of the dye are mixed together with required technical and chemical criteria.

5. **Process Inspection:**

To maintain the primary product after synthesizing in best quality, the in-house inspection team with requisite technical expertise in the quality-management department makes strict inspections of important items and assesses them to determine whether they are good enough for further processing.

6. **Drying:**

   In the spray drying process, moisture from the dye is evaporated through heating while the powder form of dye is collected in bags. Spray-drying machines are usually large in size where heating and the entire process of drying the dyestuff is continuously followed.

7. **Blending:**

   The skilled technicians of production team as well as quality control team blend the material of different batches to make a good and homogeneous lot as per the quality requirements of the customers.

8. **Final Inspection:**

   The inspection team of the quality management department collects samples from all manufactured items by lot to compare with the standard samples through the spectrophotometer and dyeing test, and thereby in case their colouring, penetration, fastness, etc. fall within the minimum allowable limits of error, the manufactured items shall be allowed to be packed as final products.

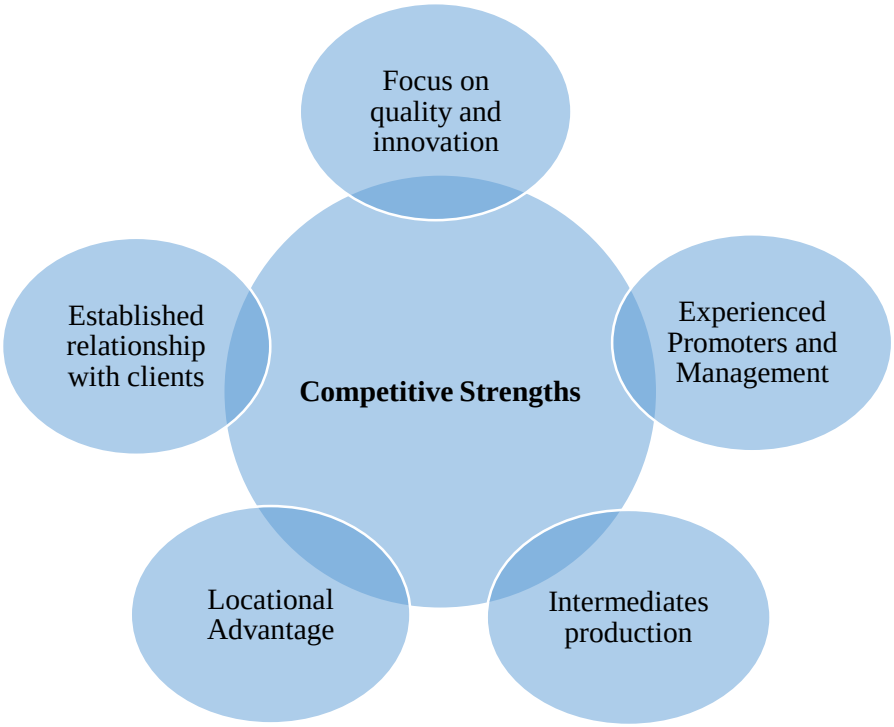
9. **Packaging:**

   Once the product meets all the required quality criteria, they are packed into baggage like bags, Jumbo bags, boxes, MS drums etc. as per the requirement of the customer. Packaging is done keeping in mind the safety of the products and at the same time ensures low leakages into open environment.

10. **Storage & Delivery:**

    After proper packaging as per the customer's order, they are either directly loaded into trucks for shipment or they are stored in the warehouse inside the premises itself. Necessary care is taken to avoid any contamination of the product. Exports orders are made through Mundra Port, Pipavav Port, Mumbai JNPT, Amritsar rail as per the final location of the customer.

OUR COMPETITIVE STRENGTHS:



1. **Focus on quality and innovation**

We believe our strength and success factor has been our constant focus on quality and innovation. To keep sailing on it, we stress on and constantly strive to improve the quality of our products. We have a dedicated R&D team which constantly works for waste effluent management, improving the quality, alternative cost saving methods and the likes. Our Company is an ISO 9001:2015 certified and our technically qualified team ensures that we procure raw materials which meet the quality standards. To ensure quality products, we test samples from every lot of raw material in our laboratory and only once they meet the quality criteria, it is further used for production. Further, finished products are also checked with respect to quality, and only after meeting the quality standards, products are considered for packing. We have produced a wide range of colours and their combinations meeting wide range of customers' demands.

2. **Experienced Promoters and Management**

We have an experienced management team including our promoters who have an experience of more than 2 decades in dyestuff industry. Our Company is led by our promoters, Mr. Maunal Gandhi and Mr. Minku Gandhi who has rich experience and knowledge of the industry. Their vision and values have been the foundation of our growth story. The business which was started just as a trading company has now become an export oriented manufacturing company with further expansions plans in place. We understand quality forms an important aspect in dyestuff industry and hence we have established a qualified technical team to ensure quality output. It is through the constant vision and experience of our management team including the promoters, we have been able to build a sustainable business model and created a wide market reach. We strongly believe that the success of our organization lies in the efforts of our human resources.

3. **Intermediates Production**

Dyestuffs manufacturing involves use of many raw materials and intermediates in the whole process, prices of which are highly volatile and forms a significant part of total manufacturing costs. Further, dependency on third party suppliers affects the overall costs. Hence, our company has been into manufacturing of one of the intermediates, CPC Blue, which helps us to reduce our dependency on third parties, saving us substantial amount.

4. **Locational Advantage leading to reduction of cost**

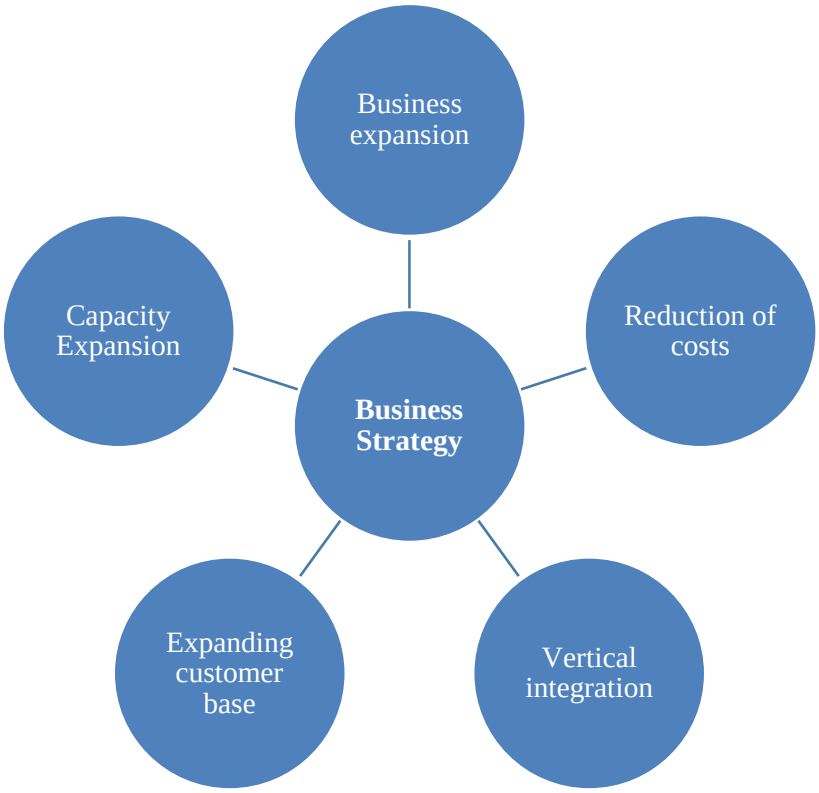
Reducing cost of production is an inherent activity which our company has been focussing on since its inception. Procuring raw material at a competitive price effects our financial position substantially. We procure almost all of our raw materials mostly from domestic players having their facility/warehouses in close proximity to our manufacturing facility hence reducing the cost of transportation without compromising on the quality of the raw material procured. It also ensures us a continuous supply of raw materials. Further, our upcoming facility is strategically located at Bharuch, Gujarat which is approx. 15 kms from the nearby port which will further help us reduce our overall cost.

5. **Established relationship with clients**

Our company generates most of its revenue from export operations, it has trusted buyers in foreign countries from which we receive repeated orders in frequent intervals. The repetition of orders is basically owing to the quality of the products we provide and also the healthy relationships we maintain. Our promoter visits regularly to our foreign traders to understand their needs, concerns and address them personally. We understand the dye industry is highly competitive and maintaining healthy relationships will help us to beat the competition.

OUR BUSINESS STRATEGY:

Our vision is to grow in existing and new markets by providing quality products. We intend to capitalize on the growing demand for our products in India and abroad. In line with this vision, our Company is implementing a business strategy with the following key components. Our strategy will be to focus on capitalizing on our core strengths and expanding the operations of our business.



1. **Business expansion**

   We started our business in 1993 and steadily increased the capacity to around 2,520 tons per annum. With the customer base we already have, rich experience we possess and the growth we foresee due to structural shift of demand to India, we intend to tap the opportunity by expanding our business by setting up a new facility with a manufacturing capacity of around 16,140 tons per annum in various phases while the permitted capacity is around 32,800 tons p.a. To implement this, we have already purchased a land measuring 75,060 sq. meters in Saykha Industrial Estate - Bharuch, Gujarat. The machineries required for this facility would be funded partly by proceeds of this issue and partly from other sources of funds. The facility is expected to commence by F.Y. 2020-21 in various stages.

2. **Reduction of costs**

   Our company acknowledges the fact that having a manufacturing facility which will enable manufacturing of dye intermediates is an effective way of reducing costs. Till date, we have been procuring raw materials and intermediates from third parties the prices of which are volatile and affect our overall profitability adversely. However, our management aims to manufacture certain more intermediates in the new facility which will aid us to reduce our overall costs along with reducing the dependency on third party suppliers.

3. **Vertical integration of production process**

   The company intends to increase the research and development efforts to develop manufacturing process for a wider range of dyes products, by vertically integrating the production processes. This will serve as an effective cost cutting as well as expansion measure. This can be done through continual improvement in technology, cut manufacturing costs through process improvement, develop new product lines which are environmentally responsible.

4. **Expanding customer base**

   Dye manufacturing is done only in India, China and Indonesia. However, India and China meets the substantial portion of global demand and hence the market for manufacturers in India is huge. The company's product is currently marketed majorly in Asia and Middle East. The strategy going forward is to cater the market of other international locations, viz., UK, USA, Canada, etc. The demand for dye is ever increasing including in India where catering to newer customer will be comparatively an easier task.

5. **Capacity expansion**

Our company is currently operating at around 90% of its capacity. With the strong relationship we possess with our customers, marketing our product can be done without much effort. Since, the market with the buyer is readily available, we intend to ramp up our production to boost the revenue. As mentioned in the "*Objects of the issue*" in Page 97 of this Prospectus, we would be increasing our overall production capacity which will enable us to enter into new phase of growth.

SWOT ANALYSIS:

Strengths:

1. **Locational Advantage –**

The manufacturing facility of our company is located at Vatva GIDC, Gujarat and the new proposed plant is located in Saykha Industrial Estate in Dahej, Gujarat which is 15 kms form Dahej Port allowing easy export to major markets. Raw material procurement are mostly done from players within Gujarat which are in near proximity to the manufacturing facility. This reduces our costs significantly.

2. **Strong customer base** –

We supply our products to traders in foreign countries. These customers bring repititve orders and ensures continuous business to our company. This industry being a highly competitive industry requires strong customer base to grow and stay ahead.

3. **Experienced management** –

Our promoters are in the dye industry for more than 2 decade. Our technical team is led by qualified people who has the relevant technical knolwedge. Their knwoledge and experience gives our company a major benefit in devising and implementing the perfect strategy to stand above the competition.

Weakness:

1. **Presence in one type of colour –**

Although the company is producing variety of color shades in Reactive Blue dyes, we are majorly present only in 1 color, i.e., Blue. This restricts us to cater wider category of customers. However, going forward, our company intends to expand its portfolio to multi-colors with dyestuff/intermediates integrated plants of Blacks and other colors.

2. **Dependent on third party suppliers –**

Our company procures most of the Dye intermediates from third party producers. It does not have its own manufacturing facility for producing all the required intermediates and hence is dependent on third parties to some extent. In the past, company has faced profitability issues owing to sudden increase in prices of intermediates, we are prone to such threats by our suppliers. However, the relationship and the volume of business we generate for them mitigates this weakness of us. Further all new plants proposed to be commisioned are with backward integration of raw materials intermediates also.

3. **Failure to implement plans –**

We believe successful implementation of strategy is more important than devising the strategy. If the plan as envisaged is not implemented properly, it may affect the business. However, with the decades of experience our management possess and the past trend of our business, we believe we would implement our strategies at the right direction without any difficulties.

Opportunities:

1. **Decreasing competition from China –**

Dye industry has only 2 major players across the globe, India and China apart from Indonesia. With increasing environmental norms and strict governmental regulations w.r.t operting a chemical industry, the competition which was being faced due to China is slowly eroding. There have been shutdowns of many

facilities in China positively impacting the dye industry in India consequently growth in Dye prices. With decrease in total supply, dye manufacturers have huge opportunity both in terms of volume and value.

2. **Introduction of GST –**

Introduction of GST is expected to benefit all the organized sector players in the industry in long term. This will help the organized players like ours to tighten their grip over the market by maintaining a cost structure more efficient than that of any unorganized local manufacturers. Indian Dyes and Dyestuff market is highly fragmented, with 40-50% of the market being unorganised. The recent events including GST, stricter environment norms, rising compliance needs from global clients could eventually lead to a need to consolidate, large and efficient players growing higher than the industry and smaller units closing or consolidating with large players.

Threats:

1. **Increasing competition –**

Dye industry is highly competitive which faces competition from both organised and unorganised player. Our company faces tough competition from them in terms of pricing and customer base. Further, there is contingency on the longevity of benefit accruing due to restrictions in China. There may be turnaround in China's dye industry which possess huge threat to Indian market. However, our company has been successful enough to compete with them with increasing market share.

2. **Regulatory risks –**

Our company deals in hazardous chemicals. Hyaluronic acid, one of the products that is used in dye manufacturing is the most polluting industrial effluent. It is toxic and non-biodegradable. Hence here there is huge amount of compliance risk wherein it is obvious to state that if the Company fails to comply with Environmental Laws and Regulations, the results of operations will be adversely affected.

UTILITIES & INFRASTRUCTURE FACILITIES:

Infrastructure Facilities

Our registered office and manufacturing units are well equipped with computer systems, internet connectivity, other communications equipment, security and other facilities, which are required for our business operations to function smoothly. It is equipped with requisite utilities and facilities including the following:

Power

Our Company meets its power requirements by purchasing electricity from Gujarat State Electricity Board.

Water

Our Company procures water from GIDC bore well situated in nearby vicinity.

Fuel

We procure Gas from Adani for all its operations.

Fire Hydrant

Our Company has installed fire safety equipment to manage any fire accident at its facility.

COLLABORATIONS/ TIE UPS OR JOINT VENTURE:

As on the date of this Prospectus, our Company has not entered into any technical or other collaboration or Tie ups or Joint Venture.

EXPORT AND EXPORT OBLIGATION:

As on date of this Prospectus, our Company does not have any Export Obligation under Export Promotion Capital Goods (EPCG) Scheme or any other scheme of Government of India.

CAPACITY AND CAPACITY UTILIZATION:

Our manufacturing unit is engaged in manufacturing and sale of reactive dyes. The production and utilized capacities of our Company for these products for the past three years and also the projected capacities and utilizations for the subsequent three years are set forth in the following table:

Product	Existing					
	2015-16		2016-17		2017-18	
	Installed	Utilized	Installed	Utilized	Installed	Utilized
Turquoise Blue Dyestuff	1,200 mt	900 mt	1,500 mt	1,200 mt	1,800 mt	1,680 mt
Copper Phthalocyanine	-	-	360 mt	324 mt	720 mt	500 mt
VS Plant	-	-	-	-	-	-
Alpha Blue	-	-	-	-	-	-
Green 7	-	-	-	-	-	-
Percentage	**100%**	**75%**	**100%**	**81.94%**	**100%**	**90.48%**
Product	**Projected**					
	2018-19		2019-20		2020-21	
	Installed	Utilized	Installed	Utilized	Installed	Utilized
Turquoise Blue Dyestuff	2,100 mt	1,980 mt	2,100 mt	1,980 mt	8,100 mt	6,780 mt
Copper Phthalocyanine	720 mt	660 mt	720 mt	660 mt	3,720 mt	3,060 mt
VS Plant	-	-	1,200 mt	500 mt	1,200 mt	1,100 mt
Alpha Blue	-	-	720 mt	360 mt	1,920 mt	1,200 mt
Green 7	-	-	-	-	1,200 mt	840 mt
Percentage	**100%**	**84.75%**	**100%**	**73.84%**	**100%**	**80.42%**

PLANT AND MACHINERY:

Currently, the major plant and machinery installed in our manufacturing facility is given below. Further, none of the existing machinery are second hand.

Name of Major Machinery	Quantity
Steam Boiler	2
Thermic Fluid Heater	1
Hot Air Generator	4
Spray Dryer	1
Close Reaction Vessel	2
Filter Press	5
Glassline Vessel	2
Filter Nutch	1
Oil heater	1
Hoiest	4
RVD	1
Ice Plant	1

Pollution control plant	1
RO plant	1
Condensnor	1
Spectro photo meter	1
Multi stage water pump	1
Dryer	1
Bag closer machine	1

HUMAN RESOURCES:

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business.

As on March 31, 2018 we have 57 employees at our manufacturing facility and registered office, who look after our business operations, factory management, administrative, secretarial, legal, marketing and accounting functions in accordance with their respective designated goals. Bifurcation of the employee as per their role is as under:

Designation	**Employees**
Manager	1
Chemist	9
Admin Staff	15
Operators	12
Fitter	2
Electrician	3
Workers	12
Others	3
Total	**57**

Apart from these we also employ casual labour or temporary labour on need basis. Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work progress and skilled/ semi-skilled/ unskilled resources together with our strong management team have enabled us to successfully implement our growth plans.

SALES AND MARKETING:

The efficiency of the marketing and sales network is critical success of our Company. Our success lies in the strength of our relationship with the traders who have been associated with our Company. Our team through their experience and good rapport with these traders owing to timely and quality delivery of service plays an instrumental role in creating and expanding a work platform for our Company. We sell our products under the brand name of "Ushanti".

Our Domestic as well as Export Marketing is handled by management team having industry experience. We believe the relationship with our business partners is strong and established, as we receive repeated orders. To retain our customers, our team having adequate experience and competencies, regularly interact with them and focus on gaining an insight into the additional needs of customers.

COMPETITION:

Dye Chemical Products industry being a large and concentrated industry, we face competition from various domestic players and international players specifically from China. The Industry which we cater to is competitive, unorganized and fragmented with many small and medium-sized companies and entities and we compete with organized as well as unorganized sector on the basis of pricing of product, product quality and product range. Most of our competitors in the regional level are from the unorganized sector. Among listed peers, we face competition from:

1. Aksharchem (India) Limited,
2. Kiri Industries Limited,
3. Camex Limited, and
4. Meghmani Organics Limited

Although, competition for "Turquoise Blue" dyestuffs and pigments are lower than other dyestuffs due to specialised presence of competitors in respective segments, our Company intend to continue compete vigorously to capture more market share and manage our growth in an optimal way.

INSURANCE:

Our Company has insurance coverage which we consider reasonably sufficient to cover all normal risks associated with our operations and which we believe is in accordance with the industry standards.

We have taken Marine Cargo, Standard Fire & Special Perils Policy for a substantial majority of our assets at our office and factory. These policies also insure us against the risk of earthquakes with plinth and foundation. Our policies are subject to customary exclusions and customary deductibles. We will continue to review our policies to ensure adequate insurance coverage is maintained.

We have following insurance Policies:

Policy No.	Risk Covered	Sum Assured (Amount in Rs. Lakhs)	Name of the Insurer	Policy Period	
				From	To
OG-19-2202-1006-000000076	Marine Cover	Rs. 320 Lakhs	Bajaj Allianz General Insurance Co. Ltd.	01.07.2018	30.06.2019
OG-19-2202-4003-00000074	Standard Fire and Special Perils Policy	Rs. 25 Lakhs	Bajaj Allianz General Insurance Co. Ltd.	06.06.2018	05.06.2019
OG-19-2202-4004-000000026	Standard Fire and Special Perils Policy	Rs. 2,270 Lakhs	Bajaj Allianz General Insurance Co. Ltd.	06.06.2018	05.06.2019

LAND AND PROPERTY:

We have our properties located at following:

Leasehold Properties:

Sr. No	Address of the Property	Area of the Property	Consideration Paid	Purchase Year / Lease Period	Lessor	Current Usage
1.	88/6, GIDC Phase I, Vatva, Ahmedabad – 382445, Gujarat, India	909 sq. meters	Rs. 1.82 Lakhs	2004	G.I.D.C	Manufacturing facility – Unit 1

2.	88/7, GIDC Phase I, Vatva, Ahmedabad – 382445, Gujarat, India	876 sq. meters	Rs. 72,500 p.m.	1 April, 2018 to 31 March, 2019	Shantilal Bhailal Gandhi HUF	Manufacturing facility – Unit 2
3.	88/8, GIDC Phase I, Vatva, Ahmedabad – 382445, Gujarat, India	954 sq. meters	Rs. 4.95 Lakhs	1998	G.I.D.C	Manufacturing facility – Unit 3
4.	Plot No: C-18, Saykha Industrial Estate, Ta: Vagra, Bharuch, Gujarat, India	33,560 sq. meters	Rs. 273.07 Lakhs	2016	G.I.D.C	Proposed manufacturing facility
5.	Plot No: C-37, Saykha Industrial Estate, Ta: Vagra, Bharuch, Gujarat, India	7,355 sq. meters	Rs. 121.24 Lakhs	2016	G.I.D.C	Proposed manufacturing facility
6.	Plot No: DP-80,81,82,83, Saykha Industrial Estate, Ta: Vagra, Bharuch, Gujarat, India	34,162 sq. meters	Rs. 591.90 Lakhs	2016	G.I.D.C	Proposed manufacturing facility

INTELLECTUAL PROPERTY RIGHTS:

Company has confirmed that no applications have been made by the Company nor has it registered any type of intellectual property including trademarks/copyrights/patents etc.\

KEY INDUSTRY REGULATIONS AND POLICIES

Except as otherwise specified in this Prospectus, the Companies Act, 1956 / the Companies Act, 2013, we are subject to a number of central and state legislations which regulate substantive and procedural aspects of our business. Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye–laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in business of manufacturing and marketing of dyestuff. Taxation statutes such as the I.T. Act, and applicable Labour laws, environmental laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. 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. The regulations set out below may not be exhaustive, and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.

APPROVALS

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled "Government and Other Statutory Approvals" beginning on page number 207 of this Prospectus.

APPLICABLE LAWS AND REGULATIONS

BUSINESS/TRADE RELATED LAWS/REGULATIONS

The Micro, Small and Medium Enterprises Development Act, 2006

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the Micro, Small and Medium Enterprises Development Act, 2006 is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951 as "micro enterprise", where the investment in plant and machinery does not exceed twenty-five lakh rupees; "Small enterprise", where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a medium enterprise , where the investment in plant and machinery is more than five crore but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, "Micro – enterprise" , where the investment in equipment does not exceed ten lakh rupees, "Small Enterprise" where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or " Medium Enterprise" where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

Gujarat Industrial Policy 2015

Gujarat has witnessed strong growth in Micro, Small & Medium Enterprises (MSMEs) sector which covers the medium sector of Gujarat. MSME sector has a special importance as this is the sector which belongs to common man. Gujarat Government wishes to strengthen the sector by making it more technology-driven. This type of support will come by bay of interest subsidy for manufacturing and service sector, venture capital assistance, quality certification, technology acquisition fund, patent assistance for national and international, energy and water conservation audit, market development assistance and support, MSMEs for credit rating, raising capital through MSE exchange, reimbursement of CGTSME scheme for collateral free loan, state awards under MSMEs and skill development etc. Support would also be extended for development of ancillary and auxiliary enterprises for labour intensive industries.

The Government of Gujarat will constitute separate awards for MSMEs. The awards will be for achieving excellence through growth and production profit, quality improvement measures, Environment improvement measures and Innovation and new product/process/technology development. The policy encourages adoption of new and innovative technologies by providing financial support to each cluster for every innovative technology, setting up R&D Institutions, setting new laboratories, financial support through partial reimbursement of cost for filing domestic patents and international patents.

Gujarat government shall be taking market development initiatives with the intention of giving enhanced visibility to local produce from large industries and specifically from MSMEs. Government of Gujarat stresses on "Zero Defect" to produce globally-competitive, locally manufactured goods. One of the expansive marketing practices around the globe is participation in international and domestic trade fairs to show one's products or wares. Government of Gujarat will make market credit available to MSMEs.

Quality improvement is strongly envisaged in the new industrial policy. The assistance will be granted by national (approved by quality council of India) and international certification. The policy also intends to encourage use of enterprise resources planning system (ERP) for MSMEs. Government of Gujarat also provides assistance for raising capital through SME exchange on one time basis.

The Indian Boilers Act, 1923

The Indian Boilers Act, 1923 (the "Boilers Act") states that the owner of any boiler (as defined therein), which is wholly or partly under pressure when is shut off, shall under the provisions of the Boilers Act, apply to the Inspector appointed thereunder to have the boiler registered which shall be accompanied by prescribed fee. The certificate for use of a registered boiler is issued pursuant to such application, for a period not exceeding twelve months, provided that a certificate in respect of an economiser or of an unfired boiler which forms an integral part of a processing plant in which steam is generated solely by the use of oil, asphalt or bitumen as a heating medium may be issued for a period not exceeding twenty-four months in accordance with the regulations made under Boilers Act. On the expiry of the term or due to any structural alteration, addition or renewal to the boiler, the owner of the boiler shall renew the certificate by providing the Inspector all reasonable facilities for the examination and all such information as may reasonably be required of him to have the boiler properly prepared and ready for examination in the prescribed manner.

Anti-Trust Laws

Competition Act, 2002

An act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of agreements and Anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

The prima facie duty of the commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. The commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General he shall be punishable with a fine which may exceed to Rs. 1 lakh for each day during such failure subject to maximum of Rupees One Crore.

GENERAL CORPORATE COMPLIANCE

The Companies Act 1956 and the Companies Act, 2013

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

Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole time director or manager. It provides the list of acts under which if a person

is prosecuted, he cannot be appointed as the director or Managing Director or Manager of the firm. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

EMPLOYMENT AND LABOUR LAWS

Contract Labour (Regulation and Abolition) Act, 1970 ("CLRA")

The Contract Labour (Regulation and Abolition) Act, 1970 has been enacted to regulate the employment of contract labour in certain establishments, the regulation of their conditions and terms of service and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. The CLRA vests the responsibility on the principal employer of an establishment to which the CLRA applies to make an application to the registered officer in the prescribed manner for registration of the establishment. In the absence of registration, a contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. To ensure the welfare and health of the contract labour, the CLRA imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("the EPF Act") and the Employees Provident Fund Scheme, 1952

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

Employees Deposit Linked Insurance Scheme, 1976

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

The Employees Pension Scheme, 1995

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

Employees' State Insurance Act, 1948 (the "ESI Act")

It is an act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government) other than seasonal factories. Provided that nothing contained in this

sub-section shall apply to a factory or establishment belonging to or under the control of the Government whose employees are otherwise in receipt of benefits substantially similar or superior to the benefits provided under this Act. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

Payment of Gratuity Act, 1972

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf.. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five year period shall be relaxed in case of termination of service due to death or disablement.

Minimum Wages Act, 1948 ("MWA")

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

Maternity Benefit Act, 1961

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

Equal Remuneration Act, 1979

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

Child Labour Prohibition and Regulation Act, 1986

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

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

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

Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979

This Act has been enacted with an aim to regulate the employment of inter-state migrant workmen and to provide for their conditions of service. It is applicable to every establishment employing five or more inter-state migrant workmen or having employed in the past twelve months and to every contractor who employs or who employed five or more inter-state migrant workmen in the past twelve months. Every Principal Employer of the establishment employing inter-state migrant workmen has to make an application for the registration of the establishment in the prescribed manner and time. Also a contractor employing inter-state migrant workmen has to obtain a license for the same from the licensing officer appointed for the purpose by the Central or the state Government. The license is valid only for a specified period and requires to be renewed at its expiry. The Act levies some duties on the principal employer and the contractor. The contractor has to provide for adequate wages, medical facilities and other benefits while it is the responsibility of the principal employer to provide for the displacement allowance and journey allowance to the workmen.

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

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

TAX RELATED LEGISLATIONS

Value Added Tax ("VAT")

VAT is a system of multi-point Levy on each of the purchases in the supply chain with the facility of set-off input taxon sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. VAT is based on the value addition of goods, and the related VAT Liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period. VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each state that has introduced VAT has its own VAT Act, under which,

persons Liable to pay VAT must register and obtain a registration number from Sales Tax Officer of the respective State.

Gujarat Value Added Tax Act, 2003 ("GVAT")

Gujarat Value Added Tax, 2003 (GVAT Act) is made effective in the state of Gujarat from 1st April, 2006. On its implementation, the following Acts are repealed:

- The Gujarat Sales Tax Act, 1969,
- The Bombay Sales of Motor Spirit Taxation Act, 1958,
- The Purchase Tax on Sugarcane Act, 1989.

However provisions relating to pending assessment, appeals, recovery etc., under the above Acts will survive The basic requirement of charging tax under GVAT Act is that where any sale in the course of business is affected, in the State of Gujarat, VAT is payable under GVAT Act. Transactions made in the course of business only are covered under the GVAT Act.

Service Tax

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of 'taxable services', as specified in entry 39 defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 5th / 6th of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the Company is required to file a half yearly return in Form ST 3 by the 25th of the month immediately following the half year to which the return relates.

Central Sales Tax Act, 1956 ("CST")

The main object of this act is to formulate principles for determining (a) when a sale or purchase takes place in the course of trade or commerce (b) when a sale or purchase takes place outside a State (c) when a sale or purchase takes place in the course of imports into or export from India, to provide for levy, collection and distribution of taxes on sales of goods in the course of trade or commerce, to declare certain goods to be of special importance trade or commerce and specify the restrictions and conditions to which State Laws imposing taxes on sale or purchase of such goods of special importance (called as declared goods) shall be subject. CST Act imposes the tax on interstate sales and states the principles and restrictions as per the powers conferred by Constitution.

Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taking out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administrated by Central Board of Excise and Customs under the Ministry of Finance.

The Central Excise Act, 1944

The Central Excise Act, 1944 ("Central Excise Act") consolidates and amends the law relating to Central Duties of Excise on goods manufactured or produced in India. Excisable goods under the Act means goods specified in the Schedule to the Central Excise Tariff Act, 1985 as being subject to duty of excise. Factory means any premises, including the precincts thereof, wherein or in any part of which excisable goods are manufactured, or wherein or in any part of which any manufacturing process connected with the production of these goods being carried on or is ordinarily carried out. Under the Act a duty of excise is levied on all excisable goods, which are

produced or manufactured in India as and at the rates, set forth in the First Schedule to the Central Excise Tariff Act, 1985.

The Gujarat (Panchayats, Municipalities, Municipal Corporations and State) Tax on Professions, Traders, Callings and Employments Act, 1976

Professional tax in Gujarat is governed by the Gujarat Panchayats, Muncipalities, Muncipal Corporation and State Tax on Professions, Traders, Callings and Employment Act, 1976 and rules of 1976. All registered partnership firms, all factory owners, all shops or establishment owners (if the shop has employed on an average five employees per day during the year), all businesses covered under the definition of 'dealer' defined in the Gujarat Value Added Tax Act, 2003 whose annual turnover is more than Rs. 2.50 lakhs, all transport permit holders, money lenders, petrol pump owners, all limited companies, all banks, all district or state level co-operative societies, estate agents, brokers, building contractors, video parlours, video libraries, members of associations registered under Forward Contract Act, members of stock exchange, other professionals, like legal consultants, solicitors, doctors, insurance agents, etc are covered under this Act. It is duty of the employers to deduct tax from the person earning any salary/wage in the organisation. For the purpose of this act, employer means in relation to an employee earning any salary or wages on regular basis under him, means the person or the officer who is responsible for disbursement of such salary or wages, and includes the head of the office or any establishment as well as the manager of agent of the employer.

Monthly Salary	Amount payable in Gujarat
Less than Rs. 5999	Nil
Rs. 6000 to Rs. 8999	Rs. 80 per month
Rs. 9000 to Rs. 11999	Rs. 150 per month
Rs. 12000 & above	Rs. 200 per month

Goods and Service Tax (GST)

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by Centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination based consumption tax GST would be a dual GST with the centre and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise – goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

It is applicable on all goods except for alcohol for human consumption and five petroleum products.

Taxpayers with an aggregate turnover of Rs. 20 lakhs would be exempt from tax. The exemption threshold for special category of states like North-East shall be Rs. 5 lakhs. Small taxpayers with an aggregate turnover in preceding financial year upto Rs. 1 crore (75 lakhs in case of special category states) may opt for composition levy. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. There is a special rate of 0.25% on some precious and semi-precious stones and 3% on gold. In addition a cess of 15% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products. The rate of tax for CGST and SGST/UTGST shall not exceed –

a) 5% in case of restaurants etc.
b) 1% of the turnover in case of manufacturer
c) 1% turnover of taxable supplies of goods, in case of other supplier

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

OTHER LAWS

The Factories Act, 1948 ("Factories Act")

The Factories Act, 1948 aims at regulating labour employed in factories. A "factory" is defined as "any premises...whereon ten or more workers are working or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power, or is ordinarily so carried on, or whereon twenty or more workers are working, or were 81 working on any day of the preceding twelve months, and in any part of which a manufacturing process is carried on without the aid of power, or is ordinarily so carried on...". The main aim of the said Act is to ensure adequate safety measures and to promote the health and welfare of the workers employed in factories initiating various measures from time to time to ensure that adequate standards of safety, health and welfare are achieved at all the places.

Under the Factories Act, the State Government may make rules mandating approval for proposed factories and requiring licensing and registration of factories. The Factories Act makes detailed provision for ensuring sanitary conditions in the factory and safety of the workers and also lays down permissible working hours, leave etc. In addition, it makes provision for the adoption of worker welfare measures. The prime responsibility for compliance with the Factories Act and the rules thereunder rests on the "occupier", being the person who has ultimate control over the affairs of the factory. The Factories Act states that save as otherwise provided in the Factories Act and subject to provisions of the Factories Act which impose certain liability on the owner of the factory, in the event there is any contravention of any of the provisions of the Factories Act or the rules made thereunder or of any order in writing given thereunder, the occupier and the manager of the factory shall each be guilty of the offence and punishable with imprisonment or with fine. The occupier is required to submit a written notice to the chief inspector of factories containing all the details of the factory, the owner, manager and himself, nature of activities and such other prescribed information prior to occupying or using any premises as a factory. The occupier is required to ensure, as far as it is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory.

ENVIRONMENTAL LEGISLATIONS

The Environment Protection Act, 1986 ("Environment Protection Act")

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a frame work for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to (a) prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

The Air Act was enacted with an objective to protect the environment from smoke and other toxic effluents released in the atmosphere by industries. With a view to curb air pollution, the Air Act has declared several areas as air pollution control area and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Air Act, if a person intends to commence an industrial plant in a pollution control area.

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

The Water Act was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Water Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution control boards constituted under the Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain prior consent of the board constituted under the Water Act.

Hazardous Waste (Management and Handling) Rules, 1989 ("Hazardous Waste Rules")

The Hazardous Waste Rules, as amended, impose an obligation on each occupier and operator of any facility generating hazardous waste to dispose of such hazardous wastes properly and also imposes obligations in respect of the collection, treatment and storage of hazardous wastes. Each occupier and operator of any facility generating hazardous waste is required to obtain an approval from the relevant state pollution control board for collecting, storing and treating the hazardous waste.

The Public Liability Insurance Act, 1991

This Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

National Environmental Policy, 2006

This Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of the National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

INTELLECTUAL PROPERTY LEGISLATIONS

In general the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- Indian Copyright Act, 1957
- The Trade Marks Act, 1999

Indian Patents Act, 1970

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

The Copyright Act, 1957

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

Trade Marks Act, 1999 ("TM Act")

The Trade Marks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

GENERAL LAWS

- Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986 are also applicable to the company.

OTHER LAWS:

Foreign Trade (Development and Regulation) Act, 1992

The Development and Regulation of foreign trade by facilitating imports and exports from and to India. The Import-Export Code number and licence to import or export includes a customs clearance permit and any other permission issued or granted under this act. The Export and Import policy, provision for development and regulation of foreign trade shall be made by the Central Government by publishing an order. The Central Government may also appoint Director General of Foreign Trade ("DGFT") for the purpose of Export-Import Policy formulation.

If any person makes any contravention to any law or commits economic offence or imports/exports in a manner prejudicial to the trade relations of India or to the interest of other person engaged in imports or exports then there shall be no Import Export Code number granted by Director-General to such person and if in case granted shall stand cancelled or suspended. Provision of search and seizure of Code of Criminal Procedure, 1973 shall apply to every search and seizure made under this Act. In case of appeals in a case the order made by the appellate authority shall be considered to be final. The powers of the civil court under Code of Civil Procedure, 1908 shall vest in him.

The EXIM Policy is a set of guidelines and instructions established by the DGFT in matters related to the export and import of goods in India. This policy is regulated under the said act. DGFT is the main governing body in matters related to the EXIM Policy. The Act shall provide development and regulation of foreign trade by facilitating imports into, and augmenting exports from India. Trade Policy is prepared and announced by the Central Government (Ministry of Commerce).

Foreign Exchange Management Act, 1999 ("FEMA")

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations promulgated there under. FEMA aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or

to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

FEMA Regulations

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India

THE FOREIGN DIRECT INVESTMENT

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP"), has issued consolidated FDI Policy Circular of 2017("FDI Policy 2017"), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India ("RBI") also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted in our company under automatic route.

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Brief history of Our Company

Our Company was incorporated under the provisions of Companies Act, 1956 as 'Ushanti Colour Chem Private Limited' in Gujarat *vide* Certificate of Incorporation issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli, on May 12, 1993. Consequently, it was converted into a public limited company pursuant to special resolution passed at Extra-ordinary General Meeting of our Company held on February 19, 2018 and the name of our Company was changed to 'Ushanti Colour Chem Limited' and a fresh certificate of incorporation consequent upon Conversion of Private Limited to Public Limited dated 7th March, 2018 was issued by Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U24231GJ1993PLC019444.

CORPORATE PROFILE OF OUR COMPANY

Our Company is in the business of manufacturing and trading of Dyestuffs since 1961. The Company manufactures Reactive and Direct Dyestuffs also known as Synthetic Organic Dyes with an integrated production process. The company also manufactures Copper Phthalocyanine, Blue Crude which are one of the major raw material used for manufacturing of Dyestuffs. The pigment and dyestuffs manufactured by us caters to the raw material requirement of textile, garment, cotton, leather, nylon, paper, wool, ink, wood, plastic and paint industries. We concentrate in manufacturing "Turquoise Blue" Dyestuffs and Pigments. The company has 3 manufacturing facilities situated together at Vatva GIDC in Gujarat. The facilities are spread over 2,739 sq. meters in total area. Our company also has its own Ice generation machinery, further it recovers Ammonium Carbonate from its effluent stream which are reused in the plant as well as sold to the Soda Ash Industry reducing wastage giving us incremental revenue. The company currently has a production capacity of approx. 2,520 tons per annum. The manufacturing facilities are equipped with requisite machineries to keep a constant check on quality. The company is an ISO 9001:2015 certified company certifying the quality of the product our company manufactures.

Maunal Shantilal Gandhi and Minku Shantilal Gandhi are the Promoters of our Company.

Shantilal Bhailal Gandhi and Minku Shantilal Gandhi were the initial subscribers to the Memorandum of Association of our Company. They have continued to hold shares in the company since incorporation of the Company till date. For further information, please refer to the chapter title "Capital Structure" on page 75 of this Prospectus.

For information on our Company's profile, activities, market, service, etc., market of each segment, capacity built-up, standing of our Company in comparison with prominent competitors, with reference to its services, management, managerial competence, technology, market, major suppliers and customers, environmental issues, geographical segment, etc. wherever applicable, please refer to chapters titled *"Our Business" ,"Our Industry" "Financial Statements as Restated", "Management's Discussion and Analysis of Financial Condition and Results of Operation", "Government and Other Statutory Approvals"* beginning on page 126, 110, 182, 183 and 207 respectively of this Prospectus.

CHANGES IN OUR REGISTERED OFFICE: At the time of Incorporation, Registered Office of our Company was situated at Astodia, B/h Colour Merchant Co-op. Bank Ltd., Ahmedabad 380 001. Presently, Registered Office of our Company is situated at 88/8 GIDC, Phase I, Vatva, Ahmedabad 382445, Gujarat, India.

The details of change in address of our registered office since incorporation are set forth below:

Effective Date	From	To	Reason
April 01, 1994	Astodia, B/H Colour Merchant Co. Op. Bank Ltd., Ahmedabad 380 001, Gujarat, India	301, Swapna Complex, Near Tulsi Complex, Mithakhali Six Roads, Ahmedabad 380 009, Gujarat, India	Administrative Convenience

December 15, 1998	301, Swapna Complex, Near Tulsi Complex, Mithakhali Six Roads, Ahmedabad 380 009, Gujarat, India	88/8 GIDC, Phase I, Near Torrent, Ahmedabad 382 445, Gujarat, India	Administrative Convenience

KEY EVENTS AND MILESTONES:

Year	Milestone
1993	Incorporated as a Private Company in the name and style of 'Ushanti Colour Chem Private Limited'
2009	Certificate of Recognition from Export House, Office of the Joint Director General of Foreign Trade, Ministry of Commerce & Industry for the period of five years effective from April 01, 2009 to March 31, 2014
2014	Renewal of Certificate of Recognition from Export House, Office of the Joint Director General of Foreign Trade, Ministry of Commerce & Industry for the period of five years effective from April 01, 2014 to March 31, 2019
2015	Certificate of ISO 9001:2015 from LMS Certifications Private Limited in manufacturing of dyestuffs, pigments and intermediates
2017	Letter of Approval from CU Inspections & Certifications India Private Limited for Global Organic Textile Standards
2018	Conversion of Company to Public Limited Company from 'Ushanti Colour Chem Private Limited' to 'Ushanti Colour Chem Limited'

COUNTRY WISE EXPORTS:

For FY 2016-17, Our Company generates approx. 59% of Revenue by its export operations. The details of geographical break up of the revenue is as under:

Amount Rs. In Lakhs

Country	Amount	Percentage to Total Sales
Pakistan	438.79	23.35 %
U.A.E.	438.41	23.32 %
Bangladesh	175.04	9.31 %
Thailand	131.96	7.02 %
Others	695.38	36.99 %
Revenue from Operations	**1879.58**	**100 %**

AMENDMENTS TO THE MOA OF OUR COMPANY SINCE INCORPORATION:

Since incorporation, the following changes have been incorporated in our Memorandum of Association of our Company, after approval of our members:

Sr. No.	Particulars of Change	Date of Shareholder's meeting	AGM/ EGM
1.	Increase in authorized share capital from Rs. 5,00,000/- divided into 50,000 Equity Shares of Rs. 10/- each to Rs. 10,00,000/- divided into 1,00,000 Equity Shares of Rs. 10/-	May 10, 1998	EGM

	each.		
2.	Increase in authorized share capital from Rs. 10,00,000/- divided into 1,00,000 Equity Shares of Rs. 10/- each to 20,00,000/- divided into 2,00,000 Equity Shares of Rs. 10/- each.	May 17, 1999	EGM
3.	Increase in authorized share capital from Rs. 20,00,000/- divided into 2,00,000 Equity Shares of Rs. 10/- each to 50,00,000/- divided into 5,00,000 Equity Shares of Rs. 10/- each.	January 16, 2007	EGM
4.	Increase in authorized share capital from Rs. 50,00,000/- divided into 5,00,000 Equity Shares of Rs. 10/- each to 60,00,000/- divided into 6,00,000 Equity Shares of Rs. 10/- each.	February 11, 2012	EGM
5.	Increase in authorized share capital from Rs. 60,00,000/- divided into 6,00,000 Equity Shares of Rs. 10/- each to 5,50,00,000/- divided into 55,00,000 Equity Shares of Rs. 10/- each.	January 03, 2018	EGM
6.	Conversion and Change in name of our Company and from Ushanti Colour Chem Private Limited to Ushanti Colour Chem Limited	February 19, 2018	EGM

MAIN OBJECT OF OUR COMPANY:

The main object of our Company as stated in the Memorandum of Association is:

"To carry on the business as manufacturers, processors, importers, exporters, dealers, sellers, buyers, consignors, consignees, agents, stockist, suppliers of all classes, kinds, types, and nature of chemicals, dyes, pigments and auxiliaries, intermediates including but without limiting the generality of the foregoing, heavy chemicals, fine chemicals, organic and inorganic chemicals, pharmaceutical drug and medicinal chemicals, gum, allied chemicals and boiling agents for textiles, paints, cosmetics, pharmaceuticals, paper, processing, leather, metals, food pigments and other industries made from whatever substances including minerals."

The main objects as contained in the Memorandum of Association enable our Company to carry on the business presently carried out and the objects of the present Issue are in accordance with our Memorandum of Association.

OUR HOLDING COMPANY

We have no holding company as on the date of the Prospectus.

OUR SUBSIDIARY

We do not have any subsidiary company as on the date of the Prospectus.

ACQUISITION OF BUSINESSES / UNDERTAKINGS

The Company has not made any acquisition of businesses / undertakings.

DETAILS OF MERGER/AMALGAMATION

There has been no merger/amalgamation pertaining to our Company.

INJUNCTIONS OR RESTRAINING ORDERS

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

TIME AND COST OVER-RUNS IN SETTING UP PROJECTS AND CERTAIN OTHER ADVERSE

REMARKS

Our Company has not faced any Time and cost over-runs in setting up projects and certain other adverse remarks

FUND RAISING THROUGH EQUITY OR DEBT

Our Company has not undertaken any public offering of debt instruments since its inception. For details in relation to our fund raising activities through equity and debt, please refer to the chapters **titled "Capital Structure" beginning on page 75, respectively of this Prospectus.**

REVALUATION OF ASSETS

Our Company has not re valued its assets since its incorporation.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL NSTITUTIONS/BANKS

Our Company is not in default or in the process of rescheduling in respect of any borrowings with financial institutions/banks. None of our loans have been converted into equity shares.

STRIKES, LOCK-OUTS OR LABOUR UNREST IN THE COMPANY

There have been no strikes, lock-outs or labour unrest since incorporation of our Company

CHANGES IN THE ACTIVITIES OF THE COMPANY DURING THE LAST FIVE YEARS

There has been no change in the activities of our Company during the period of 5 (five) years prior to the date of filing of this Prospectus which may have had a material effect on the profits or loss of our Company or affected our business including discontinuance of lines of business, loss of agencies or markets and similar factors.

TECHNOLOGY, MARKET COMPETENCE AND CAPACITY BUILD-UP

For details on the technology, market competence and capacity build-up of our Company, please see the chapter titled *"Our Business"* beginning on page 126 of this Prospectus.

OTHER DETAILS REGARDING OUR COMPANY

For details regarding the capacities/facilities of our Company, location of plants and research and development facilities, products, marketing and competition, please see the chapters titled *"Our Industry"* and *"Our Business"* beginning on pages 110 and 126, respectively of this Prospectus.

NUMBER OF SHAREHOLDERS/MEMBERS

Our Company has 9 (nine) shareholders as on the date of this Prospectus.

JOINT VENTURE AND OTHER AGREEMENTS

As on the date of filing the Prospectus, there is no existing joint venture or other material agreements entered into by our Company which are not in its ordinary course of business.

SHAREHOLDERS AGREEMENT

There are no Shareholders' Agreements existing as on the date of this Prospectus.

OTHER AGREEMENTS

Our Company has not entered into any agreement/ arrangement which are material agreements or contracts, within a period of two years prior to the date of the Prospectus, which are not in the ordinary course of business.

STRATEGIC PARTNERS

Our Company does not have any strategic partners as on date of the Prospectus.

FINANCIAL PARTNERS

As on the date of Prospectus, apart from the various arrangements with the bankers and financial institutions which our Company undertakes in the ordinary course of business, our Company does not have any other financial partners.

CONVERSION OF LOANS INTO EQUITY SHARES

There has been no incident of conversion of loans availed from financial institutions and banks into Equity Shares as on the date of this Prospectus.

DETAILS OF THE PAST PERFORMANCE

For details in relation to our financial performance in the previous five financial years, including details of non-recurring items of income, refer to section titled "Financial Statements" beginning on page 182 of this Prospectus.

OUR MANAGEMENT

BOARD OF DIRECTORS

As per the Articles of Association, our Company is required to have not less than three (3) directors and not more than fifteen (15) directors, subject to the applicable provisions of the Companies Act. Currently, our Company has six (6) Directors.

The following table sets forth details regarding our Board of Directors as on the date of Prospectus:

Sr. No.	Name, Fathers' Name, Designation, Term, Age, Nationality, Address, Occupation & DIN	Date of Appointment/Reappointment & Term of Directorship	Other Directorship
1.	**Name:** Maunal Shantilal Gandhi **Father's Name:** Shantilal Bhailal Gandhi **Age:** 48 Years **Designation:** Joint Managing Director **Address**: Someshwar II, Bunglow No. 17, Nr. Bidiwala Park, Satellite Road, Ahmedabad 380015 **Occupation:** Business **Nationality:** Indian **DIN:** 00118559 **Term**: Five (5) Years from February 15, 2018 subject to retire by rotation	Appointment as Joint Managing Director on February 15, 2018	**Public Limited Company** Nil **Private Limited Company** Nil
2.	**Name:** Minku Shantilal Gandhi **Father's Name:** Shantilal Bhailal Gandhi **Age:** 48 years **Designation:** Joint Managing Director **Address**: 4, Vanshree Villa, Opp. Vraj Villa, B/h. Nova Village, Mahakali Mandir Road, Bodakdev 380015, Gujarat , India **Occupation:** Business **Nationality:** Indian **DIN**: 00118617 **Term**: Five (5) Years from February 15, 2018 subject to retire by rotation	Appointment as Joint Managing Director on February 15, 2018	**Public Limited Company –** Nil **Private Limited Company** Nil
3.	**Name:** Shantilal Bhailal Gandhi **Father's Name:** Bhailal Gandhi **Age:** 89 years **Designation:** Chairman and Executive Director **Address**: B. No. 17, Someshwar Complex - II, Nr. Bidiwala Park,	Appointment as Additional Executive Director March 13, 2018 Regularised as an Executive Director	**Public Limited Company –** Nil **Private Limited Company** Nil

Sr. No.	Name, Fathers' Name, Designation, Term, Age, Nationality, Address, Occupation & DIN	Date of Appointment/Reappointment & Term of Directorship	Other Directorship
	Satellite Road, Ahmedabad 380015 Gujarat India **Occupation:** Business **Nationality:** Indian **DIN**: 00118509 **Term**: Five (5) Years from March 13, 2018 subject to retire by rotation	on March 24, 2018	
4.	**Name:** Shailesh Indradaman Patwari **Father's Name:** Indradaman Baldevdas Patwari **Age:** 64 years **Designation:** Independent Director **Address**: 6/B Krishna Society, Ellisbridge, Ahmedbad, Gujarat-380006 **Occupation:** Business **Nationality:** Indian **DIN**: 00411439 **Term**: 5 years with effect from January 31, 2018	Appointment as Additional Independent Director January 31, 2018 Regularised as an Independent Director on March 24, 2018	**Public Limited Companies-** • Naroda Enviro Projects Limited **Private Limited Companies-** • Chandan Intermediates And Chemicals Private Limited • Nexus Pharma Chem Private Limited • Nexus Spray Foam Private Limited • Nexus Infratech Private Limited **Other Entities/LLPs-** • Naroda Utility Services • Centre For R&D In Chemical and Allied Industries For MSME Sector • Ahmedabad Mega Clean Association • Tericon Developers LLP
5.	**Name:** Hanisha Jinish Patel **Father's Name:** Vinaykumar Narsinhbhai Patel **Age:** 27 Years **Designation:** Independent Director **Address:** 2, Laxmi Nagar Society, Opp. DK Patel Hall, Naranpura, Ahmedabad 380013, Gujarat, India **Occupation:** Service **Nationality:** Indian	Appointment as Additional Independent Director January 31, 2018 Regularised as an Independent Director on March 24, 2018	**Public Limited Company –** Nil **Private Limited Company–** Hygeia Ortho Private Limited

Sr. No.	Name, Fathers' Name, Designation, Term, Age, Nationality, Address, Occupation & DIN	Date of Appointment/Reappointment & Term of Directorship	Other Directorship
	DIN: 07190911 **Term**: 5 years with effect from January 31, 2018		
6.	**Name:** Purvi Tapan Trivedi **Father's Name:** Pramod Kalidas Dave **Age:** 49 **Designation:** Independent Director **Address:** 51, Lavaniya Society, Near Jivraj Mehta Hospital, Dr. CV Raman Marg, Ahmedabad-380007, Gujarat **Occupation:** Professional **Nationality:** Indian **DIN:** 08064080 **Term**: 5 years with effect from January 31, 2018	Appointment as Additional Independent Director January 31, 2018 Regularised as an Independent Director on March 24, 2018	**Public Limited Company** Nil **Private Limited Company** Nil

BRIEF BIOGRAPHIES OF OUR DIRECTORS

Shantilal Bhailal Gandhi, aged 89 years, is the Chairman and Executive Director of our Company. He was founding member of our Company by starting the business of manufacturing and marketing of dyes and pigment in the name of Ushanti Corporation and later in 1993, he started our Company for business expansion. He has been actively involved in the entire business operations of the company ever since. With an experience of more than 35 years in this industry, he has been the backbone of the Company.

Maunal Shantilal Gandhi, aged 48 years, is the Promoter and Joint Managing Director of our Company. He holds a Bachelor's Degree in Commerce from Gujarat University and also holds Master's Degree in Business Administration from the University of Central Oklahoma. With more than 20 years of experience in this industry, he has been Marketing Director of our Company. He looks after the marketing and accounts department of our Company. He was designated as the Joint Managing Director of our Company for a period of five years with effect from February 15, 2018.

Minku Shantilal Gandhi, aged 48 years, is the Promoter and Joint Managing Director of our Company. He holds a Bachelor's Degree in Commerce from Gujarat University and also holds Master's Degree in Business Administration from the University of Central Oklahoma. With more than 20 years of experience in this industry, he has been Manufacturing and Production Director of our Company. He looks after the manufacturing and production department of our Company. He was designated as the Joint Managing Director of our Company for a period of five years with effect from February 15, 2018.

Shailesh Indradaman Patwari, aged 64, is an Independent Director of our Company. He has an experience of about more than 20 years in our Industry. He is currently serving a President of the Gujarat Chamber of Commerce and Industry, Ahmedabad and provides his independent judgement over matters covering technical aspects. He was appointed as an Additional Independent Director of our company on January 31, 2018 and thereafter has been appointed as an Independent Director of our company from March 24, 2018.

Purvi Tapan Trivedi, aged 49 is an Independent Director of our Company. She is a certified Doctor of Philosophy from Gujarat University. At present working with Bhavans College at Ahmedabad as a part time lecturer. She was appointed as an Additional Independent Director of our company on January 31, 2018 and thereafter has been appointed as an Independent Director of our company from March 24, 2018.

Hanisha Jinish Patel, aged 27 is an Independent Director of our Company. She holds a degree of Bachelor of Pharmacy from Gujarat University and she has also done diploma in International Business Management from Ahmedabad Management Association. She is on the board of Hygeia Ortho Private Limited as a director. She was appointed as an Additional Independent Director of our company on January 31, 2018 and thereafter has been appointed as an Independent Director of our company from March 24, 2018.

CONFIRMATIONS:

As on the date of this Prospectus:

1. Except as stated below; none of the Directors of the Company are related to each other as per section 2(77) of the Companies Act, 2013:

Name of Director	Name of Other Director	Relation
Shantilal Gandhi	Maunal Gandhi	Son
	Maunal Gandhi	Son
Maunal Gandhi	Minku Gandhi	Brother
	Shantilal Gandhi	Father
Minku Gandhi	Maunal Gandhi	Brother
	Shantilal Gandhi	Father

2. None of our Directors are on the RBI List of wilful defaulters as on the date of this Prospectus.
3. Further, neither our Company nor our Promoters, persons forming part of our Promoter Group, Directors or persons in control of our Company are debarred from accessing the capital markets by SEBI.
4. None of our directors are or have been directors in any of the listed companies which have been/ were delisted from the stock exchange(s).
5. None of our directors are or have been directors in any of the listed companies whose shares have been/were suspended from being traded on the stock exchange.
6. None of the Promoters, Directors or persons in control of our Company, have been or are 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 the SEBI.

   There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the abovementioned Directors was selected as director or member of senior management.
8. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment

REMUNERATION/COMPENSATION OF DIRECTORS

Except as mentioned below, none of the directors have received remuneration during the last financial year ended on March 31, 2017 including the perquisites under section 17(2) of the Income Tax Act, 1961.

Name of the Key Managerial Personnel	Remuneration paid during FY 2016-17 (Rupees in Lakhs)
Maunal Shantilal Gandhi	67.20
Minku Shantilal Gandhi	67.20

Terms and conditions of employment of our Joint Managing Directors:

Maunal Gandhi and Minku Gandhi

Salary		
Sr.no.	**Particulars**	**Amount upto Rs.**

<table>
<tr><td>1.</td><td>Basic Salary: Salary given to Managing Directors w.e.f. 15/02/2018 which is eligible for revision on a date to be determined by the Board of Directors of the company.</td><td>Rs. 5,00,000/- per month</td></tr>
<tr><td>2.</td><td>Bonus: Bonus will be paid at the end of financial year which is eligible for revision on a date to be determined by the Board of Directors of the company.</td><td>Rs. 50,000/- per year</td></tr>
<tr><td colspan="3">Perquisites:
The Managing Directors shall be entitled to all the perquisites listed herein below in addition to the salary and Bonus mentioned above;</td></tr>
<tr><td>3.</td><td>Medical Re-imbursement: Medical aid benefits for self and family as payable by the Company to the Managing Director.</td><td>Rs. 50,000/- per year</td></tr>
<tr><td>4.</td><td>Insurance Policy: Company has taken few Keyman Insurance policies on its Key employees. As per the agreement between the company and those employees, the company intends to surrender its claim on the policy on 2020 at the surrender value of its policies. The employee wise policies, referred
above, are as under:
<table>
<tr><th>Employee Name</th><th>Premium</th></tr>
<tr><td>Maunal Shantilal Gandhi- Managing Director</td><td>4,77,101.34</td></tr>
<tr><td>Minku Shantilal Gandhi- Managing Director</td><td>4,71,102.36</td></tr>
</table>
The Company will be paid the premium including existing policy premium for the Insurance Policy taken for the Managing Directors of the Company.</td><td>Rs. 6,00,000/- per year</td></tr>
<tr><td>5.</td><td>Provident Fund: Company's contribution not to exceed l2% of salary.</td><td></td></tr>
<tr><td>6.</td><td>Gratuity: Gratuity payable shall be in accordance with the provisions of the Payment of Gratuity Act.</td><td></td></tr>
<tr><td>7.</td><td>Travelling and entertainment expenses incurred:
Reimbursement of actual travelling and entertainment expenses incurred on behalf of the Company.</td><td></td></tr>
<tr><td>8.</td><td>Leave Travel concession: Leave Travel concession allow for self and family every year incur by the Managing Director.</td><td>Rs. 10,00,00/- per year</td></tr>
<tr><td>9.</td><td>Telephone facility at residence: Telephone facility shall be provided at the residence. All personal long distance calls shall be billed by the Company to the Managing Director.</td><td>Rs. 50,000/- per year</td></tr>
<tr><td>10.</td><td>Use of Car with Driver: Free use of the Company's car and fuel expenses for use on the company's business as well as for own use. If car is owned by Managing Director or leased from an external agency or from spouse, lease rental, driver expenses and fuel expenses will be paid to the Managing Director.</td><td>Rs. 7,50,000/- per year</td></tr>
<tr><td></td><td>Total (Salary + Perquisites)</td><td>Up to Rs. 76,00,000/- per year</td></tr>
</table>

Terms and conditions of employment of our Non-Executive Director

Non-Executive Director of our Company may be paid remuneration, 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 his appointment letter and other applicable laws and regulations.

Terms and conditions of employment of our Independent Directors

Independent Directors of our 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.

BORROWING POWER:

Pursuant to a special resolution passed at an Extra-Ordinary General Meeting of our Company held on March 15, 2018 and pursuant to Section 180(1)(c) and any other applicable provisions, of the Companies Act, 2013 and the rules made thereunder, consent of Members be and is hereby accorded to borrow from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the company and free reserve, that is to say, reserves not set apart for any specific purposes, provided that the total outstanding amount so borrowed, shall not at any time exceed the limit of Rs. 10,000 crores.

COMPENSATION OF JOINT MANAGING DIRECTORS

We have not entered into any service agreement with our Managing Directors providing for benefits upon termination of employment. However, the terms and conditions, relating to remuneration and appointment of Maunal Gandhi and Minku Gandhi as Joint Managing Directors are set out in the special resolution passed by members in the Extra Ordinary General Meeting held on February 19, 2018 for the scope of their services. Moreover, they were appointed as Joint Managing Directors with effect from February 15, 2018.

SHAREHOLDING OF DIRECTORS IN OUR COMPANY

Our Articles of Association do not require our Directors to hold any qualification shares. The shareholding of our Directors is hereunder provided as on date:

Sr. No.	Directors	No. of Equity shares	Percentage (%) of Pre-Issue equity capital
1.	Maunal Gandhi	13,51,427	25.14%
2.	Minku Gandhi	13,51,427	25.14%
3.	Shantilal Gandhi	17,10,247	31.81%
Total		**44,13,101**	**82.09%**

INTEREST OF DIRECTORS

Our Directors are interested in our Company in the following manner: -

(a) All the Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under the Articles of Association;

(b) All the Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them to the extent of any dividends payable to them and other distributions in respect of the said Equity Shares;

(c) 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 company in which they hold directorships or any partnership firms in which they are partners as declared in their respective declarations;

(d) Maunal Gandhi, Minku Gandhi (Joint Managing Directors), Shefali Gandhi and Mona Gandhi have extended their personal guarantees for securing the repayment of bank loans obtained by our Company. For details, please refer chapter titled *"Financial Indebtedness"* beginning on page 197 of this Prospectus.

Except as stated above and under the heading "Financial Statements, as restated – Annexure XXVIII – Restated Statement of Related Parties Transactions" on page 182, under the section titled "Financial Information", we have not entered into any contract, agreements or arrangements during the preceding two years from the date

of this Prospectus in which the Directors are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company.

PROPERTY INTEREST:

Except as stated/referred to in the heading titled *"Land and Property"* under the chapter titled *"Our Business"* beginning on page 126 and chapter titled *"Related Party Transaction"* on page 180 of the Prospectus, our Directors have not entered into any contract, agreement or arrangements within a period of two years preceding the date of Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them. Further our Directors do not have any interest in any immovable property to be acquired by the Company except otherwise disclosed in the heading titled *"Land and Property"* under the chapter titled *"Our Business"* beginning on page 126 of the Prospectus.

INTEREST IN THE BUSINESS OF OUR COMPANY:

Save and except as stated otherwise in *"Related Party Transactions"* in the chapter titled *"Financial Statements as Restated"* beginning on page 182 of this Prospectus, our Directors do not have any other interests in our Company as on the date of this Prospectus.

SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES:

Our Company does not have any subsidiary or associate Company as on date of filing this Prospectus.

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

The following changes have taken place in the Board of Directors of our Company during the last three years:

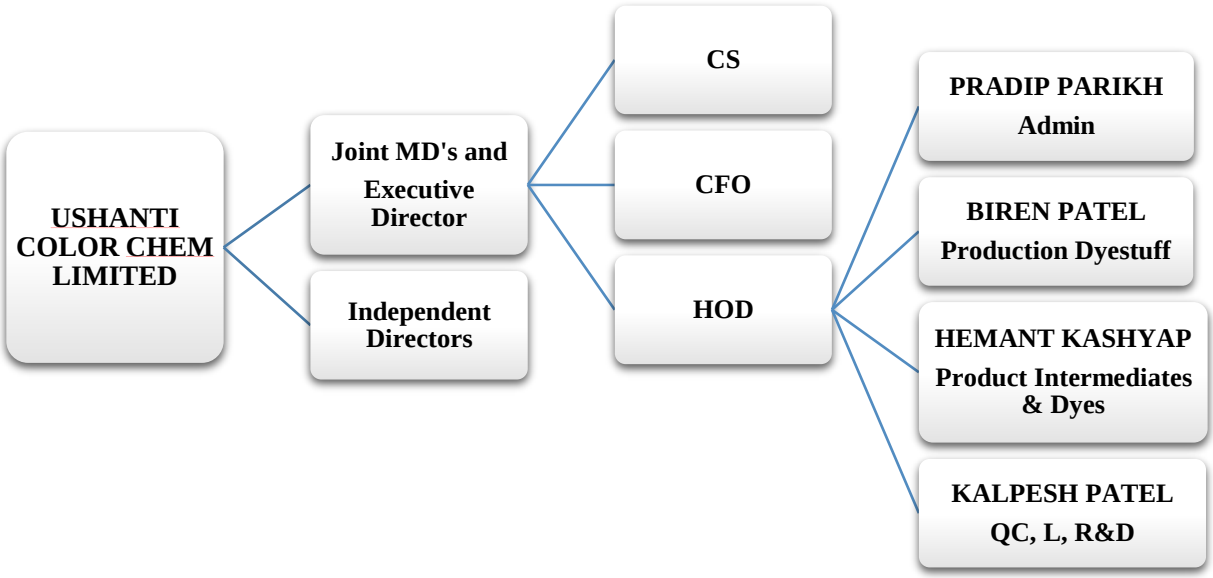
Sr. No.	Name	Date of appointment/ change	Reason
1.	Shailesh Patwari	January 31, 2018	Appointment as Additional Independent Director
2.	Hanisha Patel	January 31, 2018	Appointment as Additional Independent Director
3.	Purvi Trivedi	January 31, 2018	Appointment as Additional Independent Director
4.	Harsha Mehta	January 31, 2018	Appointment as Additional Non-Executive Director
5.	Maunal Gandhi	February 15, 2018	Change in designation as Joint Managing Director
6.	Minku Gandhi	February 15, 2018	Change in designation as Joint Managing Director
7.	Shantilal Gandhi	March 13, 2018	Appointment as Additional Executive Director
8.	Harsha Nishithbhai Mehta	March 13, 2018	Cessation from Directorship
9.	Shailesh Indradaman Patwari	March 24, 2018	Regularized as Independent Director
10.	Hanisha Patel	March 24, 2018	Regularized as Independent Director
11.	Purvi Trivedi	March 24, 2018	Regularized as Independent Director
12.	Shantilal Gandhi	March 24, 2018	Regularized as Chairman and Executive Director

Composition of the Board of Directors

Sr. No.	Name of the Director	Category
1.	Maunal Shantilal Gandhi	Joint Managing Director
2.	Minku Shantilal Gandhi	Joint Managing Director

3.	Shantilal Bhailal Gandhi	Chairman and Executive Director
4.	Shailesh Indradaman Patwari	Independent Director
5.	Hanisha Jinish Patel	Independent Director
6.	Purvi Tapan Trivedi	Independent Director

ORGANISATIONAL STRUCTURE



CORPORATE GOVERNANCE

The provisions of the Listing Agreement to be entered into with the Stock Exchanges and the applicable regulations of SEBI (LODR) Regulations, 2015 will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. We believe we are in compliance with the requirements of the applicable regulations, including the Listing Agreement with the Stock Exchanges, the SEBI (LODR) Regulations, 2015 and the SEBI Regulations.

Our Board of Directors is constituted in compliance with the Companies Act, 2013 and our Board functions either as a full board or through management which provides our Board of Directors detailed reports on its performance periodically.

Currently our Board has 6 (six) directors out of which 3 (three) are Independent Directors. The constitution of our Board is in compliance with the requirements of Regulation 17 of the SEBI Listing

Regulations and as per section 149 of the Companies Act, 2013.

I. Committees of the Board in accordance with the Companies Act, 2013

We have constituted the following committees of our Board of Directors for compliance with Corporate

Governance requirements:

1. Audit Committee

2. Nomination and Remuneration Committee

3. Stakeholder's Relationship Committee

A. <u>Audit Committee</u>

The Audit Committee of our Board was constituted by our Directors by a Board resolution dated March 13, 2018 pursuant to Section 177 and other applicable provisions of Companies Act, 2013 and any other applicable provisions. The Audit Committee is constituted with the following members:

(i) Shailesh Indradaman Patwari – Chairperson;
(ii) Hanisha Patel – Member; and
(iii) Maunal Gandhi – Member;

The Company Secretary of our Company shall act as a Secretary to the Audit Committee.

The Audit Committee shall meet at least four times a year with maximum interval of four months between two meetings of the Audit Committee.

The Role of Audit Committee together with its powers shall be as under:

1. Oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for the appointment, remuneration and terms of appointment of auditors of our Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
   (a) Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
   (b) Changes, if any, in accounting policies and practices and reasons for the same;
   (c) Major accounting entries involving estimates based on the exercise of judgment by management;
   (d) Significant adjustments made in the financial statements arising out of audit findings;
   (e) Compliance with listing and other legal requirements relating to financial statements;
   (f) Disclosure of any related party transactions; and
   (g) Modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of our Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of our Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate; and
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.
6. Statement of deviations: (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1). (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

The Audit Committee shall have following powers/responsibilities:

a. To investigate any activity within its terms of reference.
b. To seek information from any employee.
c. To obtain outside legal or other professional advice, and
d. To secure attendance of outsiders with relevant expertise if it considers necessary

B. <u>Nomination and Remuneration Committee</u>

The Nomination and Remuneration Committee of our Board was constituted by our Directors by a Board resolution dated March 13, 2018 pursuant to Section 178 and other applicable provisions of Companies Act, 2013 and any other applicable provisions. The Nomination and Remuneration Committee is constituted with the following members:

(i) Hanisha Patel – Chairperson;
(ii) Shailesh Indradaman Patwari – Member; and
(iii) Purvi Trivedi – Member;

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee.

The scope and function of the Committee and its terms of reference shall include the following:

a) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
b) formulation of criteria for evaluation of performance of independent directors and the Board;
c) devising a policy on diversity of the Board;

d) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

e) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

f) devising a policy on Employee Stock Option Scheme and ensuring proper implementation as per scope provided in the Employee Stock Option Scheme.

Tenure: The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

Meetings: The committee shall meet as and when the need arise for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. Meeting of the Nomination and Remuneration/Compensation Committee shall be called by at least seven days' notice in advance.

The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. Meeting of the Nomination and Remuneration Committee shall be called by at least seven days' notice in advance.

C. Stakeholders Relationship Committee

The Stakeholders Relationship Committee of our Board was constituted by our Directors by a Board resolution dated March 13, 2018 pursuant to Section 178 and other applicable provisions of Companies Act, 2013 and any other applicable provisions. The Stakeholders Relationship Committee is constituted with the following members:

(i) Purvi Tapan – Chairperson;
(ii) Hanisha Patel – Member; and
(iii) Shailesh Indradaman Patwari – Member

The Company Secretary of our Company shall act as a Secretary to the Stakeholder's Relationship Committee.

The scope and function of the Stakeholder's Relationship Committee and its terms of reference shall include the following:

A. **Tenure:** The Stakeholder/ Investor Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder / Investor Relationship Committee as approved by the Board.

B. **Meetings:** The Stakeholder/ Investor Relationship Committee shall meet at least at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher

C. **Terms of Reference:** Redressal of shareholders' and investors' complaints, including and in respect of:

1. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized;

2. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and

3. Review the process and mechanism of redressal of Shareholders /Investors grievance and suggest measures of improving the system of redressal of Shareholders /Investors grievances;

4. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties;

5. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them;
6. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Probation of insider Trading) Regulations, 1992 as amended from time to time;
7. 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;
8. Carrying out any other function contained in the SME equity listing agreement as and when amended from time to time.

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on NSE EMERGE. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges.

Archita Shah, Company Secretary & Compliance Officer, will be 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.

Policy for determination of materiality of events for disclosure to the stock exchanges:

The provisions of the Listing Regulations will be applicable to our Company immediately upon the listing of Equity Shares of our Company on EMERGE Platform of National Stock Exchange of India. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended on listing of Equity Shares on the EMERGE Platform of National Stock Exchange of India. The Board of Directors at their meeting held on March 13, 2018 have approved and adopted the policy for determination of materiality events for disclosure to the stock exchanges.

KEY MANAGERIAL PERSONNEL:

Given below are the details of our Key Managerial Personnel, other than the Managing Director and Whole Time Director of our Company, as on the date of this Prospectus. For details of our Managing Director and Whole Time Director, please see the chapter titled *"Our Management"* beginning on page 160 of this Prospectus.

(i) **Maunal Gandhi**, aged 48 years, is one of the Joint Managing Directors of our Company. He holds a Master's degree in Business Administration from the University of Central Oklahoma from the United States of America and also holds a Bachelor's degree in Commerce from the University of Gujarat. He is the Marketing Director with more than 20 years of experience in the field of colors and dyestuff. He handles the marketing, finance, R&D and overall business operations of the Company.

(ii) **Minku Gandhi**, aged 48 years, is the one of the Joint Managing Directors of our Company. He has been on the Board since incorporation i.e. May 12, 1993. He holds a Bachelor's degree in Commerce from the University of Gujarat. He is the Manufacturing and Production Director with more than 20 years of experience in the field of colors and dyestuff. He handles manufacturing, production and overall administration of the Company

(iii) **Pradip Parikh**, aged 52 years, is the Chief Financial Officer of our Company. He holds a degree of Bachelor of Commerce from Gujarat University. He has been handling the accounts department since incorporation of the Company. As the Chief Financial Officer of our Company, he is inter-alia responsible for formulating and implementing revenue and capital budget plans for the business, conduct monthly appraisal of actual performance vis-à-vis forecast, review the draft balance sheet and profit and loss statement, negotiate for buyers' credit and audit of export related documents of export under Letter of Credit. In the Fiscal Year 2016-17, he has not received any remuneration from the Company since he was appointed as on March 13, 2018.

(iv) **Archita Shah**, aged 23 years, is the Company Secretary and Compliance Officer of our Company. She is an associated member of Institute of Company Secretaries of India bearing Membership Number ACS 54472. She looks after the secretarial affairs of the Company.In the Fiscal Year 2016-17, she has not received any remuneration from the Company since she was appointed as on March 13, 2018.

Notes:

1. All the key managerial personnel mentioned above are permanent employees of our Company and none of them are related to each other or to any Director of our Company.
2. There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the abovementioned personnel have been recruited.
3. As on the date of filing of this Prospectus, our Company does not have a performance linked bonus or a profit sharing plan with the key management personnel.
4. No non-salary-related payments or benefits have been made to our key management personnel other than (i) the shares issued by way of employee stock options and (ii) certain performance-linked incentives which were paid by the Company in the past, to its key managerial personnel based on targets achieved and general performance.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

Except as disclosed below, none of the Key Managerial Personnel's are related to each other within the meaning of Section 2 (77) of the Companies Act, 2013.

Key Managerial Personnel	Key Managerial Personnel	Relation
Maunal Shantilal Gandhi	Minku Shantilal Gandhi	Brother

RELATIONSHIPS OF DIRECTORS/ AND PROMOTERS WITH KEY MANAGERIAL PERSONNEL

Except as disclosed below, none of our Directors of the Company are related to the Key Managerial Personnel within the meaning of Section 2(77) of the Companies Act, 2013

Director	Key Managerial Personnel	Relation
Maunal Shantilal Gandhi	Minku Shantilal Gandhi	Brother
Minku Shantilal Gandhi	Maunal Shantilal Gandhi	Brother
Shantilal Bhailal Gandhi	Maunal Shantilal Gandhi	Son
	Minku Shantilal Gandhi	Son

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

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

SHAREHOLDING OF KEY MANAGERIAL PERSONNEL:

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

Sr. No.	Name of the Key Managerial Personnel	No. of Equity Shares (Face Value of Rs. 10 each)	Percentage of pre-Issue share capital (%)
1.	Maunal Gandhi	13,51,427	25.14%
2.	Minku Gandhi	13,51,427	25.14%
	Total	**27,02,854**	**50.28%**

CHANGES IN THE KEY MANAGERIAL PERSONNEL DURING LAST THREE YEARS:

Following have been the changes in the key managerial personnel during the last three years:

Sr. No.	Name	Designation	Date of Appointment/ change	Reasons
1.	Maunal Gandhi	Joint Managing Director	February 15, 2018	Designated as Joint Managing Director
2.	Minku Gandhi	Joint Managing Director	February 15, 2018	Designated as Joint Managing Director
3.	Pradip Parikh	CFO	March 13, 2018	Appointment as CFO
4.	Archita Shah	CS	March 13, 2018	Appointment as CS

INTERESTS OF KEY MANAGERIAL PERSONNEL:

Our Key Managerial Personnel are interested to the extent of remuneration paid to them by our Company and to the extent of their shareholding in our Company.

EMPLOYEES

As on the date of this Prospectus, we have 133 employees. Further, we appoint contract labours from time to time depending upon the requirement of our Company.

PAYMENT OR BENEFIT TO OUR OFFICERS

Except for the payment of monetary and non-monetary benefits as mentioned in this Prospectus and the dividend, if any, that may have been declared on the Equity Shares held by our officers, we have not paid any amount or given any benefit to any officer of our Company, nor is such amount or benefit intended to be paid or given to any officer as on the date of filing this Prospectus with Stock Exchange.

REMUNERATION/ COMPENSATION TO KEY MANAGERIAL PERSONNEL

Except as disclosed below, none of the Key Managerial Personnel have been paid gross remuneration as on the date of this Prospectus.

Name of the Key Managerial Personnel	Remuneration paid during FY 2016-17 (Rupees in Lakhs)
Maunal Gandhi	67.20
Minku Gandhi	67.20

BONUS OR PROFIT SHARING PLAN OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Directors, Key Managerial Personnel.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

LOANS TO KEY MANAGERIAL PERSONNEL

The Company has not given any loans and advances to the Key Managerial Personnel as on the date of this Prospectus.

ESOP/ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOP/ESPS Scheme for employees.

PAYMENT OR BENEFIT TO OUR OFFICERS (NON SALARY RELATED)

Except as disclosed in the heading titled "*Related Party Transactions*" in the section titled "*Financial Statements as Restated*" beginning on page 182 of this Prospectus, no amount or benefit has been paid or given within the three preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.

OUR PROMOTER AND PROMOTER GROUP

OUR PROMOTERS

Our Company is promoted by **Maunal Gandhi** and **Minku Gandhi**. As on date of this Prospectus, our promoters hold, in aggregate 27,02,854 Equity Shares representing 50.28% of the pre-issue paid up Capital of our Company.

Brief profiles of our individual Promoters are as under:



Maunal Gandhi, Promoter and Joint Managing Director

Maunal Gandhi, aged 48 years, is the Promoter and Joint Managing Director of our Company. He holds a Master's degree in Business Administration from the University of Central Oklahoma from the United States of America and also holds a Bachelor's degree in Commerce from the University of Gujarat. He is the Marketing Director of the Company with more than 20 years of experience in the field of colours and dyestuff. He handles the marketing, finance, R&D and overall business operations of the Company.

Passport No: Z4138237

Driving License: GJ01-20100755887

Voters ID: LPZ4049995

Address: 17, Someshwar Complex-2, Nr. Bidiwala Park, Satellite, Ahmedabad 380015, Gujarat, India.

For further details relating to Maunal Gandhi, including terms of appointment as our Joint Managing Director, other directorships, please refer to the chapter titled "*Our Management"* beginning on page 160 of this Prospectus.



Minku Gandhi, Promoter and Joint Managing Director

Minku Gandhi, aged 48 years, is the Promoter and Joint Managing Director of our Company. He has been on the Board since incorporation i.e. May 12, 1993. He holds a Bachelor's degree in Commerce from the University of Gujarat. With more than 20 years of experience, he looks after the manufacturing and production department and overall administration of the Company.

Passport No: Z1739338

Driving License: GJ01-20030052705

Voters ID: UHH3057023

Address: 4, Vanshree Bungalows, Opp. Vraj Villa, B/h Nova Village, Mahakali Mandir Road, Bodakdev, Ahmedabad 380059, Gujarat, India.

For further details relating to Minku Gandhi, including terms of appointment as our Joint Managing Director, other directorships, please refer to the chapter titled "*Our Management"* beginning on page 160 of this Prospectus.

DECLARATION

Our Company confirms that the permanent account number, bank account number and passport number of our Promoters will be submitted to the Stock Exchange at the time of filing of this Prospectus with it.

INTEREST OF PROMOTERS

Nature and extent of interest of our Promoters in our Company:

Sr. No.	Name	Number of Equity Shares held in our Company	%age of Shareholding in our Company
1.	Maunal Gandhi	13,51,427	25.14%
2.	Minku Gandhi	13,51,427	25.14%
	Total	**27,02,854**	**50.28%**

Our individual Promoters who are also the Joint Managing Directors of our Company may be deemed to be interested to the extent of fees, if any payable to them for attending meetings of the Board or a committee thereof as well as to the extent of remuneration, commission and reimbursement of expenses payable to them as per the terms of the Articles of our Company and relevant provisions of Companies Act. Our individual Promoters may also be deemed to be interested to the extent of Equity Shares held by them in our Company and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares in our Company.

For further information, please refer to the details under the heading "Our Management – Interest of Directors" on page 160 of this Prospectus.

Except as stated under the heading "Financial Statements, as restated – Annexure XXVIII – Restated Statement of Related Parties Transactions" on page 182, respectively, of this Prospectus, and described herein, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this Prospectus in which the Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company.

PAYMENT OR BENEFITS TO OUR PROMOTERS IN THE LAST TWO YEARS

Except as mentioned above under the heading "Interest of Promoters" and in the sections titled "Financial Statements, as restated – Annexure XXVIII – Restated Statement of Related Parties Transactions" on pages 182 respectively of this Prospectus, no amount or benefits were paid or were intended to be paid to our Promoters during the last two years from the date of filing of this Prospectus.

COMMON PURSUITS

Other than as disclosed in the chapter titled "Our Group Companies" beginning on page 179 of this Prospectus, our Promoters do not have any interest in any venture that is involved in any 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 situation as and when it arises.

RELATED PARTY TRANSACTIONS

For details of related party transactions entered into by our Company during the preceding two years from the date of this Prospectus, the nature and the cumulative value of such transactions, please see "Financial Statements, as restated – Annexure XXVIII – Restated Statement of Related Parties Transactions" on page 182 of the Prospectus.

CHANGE IN CONTROL OF OUR COMPANY

There was no change in management of our Company during five years immediately preceding the date of filing of this Prospectus.

PROMOTER GROUP

Our Promoter Group in terms of Regulations 2(i)(zb) of the SEBI (ICDR) Regulations is as under:

A. Natural Persons forming part of our Promoter Group:

Relationship with Promoters	Maunal Gandhi	Minku Gandhi
Spouse	Monaben Gandhi	Shefali Gandhi
Father	Shantilal Gandhi	Shantilal Gandhi
Mother	-	-
Brother	Minku Gandhi	Maunal Gandhi
Sister	-	-
Daughter	-	-
Son	Arjun Gandhi	Aadit Gandhi
Spouse's Father	Pankajbhai Mehta	Sureshbhai Shah
Spouse's Mother	Ushaben Mehta	Geetaben Shah
Spouse's Brother	Mehulbhai Mehta	Kunalbhai Shah
Spouse's Sister	Amiben Desai and Hinaben Nikunj Desai	-

B. Companies, firms, proprietorships and HUFs which form part of our Promoter Group are as follows:

1. Maunal Shantilal Gandhi HUF
2. Minku Shantilal Gandhi HUF
3. Shantilal Bhailal Gandhi HUF
4. Ushanti Corporation
5. HUF Industries
6. Bai Parvati Bhailal Ranchhodas Gandhi Charitable Trust

RELATIONSHIP OF PROMOTERS WITH OUR DIRECTORS

Our Promoters are part of our Board of Directors as Joint Managing Directors.

Except as stated below none of our Promoters are related to any of our Company's Directors within the meaning of Section 2(77) of the Companies Act, 2013.

Name of Promoter	Name of Other Director	Relation
Maunal Gandhi	Minku Gandhi	Brother
	Shantilal Gandhi	Father
Minku Gandhi	Maunal Gandhi	Brother
	Shantilal Gandhi	Father

DISASSOCIATION BY THE PROMTOERS IN LAST THREE YEARS

Our Promoters have not disassociated themselves from any entities/firms during preceding three years.

OTHER CONFIRMATIONS:

Our Company, our Promoters and members of promoter group are not Wilful Defaulters and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against them.

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.
Our Promoters and members of the Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
Our Promoters are not and has never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Except as disclosed in "Related Party Transactions" on page 172 of this Prospectus, our Promoters are not related to any of the sundry debtors nor to the beneficiaries of Loans and Advances given by/to our Company.

CHANGES IN CONTROL

There was no change in management of our Company during five years immediately preceding the date of filing of this Prospectus.

LITIGATION INVOLVING OUR PROMOTERS

For details of legal and regulatory proceedings involving our Promoters, please refer *"Outstanding Litigation and Material Developments"* on page 201 of this Prospectus.

OTHER VENTURES OF OUR PROMOTERS

Save and except as disclosed in the chapter titled "Our Promoter and Promoter Group" and "Our Group Companies" beginning on page 175 and 179, of this Prospectus, there are no ventures promoted by our Promoter in which they have any business interests / other interests.

DEFUNCT/ STRUCK OFF COMPANY

None of our group Company has struck off.

OUR GROUP COMPANIES

In accordance with the provisions of the SEBI ICDR Regulations, for the purpose of identification of 'Group Companies', our Company has considered companies as covered under the applicable accounting standards, being AS 18 (as mentioned in our Restated Consolidated Summary Statements for fiscal year 2017) and other companies as considered material by our Board as per the policy adopted by our Board in its meeting held on dated March 13, 2018.

Based on the above, there are no Group Companies of our Company.

RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to Annexure XXVIII of restated financial statement under the section titled, '*Financial Statements*' beginning on page 182 of this Prospectus.

DIVIDEND POLICY

Under the Companies Act, 2013, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. Under the Companies Act, 2013 dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both. Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not paid any dividend since incorporation. Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the record date are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

SECTION V – FINANCIAL STATEMENTS

FINANCIAL STATEMENTS AS RESTATED

Particulars	Page No.
Restated Financial Statements	F1 – F51

N. K. Aswani & Co.
CHARTERED ACCOUNTANTS
701/A Block, Wall Street-2, Opp. Orient Club, Nr. Gujarat College Crossing, Ellisbridge, Ahmedabad-6. Ph.: 26402552 - 53

SECTION V – FINANCIAL STATEMENTS
FINANCIAL STATEMENTS AS RE-STATED

Independent Auditor's Report for the Restated Financial Statements of USHANTI COLOUR CHEM LTD

Report of Auditors on the Restated Financial Information of USHANTI COLOUR CHEM LTD

for each of the period / years ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013.

The Board of Directors
USHANTI COLOUR CHEM LTD
88/8, PHASE - 1, NR.TORRENT LAB, VATVA,
G .I. D. C. AHMEDABAD

Dear Sirs,

We, N. K. Aswani & Co., have examined the attached Restated Statement of Assets and Liabilities of **USHANTI COLOUR CHEM LTD** (the "Company") as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and the related Restated Statement of Profit & Loss and Restated Statement of Cash Flow for the years / period ended as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, annexed to this report for the purpose of inclusion in the offer document prepared by the Company (collectively the "**Restated Summary Statements**" or "**Restated Financial Statements**"). These Restated Summary Statements have been prepared by the Company and approved by the Board of Directors of the Company in connection with the Initial Public Offering (IPO) in SME Platform of NSE Limited.

1. These Restated Summary Statements have been prepared in accordance with the requirements of:

   (i) Part I of Chapter III to the Companies Act, 2013("**Act**") read with Companies (Prospectus and Allotment of Securities) Rules 2014;

   (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("**ICDR Regulations**") issued by the Securities and Exchange Board of India ("**SEBI**") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;

   (iii) The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of NSE.("**IPO**" or "**SME IPO**"); and

   (iv) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("**Guidance Note**").

2. The Restated Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the financial year / period ended

N.K. ASWANI & CO. M.No.33278 AHMEDABAD CHARTERED ACCOUNTANTS

on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013

3. In accordance with the requirements of Part I of Chapter III of Act including rules made therein, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

   (i) The "**Statement of Assets and Liabilities as Restated**" as set out in **Annexure I** to this report, of the Company as at March 31,2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 are prepared by the Company and approved by the Board of Directors. These Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV(A)** to this Report.

   (ii) The "**Statement of Profit and Loss as Restated**" as set out in **Annexure II** to this report, of the Company for the years / period ended March 31,2018 , March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 are prepared by the Company and approved by the Board of Directors. These Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV(A)**to this Report.

   (iii) The " **Statement of Cash Flow as Restated**" as set out in **Annexure III** to this report, of the Company for the years / period ended March 31,2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV(A)**to this Report.

4. Based on the above, we are of the opinion that the Restated Financial Statements have been made after incorporating:

   a) Adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any.

   b) Adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments.

   c) Audit Report from FY 2012-13 to FY 2017-18 were Qualified with as the company had not included Excise duty payable on closing stock of finished Goods, in Value of Finished Goods as Disclosed in Financial statement, However, this had no impact on Profit & Loss of the company.Other than this there were no qualifications in the Audit Reports issued by the Statutory Auditors for the financial period/year ended on March 31,2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 which would require adjustments in this Restated Financial Statements of the Company.

   d) Audit Report for FY 2017-18 included a Emphasis of matter para that Company had not complied with disclosure requirements of AS-15 on Employee Benefits (Revised 2005). However, the same have been shown in Restated Financials hence, this matter does not stand valid for Restated Financials.

   e) These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in **Annexure IV(A)**to this report.

   f) The company has not included Excise duty payable on closing stock of finished Goods, in Value of Finished Goods as Disclosed in Financial statement with contravention to the

N. K. KESWANI & CO. M.No.33278 AHMEDABAD CHARTERED ACCOUNTANTS

Guidelines as mentioned in AS-2 " Valuation of Inventory".However, Such non-inclusion will not Affect Profit/Loss for the year.

5. Audit for the financial year / period ended on March 31,2018 was conducted by ANA & Associates (Chartered Accountants) & for March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 was conducted by M/s. C.R.Sharedalal & Co. (Chartered Accountants). Accordingly reliance has been placed on the financial information examined by them for the said years. The financial report included for these years is based solely on the report submitted by them. Further financial statements for the period / financial year ended on March 31, 2018 have been reaudited by us as per the relevant guidelines.

6. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial period/year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 proposed to be included in the Draft Prospectus/Prospectus ("**Offer Document**").

Annexure of Restated Financial Statements of the Company:-

a. Significant Accounting Policies and Notes to Accounts as restated in Annexure IV(A);

b. Reconciliation of Restated Profit as appearing in Annexure IV(B) to this report.

c. Details of Share Capital as Restated as appearing in Annexure V to this report;

d. Details of Reserves and Surplus as Restated as appearing in Annexure VI to this report;

e. Details of Long Term Borrowings as Restated as appearing in Annexure VII to this report;

f. Nature of Security and Terms of Repayment for Long term Borrowings as appearing in Annexure VIII to this report

g. Details of Deferred Tax Liabilities (Net) as Restated as appearing in Annexure IX to this report;

h. Details of Non Current Liabilities as restated as appearing in Annecure X to this report;

i. Details of Short Term Borrowings as Restated as appearing in Annexure XI to this report;

j. Nature of Security and Terms of Repayment for Short term Borrowings as appearing in Annexure XII to this report;

k. Details of Trade Payables as Restated as appearing in Annexure XIII to this report;

l. Details of Other Current Liabilities as Restated as appearing in Annexure XIV to this report;

m. Details of Short Term Provisions as Restated as appearing in Annexure XV to this report;

n. Details of Fixed Assets as Restated as appearing in Annexure XVI to this report;

o. Details of Non-Current Investments as Restated as appearing in Annexure XVII to this report;

p. Details of Long Term Loans & Advances as Restated as appearing in Annexure XVIII to this report;

q. Details of Inventories as Restated as appearing in Annexure XIX to this report;

r. Details of Trade Receivables as Restated enclosed as Annexure XX to this report;

s. Details of Cash and Cash Equivalents as Restated enclosed as Annexure XXI to this report;

t. Details of Short Term Loans & Advances as Restated as appearing in Annexure XXII to this report;

u. Details of Revenue from operations as Restated as appearing in Annexure XXIII to this report;

v. Details of Other Income as Restated as appearing in Annexure XXIV to this report;

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w. Details of Employee Benefit Expenses as Restated as appearing in Annexure XXV to this report;

x. Details of Finance Cost as Restated as appearing in Annexure XXVI to this report;

y. Details of Other Exps as Restated as appearing in Annexure XXVII to this report;

z. Details of Related Parties Transactions as Restated as appearing in Annexure XXVIII to this report;

aa. Details of Summary of Accounting Ratios as Restated as appearing in Annexure XXIX to this report

bb. Capitalization Statement as Restated as at March 31, 2018 as appearing in Annexure XXX to this report;

cc. Statement of Tax Shelters as Restated as appearing in Annexure XXXI to this report;

7. We, N. K. Aswani & Co., Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (**"ICAI"**) and hold a valid peer review certificate issued by the "Peer Review Board" of the ICAI.

8. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.

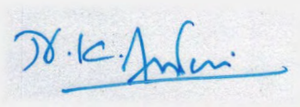
9. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

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

11. In our opinion, the above financial information contained in Annexure I to XXVII of this report read with the respective Significant Accounting Polices and Notes to Accounts as set out in Annexure IV(A) are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.

12. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

For, N. K. Aswani & Co.
Chartered Accountants
Firm Registeration No.: 100738W





N. K. Aswani & Co.
Proprietor
Membership No.: 033278
Date: July 11, 2018
Place: Ahmedabad

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED **ANNEXURE-I**

(Amount in Lacs)

Particulars	AS at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
I. EQUITY AND LIABILITIES						
1. Shareholders' funds						
(a) Share capital	538.57	49.87	49.87	49.87	49.87	49.87
(b) Reserves and surplus	331.21	581.40	453.86	428.33	404.96	192.56
Sub-Total	**869.78**	**631.27**	**503.73**	**478.20**	**454.83**	**242.43**
2. Share application money pending allotment	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-
3. Non-current liabilities	-	-	-	-	-	-
(a) Long-term borrowings	653.72	496.12	597.60	530.80	153.59	96.98
(b) Deferred tax liabilities (Net)	-	-	-	-	6.88	11.24
(c) Long Term Provisions	55.03	57.78	54.75	52.39	46.96	32.89
(d) Non Current Liabilities	84.87	-	-	-	-	-
Sub-Total	**793.62**	**553.90**	**652.35**	**583.19**	**207.43**	**141.11**
4. Current liabilities	-	-	-	-	-	-
(a) Short-term borrowings	617.55	228.46	398.42	266.30	355.01	306.33
(b) Trade payables	614.57	661.83	452.91	524.05	719.37	507.69
(c) Other current liabilities	109.71	102.48	151.58	109.28	31.67	69.40
(d) Short-term provisions	94.87	109.09	91.49	67.51	121.47	48.80
Sub-Total	**1,436.70**	**1,101.86**	**1,094.40**	**967.14**	**1,227.52**	**932.22**
TOTAL	**3,100.10**	**2,287.03**	**2,250.48**	**2,028.53**	**1,889.78**	**1,315.76**
II. ASSETS	-	-	-	-	-	-
1. Non-current assets	-	-	-	-	-	-
(a) Fixed Assets	-	-	-	-	-	-
(i) Tangible Assets	1,460.30	1,062.55	381.94	426.86	460.99	433.31
(i)Intangible Assets	24.91	31.36	22.96	21.87	24.85	25.14
(i) Capital Work in Progress	214.96	8.15	75.28	-	4.09	4.09
(i) Intengible assets Under Development	-	-	-	-	-	-
	-	-	-	-	-	-
(b) Non-current investments	13.38	13.38	13.48	13.48	13.48	13.38
(c) Deferred tax assets (net)	6.24	13.87	12.32	6.22	-	-
(d) Long-term loans and advances	97.82	109.35	731.25	670.89	29.64	21.33
(e) Other Non Current Assets	-	-	-	0.70	1.65	4.68
Sub-Total	**1,817.61**	**1,238.66**	**1,237.23**	**1,140.02**	**534.70**	**501.93**
2. Current assets	-	-	-	-	-	-

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(a) Current investments	-	-	-	-	-	-
(b) Inventories	313.24	277.38	239.91	232.52	407.65	204.07
(c) Trade receivables	624.81	514.38	488.49	488.95	578.25	373.57
(d) Cash and cash equivalents	25.04	14.55	142.67	7.32	79.42	19.73
(e) Short-term loans and advances	319.40	242.06	142.18	159.72	289.76	216.46
(f) Other current assets	-	-	-	-	-	-
Sub-Total	**1,282.49**	**1,048.37**	**1,013.25**	**888.51**	**1,355.08**	**813.83**
TOTAL	**3,100.10**	**2,287.03**	**2,250.48**	**2,028.53**	**1,889.78**	**1,315.76**



STATEMENT OF PROFIT AND LOSS AS RESTATED **ANNEXURE-II**

(Amount in Lacs)

Particulars	For the period ended March 31,2018	For the period ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
I.Revenue from operations						
Turnover(Gross)	4,015.80	3,160.80	2,667.21	3,115.48	3,771.03	2,556.26
Less: Excise Duty/GST	364.51	212.94	173.96	174.15	284.37	170.41
Net revenue from sale of products/ services	3,651.29	2,947.86	2,493.25	2,941.33	3,486.66	2,385.85
II.Other Income	23.58	14.15	18.06	29.64	55.32	28.81
III. Total Revenue (I + II)	**3,674.87**	**2,962.01**	**2,511.31**	**2,970.97**	**3,541.98**	**2,414.66**
IV. Expenses:	-	-	-	-	-	-
Cost of Material Consumed	1,942.40	1,416.40	1,123.63	1,321.07	2,266.73	1,360.27
Purchases of Stock-in-Trade	28.96	45.46	39.89	130.84	53.40	114.10
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	(90.97)	3.42	10.06	195.91	(203.61)	(50.71)
Employee benefits expense	397.86	348.23	331.54	356.68	297.86	192.02
Finance costs	86.69	89.65	103.94	119.90	40.03	51.75
Depreciation and amortization expense	117.21	84.00	89.48	102.99	63.81	68.84
Other expenses	841.81	769.40	766.10	701.10	700.02	613.13
Total expenses	**3,323.96**	**2,756.56**	**2,464.63**	**2,928.49**	**3,218.24**	**2,349.40**
V. Profit before exceptional and extraordinary items and tax (III-IV)	**350.91**	**205.45**	**46.67**	**42.48**	**323.74**	**65.26**
VI. Exceptional items	-	-	-	-	-	-
VII. Profit before extraordinary items and tax (V - VI)	**350.91**	**205.45**	**46.67**	**42.48**	**323.74**	**65.26**
VIII. Extraordinary Items-	-	-	-	-	-	-
IX. Profit before tax (VII- VIII)	**350.91**	**205.45**	**46.67**	**42.48**	**323.74**	**65.26**
X. Tax expense:	-	-	-	-	-	-
(1) Current tax	104.77	79.46	27.24	30.46	115.70	33.82
(2) MAT Credit	-	-	-	-	-	-
(3) Deferred tax	7.63	(1.55)	(6.10)	(13.10)	(4.36)	(10.99)
(4) Current tax expense relating to prior years	-	-	-	-	-	-
XI. Profit (Loss) for the period from continuing operations (VII-VIII)	**238.52**	**127.53**	**25.53**	**25.12**	**212.40**	**42.42**
XII. Profit/(loss) from discontinuing operations	-	-	-	-	-	-
XIII. Tax expense of discontinuing operations	-	-	-	-	-	-
XIV. Profit/(loss) from Discontinuing	-	-	-	-	-	-

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operations (after tax) (XII-XIII)						
XV. Profit (Loss) for the period (XI + XIV)	**238.52**	**127.53**	**25.53**	**25.12**	**212.40**	**42.42**
XVI Earnings per equity share:						
(1) Basic & Diluted	**4.44**	**0.47**	**0.47**	**3.95**	**0.79**	**2.37**



STATEMENT OF CASH FLOW AS RESTATED

ANNEXURE-III
(Amount in Lacs)

Particulars	For the period ended March 31,2018	For the period ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
CASH FLOW FROM OPERATING ACTIVITIES						
Restated Net profit Before Tax and Extraordinary Iteams	350.91	205.45	46.67	42.48	323.74	65.26
Adjustments For:	-	-	-	-	-	-
Depreciation	117.21	84.00	89.48	102.99	63.81	68.84
Prelimanary Expenses	-	-	-	-	-	-
(Interest Received)	(8.67)	(10.01)	(6.16)	(6.00)	(7.36)	(4.30)
Dividend Received	(1.61)	(1.61)	(1.61)	(2.01)	(2.01)	(2.01)
Net (gain) / loss on Foreign Exchanges	(11.81)	7.62	(4.46)	(20.49)	(45.95)	(22.50)
Net (gain) / loss on Sale of Asset	(0.79)	(0.47)	(0.02)	4.09	1.56	-
Net (gain) / loss on Sale of Investments	-	(0.02)	-	-	-	-
Interest and Finance Charges	86.69	89.65	103.94	119.90	40.03	51.75
Operating Profit before working capital changes	**531.94**	**374.63**	**227.85**	**240.96**	**373.82**	**157.03**
Adjustment For:	-	-	-	-	-	-
Decrease/(Increase) in Inventories	(35.86)	(37.47)	(7.40)	175.13	(203.58)	14.46
Decrease/(Increase) in Trade receivables	(110.43)	(25.90)	0.46	89.31	(204.68)	0.01
Decrease/(Increase) in Other Current Assets	-	-	-	-	-	14.90
Decrease/(Increase) in Other Non-Current Assets	-	-	0.70	0.94	3.04	-
(Decrease)/Increase in Trade Payables	(47.25)	208.91	(71.13)	(195.33)	211.68	122.40
(Decrease)/Increase in Other Current Liabilities	7.23	(49.09)	42.30	77.61	(37.73)	(31.18)
(Decrease)/Increase in Short Term Provisions	(14.24)	17.61	23.97	(53.95)	72.66	42.58
(Decrease)/Increase in Other Non Current Liabilities	84.87	-	-	-	-	-
(Decrease)/Increase in Long Term Provisions	(2.75)	3.03	2.35	5.43	14.08	17.13
Cash Generated from Operations	**413.52**	**491.72**	**219.11**	**340.09**	**229.29**	**337.33**
Taxes Paid	104.77	79.46	27.24	30.46	115.70	33.82
Net Cash From /(Used In) Operating Activities (A)	**308.76**	**412.25**	**191.87**	**309.64**	**113.59**	**303.52**
Cash Flow From Investing Activities	-	-	-	-	-	-
(Purchase) / Sale of Fixed Assets/ Capital Work In Progress	(715.30)	(705.88)	(120.93)	(63.55)	(91.20)	(54.19)

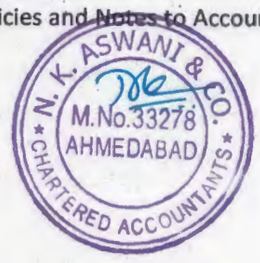
N. K. ASWANI & CO. M.No.33278 AHMEDABAD CHARTERED ACCOUNTANTS

Decrease/(Increase) in Non Current investments	-	0.10	-	-	(0.10)	-
Profit on Sales of Asset	0.79	0.47	0.02	(4.09)	(1.56)	-
Other Statutory Adjustments	-	-	-	-	-	-
Decrease/(Increase) in Short-term loans and advances	(77.36)	(99.86)	17.53	130.05	(73.30)	(150.30)
Decrease/(Increase) in Long Term Loans and Advances	11.53	621.89	(60.35)	(641.25)	(8.31)	72.57
Net gain / loss on Sale of Investments	-	0.02	-	-	-	-
Interest Received	8.67	10.01	6.16	6.00	7.36	4.30
Dividend Received	1.61	1.61	1.61	2.01	2.01	2.01
Rental income	-	-	-	-	-	-
Net Cash From /(Used In) Investing Activities (B)	**(770.07)**	**(171.66)**	**(155.97)**	**(570.83)**	**(165.11)**	**(125.61)**
Cash Flow From Financing Activities	-	-	-	-	-	-
Proceeds from Issue of Shares	-	-	-	-	-	-
Interest and Finance Charges	(86.69)	(89.65)	(103.94)	(119.90)	(40.03)	(51.75)
Proceeds / (Repayments) of Share Application Money	-	-	-	-	-	-
(Decrease)/Increase in Short Term Borrowing	389.09	(169.96)	132.12	(88.71)	48.68	(112.11)
(Decrease)/Increase in Long Term Borrowing	157.59	(101.48)	66.80	377.21	56.61	(29.20)
Share Issue Expenses	-	-	-	-	-	-
Prelimanary Expenses	-	-	-	-	-	-
Net gain / loss on Foreign Exchanges	11.81	(7.62)	4.46	20.49	45.95	22.50
Net Cash From Financing Activities (c)	**471.81**	**(368.72)**	**99.45**	**189.09**	**111.21**	**(170.56)**
Net Increase / (Decrease) in Cash (A)+(B)+(C)	**10.49**	**(128.12)**	**135.35**	**(72.10)**	**59.69**	**7.35**
Cash and Cash equivalents at the beginning of the year	**14.55**	**142.67**	**7.32**	**79.42**	**19.73**	**12.39**
Cash and Cash equivalents at the end of the year	**25.04**	**14.55**	**142.67**	**7.32**	**79.42**	**19.73**

I. The Cash Flow statement has been prepared under Indirect method as per Accounting Standard-3 "Cash Flow Satements"

II. Figures in Brackets represent outflows

III. The above statement should be read with the Restated Statement of Assets and Liabilities, Statement of Profit and loss, Significant Accounting Policies and Notes to Accounts as appearing in Annexure I,II, IV(A) respectively.



Significant Accounting Policies and Notes to Accounts **ANNEXURE-IV(A)**

(A) Corporate Information :

The Company was originally incorporated as "Ushanti Colour Chem Private Limited" at Ahmedabad, Gujarat as a Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated May 12, 1993. Subsequently, the Company was converted into a Public Limited Company pursuant to special resolution passed by members of the Company in Extra Ordinary General Meeting of the Company held on 19th February,2018 and the name of the Company was changed to "Ushanti Colour Chem Limited" vide Fresh Certificate of Incorporation consequent upon conversion of company to Public Limited dated 7th March,2018.The company is engaged in the business of dealing with Manufacturing of Dyestuff(Manufacturing of Cold Dyes,Hot Gyes etc).

(B) Basis of Preparation :

The Restated Summary Statements of Assets and Liabilities of the Company as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and the related Restated Summary Statements of Profits and Losses and Cash Flows Statement for the period / years ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013, have been complied by management from the financial statements of the company for the period ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013.

"The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, 1956 (up to March 31, 2014), and notified sections, schedules and rules of the Companies Act 2013 (with effect from April 01, 2014), including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014).

The presentation of financial statements requires estimates and assumption to be made that affect the reported amount of assets & Liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which results are known/materialized."

(C) Significant Accounting Policies :

(a) Use of Estimates :

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reported period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the Carrying amounts of Assets or Liabilities in future periods.

(b) Fixed Assets :

Fixed assets are stated at cost of acquisition, including any attributable cost for bringing the asset to its working condition for its intended use, less accumulated depreciation. CENVAT credit availed but not adjusted against excise duty payment is treated as CENVAT credit receivable and shown under 'Loans and Advances". Fixed assets on which CENVAT credit is not availed is shown at full value.

(c) Depreciation:

"Up to March 31st, 2014 depreciation on fixed assets is provided on WDV at the rate and manner prescribed in schedule XIV of the Companies Act, 1956 over their useful life, w.e.f April 1st, 2014

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depreciation is provided based on useful life of asset as prescribed in schedule II of Companies Act 2013 except non charging of 100% depreciation on assets costing below Rs. 5000/-. The carrying amount as on April 1st, 2015 is depreciated over the balance useful life of asset.

Depreciation on additions to the assets and the assets sold or disposed off, during the year is provided on prorata basis, at their respective useful life or rate of depreciation as prescribed with reference to the date of acquisition / installation or date of sale / disposal.

(d) Revenue Recognition:

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue from sale of goods is recognized on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for price, significant risk and rewards of ownership are transferred to the customers and no effective ownership is retained. Sales comprises sale of goods and services, net of trade discounts and include exchange differences arising on sales transactions.

(e) Inventory Valuation:

Inventories are valued at lower of cost or NRV Whichever is lower.

The company has not included Excise duty payable on closing stock of finished Goods, in Value of Finished Goods as Disclosed in Financial statement with contravention to the Guidelines as mentioned in AS-2 " Valuation of Inventory". However, Such non-inclusion will not Affect Profit/Loss for the year.

(D) Foreign Currency Transactions :

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Monetary foreign currency assets and liabilities are translated into Rupees at the exchange rate prevailing at the Balance Sheet Date. All exchange differences are dealt with in Profit and Loss Account.

(E) Investments:

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

On initial recognition, all investments are measured at cost. The cost comprises price and directly attributable acquisition charges such as brokerage, fees and duties.

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

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

(F) Employee Benefits:

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when an employee renders the related services. The company has no obligations, other than the contribution payable to the provident fund.

The company has adopted accounting standard 15 (Revised 2005) on Employee Benefits as per Acturial Valuation carried out by an independant actuary in restated Financials . The disclosure envisaged under the standard are as under:-



(Amount in Lacs)

1. Amount of Liability in respect of gratuity						
Particulars	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Opening balance of Obligation	84.12	79.52	76.17	67.75	49.93	23.44
ADD:						
Current Service Cost	10.05	10.18	9.45	9.15	8.12	4.90
Past Service Cost	35.11	-	-	-	-	-
Interest Cost	6.48	5.88	5.87	5.42	4.49	1.95
Benefits Paid	(0.05)	(0.39)	(1.02)	(0.28)	-	(0.45)
Acturial gain (Loss)	(50.63)	(11.08)	(10.95)	(5.85)	5.20	20.10
Closing Balance	**85.08**	**84.12**	**79.52**	**76.17**	**67.75**	**49.93**

(Amount in Lacs)

2. Amount of Value of Fund						
Particulars	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Opening balance of Obligation	24.26	22.58	21.81	18.97	15.65	13.67
ADD:						
Expected Return on Plan Assets	1.91	1.71	1.71	1.72	1.46	1.26
Company Contributions	2.03	0.43	0.07	1.56	2.36	1.19
Benefits Paid	(0.05)	(0.39)	(1.02)	(0.28)	-	(0.45)
Actuarial Losses (Gains)	(0.04)	(0.07)	-	(0.14)	(0.50)	(0.02)
Closing Balance	**28.10**	**24.26**	**22.58**	**21.81**	**18.97**	**15.65**

(Amount in Lacs)

3. Amount of oblication recognized in statement of Profit & Loss						
Particulars	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Current Service Cost	10.05	10.18	9.45	9.15	8.12	4.90
Past Service Cost	35.11					
Interest cost	6.48	5.88	5.87	5.42	4.49	1.95
Expected return on plan Assets	(1.91)	(1.71)	(1.71)	(1.72)	(1.46)	(1.26)
Net Actuarial losses (Gain) Recognised in the Year	(50.59)	(11.01)	(10.96)	(5.71)	5.70	20.13
Expenses Recognised In Statement of Profit & Loss	**(0.86)**	**3.35**	**2.65**	**7.14**	**16.85**	**25.71**

(G) Taxation :

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the Tax Authorities in accordance with the Income Tax Act'1961 enacted or substantively enacted at the reporting date.

Deferred Tax Assets or Deferred Tax Liability is recognized on timing difference being the difference between taxable income and accounting income. Deferred Tax Assets or Differed Tax Liability is measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future.

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(H) Borrowing Cost :

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

(I) Segment Reporting :

The company is engaged in the business of dealing with Manufacturing of Dyestuff(Manufacturing of Cold Dyes,Hot Gyes etc). Considering the nature of the Business and Financial Reporting of the Comapny, the company is operating in Two Geographical Segments, i.e. Domestic and Export Market. The company has not maintained separate data for the purpose of the Segmantal Reporting and hence in absence of the data from the we are unable to report on the same.

(J) Provisions and Contigent Liabilities :

A provision is recognized when the company has a present obligation as a result of past event; it is probable that an outflow of resources will 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 based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

(Amount in Lacs)

Particulars	For the period ended March 31,2018	For the period ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
(a) Bills Discounted from Bank	-	-	-	-	-	-
(b) Bank Guarantee issued by Bank	49.02	43.95	42.22	48.87	54.41	28.30
(c) Letter of Credit Outstanding	-	-	-	-	-	-
(d) Claim against company not acknowledge as debt.	-	-	-	-	-	-

(K) Earnings per share :

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.



RECONCILIATION OF RESTATED PROFIT **ANNEXURE IV(B)**

(Amount in Lacs)

Adjustments for	For the period ended March 31,2018	For the period ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Net profit/(loss) after tax as per audited statement of profit & loss	244.61	137.82	37.98	25.43	221.15	51.89
Adjustments for:	-	-	-	-	-	-
Depreciation and Other Adjustments	-	-	-	1.74	-	-
Increase/ Decrease in Exp	11.03	-	-	-	-	-
Gratuity Provisions	2.89	(2.92)	(2.58)	(5.58)	(14.50)	(24.52)
Prior Period Adjustments (Refer Note 1)	(4.36)	0.02	(6.92)	8.08	(0.29)	13.57
Excess / Short Provision for Tax (Refer Note 2)	(7.27)	(9.43)	(2.47)	(6.46)	1.03	(9.67)
Differed Tax Liability / Assets Adjustments (Refer Note 3)	(8.39)	2.05	(0.47)	1.91	4.99	11.16
Net profit/ (loss) after tax as restated	**238.52**	**127.53**	**25.53**	**25.12**	**212.40**	**42.42**

Explanatory Notes to the above restatements made in Audited Financial Statements of the Company for the respective years / period.

Adjustments having impact on Profit:

Note: 1
Amounts relating to the prior period & Other incomes/Exp have been adjusted in the year to which the same relates to & Under which head the same relates to.

Note: 2
The company has provided Excess or Short Provision in the year in which the income tax return has been filled. But in restated account, the company has provided Excess or Short Provision in the year to which it relates.

Note: 3
There is change in Deffered Tax Assets / Liabilities as per Audited Books of Accounts and as per Restated Books and the same has been given effect in the year to which the same relates.

To give Explanatory Notes regarding Adjustments

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all

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the years and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2009.

DETAILS OF SHARE CAPITAL AS RESTATED **ANNEXURE-V**

(Amount in Lacs)

1. Statement of Share Capital

Particlaurs	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Authorised						
600000 Equity Shares of Rs. 10/- each	-	60.00	60.00	60.00	60.00	60.00
10000000 Equity Shares of Rs. 10/- each	1,000.00	-	-	-	-	-
Issued , Subscribed and Fully paid up Capital						
488700 Equity Share of Rs.10/- each Fully Paid up	-	48.87	48.87	48.87	48.87	48.87
5375700 Equity Share of Rs.10/- each Fully Paid up	537.57	-	-	-	-	-
Forfeited Share(Amount Originally Paid Up)	-	-	-	-	-	-
20000 Equity Share Capital of Rs.10/- each Rs.5.00/- each Paid up	1.00	1.00	1.00	1.00	1.00	1.00
TOTAL	**538.57**	**49.87**	**49.87**	**49.87**	**49.87**	**49.87**

1. During the Financial Year 2011-12 the Company has Forfeited 20000(on Which Rs.5 each(Face Value) was paid up) Number of shares relating to Aqua Water filtech (india) Private Limited due to non payment of balance call money.
2. During FY 2017-18, the company has issued & Alloted 48,87,000 number of bonus share wide a resolution passed in the board meeting of the company held at the registered office of the company held at 16th March, 2018.
3. During FY 2017-18 the company has increased its authorized capital from Rs.60.00/- Lacs to Rs.550.00/- Lacs wide a resolution passed at the EGM of the company held at the registered office of the company on 3rd January,2018.
4. During FY 2017-18 the company has increased its authorized capital from Rs.550.00/- Lacs to Rs.1000.00/- Lacs wide a resolution passed at the EGM of the company held at the registered office of the company on 15th March,2018.

Terms/rights attached to equity shares :

1. The company was having only one class of Equity Shares with par value of Rs. 10.00 per share. Each holder of Equity shares was entitled to one Vote per share.

2. In the Liquidation of the company, the holders of Equity Shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

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2. Reconciliation of Shares outstanding at the beginning and at the end of the Period

Particlaurs	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
At the beginning of the period	488,700	488,700	488,700	488,700	488,700	488,700
Shares allotted during the year	-	-	-	-	-	-
Issued during the year	4887000	-	-	-	-	-
Redeemed or bought back during the period	-	-	-	-	-	-
Outstanding at the end of the Period	5,375,700	488,700	488,700	488,700	488,700	488,700

3. For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

Particlaurs	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.	-	-	-	-	-	-
Aggregate number and class of shares allotted as fully paid up by way of bonus shares.	4,887,000	-	-	-	-	-
Aggregate number and class of shares bought back.	-	-	-	-	-	-

a.Details of Shareholders holding more than 5% shares in the company (In terms of No. of Shares Holding)

Particlaurs	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Name of Shareholders	**No. of Shares**	**No. of Shares**	**No. of Shares**	**No. of Shares**	**No. of Shares**	**No. of Shares**
Shantilal B. Gandhi	1,710,247	155,478	155,478	155,478	142,853	142,853
Minkubhai S. Gandhi	1,351,427	120,825	120,825	120,825	120,125	120,125
Maunal S. Gandhi	1,351,427	121,058	121,058	121,058	120,558	120,558
Monaben M. Gandhi	481,250	43,750	43,750	43,750	43,750	43,750
Shefaliben M. Gandhi	481,250	43,750	43,750	43,750	43,750	43,750
Total	**5,375,601**	**484,861**	**484,861**	**484,861**	**471,036**	**471,036**



b. Details of Shareholders holding more than 5% shares in the company (In terms of % Holding)

Particlaurs	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Name of Shareholders	**% holding**	**% holding**	**% holding**	**% holding**	**% holding**	**% holding**
Shantilal B. Gandhi	31.81	31.81	31.81	31.81	29.23	29.23
Minkubhai S. Gandhi	25.14	24.72	24.72	24.72	24.58	24.58
Maunal S. Gandhi	25.14	24.77	24.77	24.77	24.67	24.67
Monaben M. Gandhi	8.95	8.95	8.95	8.95	8.95	8.95
Shefaliben M. Gandhi	8.95	8.95	8.95	8.95	8.95	8.95
Total	**99.998**	**99.214**	**99.214**	**99.214**	**96.386**	**96.386**

DETAILS OF RESERVES AND SURPLUS AS RESTATED

ANNEXURE-VI
(Amount in Lacs)

Particlaurs	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
A. Security premium account						
Opening Balance	55.63	55.63	55.63	55.63	55.63	55.63
Add: Securities premium accounts credited on account of share issue	-	-	-	-	-	-
Less : Deletion for issue of Bonus Shares	-	-	-	-	-	-
Closing Balance	55.63	55.63	55.63	55.63	55.63	55.63
B. Profit loss account	-	-	-	-	-	-
Opening Balance	525.77	398.23	372.70	349.33	136.93	94.51
Add: Net Profit/(Loss) for the year	238.52	127.53	25.53	25.12	212.40	42.42
Add: Transfer from Reserves	-	-	-	-	-	-
Less: Proposed Dividend	-	-	-	-	-	-
Less: Interim Dividend	-	-	-	-	-	-
Less:Effect for Companies Act 2013	-	-	-	1.74	-	-
Less: Transfer to Reserves	-	-	-	-	-	-
Less: Issuing Bonus Shares	488.70	-	-	-	-	-
Less: Other Adjustment	-	-	-	-	-	-
Closing Balance	275.58	525.77	398.23	372.70	349.33	136.93
C. Capital Redemption Reserve	-	-	-	-	-	-
Opening Balance	-	-	-	-	-	-
Add: Addition During the year	-	-	-	-	-	-
Closing Balance	-	-	-	-	-	-
Total A+B	**331.21**	**581.40**	**453.86**	**428.33**	**404.96**	**192.56**

Notes:

1. The figures disclosed above are based on the Unconsolidated restated summary statement of assets and liabilities of the Company
2. The above statement should be read with the notes to Unconsolidated restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure I,II and III.
3. Pursuant to the Enactment of the Companies Act, 2013, the Company has applied the esti mated useful lives as specified in the Schedule II. The Written Down Value of the Fixed Assets ehose



lives have expired as at 01st April, 2014 have been adjusted, in the Opening balance of Profit and Loss Account.

DETAILS OF LONG TERM BORROWINGS AS RESTATED **ANNEXUREVII**

(Amount in Lacs)

Particlaurs	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
A1. From Banks (Secured)						
KALUPUR COMM.CO.OP.(MACHINERY LOAN)	-	-	-	-	-	45.65
KALUPUR COMM.CO.OP.(TERM LOAN-331/177)	-	-	44.23	306.69	-	-
HDFC Bank Car Loan(Tata Hexa)	9.74	12.48	-	-	-	-
SIDBI- SOFT LOAN A/C	12.35	15.41	18.48	-	-	-
SIDBI TERM LOAN A/C	111.00	138.60	166.25	-	-	-
A2. From NBFC(Secured)						
BMW India Finance Services Ltd	-	14.33	27.40	36.56	50.19	-
A3. From Banks (UnSecured)						
Total	**133.09**	**180.82**	**256.35**	**343.24**	**50.19**	**45.65**
B. From Other Parties (Unsecured)						
B1. From Promoter / Promoter Group / Group Companies / Other Related Parties						
Loan From Promoter & Promoter Group/Related Party						
DEEPAK G GANDHI	-	0.48	0.43	0.53	0.50	0.51
GAURANGBHAI G GANDHI	-	-	-	-	-	0.62
MAUNAL S GANDHI	60.68	4.08	26.41	25.05	0.89	0.14
MAUNAL S GANDHI HUF	72.84	19.75	59.95	51.11	19.61	8.18
MINKU GANDHI	5.17	6.65	85.87	29.20	2.54	0.57
MINKU S GANDHI HUF	90.04	19.66	62.29	51.00	19.87	9.62
MONA M GANDHI	16.15	18.00	11.32	2.44	0.14	-
SHANTIBHAI B GANDHI	27.10	25.32	48.95	22.20	0.33	0.39
SHEFALI M GANDHI	15.97	18.24	4.29	0.09	0.10	0.35
USHABEN S.GANDHI	-	-	-	-	42.33	11.09
HUF INDUSTRIES	71.78	49.15	40.05	3.92	2.04	0.45
USHANTI CORPO	-	-	-	-	-	5.85
AADIT M GANDHI	80.48	76.05	-	-	-	-
ARJUN M GANDHI	80.42	76.05	-	-	-	-
Loan From Others/Share Holders						
HIREN J SHAH	-	-	-	-	0.33	0.31

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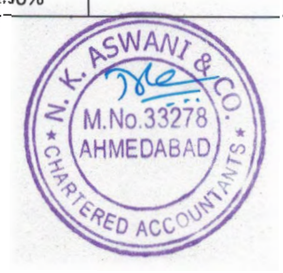
Particlaurs	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
JIGISHABEN SHAH	-	1.88	1.44	1.04	1.15	1.09
PARTHIV N MEHTA	-	-	0.25	0.97	0.97	0.89
VINABEN V MODI	-	-	-	-	11.61	6.61
HARSHABEN N MEHTA	-	-	-	-	1.00	1.00
VINODBHAI C MODI	-	-	-	-	-	2.98
VINODRAI C MODI HUF	-	-	-	-	-	0.68
B2. From Financial Institutions						
B3. Others						
Inter Corporate Deposits						
Total	**520.63**	**315.30**	**341.25**	**187.56**	**103.40**	**51.33**
Total A+B	**653.72**	**496.12**	**597.60**	**530.80**	**153.59**	**96.98**

ANNEXURE VIII

NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWINGS INCLUDING CURRENT MATURITIES

Sr. No.	Lender	Nature of facility	Loan	Amount outstanding as at March 31, 2018	Rate of interest (%)	Repayment Terms	Security / Principal terms and conditions
1	HDFC Bank	Auto Loan	Rs. 15.00 Lacs	Rs. 12.48/- Lacs	8.35% p.a	Repayable In Rs.30668/- 60 monthly installments.	Hypothication of Vehicle purchased through loan
2	SIDBI	Term Loan	Rs.180 Lacs	Rs. 139.77/- Lacs	9.95% p.a Fixed up to 3 years from date of First disbursement AND thereafter Insterest shall be charged at the Rate of PLR of SIDBI +0.50%	Repayabe in 84 monthly Installments comprising first 77 Installments of Rs.2.30 lakh each and Last 78th installement of Rs. 2.90 Lakh commencing after a moratorium period of 6 months from the date of first disbursment of	1) Hypothication of the Plant Machinery, equipment , tools Spares, Accessories and All Other Assets Which have been or Proposed to be Acquired under the Project/Scheme 2) Lien marked in favour of SIDBI of Fixed Deposits Receipt and Life Insurance Policies(Surrender value) of

						the term loan Repayabe in 84 monthly Installments comprising first 77 Installments of Rs.0.255 lakh each and Last 78th installement of Rs 0.365 Lakh commencing after a moratorium period of 6 months from the date of first disbursment of the soft loan	Directors/Comapnies and Its relatives of Total Amount of Rs.100 Lakh. 3)The borrower shall procure and furnish unconditional and irrevocable , joint and several guarantees of- Shri Minku Shantilal Gandhi, Shri Maunal Shantilal Gandhi, SHri SHantilal Bhailalbhai Gandhi. No guarantee commission shall be payable by the borrower to the guarantors. The guarantors shall also submit to SIDBI their Net Worth statements duly certified by a Chartered Accountant in the Prescribed format as on a recent date at the time of execution of Guarantees
3	SIDBI	Soft Loan	Rs.20.00 Lacs	Rs. 15.53/- Lacs	9.35% p.a Fixed up to 3 years from date of First disbursement AND thereafter Insterest shall be charged at the Rate of PLR of SIDBI +0.50%		



4	BMW Finance Services	Car Loan	Rs.60.00 Lacs	Rs . 14.26/- Lacs	9.65% p.a	Repayable in 60 monthly installments Out of Which First installment is of Rs.108766 & Remaining installments are of Rs.126458 each	Hypothication of Car Purchased through Loan.

NATURE OF SECURITY AND TERMS OF REPAYMENT FOR SHORT TERM BORROWINGS

(Amount in Lacs)

MAUNAL S GANDHI A/C			
Particulars	As at		
	31st March, 2018	31st March, 2017	31st March, 2016
Rate of Interest	12.00%	12.00%	12.00%
Opening Balance Cr/(Dr)	4.08	26.41	28.07
Amount Received / Credited	135.80	63.81	99.83
Interest on Loan	3.55	6.97	6.49
Amount Repaid / Adjusted	81.36	90.94	102.14
Interest Outstanding	1.39	2.16	5.84
Outstanding Amount	60.68	4.08	26.41
Repayable on Demand			

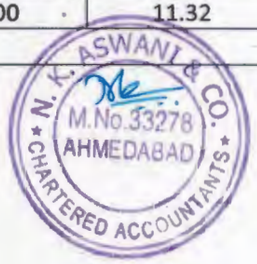
MAUNAL S GANDHI HUF			
Particulars	As at		
	31st March, 2018	31st March, 2017	31st March, 2016
Rate of Interest	12.00%	12.00%	12.00%
Opening Balance Cr/(Dr)	19.75	59.95	55.25
Amount Received / Credited	228.33	32.65	5.90
Interest on Loan	6.31	8.76	6.45
Amount Repaid / Adjusted	177.54	79.30	1.20
Interest Outstanding	4.00	2.31	6.45
Outstanding Amount	72.84	19.75	59.95
Repayable on Demand			

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MINKU GANDHI A/C			
Particulars	As at		
	31st March, 2018	31st March, 2017	31st March, 2016
Rate of Interest	12.00%	12.00%	12.00%
Opening Balance Cr/(Dr)	6.65	85.87	32.46
Amount Received / Credited	23.00	91.13	81.30
Interest on Loan	1.13	8.23	7.51
Amount Repaid / Adjusted	25.14	177.91	27.89
Interest Outstanding	0.46	0.67	7.51
Outstanding Amount	5.17	6.65	85.87
Repayable on Demand			

MINKU S GANDHI HUF			
Particulars	As at		
	31st March, 2018	31st March, 2017	31st March, 2016
Rate of Interest	12.00%	12.00%	12.00%
Opening Balance Cr/(Dr)	19.66	62.29	54.89
Amount Received / Credited	258.35	31.40	8.05
Interest on Loan	8.19	9.01	6.62
Amount Repaid / Adjusted	190.36	80.65	0.65
Interest outstanding	5.80	2.39	6.62
Outstanding Amount	90.04	19.66	62.29
Repayable on Demand			

MONA M GANDHI			
Particulars	As at		
	31st March, 2018	31st March, 2017	31st March, 2016
Rate of Interest	12.00%	12.00%	12.00%
Opening Balance Cr/(Dr)	18.00	11.32	2.53
Amount Received / Credited	44.45	24.80	12.80
Interest on Loan	3.09	2.45	0.81
Amount Repaid / Adjusted	47.94	18.93	4.02
Interest Outstanding	1.45	1.64	0.81
Outstanding Amount	16.15	18.00	11.32
Repayable on Demand			



SHANTIBHAI B GANDHI			
Particulars	As at		
	31st March, 2018	31st March, 2017	31st March, 2016
Rate of Interest	12.00%	12.00%	12.00%
Opening Balance Cr/(Dr)	25.32	48.95	23.63
Amount Received / Credited	146.03	205.59	76.95
Interest on Loan	5.70	7.56	3.78
Amount Repaid / Adjusted	148.03	233.00	51.63
Interest Outstanding	1.92	3.78	3.78
Outstanding Amount	27.10	25.32	48.95
Repayable on Demand			

SHEFALI M GANDHI			
Particulars	As at		
	31st March, 2018	31st March, 2017	31st March, 2016
Rate of Interest	12.00%	12.00%	12.00%
Opening Balance Cr/(Dr)	18.24	4.29	0.17
Amount Received / Credited	44.75	28.33	6.15
Interest on Loan	2.96	1.54	0.18
Amount Repaid / Adjusted	48.37	14.56	2.04
Interest Outstanding	1.60	1.36	0.18
Outstanding Amount	15.97	18.24	4.29
Repayable on Demand			

HUF INDUSTRIES			
Particulars	As at		
	31st March, 2018	31st March, 2017	31st March, 2016
Rate of Interest	12.00%	12.00%	12.00%
Opening Balance Cr/(Dr)	49.15	40.05	4.20
Amount Received / Credited	423.11	68.03	35.85
Interest on Loan	11.45	7.71	2.47
Amount Repaid / Adjusted	405.72	61.40	-
Interest Outstanding	6.21	5.24	2.47
Outstanding Amount	71.78	49.15	40.05
Repayable on Demand			

AADIT M GANDHI			
Particulars	As at		
	31st March, 2018	31st March, 2017	31st March, 2016
Rate of Interest	12.00%	12.00%	12.00%
Opening Balance Cr/(Dr)	76.05	-	-
Amount Received / Credited	-	77.60	-
Interest on Loan	15.12	7.66	-
Amount Repaid / Adjusted	3.23	1.55	-

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Interest Outstanding	7.47	7.66	-
Outstanding Amount	80.48	76.05	-
Repayable on Demand			

ARJUN M GANDHI			
Particulars	As at		
	31st March, 2018	31st March, 2017	31st March, 2016
Rate of Interest	12.00%	12.00%	12.00%
Opening Balance Cr/(Dr)	76.05	-	-
Amount Received / Credited	-	90.10	-
Interest on Loan	14.89	7.44	-
Amount Repaid / Adjusted	3.08	14.05	-
Interest Outstanding	7.45	7.44	-
Outstanding Amount	80.42	76.05	-
Repayable on Demand			

DETAILS OF DEFERRED TAX LIABILITIES (NET) AS RESTATED **ANNEXURE IX**

(Amount in Lacs)

Particlaurs	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
WDV As per Companies Act. 1956 / 2013	789.52	561.97	403.08	446.92	484.02	456.63
WDV As per Incometax Act, 1961	755.99	544.52	386.03	408.61	412.49	385.97
Difference in WDV	33.53	17.45	17.05	38.31	71.53	70.66
Gratuity Provision	(56.98)	(59.87)	(56.94)	(54.36)	(48.78)	(34.28)
Other Disallowance including U/s. 43B	0.79	0.47	0.02	(4.09)	(1.56)	-
Total Timming Differece	(22.66)	(41.95)	(39.88)	(20.14)	21.19	36.38
Tax Rate as per Income Tax	27.55	33.06	30.90	30.90	32.45	30.90
(DTA) / DTL	(6.24)	(13.87)	(12.32)	(6.22)	6.88	11.24
Net deferred tax liability	**(6.24)**	**(13.87)**	**(12.32)**	**(6.22)**	**6.88**	**11.24**

N. K. ASWANI & CO. M.No.33278 AHMEDABAD CHARTERED ACCOUNTANTS

Deffered Tax Assets & Liabilities Summary

Particlaurs	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Opening Balance of (DTA) / DTL	(13.87)	(12.32)	(6.22)	6.88	11.24	22.23
Add: Provision for the Year	7.63	(1.55)	(6.10)	(13.10)	(4.36)	(10.99)
Closing Balance of (DTA) / DTL	(6.24)	(13.87)	(12.32)	(6.22)	6.88	11.24

Long Term Provisions

Particlaurs	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Provision for Gratuity	55.03	57.78	54.75	52.39	46.96	32.89
Total Long Term Provisions	55.03	57.78	54.75	52.39	46.96	32.89

Non Current Liabilites **ANNEXURE X**

(Amount in Lacs)

Particlaurs	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
GIDC Ankleshwar	84.87	-	-	-	-	-
Total Non Current Liabilities	84.87	-	-	-	-	-

DETAILS OF SHORT TERM BORROWINGS AS RESTATED **ANNEXURE XI**

(Amount in Lacs)

Particlaurs	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Loan Repayable on Demand						
A. From Banks (Secured)						
Cash credit Facilities-KCCB	36.64	21.62	-	58.15	63.77	7.08
FBP/PCFC Facility-KCCB	580.91	206.84	398.42	208.15	288.99	299.25
Overdraft facilities-KCCB	-	-	-	-	2.25	-
Total (A)	**617.55**	**228.46**	**398.42**	**266.30**	**355.01**	**306.33**
A2 Unsecured						
Loan from Related Parties	-	-	-	-		-
Loan from Others	-	-	-	-		-

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Total (B)	-	-	-	-	-	-
Total A+B	**617.55**	**228.46**	**398.42**	**266.30**	**355.01**	**306.33**

NATURE OF SECURITY AND TERMS OF REPAYMENT FOR SHORT TERM BORROWINGS

ANNEXURE XII

Sr. No.	Lender	Nature of facility	Loan	Amount outstanding as at March 31, 2018	Rate of interest (%)	Repayment Terms	Security / Principal terms and conditions
1	KCCB	Cash credit	Rs 35.00Lacs	Rs. 36.64/- Lacs	10% p.a	Repayable on Demand	Letter of acknowledgement of debt and confirmation of borrower (Kabulatnama)
2	KCCB	Working capital Loan	Rs. 600.00 Lacs	Rs. 580.91/- Lacs	9.5% p.a for P.C 10.00% p.a for FBP/FBD	Repayable on Demand	Letter of acknowledgement of debt and confirmation of borrower (Kabulatnama)

N. K. ASWANI & CO. M.No.33278 AHMEDABAD CHARTERED ACCOUNTANTS

DETAILS OF TRADE PAYABLES AS RESTATED **ANNEXURE XIII**

(Amount in Lacs)

Particlaurs	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Sundry Creditors for Goods	462.09	527.90	350.86	400.11	590.34	401.66
Sundry Creditors for Expenses	152.48	133.92	102.05	123.94	129.03	106.03
Total	**614.57**	**661.83**	**452.91**	**524.05**	**719.37**	**507.69**

Notes

- Trade Payables as on March 31, 2018 has been taken as certified by the management of the company
- The company has not maintained saperate data for Transactions with MSMEs & Other.hence, in absence of the same, we are unable to report of that.

DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED **ANNEXURE XIV**

(Amount in Lacs)

Particlaurs	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Advance received from customers	-	3.58	-	-	-	-
Statutory Liabilities	-	-	-	-	-	-
Other current Liabilities	8.83	-	0.15	0.15	0.15	-
Payable for Capital Goods/Fixed Assets	14.16	9.41	13.05	2.98	13.17	3.36
Interest accured and due on borrowings	37.76	33.68	33.93	16.62	8.54	4.54
Interest accured and not due on borrowings	1.29	1.55	1.22	2.71	-	-
	62.05	48.21	48.34	22.46	21.86	7.91
Current Maturities of Term Liabilities						
SIDBI Term Loan	27.60	27.60	13.80	-	-	-
SIDBI Soft loan	3.06	3.06	1.53	-	-	-
ICICI BANK CAR LOAN(M1)	-	-	-	-	-	0.32
ICICI BANK CAR LOAN(M2)	-	-	-	-	-	0.32
HDFC Bank Loan	2.74	2.52	-	-	-	-
KCCB Vehicle Loan	-	8.00	-	-	-	-
MACHINERY LOAN(KCCB A/C NO.302/240	-	-	-	-	-	60.00
SUNDERAM FINANCE LTD.	-	-	-	-	-	0.85
BMW INDIA FINANCIAL SERVICES P LTD	14.26	13.09	11.89	10.80	9.81	-
KALUPUR COMM.CO.OP.(TERM	-	-	76.02	76.02	-	-

N.K. ASHODIA & CO. CHARTERED ACCOUNTANTS M.No 33278 AHMEDABAD

LOAN-331/177)						
	47.66	**54.27**	**103.24**	**86.82**	**9.81**	**61.49**
Total	**109.71**	**102.48**	**151.58**	**109.28**	**31.67**	**69.40**

Notes:

- Outstanding against Purchase / Acquisition of Capital Goods / Assets have been shown under " Payable for Capital Goods/Fixed Assets "
- Advances Received from Customers have been taken as certified by the management of the company and no security has been offered by the company against the same

DETAILS OF SHORT TERM PROVISIONS AS RESTATED **ANNEXURE XV**

(Amount in Lacs)

Particlaurs	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Provision for Direct Tax	51.18	49.46	36.94	8.38	41.38	8.17
Provision for Indirect Tax	-	0.50	5.54	-	0.48	0.11
Provision for Others	43.69	59.13	49.01	59.13	79.60	40.53
Total	**94.87**	**109.09**	**91.49**	**67.51**	**121.47**	**48.80**

Notes:

- Provision for Direct Tax have been adjusted against the Advance Tax and TDS Receivables, if any

DETAILS OF FIXED ASSETS AS RESTATED **ANNEXURE XVI**

(Amount in Lacs)

Particlaurs	Building	Land	Capital WIP	Plant & Machinery	Furniture & Fixtures	Motor Vehicles	Computer	Intangible	Total
Gross Block :									
As at March 31, 2012	**146.16**	**1.82**	**4.09**	**434.30**	**33.73**	**28.25**	**7.16**	**37.68**	**693.17**
As at April 1, 2012	146.16	1.82	4.09	434.30	33.73	28.25	7.16	37.68	693.17
Additions / (Deletion)	2.06	-	-	34.24	2.21	15.39	0.29	-	54.19
As at March 31, 2013	**148.22**	**1.82**	**4.09**	**468.53**	**35.94**	**43.64**	**7.45**	**37.68**	**747.36**
As at April 1, 2013	148.22	1.82	4.09	468.53	35.94	43.64	7.45	37.68	747.36
Additions / (Deletion)	-	-	-	16.88	0.76	62.72	2.70	3.61	86.67

N.K. ASWANI & CO. M.No 33278 AHMEDABAD CHARTERED ACCOUNTANTS

Particlaurs	Building	Land	Capital WIP	Plant & Machinery	Furniture & Fixtures	Motor Vehicles	Computer	Intangible	Total
As at March 31, 2014	**148.22**	**1.82**	**4.09**	**485.42**	**36.70**	**106.36**	**10.15**	**41.29**	**834.03**
As at April 1, 2014	148.22	1.82	4.09	485.42	36.70	106.36	10.15	41.29	834.03
Additions / (Deletion)	12.47	-	(4.09)	52.15	1.43	-	0.42	1.17	63.55
As at March 31, 2015	**160.68**	**1.82**	**-**	**537.56**	**38.13**	**106.36**	**10.57**	**42.46**	**897.58**
As at April 1, 2015	160.68	1.82	-	537.56	38.13	106.36	10.57	42.46	897.58
Additions / (Deletion)	-	-	75.28	35.69	3.64	0.27	-	5.72	120.59
As at March 31, 2016	**160.68**	**1.82**	**75.28**	**573.25**	**41.76**	**106.63**	**10.57**	**48.17**	**1,018.17**
As at April 1, 2016	160.68	1.82	75.28	573.25	41.76	106.63	10.57	48.17	1,018.17
Additions / (Deletion)	21.70	535.48	(67.13)	167.81	3.39	20.71	0.22	14.50	696.69
As at March 31, 2017	**182.39**	**537.30**	**8.15**	**741.06**	**45.16**	**127.34**	**10.79**	**62.67**	**1,714.86**
As at April 1, 2017	182.39	537.30	8.15	741.06	45.16	127.34	10.79	62.67	1,714.86
Additions / (Deletion)	84.61	170.16	206.81	240.65	12.23	(9.90)	0.45	-	705.00
As at March 31,2018	**266.99**	**707.46**	**214.96**	**981.71**	**57.39**	**117.44**	**11.23**	**62.67**	**2,419.86**
Accumlated Depreciation :									
As at March 31, 2012	**42.82**	**-**	**-**	**134.04**	**12.36**	**12.32**	**5.68**	**8.77**	**215.99**
As at April 1, 2012	42.82	-	-	134.04	12.36	12.32	5.68	8.77	215.99
Charge for the year	10.52	-	-	43.18	3.20	7.51	0.65	3.77	68.84
As at March 31, 2013	**53.35**	**-**	**-**	**177.22**	**15.56**	**19.84**	**6.33**	**12.54**	**284.83**
As at April 1, 2013	53.35	-	-	177.22	15.56	19.84	6.33	12.54	284.83
Charge for the year	9.51	-	-	40.82	2.95	5.79	0.84	3.90	63.81
Additions / (Deletion)	-	-	-	-	-	(4.53)	-	-	(4.53)
As at March 31, 2014	**62.85**	**-**	**-**	**218.04**	**18.51**	**21.10**	**7.17**	**16.44**	**344.11**

N.Y. ASWANI & CO. M.No.33278 AHMEDABAD CHARTERED ACCOUNTANTS

Particlaurs	Building	Land	Capital WIP	Plant & Machinery	Furniture & Fixtures	Motor Vehicles	Computer	Intangible	Total
As at April 1, 2014	62.85	-	-	218.04	18.51	21.10	7.17	16.44	344.11
Charge for the year	8.71	-	-	55.29	5.82	27.06	1.96	4.15	102.99
Adjustments in Depreciation under the Companies Act ' 2013	-	-	-	0.03	1.54	-	0.17	-	1.74
As at March 31, 2015	**71.56**	**-**	**-**	**273.33**	**24.32**	**48.16**	**9.13**	**20.59**	**448.84**
As at April 1, 2015	71.56	-	-	273.33	24.32	48.16	9.13	20.59	448.84
Charge for the year	8.15	-	-	52.74	4.74	18.54	0.68	4.63	89.48
Additions / (Deletion)	-	-	-	-	-	(0.34)	-	-	(0.34)
As at March 31, 2016	**79.71**	**-**	**-**	**326.07**	**29.06**	**66.36**	**9.81**	**25.22**	**537.99**
As at April 1, 2016	79.71	-	-	326.07	29.06	66.36	9.81	25.22	537.99
Charge for the period	7.46	5.35	-	47.66	3.88	13.29	0.27	6.09	84.00
Additions / (Deletion)	-	-	-	-	-	(9.19)	-	-	(9.19)
As at March 31, 2017	**87.17**	**5.35**	**-**	**373.73**	**32.94**	**70.46**	**10.08**	**31.31**	**612.79**
As at April 1, 2017	87.17	5.35	-	373.73	32.94	70.46	10.08	31.31	612.79
Charge for the period	12.98	6.42	-	70.48	3.17	17.50	0.22	6.46	117.21
Additions / (Deletion)	-	-	-	(1.24)	-	(9.06)	-	-	(10.30)
As at March 31,2018	**100.15**	**11.77**	**-**	**442.97**	**36.10**	**78.90**	**10.30**	**37.77**	**719.70**
Net Block :									
As at March 31, 2013	**94.87**	**1.82**	**4.09**	**291.31**	**20.38**	**23.81**	**1.13**	**25.14**	**462.53**
As at March 31, 2014	**85.37**	**1.82**	**4.09**	**267.37**	**18.19**	**85.26**	**2.98**	**24.85**	**489.92**
As at March 31, 2015	**89.12**	**1.82**	**-**	**264.23**	**13.80**	**58.20**	**1.44**	**21.87**	**448.73**
As at March	**80.97**	**1.82**	**75.28**	**247.18**	**12.70**	**40.27**	**0.75**	**22.96**	**480.18**

N. K. SWAMY & CO. M.No.33278 AHMEDABAD CHARTERED ACCOUNTANTS

Particlaurs	Building	Land	Capital WIP	Plant & Machinery	Furniture & Fixtures	Motor Vehicles	Computer	Intangible	Total
31, 2016									
As at March 31, 2017	95.22	531.94	8.15	367.33	12.22	56.88	0.70	31.36	1,102.06
As at March 31,2018	166.85	695.69	214.96	538.74	21.29	38.54	0.94	24.91	1,700.16

DETAILS OF NON-CURRENT INVESTMENTS AS RESTATED **ANNEXURE XVII**

(Amount in Lacs)

Particlaurs	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
(a) Investment in Equity instruments	13.38	13.38	13.48	13.48	13.48	13.38
(b) Investments in preference shares	-	-	-	-	-	-
(c) Investments in Government or Trust securities	-	-	-	-	-	-
(d) Investments in Debentures or Bonds	-	-	-	-	-	-
(e) Investments in Mutual Funds	-	-	-	-	-	-
(f) Investments in partnership firms*	-	-	-	-	-	-
(g) Other non-current investments	-	-	-	-	-	-
- Bank FD	-	-	-	-	-	-
- Plot Of Land	-	-	-	-	-	-
Aggregate Amount of Unquoted Investments	-	-	-	-	-	-
Aggregate Cost of Quoted Investments	-	-	-	-	-	-
Aggregate Cost of Unquoted Investments	13.38	13.38	13.48	13.48	13.48	13.38
Aggregate Market Value of Quoted Investments	-	-	-	-	-	-
Total	13.38	13.38	13.48	13.48	13.48	13.38

ASWANI & CO. M.No.33278 AHMEDABAD CHARTERED ACCOUNTANTS

Note:

Unquated Investments Inclueds Following

53511 Shares of KCCB of Rs.25 each	13.378	13.378	13.378	13.378	13.378	13.378
Investment in Liquid Fund	-	-	0.10	0.10	0.10	-
Total	13.378	13.378	13.478	13.478	13.478	13.378

DETAILS OF LONG TERM LOANS & ADVANCES AS RESTATED **ANNEXURE XVIII**

(Amount in Lacs)

Particlaurs	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Unsecured & Considered Good						
Security Deposits	34.55	10.01	10.96	10.78	19.60	20.79
Loans to employee	-	-	-	-	-	-
Margin Money With Banks	46.77	55.46	34.75	22.83	9.37	-
Capital advances	16.50	43.89	685.53	637.28	0.67	-
Loans and advances to related parties						
MONA M GANDHI	-	-	-	-	-	0.54
Total	**97.82**	**109.35**	**731.25**	**670.89**	**29.64**	**21.33**



DETAILS OF INVENTORIES AS RESTATED **ANNEXURE XIX**

(Amount in Lacs)

Particlaurs	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
a. Raw Materials and components (Valued at Cost or NRV unless otherwise stated)	101.72	156.19	116.58	99.25	77.92	78.01
Goods-in transit	-	-	-	-	-	-
Sub-Total	**101.72**	**156.19**	**116.58**	**99.25**	**77.92**	**78.01**
b.WIP(Valued at Cost or NRV unless otherwise stated)	-	-	-	-	-	-
Goods-in transit	-	-	-	-	-	-
c. Finished goods (Valued at Cost or NRV unless otherwise stated)	210.07	119.10	122.51	132.58	328.49	124.88
Total	**210.07**	**119.10**	**122.51**	**132.58**	**328.49**	**124.88**
d. Stock-in-trade (Valued at Cost or NRV unless otherwise stated)	-	-	-	-	-	-
Goods-in transit	-	-	-	-	-	-
e.Consumables (Valued at Cost or NRV unless otherwise stated)	1.45	2.10	0.82	0.69	1.24	1.17
Goods-in transit	-	-	-	-	-	-
Sub-Total	**1.45**	**2.10**	**0.82**	**0.69**	**1.24**	**1.17**
Total	**313.24**	**277.38**	**239.91**	**232.52**	**407.65**	**204.07**

Notes: Value of Inventories as on March 31, 2018 has been taken as certified by the management of the company

DETAILS OF TRADE RECEIVABLES AS RESTATED **ANNEXURE XX**

(Amount in Lacs)

Particlaurs	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Unsecured & Considered Good						
a. From Director / Promoters / Promoter Group / Associates / Relatives of Directors / Group Companies						
Over Six Months	-	-	-	-	-	-
Less than Six Months	-	-	-	-	-	-
b. From Others						
Over Six Months	-	1.47	0.42	6.04	1.30	-
Less than Six Months	624.81	512.91	488.07	482.81	376.96	373.57
Less:Provision For Doubtfull	-	-	-	-	-	-

K.K. SWAMY & CO. M.No.33278 AHMEDABAD CHARTERED ACCOUNTANTS

Debt						
Total	**624.81**	**514.38**	**488.49**	**488.95**	**578.25**	**373.57**

Notes:

- Trade Receivables as on March 31,2018 has been taken as certified by the management of the company
- As per the view of the management of the company there is no doubtful debt and hence provision for doubtful debts have not been mad

DETAILS OF CASH AND CASH EQUIVALENTS AS RESTATED **ANNEXURE XXI**

(Amount in Lacs)

Particlaurs	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Balances with banks	1.14	3.40	118.00	2.32	-	0.51
Cash on hand	1.77	4.56	1.85	2.37	1.98	1.57
Fixed deposits having maturity more than 3 months but less than 12 months	-	-	-	-	7.66	-
Margin Money Deposit For Bank Guarantee	22.13	6.59	22.83	2.63	69.78	17.65
Total	25.04	14.55	142.67	7.32	79.42	19.73

DETAILS OF SHORT TERM LOANS & ADVANCES AS RESTATED **ANNEXURE XXII**

(Amount in Lacs)

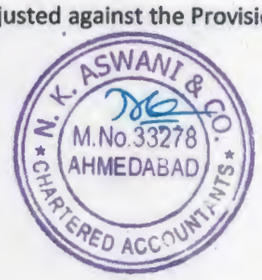
Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
A. Loans and advances to related parties						
Secured, considered good	-	-	-	-	-	-
Unsecured, considered good:-	-	-	-	-	-	-
Doubtful	-	-	-	-	-	-
Less:Provision for doubtful loans and advances	-	-	-	-	-	-
	-	-	-	-	-	-
B. Security Deposits						
Secured, considered good	-	-	-	-	-	1.00
Unsecured, considered good	-	-	-	-	-	-
Doubtful	-	-	-	-		-
Less:Provision for	-	-	-			-

N.K. ASWANI & CO. M.No.33278 AHMEDABAD CHARTERED ACCOUNTANTS

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
doubtful loans and advances						
	-	-	-	-	-	1.00
C. Balances with government authorities						
(i) VAT / CENVAT/Excise credit receivable/GST/Export incentinve Receivable	247.22	173.56	126.88	138.70	250.37	195.67
(ii) TDS / TCS Receivables	-	-	-	-	-	-
(iii) Advance / Self Assessment Tax	-	-	-	-	-	-
(v) Subsidy Receivable	16.30	34.16	-	-	1.13	9.57
(vi) MAT Credit Entitlement	-	-	-	-	-	-
	263.53	207.72	126.88	138.70	251.50	205.24
D. Others (specify nature)						
- Advance to Suppliers	-	2.60	1.61	5.65	1.17	1.45
- Advance to Staff	3.84	5.08	1.93	2.22	1.59	1.69
- Advance to Others	-	-	-	-	-	-
- Other Prepaid Expenses	33.60	8.37	7.81	7.16	6.45	4.24
- Secured & Considered Good	-	-	-	-	-	-
- Advance Payment for Purchase of Fixed Asset	-	-	-	-	-	-
- Interest Receivable	12.58	14.12	3.82	1.10	4.31	0.84
- Other Receivables	5.85	4.15	0.13	4.90	24.75	2.01
	55.88	34.32	15.30	21.02	38.27	10.22
Total A+B+C+D	**319.40**	**242.06**	**142.18**	**159.72**	**289.76**	**216.46**

Notes:

- Advances Given to Suppliers have been taken as certified by the management of the company
- No Securities have been taken by the company against the advances given to the suppliers
- Advance Tax and TDS Receivables have been adjusted against the Provision for Direct Tax



DETAILS OF REVENUE FROM OPERATIONS AS RESTATED **ANNEXURE XXIII**

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Domestic Sales						
Revenue from sale of products:- Mfg. (Net of Goods Return)	1,811.87	1,217.75	1,065.95	957.14	1,371.49	1,055.61
Revenue from sale of products:- Trading (Net of Goods Return)	2.03	4.49	16.30	21.35	53.03	2.25
Revenue from sale of products:-] (Net of Goods Return)	-	-	-	-	-	-
Export Sales						
Revenue from sale of products:- Mfg. (Net of Goods Return)	2,080.16	1,799.76	1,492.29	1,932.11	2,234.15	1,320.47
Revenue from sale of products:- Trading (Net of Goods Return)	43.98	53.38	51.11	165.41	61.90	139.02
Revenue from sale of products	3,938.04	3,075.39	2,625.65	3,076.02	3,720.56	2,517.35
Sale of services	-	-	-	-	-	-
	3,938.04	3,075.39	2,625.65	3,076.02	3,720.56	2,517.35
Other operating revenues	-	-	-	-	-	-
Trade Discount	-	-	-	-	-	-
Kasar & Discounts	-	-	-	-	-	-
Freight Income	-	-	-	-	-	-
Job Work Income	-	-	-	-	-	-
Sale of Waste	-	-	-	-	-	-
Scrap sales	-	-	-	-	-	-
Export Incentives	77.76	85.41	41.56	39.46	50.46	38.91
	77.76	85.41	41.56	39.46	50.46	38.91
Gross revenue from operations	**4,015.80**	**3,160.80**	**2,667.21**	**3,115.48**	**3,771.03**	**2,556.26**
Net revenue from operations	**4,015.80**	**3,160.80**	**2,667.21**	**3,115.48**	**3,771.03**	**2,556.26**

DETAILS OF OTHER INCOME AS RESTATED **ANNEXURE XXIV**

(Amount in Lacs)

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	Naturre of Income
Profit on sale of fixed assets	0.79	0.47	0.02	-	-		Non Recurring & Not Related to Business Activity

N. K. ASWANI & CO. M.No.33278 AHMEDABAD CHARTERED ACCOUNTANTS

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	Naturre of Income
Foreign Exchange Gain	11.81	-	4.46	20.49	45.95	22.50	Recurring & Related to Business Activities
Dividend Income	1.61	1.61	1.61	2.01	2.01	2.01	Recurring & Non Related to Business Activities
Interest Income	8.67	10.01	6.16	6.00	7.36	4.30	Recurring & Not Related to Business Activity
Sundry balance written off	0.42	-	1.36	1.15	-	-	Non Recurring & Non Related To Business Activity
Profit on sale of investment	-	0.02	-	-	-	-	Non Recurring & Not Related to Business Activities
Scrap Sale	0.29	2.06	-	-	-	-	Non Recurring & Not Related to Business Activities
Misc Income	-	-	0.12	-	-	-	Non Recurring & Not Related to Business Activities
Job Work Income	-	-	4.34	-	-	-	Non Recurring & Related to Business Activities
Total	**23.58**	**14.15**	**18.06**	**29.64**	**55.32**	**28.81**	
% of Other Incoem To Net Profit	**9.88%**	**11.10%**	**70.73%**	**118.01%**	**26.04%**	**67.91%**	

N. K. ASWANI & CO. CHARTERED ACCOUNTANTS M.No.33278 AHMEDABAD

Restated Statement of Employee Benefit Expenses **ANNEXURE XXV**

(Amount in Lacs)

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Salaries and Wages						
Salary and wages	177.82	140.78	147.94	155.20	98.22	95.38
Bonus & Incentives	37.12	22.84	18.11	16.56	48.44	23.27
Remuneration to director	134.40	134.40	134.40	120.00	106.72	32.45
Sub-Total	**349.33**	**298.02**	**300.45**	**291.76**	**253.38**	**151.10**
Contribution to provident and other fund						
Contribution to provident and other funds for others	44.84	43.40	24.86	55.45	23.93	12.51
Provision for Gratuity	(0.86)	3.35	2.65	7.14	16.85	25.71
Sub-Total	**43.98**	**46.75**	**27.51**	**62.59**	**40.78**	**38.21**
Staff welfare Expenses	-	-	-	-	-	-
Staff Welfare Expenses	4.55	3.46	3.58	2.32	3.69	2.71
Sub-Total	**4.55**	**3.46**	**3.58**	**2.32**	**3.69**	**2.71**
Total	**397.86**	**348.23**	**331.54**	**356.68**	**297.86**	**192.02**

Restated Statement of Finance Cost **ANNEXURE XXVI**

(Amount in Lacs)

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Interest						
Interest on short-term loans from Banks	24.81	28.65	19.50	42.13	15.43	26.21
Interest on long-term loans from Banks	8.23	3.30	30.46	2.71	3.65	10.19
Interest on Unsecured Loans	27.05	37.39	37.78	57.19	9.70	7.57
Sub-Total	60.08	69.34	87.74	102.03	28.78	43.97
Other Borrowing costs						
Other Borrowing costs	26.61	20.31	16.20	17.86	11.25	7.78
Sub-Total	26.61	20.31	16.20	17.86	11.25	7.78
Total	86.69	89.65	103.94	119.90	40.03	51.75

N. K. ASWANI & CO. CHARTERED ACCOUNTANTS M.No.33278 AHMEDABAD

Restated Statement of Other Expenses

ANNEXURE XXVII

(Amount in Lacs)

Particulars	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Advertisement & Publicity Expenses	-	-	-	-	-	5.51
Audit Fees	2.03	2.38	1.74	1.71	1.58	1.36
Business Promotion Exp	7.53	14.05	13.21	11.84	14.11	-
Power , Fuel & Electricity Exp	441.35	313.90	337.23	296.92	304.48	296.79
Labour & Processing Charges	0.24	15.16	0.70	5.71	-	7.99
Rent	8.70	23.10	20.70	20.70	20.70	21.02
Shipping Expenses	46.28	40.37	34.54	44.52	36.14	37.46
Stationery & Printing Exp	11.74	8.27	8.07	8.18	6.83	5.55
Donation	0.71	1.00	1.80	1.00	1.02	0.11
Commission & Brokerage	40.44	15.20	8.10	8.26	8.83	8.57
Freight Exp	12.88	6.48	5.48	7.39	7.17	6.94
Insurance Expenses	22.72	23.63	22.83	21.44	20.79	5.53
Loading/ Unloading exps	-	0.74	1.38	0.75	0.43	0.26
Foreign Exchange Fluctuation loss	-	7.62	-	-	-	-
Professional & Legal Charges	6.71	3.23	18.27	19.21	19.95	6.03
Loss on sale of fixed asset	-	-	-	4.09	1.56	-
Rate & Taxes	5.59	10.78	18.72	12.11	12.98	10.09
Pollution Control Exp	123.73	125.89	125.43	64.65	63.71	63.87
Repairs & Maintenance Expenses	63.66	84.99	79.23	98.26	103.59	71.17
Telephone EXP	4.75	4.82	5.76	4.36	3.82	3.77
Other Sales & Distribution Expense	1.47	0.82	0.36	0.73	0.65	0.49
Deferred Revenue Expenditure w/off	-	-	0.71	0.94	3.04	3.04
Packing material Consumed	23.02	53.64	51.84	56.57	56.32	47.93
Travelling & Conveyance Exp	11.72	6.54	4.54	5.75	5.67	5.97
Laboratory Expense	2.85	1.40	1.76	2.52	4.02	2.60
Sundry Balance Written off	0.06	2.78	-	-	0.44	-
Misc Exp	3.64	2.60	3.69	3.50	2.21	1.10
Total	**841.81**	**769.40**	**766.10**	**701.10**	**700.02**	**613.13**

N. K. ASWANI & CO. M.No.33278 AHMEDABAD CHARTERED ACCOUNTANTS

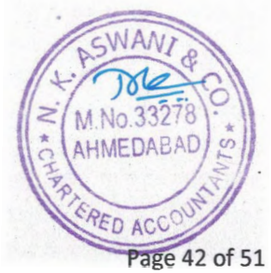
DETAILS OF RELATED PARTIES TRANSACTIONS AS RESTATED

ANNEXURE XXVIII
(Amount in Lacs)

Name of the Party	Nature of Relation	Nature of Transaction	Amount Outstanding as on 31.03.12 (Payable)/ Receivable	Amount of Transaction Debited in 2012-13	Amount of Transaction Credited in 2012-13	Amount Outstanding as on 31.03.13 (Payable)/ Receivable	Amount of Transaction Debited in 2013-14	Amount of Transaction Credited in 2013-14	Amount Outstanding as on 31.03.14 (Payable)/ Receivable	Amount of Transaction Debited in 2014-15	Amount of Transaction Credited in 2014-15	Amount Outstanding as on 31.03.15 (Payable)/ Receivable	Amount of Transaction Debited in 2015-16	Amount of Transaction Credited in 2015-16	Amount Outstanding as on 31.03.16 (Payable)/ Receivable	Amount of Transaction Debited upto 31.03.2017	Amount of Transaction Credited upto 31.03.2017	Amount Outstanding as on 31.03.17 (Payable)/ Receivable	Amount of Transaction Debited upto 31.03.2018	Amount of Transaction Credited upto 31.03.2018	Amount Outstanding as on 31.03.2018 (Payable)/ Receivable
Maunal Gandhi	Director	Unsecured Loans	(0.08)	6.84	6.90	(0.14)	7.76	8.51	(0.89)	73.43	97.59	(25.05)	102.14	103.51	(26.41)	92.55	70.22	(4.08)	80.13	136.73	(60.68)

N. K. ASWANI & CO. M.No.33278 AHMEDABAD CHARTERED ACCOUNTANTS

Maunal Gandhi	Director	Director's Remuneration	0.37	11.43	16.23	(4.43)	40.52	53.36	(17.27)	75.11	60.00	(2.16)	69.36	67.20	-	66.94	67.20	(0.26)	64.28	67.20	(3.17)
Maunal Gandhi	Director	Sundry Debtors	-	-	-	-	0.91	0.91	-	-	-	-	-	-	-	-	-	-	-	-	-
Minku Gandhi	Director	Unsecured Loans	(0.00)	5.78	6.35	(0.57)	8.86	10.83	(2.54)	94.46	121.12	(29.20)	28.73	85.39	(85.87)	172.28	93.05	(6.64)	25.48	24.01	(5.17)
Minku Gandhi	Director	Director's Remuneration	0.38	11.13	16.23	(4.71)	40.40	53.36	(17.68)	75.51	60.00	(2.16)	69.36	67.20	-	63.76	67.20	(3.44)	67.06	67.20	(3.58)
Shantibhai Gandhi	Father of Director	Unsecured Loans	(0.03)	7.49	7.85	(0.39)	2.54	2.48	(0.33)	102.85	124.73	(22.20)	52.05	78.80	(48.95)	233.42	209.79	(25.32)	148.03	149.82	(27.10)



Shantibhai Gandhi	Father of Director	Salary	(0.02)	7.17	9.95	(2.80)	17.05	15.70	(1.45)	35.09	35.98	(2.33)	38.21	35.98	(0.10)	33.59	35.98	(2.48)	33.23	33.00	(2.25)
Ushaben Gandhi	Mother of Director	Unsecured Loans	(8.14)	7.69	10.64	(11.09)	7.68	38.92	(42.33)	67.77	25.44	-	-	-	-	-	-	-	-	-	-
Monaben Gandhi	Wife of Director	Unsecured Loans	(0.01)	14.20	13.65	0.54	2.31	3.00	(0.14)	2.46	4.76	(2.44)	4.11	12.98	(11.32)	19.11	25.79	(18.00)	48.04	46.19	(16.15)
Monaben Gandhi	Wife of Director	Salary	(0.63)	6.89	10.04	(3.77)	16.37	14.04	(1.44)	27.24	26.34	(0.54)	11.37	11.29	(0.45)	9.72	10.54	(1.26)	8.62	10.54	(3.18)
Pankajbhai Mehta	Father in law of		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

N. K. ASWANI & CO. M.No.33278 AHMEDABAD CHARTERED ACCOUNTANTS

	Director																				
Ushaben Mehta			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mehulbhai Mehta			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ami Desai			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hina Desai			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Shefali Gandhi	Wife of Director	Unsecured Loans	(0.22)	12.92	13.05	(0.35)	3.53	3.28	(0.10)	3.16	3.15	(0.10)	2.06	6.25	(4.29)	14.71	28.66	(18.24)	48.37	46.11	(15.97)
Shefali Gandhi	Wife of Director	Salary	(0.40)	6.66	10.04	(3.77)	16.49	14.01	(1.29)	27.68	26.44	(0.05)	10.45	10.54	(0.14)	9.72	10.54	(0.95)	8.30	10.54	(3.18)
Aadit Gandhi	Son of Director	Unsecured Loans	-	-	-	-	-	-	-	-	-	-	-	-	-	2.40	78.45	(76.05)	3.23	7.66	(80.48)
Sureshbhai Shah	Father in		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

N. K. ASWANI & CO. M.No.33278 AHMEDABAD CHARTERED ACCOUNTANTS

	law of Director																				
Geeta Shah Krunal Shah	Mother in law of Director		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HUF Industries	Sister concern	Unsecured loans	-	-	0.45	(0.45)	0.60	2.19	(2.04)	0.88	2.76	(3.92)	0.27	36.41	(40.05)	61.98	71.08	(49.15)	406.34	428.97	(71.78)
HUF Industries	Sister concern	Rent	-	-	-	-	8.70	8.70	-	0.87	8.70	(7.83)	8.71	8.70	(7.83)	8.70	8.70	(7.83)	8.70	8.70	(7.83)
Minku Gandhi HUF	Sister concer	Unsecured loans	(11.05)	11.40	9.97	(9.62)	0.45	10.70	(19.87)	13.19	44.32	(51.00)	1.39	12.68	(62.29)	80.92	38.28	(19.66)	190.94	261.32	(90.04)

N. K. ASWANI & CO. M.No.33978 AHMEDABAD CHARTERED ACCOUNTANTS

	n																			
Minku Gandhi HUF	Sister concern	Rent	(3.24)	9.24	6.00	-	-	-	-	0.60	6.00	(5.40)	6.00	6.00	(5.40)	6.12	7.20	(6.48)	6.48	-	-
Maunal Gandhi HUF	Sister concern	Unsecured loans	(11.22)	13.40	10.35	(8.18)	0.25	11.68	(19.61)	13.22	44.72	(51.11)	1.92	10.75	(59.95)	79.56	39.36	(19.75)	177.94	231.04	(72.84)
Maunal Gandhi HUF	Sister concern	Rent	(3.24)	9.24	6.00	-	6.00	6.00	-	0.60	6.00	(5.40)	6.00	6.00	(5.40)	6.12	7.20	(6.48)	6.48	-	-
Ushanti Corporation	Sister concern	Unsecured Loans	(0.02)	8.52	14.35	(5.85)	5.85	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ushanti Corporation	Sister concern	Sundry Creditors	-	-	-	-	4.33	8.50	(4.17)	6.61	8.26	(5.81)	12.20	8.10	(1.71)	6.37	8.64	(3.98)	3.98	-	-



Deepak G Gandhi	Relative of KMP	Unsecured Loans	(0.58)	0.07	-	(0.51)	0.08	0.07	(0.50)	0.03	0.06	(0.53)	0.17	0.07	(0.43)	-	0.05	(0.48)	0.60	0.12	-
Gaurang G Gandhi	Relative of KMP	Unsecured Loans	(0.85)	0.23	-	(0.62)	0.62	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Arjun M Gandhi	Relative of KMP	Unsecured Loans	-	-	-	-	-	-	-	-	-	-	-	-	-	14.05	90.10	(76.05)	3.08	7.44	(80.42)



DETAILS OF SUMMARY OF ACCOUNTING RATIOS AS RESTATED **ANNEXURE XXIX**

(Amount in Lacs)

Ratio	As at March 31,2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Restated PAT as per statement of profit &loss	238.52	127.53	25.53	25.12	212.40	42.42
Weighted average number of equity shares at the end of the year/ period	5,375,700	488,700	488,700	488,700	488,700	488,700
No. of Equity Shares at the end of the year / period	5,375,700	488,700	488,700	488,700	488,700	488,700
Bonus Issue	-	4,887,000	4,887,000	4,887,000	4,887,000	4,887,000
No. of Equity Shares post bonus issue	5,375,700	5,375,700	5,375,700	5,375,700	5,375,700	5,375,700
Net Worth , as Restated	**869.78**	**631.27**	**503.73**	**478.20**	**454.83**	**242.43**
Earnings Per Share						
Basic & Diluted (Rs)	**4.44**	**26.10**	**5.22**	**5.14**	**43.46**	**8.68**
Adjsuted EPS (Rs)	**4.44**	**2.37**	**0.47**	**0.47**	**3.95**	**0.79**
Return on net worth (%)	**27.42%**	**20.20%**	**5.07%**	**5.25%**	**46.70%**	**17.50%**
Net Asset value per Equity Share	**16.18**	**129.17**	**103.08**	**97.85**	**93.07**	**49.61**
Net Asset value per Equity Share post bonus issue	**16.18**	**11.74**	**9.37**	**8.90**	**8.46**	**4.51**
Nominal value per equity share (Rs.)	**10.00**	**10.00**	**10.00**	**10.00**	**10.00**	**10.00**

N. K. ASWANI & CO. M.No.33278 AHMEDABAD CHARTERED ACCOUNTANTS

Notes:

2. The ratios have been Computed as per the following formulas

   (i) Basic Earning per Share

Restated Profit after Tax available to equity shareholders
Weighted average number of equity shares outstanding at the end of the year / period

(ii) Net Asset Value (NAV) per Equity Share

Restated Networth of Equity Share Holders
Number of equity shares outstanding at the end of the year / period

(iii) Return on Net Worth (%)

Restated Profit after Tax available to equity shareholders
Restated Networth of Equity Share Holders

3. Net Profit as restated, as appearing in the statement of profit and losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the restated financial information of the Company.
4. Earning per share calculations are done in accordance with Accounting Standard 20 "Earning Per Share", issued by the Institute of Chartered Accountants of India.
5. Prior to Issue, the company has made the following changes in its capital structure, the effects of which have been considered in computing the above accounting ratios
   a. During the Financial Year 2011-12 the Company has Forfeited 20000(on Which Rs.5each(Face Value) was paid up) Number of shares relating to Aqua Water filtech (india) Private Limited due to non payment of balance call money.
   b. During FY 2017-18, the company has issued & Allotted 48,87,000 number of bonus share wide a resolution passed in the board meeting of the company held at the registered office of the company held at 16th March, 2018.
   c. During FY 2017-18 the company has increased its authorized capital from Rs.60.00/- Lacs to Rs.550.00/- Lacs wide a resolution passed at the EGM of the company held at the registered office of the company on 3rd January,2018.
   d. During FY 2017-18 the company has increased its authorized capital from Rs.550.00/- Lacs to Rs.1000.00/- Lacs wide a resolution passed at the EGM of the company held at the registered office of the company on 15th March,2018

CAPITALIZATION STATEMENT AS RESTATED AS AT March 31, 2018 **ANNEXURE XXX**

(Amount in Lacs)

Particulars	Pre Issue	Post Issue
Borrowings:		
Short-term Debt (A)	617.55	617.55
Long-term Debt (B)	701.38	121.38
Total debts (C)	1,318.93	738.93
Shareholders' funds		
Share capital	538.57	730.17
Reserve and surplus	331.21	1294.21
Total shareholders' funds (D)	869.78	2024.38
Long term debt / shareholders' funds (B/D)	0.81	0.06
Total debt / shareholders' funds (C/D)	1.52	0.37

1. Short term debts represent debts which are due within 12 months from March 31,2018 .
2. Long term debts represent debts other than short term debts, as defined above but includes current maturities of long term debt.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at March 31,2018.

N. K. AGRAWAL & CO. M.No.33278 AHMEDABAD CHARTERED ACCOUNTANTS

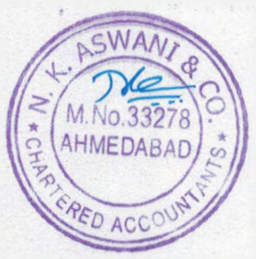
STATEMENT OF TAX SHELTERS AS RESTATED **ANNEXURE XXXI**

(Amount in Lacs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Profit before tax, as restated (A)	350.91	205.45	46.67	42.48	323.74	65.26
Normat Corporate Tax Rate (%)	27.55	33.06	30.90	30.90	32.45	30.90
Minimum Alternativve Tax Rate (%)	20.39	20.39	19.06	19.06	20.01	19.06
Adjustments :						
Permanent differences						
Expenses disallowed under Income Tax Act, 1961	5.95	3.29	1.18	(1.56)	-	-
Donation	0.71	0.50	0.94	0.50	0.52	0.11
Total permanent differences(B)	**6.67**	**3.79**	**2.12**	**(1.06)**	**0.52**	**0.11**
Income considered separately (C.)	**10.27**	**11.61**	**7.76**	**8.00**	**9.37**	**6.31**
Timing differences	-	-	-	-	-	-
Depreciation as per Books	117.21	84.00	89.48	102.99	63.81	68.84
Depreciation as per IT Act	111.40	78.58	68.20	71.51	66.24	61.89
Other Disallowance including u/s. 43B	(0.79)	(0.47)	(0.02)	4.09	1.56	-
Gratuity	(2.89)	2.92	2.58	5.58	14.50	24.52
Total timing differences (D)	**2.13**	**7.88**	**23.84**	**41.14**	**13.62**	**31.47**
Net adjustments E = (B+C+D)	**19.07**	**23.28**	**33.72**	**48.09**	**23.51**	**37.88**
Tax expense / (saving) thereon	**5.25**	**7.70**	**10.42**	**14.86**	**7.63**	**11.71**
Income from other sources (F)	**10.27**	**11.61**	**7.76**	**8.00**	**9.37**	**6.31**
Exempt Income (G)	-	-	-	-	-	-
Income/(loss) (A+E+F-G)	**380.25**	**240.34**	**88.16**	**98.56**	**356.61**	**109.44**
Braught Forward Loss Set Off	-	-	-	-	-	-
- Ordinary Business Loss	-	-	-	-	-	-
- Unabsorbed Depreciation	-	-	-	-	-	-

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- Total	-	-	-	-	-	-
Taxable income/(loss)	**380.25**	**240.34**	**88.16**	**98.56**	**356.61**	**109.44**
Tax as per Normal Provision	**104.77**	**79.46**	**27.24**	**30.46**	**115.70**	**33.82**
Income/(loss) as per MAT	**350.91**	**205.45**	**46.67**	**42.48**	**323.74**	**65.26**
Braught Forward Loss Set Off	-	-	-	-	-	-
Taxable income/(loss) as per MAT	**350.91**	**205.45**	**46.67**	**42.48**	**323.74**	**65.26**
Income tax as per MAT	**71.55**	**41.89**	**8.90**	**8.10**	**61.69**	**12.43**
Tax paid as per "MAT" or "Normal Provisions"	Normal Provision	Normal Provision	Normal Provision	Normal Provision	Normal Provision	Normal Provision



MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our Restated Financial Statements which have been included in this Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Restated Financial Statements for the years ended March 31, 2018, 2017 and 2016 including the related notes and reports, included in this Prospectus prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited financial statements for the respective years. Accordingly, the degree to which our Restated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "Risk Factors" and "Forward Looking Statements" beginning on pages 19 and 18, respectively, and elsewhere in this Prospectus.

Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.

OVERVIEW

Our Company was originally incorporated as 'Ushanti Colour Chem Private Limited' under the provisions of Companies Act, 1956 at Gujarat *vide* Certificate of Incorporation issued by Registrar of Companies, Gujarat on May 12, 1993. Consequently, it was converted into a public limited company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on February 19, 2018 and the name of our Company was changed to 'Ushanti Colour Chem Limited' and a fresh certificate of incorporation consequent upon Conversion of Private Company to Public Limited dated March 07, 2018 was issued by Registrar of Companies, Gujarat, Ahmedabad. The Corporate Identification Number of our Company is U24231GJ1993PLC019444.

Our Company is in the business of manufacturing and trading of Dyestuffs since 1993 The Company manufactures Reactive and Direct Dyestuffs also known as Synthetic Organic Dyes with an integrated production process. The company also manufactures Copper Phthalocyanine, Blue Crude which are one of the major raw materials used for manufacturing of Dyestuffs. The pigment and dyestuffs manufactured by us caters to the raw material requirement of textile, garment, cotton, leather, nylon, paper, wool, ink, wood, plastic and paint industries. We concentrate in manufacturing "Turquoise Blue" Dyestuffs and Pigments. The company has 3 manufacturing facilities situated together at Vatva GIDC in Gujarat. The facilities are spread over 2,739 sq. meters in total area. Our company also has its own Ice generation machinery, further it recovers Ammonium Carbonate from its effluent stream which are reused in the plant as well as sold to the Soda Ash Industry reducing wastage giving us incremental revenue.The company currently has a production capacity of approx. 2,520 tons per annum. The manufacturing facilities are equipped with requisite machineries to keep a constant check on quality. The company is an ISO 9001:2015 certified company certifying the quality of the product our company manufactures.

Our Company manufactures dyes of various concentrations which influences the pricing of the product. We procure quality raw materials from Chemical industries present in Domestic markets who manufactures intermediates of dyestuffs. Our focus on "Turquoise Blue" Dyestuffs has assisted us to be become a niche player in the segment. Our company generates most of its revenue from export operations and has received from Certificate of Recognition as Export House, products of the company are exported to countries like, Turkey, Egypt, Bangladesh, Pakistan, Indonesia, China etc. We have a dedicated Research & Development and Quality Control Team, which looks after the quality of the product we manufacture. Our customers are mostly traders who sell directly to textile manufacturers as well as other industries. Our relationship with our traders and esteemed customer base are key factors of our success in the industry.

Our Company is promoted and managed by Mr. Maunal Gandhi and Mr. Minku Gandhi. With decades of experience in this industry, our promoters along with the team of management are actively involved in the day-to-day affairs of our company's operations adding valuable knowledge and experience required for sustainable growth.

Our presence in the business for more than 2 decades have aided us to create a brand image coupled with the industry experience we possess, our brand is well received by the market and we aim to continue to further strengthen our brand by supplying qualitative products at competitive prices across the globe.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled *"Risk Factors"* beginning on page 19 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- General economic and business conditions;
- Changes in laws and regulations that apply to the industry in which operate;
- Competition from existing and new entrants;
- Intense competition from China; and
- Volatility in price of raw-material.

SIGNIFICANT ACCOUNTING POLICIES

(a) Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reported period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the Carrying amounts of Assets or Liabilities in future periods.

(b) Fixed Assets:

Fixed assets are stated at cost of acquisition, including any attributable cost for bringing the asset to its working condition for its intended use, less accumulated depreciation. CENVAT credit availed but not adjusted against excise duty payment is treated as CENVAT credit receivable and shown under 'Loans and Advances". Fixed assets on which CENVAT credit is not availed is shown at full value.

(c) Depreciation:

"Up to March 31st, 2014 depreciation on fixed assets has been provided on WDV at the rate and in the manner prescribed in Schedule XIV to the Companies Act, 1956 over their useful life. W.e.f April 1st, 2014 depreciation is provided based on useful life of asset as prescribed in Schedule II to Companies Act 2013 except non charging of 100% depreciation on assets costing below Rs. 5000/-. The carrying amount as on April 1st, 2015 is depreciated over the balance useful life of asset.

Depreciation on additions to the assets and the assets sold or disposed off, during the year is provided on pro-rata basis, at their respective useful lives or rate of depreciation as prescribed with reference to the date of acquisition / installation or date of sale / disposal.

(d) Revenue Recognition:

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue from sale of goods is recognized on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for price, significant risk and rewards of

ownership are transferred to the customers and no effective ownership is retained. Sales comprises sale of goods and services, net of trade discounts and include exchange differences arising on sales transactions.

(e) Inventory Valuation:

Inventories are valued at lower of cost or NRV whichever is lower.

The company has not included Excise duty payable on closing stock of finished Goods, in Value of Finished Goods as Disclosed in Financial statement with contravention to the Guidelines as mentioned in AS-2 "Valuation of Inventory". However, such non-inclusion will not affect Profit/Loss for the year.

(D) Foreign Currency Transactions:

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Monetary foreign currency assets and liabilities are translated into Rupees at the exchange rate prevailing at the Balance Sheet Date. All exchange differences are dealt with in Profit and Loss Account.

(E) Investments:

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

On initial recognition, all investments are measured at cost. The cost comprises price and directly attributable acquisition charges such as brokerage, fees and duties.

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

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

(F) Employee Benefits:

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when an employee renders the related services. The company has no obligations, other than the contribution payable to the provident fund.

(G) Taxation:

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the Tax Authorities in accordance with the Income Tax Act, 1961 enacted or substantively enacted at the reporting date.

Deferred Tax Assets or Deferred Tax Liability is recognized on timing difference being the difference between taxable income and accounting income. Deferred Tax Assets or Differed Tax Liability is measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future.

(H) Borrowing Cost:

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

(I) Segment Reporting:

The company is engaged in the business of dealing with Manufacturing of Dyestuff. Considering the nature of the Business and Financial Reporting of the Company, the company is operating in Two Geographical Segments, i.e. Domestic and Export Market. However, the company has not maintained separate data for the purpose of the Segmental Reporting.

(J) Provisions and Contingent Liabilities:

A provision is recognized when the company has a present obligation as a result of past event; it is probable that an outflow of resources will 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 based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

(Amount in Lakhs)

Particulars	For the period ended March 31, 2018	For the period ended March 31, 2017	For the period ended March 31, 2016	For the period ended March 31, 2015	For the period ended March 31, 2014	For the period ended March 31, 2013
Bank Guarantee issued by Bank	49.02	43.95	42.22	48.87	54.41	28.30

(K) Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

OVERVIEW OF REVENUE AND EXPENSES

Revenue and Expenses

Our revenue and expenses are reported in the following manner:

Total Revenue

Our Total Revenue comprises of revenue from operations and other income.

Revenue from operations: Our gross revenue from operations comprises of revenue from sale of manufactured goods viz., alpha blue, copper phthalocyanine and turquoise blue dye. Our Company also derives its revenue from trading of dyestuffs and pigments, however, the proportion of trading revenue in the revenue from operations has been declining from 2.75% in the financial year 2015-16 to 1.29 % of the total revenue from operations for the year ended March 31, 2018. Our revenue from operations includes export incentives as well.

Other Income: Our other income comprises of recurring and non-recurring income items. Recurring income items include dividend income, interest income, and income from foreign exchange rate difference. Non-recurring income items include profit on sale of fixed assets, write back of sundry balances, profit on sale of investments, scrap sale, job work income and miscellaneous income.

Expenses

Our expenses comprise of cost of material consumed, purchase of stock in trade, employee benefit expenses, finance costs, depreciation and amortisation expenses and other expenses.

Cost of material consumed: Cost of material consumed primarily consists of cost of raw materials that include vinyl sulphone, phosphorus, trichloride, soda ash, ammonium molybdate, etc.

Purchase of Stock In Trade: It comprises of purchase of Synthetic Organic Dyestuffs, Pigments and Intermediates, etc.

Change in Inventory of Finished Goods: Change in inventory of finished goods consist of consist of changes in our inventory of finished goods as at the beginning and end of the year.

Employee benefit expenses: Our employee benefit expenses include salary, wages and bonus, directors' remuneration, contribution to provident and other funds, provision for gratuity and staff welfare expenses.

Finance costs: Our finance costs comprise of interest on secured and unsecured borrowings and other borrowing costs.

Depreciation and amortisation expenses: Depreciation and amortisation expenses comprise of depreciation on tangible fixed assets and amortisation of intangible assets.

Other expenses: Our other expenses majorly consist of power, fuel and electricity charges, rent, repairs and maintenance, insurance, rates and taxes, travelling and conveyance, professional & legal charges, auditor's remuneration, sales promotion expenses, printing and stationery, brokerage and commission, shipping expenses, donation, loss on foreign currency transactions and translations (net), freight expenses, labour & processing charges, pollution control expenses, telephone expenses, transport expenses, packing material, laboratory and miscellaneous expenses etc. among others.

Our Results of Operations

The following table sets forth select financial data from our restated financial statement of profit and loss for the financial years 2018, 2017 and 2016 the components of which are also expressed as a percentage of total revenue for such periods:

(Rs. in Lakhs)

Particulars	**For the Year Ended March 31,**		
	2018	**2017**	**2016**
Total Revenue:			
Revenue from operations	3,651.29	2,947.86	2,493.25
As a % of Total Revenue	99.36%	99.52%	99.28%
Other income	23.58	14.15	18.06
As a % of Total Revenue	0.64%	0.48%	0.72%
Total Revenue	**3,674.87**	**2,962.01**	**2,511.31**
Expenses:			
Cost of material consumed	1,942.40	1,416.40	1,123.63
As a % of Total Revenue	52.86%	47.82%	44.74%
Purchase of stock in trade	28.96	45.46	39.89
As a % of Total Revenue	0.79%	1.53%	1.59%
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	(90.97)	3.42	10.06
As a % of Total Revenue	-2.48%	0.12%	0.40%
Employee benefit expenses	397.86	348.23	331.54
As a % of Total Revenue	10.83%	11.76%	13.20%
Finance costs	86.69	89.65	103.94
As a % of Total Revenue	2.36%	3.03%	4.14%
Depreciation and amortization expense	117.21	84.00	89.48
As a % of Total Revenue	3.19%	2.84%	3.56%
Other expenses	841.81	769.39	766.09
As a % of Total Revenue	22.91%	25.98%	30.51%
Total Expenses	**3,323.95**	**2,756.56**	**2,464.63**

Particulars	For the Year Ended March 31,		
	2018	2017	2016
As a % of Total Revenue	90.45%	93.06%	98.14%
Profit before exceptional, extraordinary items and tax	**350.91**	**205.45**	**46.67**
As a % of Total Revenue	9.55%	6.94%	1.86%
Exceptional items	-	-	-
Profit before extraordinary items and tax	**350.91**	**205.45**	**46.67**
As a % of Total Revenue	9.55%	6.94%	1.86%
Extraordinary items	-	-	-
Profit before tax	**350.91**	**205.45**	**46.67**
PBT Margin	**9.55%**	6.94%	1.86%
Tax expense :			
(i) Current tax	104.77	79.46	27.24
(ii) Deferred tax (Credit)	7.63	(1.55)	(6.10)
(iii) MAT Credit	-	-	-
Total Tax Expense	**112.40**	**77.92**	**21.14**
% of total income	**3.06%**	**2.63%**	**0.84%**
Profit for the year	**238.52**	**127.53**	**25.53**
PAT Margin	**6.49%**	**4.31%**	**1.02%**

FINANCIAL YEAR 2017-18 COMPARED WITH FINANCIAL YEAR 2016-17

Total Revenue

Our total revenue increased by 24.07 % to Rs. 3,674.87 lakhs for the financial year 2017-18 from Rs. 2,962.01 lakhs for the financial year 2016-17 due to the factors described below:

Revenue from operations: Our net revenue from operations increased by 23.86 % to Rs. 3,651.29 lakhs for the financial year 2017-18 from Rs. 2,947.86 lakhs for the financial year 2016-17. The increase was mainly due to increase in our gross revenue from sale of manufactured products by 28.98 % to Rs 3,892.03 lakhs in the financial year 2017-18 from Rs 3,017.52 lakhs for the financial year 2016-17. However, the increase was slightly offset by decrease in sale of products traded by Rs. 11.86 lakhs in the financial year 2017-18. The increase in sale of manufactured products was because of more demand due to Chinese imports, better product mix and competitive pricing. Our revenue from export incentives also decreased to Rs. 77.76 lakhs for the financial year 2017-18 from Rs. 85.41 lakhs for the financial year 2016-17.

Other income: Our other income increased by 66.60 % to Rs. 23.58 lakhs for the financial year 2017-18 from Rs. 14.15 lakhs for the financial year 2016-17 mainly due to increase in income from foreign exchange rate difference to Rs 11.81 for financial year 2017-18 from Rs. Nil for financial year 2016-17 and increase in profit on sale of fixed assets by Rs 0.32 lakhs in the financial year 2017-18 which was Rs. 0.47 lakhs for financial

year 2016-17 as compared to Rs 0.79 lakhs for financial year 2017-18.. However, the increase was partially offset by decrease in interest income on margin money deposit by Rs. 1.34 lakhs, decrease in income from scrap sale by Rs. 1.77 lakhs and decrease in income from sale of investments by Rs. 0.02 lakhs in the financial year 2017-18. Decrease in interest income on margin money deposit was primarily due to less bank guarantees required for documentation

Total Expenses

Our total expenses increased by 20.58 % to Rs. 3,323.95 lakhs for the financial year 2017-18 from Rs. 2,756.56 lakhs for the financial year 2016-17, due to the factors described below:

Cost of material consumed: Cost of material consumed for the year ended March 31, 2018 was Rs. 1,942.40 lakhs which increased by 37.14 % as compared to Rs. 1,416.40 lakhs in financial year 2016-17. Our Cost of material constituted 52.86 % of our total revenue for the year ended March 31, 2018. Increase in cost of material consumed was primarily due to increase in prices of raw materials as well as increase in production.

P*urchase of stock in trade:* Our purchase of stock in trade has decreased by 36.30 % to Rs. 28.96 lakhs for the financial year 2017-18 from Rs. 45.46 lakhs for the financial year 2016-17. Decrease in purchase of stock in trade was primarily due to decrease in sale of traded products.

Changes in inventories of finished goods: Our changes in inventory of finished goods changed by (2761.91)% to Rs. (90.97) lakhs in financial year 2017-2018 from Rs. 3.42 lakhs in financial year 2016-2017. This was primarily due to higher level of closing stock at end of financial year 2017-2018 compared to financial year 2016-2017.

Employee benefits expenses: Our employee benefit expenses increased by 14.25% to Rs. 397.86 lakhs for the financial year 2017-18 from Rs. 348.23 lakhs for the financial year 2016-17. The increase was mainly due to increase in salary and wages by Rs 37.04 lakhs, bonus & incentives by Rs. 14.27 lakhs and staff welfare expenses by Rs 1.09 lakhs. However, this increase was offset by decrease in contribution to provident and other fund by Rs 2.78 lakhs. Increase in salary and wages was primarily due to higher salaries given to staff particularly key staff members.

Finance costs: Our finance costs decreased by 3.30 % to Rs. 86.69 lakhs for the financial year 2017-18 from Rs. 89.65 lakhs for the financial year 2016-17. Decrease in our finance cost was primarily due to decrease in our interest expense by Rs. 9.26 lakhs. However, this decrease was offset by increase in other borrowing cost by Rs. 6.30 Lakhs. The decrease in our interest cost was primarily due to decrease in interest expense on unsecured loans by Rs 10.35 lakhs and decrease in interest expense on short-term borrowing from bank by Rs 3.84 lakhs. However this decrease in interest expense was offset by increase in interest expense on long term borrowing by Rs 4.93 lakhs.

Depreciation and amortization expense: Our depreciation and amortization expense increased by 39.53% to Rs. 117.21 lakhs for the financial year 2017-18 from Rs. 84.00 lakhs for the financial year 2016-17. Depreciation on tangible assets in the financial year 2017-18 increased by Rs. 32.84 lakhs while amortization expense increased by Rs. 0.36 lakhs in the financial year 2017-18.

Other expenses: Our other expenses increased by 9.41% to Rs. 841.81 lakhs for the financial year 2017-18 from Rs. 769.39 lakhs for the financial year 2016-17. The increase was mainly due to increase in power, fuel & electricity expenses by Rs 127.45 lakhs, commission & brokerage expenses by Rs 25.24 lakhs, freight expenses by Rs 6.40 lakhs, shipping expenses by Rs 5.91 lakhs, travelling & conveyance expenses by Rs 5.18 lakhs, professional & legal charges by Rs 3.48 lakhs, stationery & printing expenses by Rs 3.47 lakhs, laboratory expenses by Rs 1.44 lakhs, miscellaneous expenses by Rs 1.04 lakhs, other sales & distribution expenses by Rs 0.65 lakh in the financial year 2017-18. However, the increase was partially offset by decrease in packing material consumed expenses by Rs 30.63 lakhs, repairs & maintenance expenses by Rs 21.34 lakhs, labour & processing charges expenses by Rs 14.92 lakhs, rent expenses by Rs 14.40 lakhs, foreign exchange fluctuation loss by Rs 7.62 lakhs, business promotion expenses by Rs 6.52 lakhs, rate & taxes expenses by Rs 5.19 lakhs, sundry balance written off by Rs 2.72 lakhs, pollution control expenses by Rs 2.16 lakhs, insurance expenses by Rs 0.91 lakh, loading/ unloading expenses by Rs 0.74 lakh, audit fees by Rs 0.35 lakh, donation expenses by Rs 0.29 lakh and telephone expenses by Rs 0.07 lakh in the financial year 2016-17.

Profit before tax: Our profit before tax increased by 70.80 % to Rs. 350.91 lakhs for the financial year 2017-18 from Rs. 205.45 lakhs for the financial year 2016-17. The increase was mainly due to higher efficiency of production, better product mix, better technology of use and disposal of effluents.

Tax expenses: Our tax expenses increased by 44.25 % to Rs. 112.40 lakhs for the financial year 2017-18 from Rs. 77.92 lakhs for the financial year 2016-17 mainly due to increase in our current tax expense by Rs. 25.30 lakhs and decrease in deferred tax benefits by Rs. 9.18 lakhs in the financial year 2017-18.

Profit after tax: Due to reasons mentioned above, our profit after tax increased by 87.02 % to Rs. 238.52 lakhs for the financial year 2017-18 from Rs. 127.53 lakhs for the financial year 2016-17.

FINANCIAL YEAR 2016-17 COMPARED WITH FINANCIAL YEAR 2015-16

Total Revenue

Our total revenue increased by 17.95% to Rs. 2,962.01 lakhs for the financial year 2016-17 from Rs. 2,511.31 lakhs for the financial year 2015-16 due to the factors described below:

Revenue from operations: Our net revenue from operations increased by 18.23% to Rs. 2,947.86 lakhs for the financial year 2016-17 from Rs. 2,493.25 lakhs for the financial year 2015-16. The increase was mainly due to increase in our gross revenue from sale of manufactured products by 17.95% to Rs 3,017.52 lakhs in the financial year 2016-17 from Rs 2,558.24 lakhs for the financial year 2015-16. However, the increase was slightly offset by decrease in sale of products traded by Rs. 9.54 lakhs in the financial year 2016-17. The increase in sale of manufactured products was because of more demand due to chinese imports, better product mix and competitive pricing. Our revenue from export incentives also increased significantly to Rs. 85.41 lakhs for the financial year 2016-17 from Rs. 41.56 lakhs for the financial year 2015-16.

Other income: Our other income decreased by 21.64% to Rs. 14.15 lakhs for the financial year 2016-17 from Rs. 18.06 lakhs for the financial year 2015-16 mainly due to decrease in income from foreign exchange rate difference to Nil for financial year 2016-17 from Rs. 4.46 lakhs for financial year 2015-16, decrease in job work to Nil for the financial year 2016-17 which was Rs. 4.34 lakhs for financial year 2015-16 and decrease in sundry balances write off income which was Nil for the financial year as against Rs.1.36 lakhs for the financial year 2015-16. However, the decrease was partially offset by increase in interest income on margin money deposit by Rs. 3.85 lakhs, increase in income from scrap sale by Rs. 2.06 lakhs and increase in income from sale of investments by Rs. 0.45 lakhs in the financial year 2016-17. Increase in interest income on margin money deposit was primarily due to more bank guarantees required for documentation related to export, GST and GPCB.

Total Expenses

Our total expenses increased by 11.84 % to Rs. 2,756.56 lakhs for the financial year 2016-17 from Rs. 2,464.63 lakhs for the financial year 2015-16, due to the factors described below:

Cost of material consumed: Cost of material consumed for the year ended March 31, 2017 was Rs. 1,416.40 lakhs which increased by 26.06% as compared to Rs. 1,123.63 lakhs in financial year 2015-16. Our Cost of material constituted 47.82% of our total revenue for the year ended March 31, 2017. Increase in cost of material consumed was primarily due to sudden shortage of Vinyl Sulphone, Phthalic Anhydride in the market.

P*urchase of stock in trade:* Our purchase of stock in trade has increased by 13.98% to Rs. 45.46 lakhs for the financial year 2016-17 from Rs. 39.89 lakhs for the financial year 2015-16 which was due to increase in the price of the raw materials of the products traded.

Changes in inventories of finished goods: Our changes in inventory of finished goods changed by (66.03)% to Rs. 3.42 lakhs in financial year 2016-17 from Rs. 10.06 lakhs in financial year 2015-16. This was primarily due to lower level of closing stock at end of financial year 2016-17 compared to financial year 2015-16.

Employee benefits expenses: Our employee benefit expenses increased by 5.03 % to Rs. 348.23 lakhs for the financial year 2016-17 from Rs. 331.54 lakhs for the financial year 2015-16. The increase was mainly due to increase in contribution to PF and Gratuity fund by Rs. 19.24 lakhs, However, this increase was offset by decrease in Salary and Wages by Rs 2.43 lakhs. Decrease in salary and wages was due to better productivity while the increase in employee benefit expenses was due to higher provisions for gratuity. Our total number of employees decreased to 70 in the financial year 2016-17 from 75 in financial year 2015-16.

Finance costs: Our finance costs decreased by 13.74 % to Rs. 89.65 lakhs for the financial year 2016-17 from Rs. 103.94 lakhs for the financial year 2015-16. Decrease in our finance cost was primarily due to decrease in our interest expense by Rs. 18.40 lakhs. However, this decrease was offset by increase in other borrowing cost by Rs. 4.11 Lakhs. The decrease in our interest cost was primarily due to repayment of our borrowings during the financial year 2016-17. Our total outstanding borrowings decreased to Rs. 778.86 lakhs as on March 31, 2017 from Rs. 1099.26 lakhs as on March 31, 2016.

Depreciation and amortization expense: Our depreciation and amortization expense decreased by 6.12% to Rs. 84.00 lakhs for the financial year 2016-17 from Rs. 89.48 lakhs for the financial year 2015-16. Depreciation on tangible assets in the financial year 2016-17 decreased by Rs. 6.95 lakhs while amortization expense increased by Rs. 1.47 lakhs in the financial year 2016-17.

Other expenses: Our other expenses increased by 0.43% to Rs. 769.39 lakhs for the financial year 2016-17 from Rs. 766.09 lakhs for the financial year 2015-16. The increase was mainly due to increase in labour & Processing charges by Rs. 14.46 lakhs, foreign exchange loss by Rs. 7.62 lakhs, commission and brokerage expenses by Rs. 7.10 lakhs, shipping charges by Rs. 5.83 lakhs, repairs & maintenance by Rs. 5.76 lakhs, write off of sundry balances by Rs. 2.78 lakhs, rent expenses by Rs. 2.40 lakhs, travel & conveyance by Rs. 2.01 lakhs and packing material charges by Rs. 1.81 lakhs among others. However, the increase was partially offset by decrease in power, fuel & electricity expenses by Rs. 23.33 lakhs, legal & professional charges by Rs. 15.04 lakhs, rates & taxes by Rs. 7.94 lakhs, among others in the financial year 2016-17.

Profit before tax: Our profit before tax increased by 340.19% to Rs. 205.45 lakhs for the financial year 2016-17 from Rs.46.67 lakhs for the financial year 2015-16. The increase was mainly due to higher efficiency of production, better product mix, better technology of use and disposal of effluents.

Tax expenses: Our tax expenses increased by 268.55 % to Rs. 77.92 lakhs for the financial year 2016-17 from Rs. 21.14 lakhs for the financial year 2015-16 mainly due to increase in our current tax expense by Rs. 52.22 lakhs and decrease in deferred tax benefits by Rs. 4.55 lakhs in the financial year 2016-17.

Profit after tax: Due to reasons mentioned above, our profit after tax increased by 399.51 % to Rs. 127.53 lakhs for the financial year 2016-17 from Rs. 25.53 lakhs for the financial year 2015-16.

Other Key Ratios

The table below summaries key ratios in our Restated Financial Statements for the financial years ended March 31, 2017 and 2016:

Particulars	For the year ended March 31,		
	2018	2017	2016
Fixed Asset Turnover Ratio	2.50	2.77	6.53
Debt Equity Ratio	1.52	1.23	2.18
Current Ratio	0.89	0.95	0.93
Inventory Turnover Ratio	12.36	11.40	10.56

Fixed Asset Turnover Ratio: This is defined as revenue from operations divided by total fixed assets excluding capital work in progress and intangible assets, based on Restated Financial Statements.

Debt Equity Ratio: This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings and current maturity of long term debt, based on Restated Financial Statements.

Current Ratio: This is defined as current assets divided by current liabilities, based on Restated Financial Statements.

Inventory Turnover Ratio: This is defined as revenue from operations divided by average inventory. Average inventory is computed by dividing the sum of opening inventory and closing inventory by two, based on

Restated Standalone Financial Information.

Cash Flow

The table below summaries our cash flows from our Restated Financial Information for the financial years 2018, 2017 and 2016:

(Rs. in lakhs)

Particulars	For the year ended March 31,		
	2018	**2017**	**2016**
Net cash (used in)/ generated from operating activities	308.76	412.25	191.87
Net cash (used in)/ generated from investing activities	(770.07)	(171.66)	(155.97)
Net cash (used in)/ generated from financing activities	471.81	(368.72)	99.45
Net increase/ (decrease) in cash and cash equivalents	10.49	(128.12)	135.35
Cash and Cash Equivalents at the beginning of the period	14.55	142.67	7.32
Cash and Cash Equivalents at the end of the period	25.04	14.55	142.67

Operating Activities

Financial year 2017-18

Our net cash generated from operating activities was Rs. 308.76 lakhs for the financial year 2017-18. Our operating profit before working capital changes was Rs. 531.94 lakhs for the financial year 2017-18 which was primarily adjusted by payment of income tax of Rs. 104.77 lakhs, increase in trade receivables by Rs. 110.43 lakhs, increase in inventories by Rs 35.86 lakhs, decrease in trade payable by Rs. 47.25 lakhs, increase in other current liabilities by Rs. 7.23 lakhs, decrease in short term provision by Rs. 14.24 lakhs, increase in other non-current liabilities by Rs 84.87 lakhs and decrease in long term provision by Rs 2.75 lakhs.

Financial year 2016-17

Our net cash generated from operating activities was Rs. 412.25 lakhs for the financial year 2016-17. Our operating profit before working capital changes was Rs. 374.63 lakhs for the financial year 2016-17 which was primarily adjusted by payment of income tax of Rs. 79.46 lakhs, increase in short term provision by Rs. 17.61 lakhs, increase in trade receivables by Rs. 25.90 lakhs, increase in trade payables by Rs. 208.91 lakhs, increase in inventories by Rs. 37.47 lakhs, decrease in other current liabilities by Rs. 49.09 lakhs and increase in long term provision by Rs 3.03 lakhs

Financial year 2015-16

Our net cash generated from operating activities was Rs. 191.87 lakhs for the financial year 2015-16. Our operating profit before working capital changes was Rs. 227.85 lakhs for the financial year 2015-16, which was primarily adjusted by payment of income tax of Rs. 27.24 lakhs, increase in short term provision by Rs. 23.97 lakhs, decrease in trade receivables by Rs. 0.46 lakhs, decrease in trade payables by Rs. 71.13 lakhs, increase in inventories by Rs. 7.40, decrease in other non-current assets by Rs 0.70 lakhs, increase in other current liabilities by Rs. 42.30 lakhs and increase in long term provision by Rs 2.35 lakhs

Investing Activities

Financial year 2017-18

Net cash used in investing activities was Rs. 770.07 lakhs for the financial year 2017-18 This was primarily on account of purchase of fixed assets amounting to Rs. 715.30 lakhs and repayment of short term loan & advances by Rs. 77.36 lakhs which was partially offset by proceeds from long term loan & advances of Rs. 11.53 lakhs, profit on sale of fixed assets of Rs 0.79 lakhs, dividend income of Rs 1.61 lakhs and interest income of Rs. 8.67 lakhs.

Financial year 2016-17

Net cash used in investing activities was Rs. 171.66 lakhs for the financial year 2016-17. This was primarily on account of purchase of fixed assets amounting to Rs. 705.88 lakhs and repayment of short term loan & advances of Rs 99.86 lakhs which was partially offset by proceeds from long term loan & advances of Rs. 621.89 lakhs, dividend income of Rs 1.61 lakhs, profit on sale of investment of Rs 0.02 lakhs, profits on sale of fixed assets by Rs 0.47 lakhs, decrease in non-current investment by Rs 0.10 lakhs and interest income of Rs. 10.01 lakhs.

Financial year 2015-16

Net cash used in investing activities was Rs. 155.97 lakhs for the financial year 2015-16. This was primarily on account of purchase of fixed assets amounting to Rs. 120.93 lakhs and repayment of long term loan & advances of Rs 60.35 lakhs which was partially offset by proceeds from short term loan & advances of Rs. 17.53 lakhs, profits on sale of fixed assets of Rs 0.02 lakhs, dividend income of Rs 1.61 lakhs and interest income of Rs. 6.16 lakhs.

Financing Activities

Financial year 2017-18

Net cash flow generated from financing activities for the financial year 2017-18 was Rs. 471.81 lakhs. This was primarily on account proceeds from long term borrowings amounting to Rs. 157.59 lakhs net gain on foreign exchange of Rs 11.81 lakhs and proceeds from short term borrowings of Rs. 389.09 Lakhs which was partially offset by interest payment amounting to Rs. 86.69 lakhs.

Financial year 2016-17

Net cash used in financing activities for the financial year 2016-17 was Rs. 368.72 lakhs. This was primarily on account of repayment of borrowings amounting to Rs. 271.44 lakhs, interest payment amounting to Rs. 89.65 lakhs and foreign exchange loss amounting to Rs. 7.62 lakhs.

Financial year 2015-16

Net cash generated from financing activities for the financial year 2015-16 was Rs. 99.45 lakhs. This was primarily on account of proceeds from long term borrowings amounting to Rs. 66.80 lakhs, proceeds from short term borrowings of Rs. 132.12 lakhs and net gain on foreign exchange of Rs 4.46 lakhs which was partially offset by interest payment amounting to Rs. 103.94 lakhs.

Financial Indebtedness

As on March 31, 2018, the total outstanding borrowings of our Company is Rs. 1,318.93 lakhs which included long-term borrowings of Rs. 653.72 lakhs, short term borrowings of Rs. 617.55 lakhs and current maturities of long term debt of Rs. 47.66 lakhs. For further details, refer chapter titled *"Financial Indebtedness"* beginning on page 197 of this Prospectus.

(Rs. in lakhs)

Particulars	As at March 31, 2018
Secured Loans	
Long Term Borrowings From Banks	
- Term Loans	133.09
Short Term Borrowings (Working Capital Loan from bank)	617.55
Sub Total (A)	**750.64**

Particulars	As at March 31, 2018
Unsecured Loans	
Long Term Borrowings	
- From Related Parties	520.63
Sub Total (B)	**520.63**
Current Maturities of Long Term Borrowings (C)	**47.66**
Total (A)+(B)+(C)	**1,318.93**

In the event, any of our lenders declare an event of default, such current and any future defaults could lead to acceleration of our repayment obligations, termination of one or more of our financing agreements or force us to sell our assets, any of which could adversely affect our business, results of operations and financial condition.

Related Party Transactions

Related party transactions with certain of our promoters, directors and their entities and relatives primarily relates to remuneration payable, loans & advances given and taken and Issue of Equity Shares. For further details of such related parties under AS18, refer chapter titled *"Financial Statements"* beginning on page 182 of this Prospectus.

Contingent Liabilities

The following table sets forth our contingent liabilities as of March 31, 2018 and March 31, 2017:

(Amount in Lakhs)

Particulars	For the period ended March 31, 2018	For the period ended March 31, 2017
Bank Guarantee issued by Bank	49.02	43.95

It is not practical for our Company to estimate the timings of cash outflow, if any in respect of above mentioned contingent liabilities. For further details, refer chapter titled *"Financial Statements"* beginning on page 182 of this Prospectus.

Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

Qualitative Disclosure about Market Risk

Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

Interest Rate Risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

Effect of Inflation

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

Credit Risk

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

Reservations, Qualifications and Adverse Remarks

Except as disclosed in chapter titled *"Financial Statements"* beginning on page 182 of this Prospectus, there have been no reservations, qualifications and adverse remarks.

Details of Default, if any, Including Therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution

Except as disclosed in chapter titled *"Financial Statements"* beginning on page 182 of this Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last five Fiscals.

Unusual or Infrequent Events or Transactions

As on date, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations

Indian rules and regulations as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company's operations or are likely to affect income from continuing operations except as described in chapter titled *"Risk Factors"* beginning on page 19 of this Prospectus.

Known Trends or Uncertainties that have had or are expected to have a Material Adverse Impact on Sales, Revenue or Income from Continuing Operations

Other than as described in the section titled *"Risk Factors"* beginning on page 19 of this Prospectus and in this chapter, to our knowledge there are no known trends or uncertainties that are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Future Changes in Relationship between Costs and Revenues, in Case of Events Such as Future Increase in Labour or Material Costs or Prices that will Cause a Material Change are known

Other than as described in chapter titled *"Risk Factors"* beginning on page 19 of this Prospectus and in this section, to our knowledge there are no known factors that might affect the future relationship between cost and revenue.

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

Changes in revenue in the last three financial years are as explained in the part *"Financial Year 2017-18 compared with financial year 2016-17 and Financial Year 2016-17 Compared With Financial Year 2015-16"* above.

Total Turnover of Each Major Industry Segment in Which the Issuer Operates

The company is engaged in the business of Manufacturing of Dyestuff (Direct and Reactive), Pigments and Intermediates (CPC Blue Crude). Considering the nature of the Business and Financial Reporting of the Company, the company is operating in Two Geographical Segments, i.e. Domestic and Export Market. The company has not maintained separate data for the purpose of the Segmental Reporting and hence in absence of the data from we are unable to report on the same.

Competitive Conditions

We have competition with Indian and international manufacturers and our results of operations could be affected by competition in the dyestuff industry in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies / entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled "Risk Factors" beginning on page 19 of this Prospectus.

Increase in income

Increases in our income are due to the factors described above in in this chapter under "*Significant Factors Affecting Our Results of Operations"* and chapter titled "*Risk Factors"* beginning on page 19 of this Prospectus.

Status of any Publicly Announced New Products or Business Segments

Except as disclosed elsewhere in the Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

Significant Dependence on a Single or Few Customers

Significant proportion of our revenues have historically been derived from a limited number of customers. The % of Contribution of our Company's customer *vis a vis* the total revenue from operations and the % of contribution of our Company's supplier vis a vis the cost of material consumed for the year ended March 31, 2018 are as follows:

Particulars	**Suppliers**	**Customers**
	As on March 31, 2018	**As on March 31, 2018**
Top 5 (%)	70.06%	27.61%
Top 10 (%)	88.52%	44.49%

Seasonality of Business

The nature of our business is not seasonal.

FINANCIAL INDEBTEDNESS

Our Company utilizes various credit facilities from banks and others for conducting its business. Set forth is a brief summary of our Company's secured and unsecured borrowings together with a brief description of certain significant terms of such financing arrangements.

SECURED BORROWINGS

1. Loan of Rs. 915.00 Lakhs from The Kalupur Commercial Co. Op Bank Limited on April 11, 2017 And renewal with change in the name of Company as on February 27, 2018.

Particulars				
Nature of Facility	**Secured loan (Fresh)**	**Cash Credit – Book Debts**	**EPC cum FBP/FBD (Renew)**	**Inland Bank Guarantee**
Amount	Rs. 230 Lakhs	Rs. 35.00 Lakhs	Rs. 600.00 Lakhs	Rs. 50.00 Lakhs
Purpose	For purchase of Industrial Plot No. DP 80+8l +82+83 at Saykha Industrial Estate, Gidc Ankleshwar, Bharuch.	Working capital requirement	Pre shipment finance for purchase of Raw Material for exports. Post-shipment finance of purchase / discount of documentary export bills having tenure of sight or usance upto 180 days, drawn under confirmed export order or Prime Bank's L/C.	For bidding the tenders, mobilization of advance money, performance of the contract, warrantees and guarantees in favour of Central / State Government and its departments and reputed.
Rate Of Interest/ Commission	9.5% p.a.	9.5% p.a.	9.50% p.a. with monthly rests.	1% p.a. (backed by Bank FDs 100% margin) 2% p.a.(less than 100% cash margin)
Margin	40% on Properties	40% Book Debts upto 90 days	10% on FOB 20% on C&F 30% on CIF	30% on Bank Guarantee 100% on Guarantees for Disputed Statutory Dues.
Repayment	60 Months	12 Months		
Security	1. Equitable mortgage of Leasehold Property at Plot No.88/6, 88/7, and 88/8 Phase 1, GIDC, Vatva, Ahmedabad and construction carried out thereon admeasuring about 637.16 sq.mts., 1412.62 sq. mts. and 1412.62 sq. mts. respectively; 2. Hypothecation of machineries, equipments, electrical installations, furniture and fixtures, office equipments, and other movable fixed assets of the Firms/Company, both present and future. 3. Hypothecation of entire raw materials, stock-in-process, stores and spares, packing materials, finished goods and book debts of the Firm/Company, both present and future.			

Third Party Personal Guarantees	1. Mr. Maunal Gandhi 2. Mr. Minku Gandhi 3. Mrs. Shefali Gandhi 4. Mrs. Mona Gandhi 5. Mr. Shantilal B Gandhi 6. M/s HUF Industries		
Amount Outstanding as on March 31, 2018	NA	Rs. 617.55 Lakhs	Rs. 49.83 Lakhs

Key Restrictive Covenants:

During the currency of advances the company and its directors have to undertake that they will:

- To Maintain Net Own Funds of Rs 1,100/- lakhs till the currency of the facilities
- To route atleast 80% of its sales turnover through their CC A/c with us & route all the export transaction through us.
- Not to divert funds
- To plough back profit in the business
- To improve and maintain current ratio at the minimum level of 1.33
- Bring additional long term funds to meet with the cost over run / time over run, if any.
- Bring additional long term funds to meet with the repayment obligations of the bank in time, if there is negative cash profit or positive cash profit is not adequate to service repayment obligations of the bank.
- Bring additional long term funds to meet with estimated/ projected net working capital, in case estimated/ projected net profit is not achieved.
- To improve and maintain Debt Equity ratio at maximum level of 2.

During the currency of the advance, the company/the firm and its promoters/proprietor/partners/directors will not without the bank's prior permission in writing:

- Implement any scheme of Expansion / Modernization / Diversification, except which are approved by our Bank.
- Formulate any scheme of Merger / Acquisition / Amalgamation Reconstitution.
- Any Change in the management set-up / capital structure of the Company.
- Enter in to borrowing either secured or unsecured with any other Bank / Financial institution /Corporate body / NBFC.
- Invest / deposit / lend funds to group firm & companies / directors / family members / other corporate bodies / firms / persons.
- Create any further charge, lien or encumbrances over the assets charged to the Bank in favour of any other Bank, Financial institution, NBFC, firm, company or person or otherwise dispose off any of the fixed assets.
- Undertake / guarantee obligation on behalf of any other borrower, Group firms / Companies.
- Pay commission / brokerage / fees etc to Guarantor / or any other person for guaranteeing the facilities sanctioned to the firm/Company.
- Declare dividends for any year, except out of the profits related to that year, after paying all dues and making provisions as required for that year, provided there is no default in repayment obligation by the Company to Banks / FIs.
- Allow the level of net working Capital to come down from the estimated / projected level.

2. Loan of Rs. 200.00 Lakhs from Small and Industrial Development Bank of India (SIDBI) on March 22, 2016

PARTICULARS		
Nature of Facility	**Term Loan**	**Soft Loan**
Loan Amount	Rs. 180.00 Lakhs	Rs. 20.00 Lakhs
Rate of Interest (Floating)	9.95% p.a. with monthly rests upto 3 years then PLR + 0.50% p.a.	9.35% p.a. with monthly rests upto 3 years then PLR + 0.50% p.a.
Amount Outstanding as on March 31, 2018	Rs. 111.00 lakhs	Rs. 12.35 lakhs
Primary Security	Hypothecation/ First Charge of Plant & Machinery equipment, tools, accessories, and all other assets which have been proposed to be acquired under the project/scheme.	
Collateral Security	a) Lien marked in favour of SIDBI of Fixed Deposit Receipts and life insurance policies of directors/companies and its relatives upto Rs. 100 lakhs. b) Personal Guarantee of Mr. Shantilal Gandhi, Mr. Minku Gandhi and Mr. Maunal Gandhi	
Tenor	84 months	

3. Auto Loan of Rs.15.00 Lakhs from HDFC Bank on February 23, 2017

PARTICULARS	
Nature of Facility	**Auto loan**
Loan Amount	Rs. 15.00 Lakhs
Rate of Interest (Floating)	8.35% p.a.
Amount Outstanding as on March 31, 2018	Rs. 9.73 Lakhs
Security	Secured by hypothecation of Vehicle under Hire Purchase
Tenor	60 months

4. Auto Loan of Rs.60.00 Lakhs from BMW Financial Services.

PARTICULARS		
Nature of Facility	**Auto loan**	**Auto loan**
Loan Amount	Rs. 30.00 Lakhs	Rs. 30.00 Lakhs
Contract Date	27/03/2014	28/03/2014
Rate of Interest (Floating)	9.65% p.a.	9.65% p.a.
Amount Outstanding as on March 31, 2018	Rs. 14.26 Lakhs	
Security	Secured by hypothecation of Vehicle under Hire Purchase	
Tenor	60 months	

5. Amount of Rs. 414.33 Lakhs payable to Gujarat Industrial Development Corporation

PARTICULARS	
Amount	414.33 Lakhs
Rate of Interest (Floating)	12.5%
Amount Outstanding as on March 31, 2018	414.33 Lakhs
Security	Secured by attachment of Land
Tenor	32 equal quarterly instalment

UNSECURED BORROWINGS

In addition to the secured borrowings availed by us from banks, we have also availed certain Unsecured loans. Set forth below is a brief summary of Unsecured Loans as of March 31, 2018:

1. Unsecured Borrowings from others:

a) From Directors:

Name of the Lender	Amount Outstanding as on March 31, 2018 (Rs. In Lakhs)
Maunal Gandhi	60.68
Minku Gandhi	5.17
Shantilal Gandhi	27.09
Total	**92.94**

b) From Related Parties

Name of the Lender	Amount Outstanding as on March 31, 2018 (Rs. In Lakhs)
Maunal Shantilal Gandhi HUF	72.84
Minku Shantilal Gandhi HUF	90.03
Mona Gandhi	16.15
Shefali Gandhi	15.97
HUF Industries	71.78
Aadit Gandhi	80.84
Arjun Gandhi	80.41
Total	**428.02**

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except, as stated in this section and mentioned elsewhere in this Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Subsidiaries, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters, Subsidiaries or Group Companies.

Except as disclosed below there are no i) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years; (ii) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action; (iii) pending proceedings initiated against our Company for economic offences; (iv) default and non-payment of statutory dues by our Company; (v) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company and Subsidiaries including fines imposed or compounding of offences done in those five years; or (vi) material frauds committed against our Company in the last five years.

Except as stated below there are no Outstanding Material Dues (as defined below) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on March 13, 2018 determined that outstanding dues to creditors in excess of Rs. 5.00 lakhs as per last audited financial statements shall be considered as material dues ("Material Dues").

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies, would be considered 'material' for the purposes of disclosure if the monetary amount of claim by or against the entity or person in any such pending matter exceeds Rs. 5.00 lakhs as determined by our Board, in its meeting held on March 13, 2018.

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered 'material' only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company.

Unless otherwise stated to the contrary, the information provided is as of the date of this Prospectus.

LITIGATIONS INVOLVING OUR COMPANY

LITIGATIONS AGAINST OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Proceedings against Our Company for economic offences/securities laws/ or any other law

Nil

Penalties in Last Five Years

USHANTI COLOUR CHEM PRIVATE LIMITED V. VATVA INDUSTRIAL ASSOCIATION AND THREE OTHERS

Vatva Industrial Association, a registered trust (hereinafter referred to as the "**Respondent - III**") issued a notice dated June 7, 2013 to Ushanti Colour Chem Limited (hereinafter referred to as the "**Petitioner**"). The Respondent - III levied a penalty amounting to Rs. 9,12,000/- on the Petitioner for damaging of storm water drainage, broken storm water drainage slab, breaking water supply pipe line, for breaking the main hole of domestic sureages and for keeping building material, stones, garbage's outside on the road. The Petitioner filed a writ petition under Article 226 of the Constitution of India before the High Court of Gujarat at Ahmedabad (hereinafter referred to as the "**Gujarat High Court**") against the Respondent - III. The Gujarat High Court passed an order dated January 13, 2016 dismissing the petition and discharging the notice. Further, the Gujarat High Court held that the Respondent - III is a registered trust and does not have any statutory powers like powers of corporation in case of certain defaults made by owner of land in industrial area, service of notices, authority for prosecution, as it is private association of the entrepreneur. Hence it is not a state under Article 12 of the Constitution of India. The Gujarat Industrial Development Corporation (hereinafter referred to as the "**Respondent – II**") informed Respondent - III vide letter dated March 19, 2016 bearing reference No. GIDC/ENG/ABD/EE/479 and letter dated April 16, 2016 bearing reference No. GIDC/ENG/ABD/EE/623 that a reconnection of water supply in the Petitioner's plot no. 88/6 and 88/7 be made with a condition of only one connection to be given for each plot. The Petitioner addressed the said matter to Hon'ble Prime minister vide letter dated January 27, 2017 & December 17, 2017. The Respondent - II vide letter dated January 16, 2018 bearing reference No. GIDC/ENG/PH/184 informed the Petitioner to resolve the matter amicably with Respondent - III by paying Rs 2,00,000/-. The Petitioner replied vide letter dated February 27, 2018 informing the Respondent - II that it has agreed upon settlement and has issued cheque dated February 27, 2018 amounting to **Rs. 2,00,000/-** in favour of Respondent - III for full and final settlement.

Pending Notices against our Company

Nil

Past Notices to our Company

Nil

Disciplinary Actions taken by SEBI or stock exchanges against Our Company

Nil

Defaults including non-payment or statutory dues to banks or financial institutions

Nil

Details of material frauds against the Company in last five years and action taken by the Companies.

Nil

LITIGATIONS FILED BY OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Details of any enquiry, inspection or investigation initiated under Companies Act, 2013 or any previous Company Law

Nil

LITIGATIONS INVOLVING DIRECTOR/S OF OUR COMPANY

LITIGATIONS AGAINST DIRECTOR/S OF OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Past Penalties imposed on our Directors

Nil

Proceedings initiated against our directors for Economic Offences/securities laws/ or any other law

Nil

Directors on list of wilful defaulters of RBI

Nil

LITIGATIONS FILED BY DIRECTOR/S OF OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

LITIGATIONS INVOLVING PROMOTER/S OF OUR COMPANY

LITIGATIONS AGAINST OUR PROMOTER/S

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Past Penalties imposed on our Promoters

Nil

Proceedings initiated against our Promoters for Economic Offences/securities laws/ or any other law

Nil

Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Promoter in last five years

Nil

Penalties in Last Five Years

Nil

Litigation /defaults in respect of the companies/Firms/ventures/ with which our promoter was associated in the past.

Nil

Adverse finding against Promoter for violation of Securities laws or any other laws

Nil

LITIGATIONS FILED BY OUR PROMOTER/S

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

LITIGATIONS INVOLVING OUR GROUP COMPANIES

As on date of Prospectus our company does not have Group Company

LITIGATIONS INVOLVING OUR SUBSIDIARY COMPANIES

As on date of Prospectus our company does not have Subsidiary Company

DETAILS OF ANY INQUIRY, INSPECTION OR INVESTIGATION INITIATED UNDER PRESENT OR PREVIOUS COMPANIES LAWS IN LAST FIVE YEARS AGAINST THE COMPANY OR ITS SUBSIDIARIES

Nil

OUTSTANDING LITIGATION AGAINST OTHER COMPANIES OR ANY OTHER PERSON WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY

Nil

MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET

Except as mentioned under the chapter — "Management Discussion and Analysis of Financial Condition and Result of Operation" on page 183 of this Prospectus, there have been no material developments, since the date of the last audited balance sheet.

OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

As of March 31, 2018 our Company had 215 creditors, to whom a total amount of Rs. 614.57 lakhs was outstanding. As per the requirements of SEBI Regulations, our Company, pursuant to a resolution of our Board dated March 13, 2018, considered creditors to whom the amount due exceeds Rs. 5.00 lakhs as per our Company's restated financials for the purpose of identification of material creditors. Based on the above, the following are the material creditors of our Company.

Rs. In Lakhs

Sr. No.	Creditors	Amount
1.	PANOLI INTERMEDIATES (INDIA) P.LTD.	101.17
2.	KUTCH CHEMICAL INDUSTRIES LIMITED	42.49
3.	KAMDHENU AGROCHEM INDUSTRIES	31.90
4.	SHYAM CHEMICAL ENTERPRISE	21.62
5.	NAVJYOT CHEMICALS & COMMODITIES PVT LTD	20.06
6.	LEO CHEMO PLAST PVT LTD	18.94
7.	CHEMIDA ENTERPRISE	18.88
8.	TRADEX CORPORATION	17.58
9.	REAL METAL CHEM PVT LTD	16.76
10.	J V MARKETING	15.03
11.	SANGINITA CHEMICALS LIMITED	14.54
12.	SHITAL CHEMICALS(PUR)	14.12
13.	ADANI GAS LIMITED	13.35
14.	TORRENT POWER LIMITED.	13.27
15.	ACID CHEM CORP.	13.25
16.	MEHTA BROTHERS	12.58
17.	JIGS CHEMICAL LIMITED	11.60
18.	AASHAL CHEMICALS	9.77
19.	INDUSIND BANK CREDIT CARD(M2- RS 9 LACS)	8.74
20.	NUCHEM DYESTUFF PVT LTD (PURC)	8.28
21.	GANDHI CHEMICALS	8.17
22.	HUE CHEM	7.97
23.	WISHWELL TRADERS	7.91
24.	INWAC METALS AND CHEMICALS PVT LTD	7.89
25.	HUF INDUSTRIES (RENT)	7.83
26.	JAY CORPORATION	7.31

Sr. No.	Creditors	Amount
27.	DILIPKUMAR SUDAMA PRASAD KUSHWAHA	6.88
28.	INDUSIND BANK CREDIT CARD(M1-RS 7 LACS)	6.53
29.	SHIVAM POLYMERS	5.99
30.	OMKAR GROUP	5.98
31.	SALARY PAYABLE A/C	5.74
32.	BAJAJ ALLIANZ GENERAL INSURANCE CO LTD	5.01
	Total	**507.14**

Further, none of our creditors have been identified as micro enterprises and small scale undertakings by our Company based on available information. For complete details about outstanding dues to creditors of our Company, please see the website of our Company www.ushanti.com.

Information provided on the website of our Company is not a part of this Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, www.ushanti.com, would be doing so at their own risk.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government/RBI, various Government agencies and other statutory and/ or regulatory authorities required for carrying on our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. In order to operate our business of manufacturing and marketing of dyestuff, we require various approvals and/ or licenses under various laws, rules and regulations. For further details in connection with the applicable regulatory and legal framework, please refer to the chapter titled "Key Industry Regulations and Policies" on page 143 of this Prospectus.

The Company has its business located at:

Registered Office, Manufacturing Unit and Raw Material Storage: 88/6, 88/7, 88/8, Phase – 1 GIDC, Vatva, Ahmedabad - 382445, Gujarat, India.

Proposed Unit II: Plot No. C-18, Sayka Industrial Estate, Sayka GIDC, Bharuch, Gujarat, India

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

Further, except as mentioned herein below, our Company has not yet applied for any licenses for the proposed activities as contained in the chapter titled 'Objects of the Issue' beginning on page no. 97 of this Prospectus to the extent that such licenses/approvals may be required for the same.

APPROVALS FOR THE ISSUE

Corporate Approvals:

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on March 19, 2018, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra-Ordinary General Meeting held on March 24, 2018, authorized the Issue.

In- principle approval from the Stock Exchange

We have received in-principle approvals from the stock exchange for the listing of our Equity Shares pursuant to letter dated June 29, 2018 bearing reference no. NSE/LIST/171.

Agreements with NSDL and CDSL

1. The Company has entered into an agreement dated May 22, 2018 with the Central Depository Services (India) Limited ("CDSL") and the Registrar and Transfer Agent, who in this case is, Bigshare Services Private Limited, for the dematerialization of its shares.
2. Similarly, the Company has also entered into an agreement dated May 30, 2018 with the National Securities Depository Limited ("NSDL") and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited, for the dematerialization of its shares.
3. The Company's International Securities Identification Number ("ISIN") is INE00NI01015.

INCORPORATION AND OTHER DETAILS

1. The Certificate of Incorporation dated May 12, 1993 issued by the Registrar of Companies, Ahmedabad, in the name of "USHANTI COLOUR CHEM PRIVATE LIMITED".
2. Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public company issued on March 07, 2018 by the Registrar of Companies, Ahmedabad in the name of "USHANTI COLOUR CHEM LIMITED".

3. The Corporate Identification Number (CIN) of the Company is U24231GJ1993PLC019444.

APPROVALS/LICENSES RELATED TO OUR BUSINESS ACTIVITIES

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:

Sr. No.	Description	Authority	Registration No./ Reference No./ License No.	Date of Issue	Date of Expiry
1	Certificate of Importer-Exporter Code (IEC)	Foreign Trade Development Officer, Ahmedabad, Ministry of Commerce, Government of India	0802001335	May 21, 2002	In case of change in name/address or constitution of IEC holder, the IEC holder shall cease to be eligible to Import or Export against the IEC after the expiry of 90 days from the date of such a change unless in the meantime, the consequential changes are effected in the IEC by the concerned licensing authority.
2	Entrepreneurs Memorandum for setting micro, small and medium Enterprises Unit.	General Manager, District Industries Center, Ahmedabad, Government of Gujarat	Entrepreneurs Memorandum No. (Part II): 24-007-12-01208	June 02, 2007	NA
3	License to work a factory (under Factories Act, 1948 and Rules made thereunder)	Joint Director, Industrial Safety and Health, Ahmedabad Region, Directorate Industrial Safety and Health Gujarat State	Registration No: 6747/20114/2002 License No: 25132	November 29, 2016	December 31, 2020
4	Certificate of Recognition-Export House	Office of Joint Director General of Foreign Trade, Ministry of Commerce and Industry,	Status holder No: 08/14/1948/140424 File No: 08/75/105/00046/AM15	Date of Issue- April 24, 2014	March 31, 2019

	(under Foreign Trade Policy 2009-2014)	Government of India		Effective Date: April 01, 2014	

TAX RELATED APPROVALS/LICENSES/REGISTRATIONS

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
1	Permanent Account Number (PAN)	Income Tax Department, Government of India	AAACU1963H	June 26, 2009	Perpetual
2	Tax Deduction Account Number (TAN)	Income Tax Department through National Securities Depository Limited (NSDL), Ministry of Finance, Government of India	AHMU00322A	**Not traceable**	Perpetual
3	Goods and Service Tax Identification Number (GSTIN)	Government of Gujarat and Government of India	24AAACU1963H1ZG	June 25, 2017	This is a Certificate of Provisional Registration
4	Certificate of Registration (under Gujarat Value Added Tax Act, 2003 read with Gujarat Value Added Tax Rules, 2006)	Assistant Commercial Tax Officer, Commercial Tax Department, Government of Gujrat.	24075700677	July 01, 2002	N/A
5	Certificate of Registration of Service Tax (under Chapter V of the Finance Act, 1994 read with the Service Tax Rules, 1994)	Central Board of Excise and Customs, Ministry of Finance, Department of Revenue	AAACU1963HST001	Date of Issue of original: January 07, 2005 Date of last amendment: August 30, 2013	NA
6	Certificate of Registration Central Sales Tax (under Rule 5(1) of Central Sales Tax (Registration and Turnover) Rules, 1957)	Assistant Commercial Tax Officer, Commercial Tax Department, Government of Gujarat.	24575700677	April 01, 1999	Until Cancelled

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
7	Central Excise Registration Certificate (under Rule 9 of the Central Excise Rules, 2002)	Assistant Commissioner of Central Excise, Central Board of Excise and Customs, Ministry of Finance, Department of Revenue	AAACU1963H XM 001	April 04, 2002	Perpetual/ Till Surrendered or Suspended
8	Professional Tax Enrollment Certificate (PTEC) (under Section 5 of Gujarat Panchayats, Muncipalities, Municipal Corporations and State Tax on Professions, Traders, Callings and Employments Act, 1976)	Ahmedabad Municipal Corporation	PEC014403413	February 13, 2013	NA
9	Professional Tax Registration Certificate (PTRC) (under Section 5 of Gujarat Panchayats, Muncipalities, Municipal Corporations and State Tax on Professions, Traders, Callings and Employments Act, 1976)	Ahmedabad Municipal Corporation	PRC014400657	February 15, 2013	NA

LABOUR RELATED APPROVALS/REGISTRATIONS

Sr. No.	Description	Authority	Registration No./Reference No./License No.	Date of Issue
1.	Employees Provident Fund Registration (under Employees' Provident Funds and Miscellaneous Provisions Act, 1952)	Employees Provident Fund Organisation, Ministry of Labour, Government of India	GJ/AHD/50093	June 17th, 2003

2	Registration for Employees State Insurance (under Employees State Insurance Act, 1948)	Employees State Insurance Corporation	Employer's Code No. 37000233350000304	August 20, 2002

ENVIRONMENT RELATED LICENSES /APPROVALS/ REGISTRATIONS

Sr No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1	Consent to Establish the Unit for a product at a particular production capacity issued by State Pollution Control Board	Gujarat Pollution Control Board	CTE-Amendment No. 61289	April 17, 2014	March 26, 2019
2	Consent to Operate issued by State Pollution Control Board under Section 25 of the Water (Prevention &Control of Pollution) Act, 1974 &under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Authorisation / Renewal of Authorisation under Rule 5 of the Hazardous Wastes (Management, handling & Transboundary movement) Rules 2008	Gujarat Pollution Control Board	AWH-61750	April 19, 2014	December 29, 2018

OTHER BUSINESS-RELATED APPROVALS

Sr No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1	Membership Certificate of M/s. Ecocare Infrastructure Private Limited for treatment, Storage and Disposal	M/s. Ecocare Infrastructures Private Limited, Managing Director	ECIPL-006	April 04, 2016	October 10, 2019

	Facility (TSDF)				
3	Letter of Approval for colourants/ textile auxiliaries according to the applicable criteria of the Global Organic Textile Standard (GOTS)	CU Inspections and Certifications India Private Limited	Approval letter no. 848883-01.2017	October 18, 2017	October 18, 2018
4	Registration as beneficiary of Multi Evaporator System and quantity booked 1000 Ltrs./day and quantity booked 9000 ltrs/day in	The Green Environment Services Co-operative Society Limited	GESCL/ADM/MEECERTY/2017/766	June 08, 2017	N/A
5	ISO 9001:2015	LMS Certifications Private Limited	1N104871A	November 09, 2017	November 18, 2018
6	Certificate of inspection for shop assembled boilers	Inspecting Authority, Director of boilers	227/6	Tested on: December 04, 2017	Certificate awaited
7	Membership with Novel Spent Acid Management	Novel Spent Acid Management	-	August 30, 2011	N/A
8	Membership with Society for Clean Earth	Manager, Society for Clean Earth	GUJ/15767/ABD	February 03, 2011	N/A
9	Registration-cum-Membership Certificate	Regional Director, Basic Chemicals, Cosmetics & Dyes Export Promotion Council	U-0386	April 25, 2017	March 31, 2022

APPROVALS OBTAINED FOR PROPOSED UNIT II

Sr No.	Description	Authority	Consent Number	Date of Certificate	Date of Expiry
1	Consent to Establish under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974 and the Air Act, 1981 read with the Environment Protection Act, 1986	Gujarat Pollution Control Board, Gandhinagar	CTE – 91613 Fresh No. – 130095 PCB ID - 56264	March 05, 2018	December 06, 2024

MANDATORY APPROVALS RELATED TO PROPOSED UNIT II YET TO BE APPLIED BY THE COMPANY

Sr No.	Description	Authority
1	License to work a factory (under Factories Act, 1948 and Rules made thereunder)	Joint Director, Industrial Safety and Health, Ahmedabad Region, Directorate Industrial Safety and Health Gujarat State
2.	Consent to Establish the Unit for a product at a particular production capacity issued by State Pollution Control Board	Gujarat Pollution Control Board
3.	Consent to Operate issued by State Pollution Control Board under Section 25 of the Water (Prevention &Control of Pollution) Act, 1974 &under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Authorisation / Renewal of Authorisation under Rule 5 of the Hazardous Wastes (Management, handling & Transboundary movement) Rules 2008	Gujarat Pollution Control Board
4.	Certificate of Inspection for Shop assembled Boilers	Inspecting Authority, Director of Boilers
5.	Goods and Service Tax Identification Number (GSTIN)	Government of Gujarat and Government of India
6	Certificate of Importer-Exporter Code – Addition of address of proposed Unit II	Foreign Trade Development Officer, Ahmedabad, Ministry of Commerce, Government of India

INTELLECTUAL PROPERTY RIGHTS:

Company has confirmed that no applications have been made by the Company nor has it registered any type of intellectual property including trademarks/copyrights/patents etc.

PENDING APPROVALS:

1. Application for change of name of the above-mentioned approvals from "Ushanti Colour Chem Private Limited" to "Ushanti Colour Chem Limited" in not yet made by the Company.

MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY

Company is yet to apply for:

1. Udyog Aadhaar Memorandum;
2. Company is yet to apply for registrations for the proposed Unit II, as mentioned herein above except Consent to Establish from Gujarat Pollution Control Board.

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 March 19, 2018 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 EGM of our Company held on March 24, 2018 at registered office of the Company.

PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Neither Company, nor our Directors, our Promoters or the relatives (as defined under the Companies Act) of Promoters, our Promoter Group, and our Group Companies have been declared as wilful defaulter(s) by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoters, Promoter Group, Directors or Group Companies have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

Neither our Promoters, nor any of our Directors or persons in control of our Company are / were associated as promoter, directors or persons in control of any other company which is debarred from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.

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.

ELIGIBILITY FOR THIS ISSUE

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 face value capital is more than ten crore and upto twenty five crore and we shall hence issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "Emerge Platform of National Stock Exchange of India Limited")

We confirm that:

1. In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this Issue will be hundred per cent underwritten and that the Lead Manager to the Issue 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 66 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 working days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable laws. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits 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, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issue. For further details of the

arrangement of market making please refer to the chapter titled "*General Information"* beginning on page 66 of this Prospectus.

5. The Company has track record of 3 Years and positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and
6. Net worth of the Company is positive.
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 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.ushanti.com
11. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting companies of the Company.
12. There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 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, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS 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 PROSPECTUS, THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, SHALL FURNISHED TO STOCK EXCHANGE/SEBI A DUE DILIGENCE CERTIFICATE IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992 AFTER FILING OF PROSPECTUS WITH ROC AND BEFORE OPENING OF ISSUE.

"WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, CIVIL LITIGATIONS, DISPUTES WITH COLLABORATORS, CRIMINAL LITIGATIONS 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 DRFAT PROSPECTUS FILED WITH THE EXCHANGE / 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 PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF COMPANIES ACT, 1956, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT 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.- NOTED FOR COMPLIANCE**
5. **WE CERTIFY THAT WRITTEN CONSENTS FROM PROMOTERS HAVE BEEN OBTAINED FOR INCLUSION OF HIS SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS / 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. – COMPLIED TO THE EXTENT APPLICABLE**

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE**

10. **WE CERTIFY 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. UNDER SECTION 29 OF THE COMPANIES ACT, 2013 EQUITY SHARES IN THE ISSUE WILL BE ISSUED IN DEMATERIALISED FORM ONLY.**

11. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**

12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT PROSPECTUS:**

    A. **AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND**

    B. **AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.**

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE. – NOTED FOR COMPLIANCE**

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE 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 PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. – NOTED FOR COMPLIANCE

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."- *COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT PROSPECTUS

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

(1) "WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.

(2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.

(3) WE CONFIRM THAT THE ABRIDGED DRAFT PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. – NOTED FOR COMPLIANCE

(4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.

(5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISO TO SUB-REGULATION 4 OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT PROSPECTUS.

(6) WE CONFIRM THAT UNDERWRITING 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.

(7) WE CONFIRM THAT MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.

Note:

The filing of this Prospectus does not, however, absolve our Company from any liabilities under section 34, 35

and 36(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, Ahmedabad, in terms of Section 26, 30, 32 and 33 of the Companies Act, 2013.

DISCLAIMER STATEMENT 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.ushanti.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 for Issue Management entered into among the Lead Manager and our Company dated April 18, 2018, the Underwriting Agreement dated June 18, 2018, entered into among the Underwriter and our Company and the Market Making Agreement dated April 18, 2018, entered into among the Market Maker, Lead Manager 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 centres, etc.

The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Pantomath Capital Advisors Private Limited is not an 'associate' of the Company and is eligible to Lead Manager this Issue, under the SEBI (Merchant Bankers) Regulations, 1992.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the 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

For details regarding the price information and track record of the past issue handled by Pantomath Capital Advisors Private Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer "Annexure A" to this Prospectus and the website of the Lead Manager at www.pantomathgroup.com

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 Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors,

provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The 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 him or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Prospectus has been filed with Emerge Platform of National Stock Exchange of Limited for its observations and NSE will 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 Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company 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, legislations and Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). National Stock Exchange of India Limited has given vide its letter NSE/LIST/171 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 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."

FILING

The Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 106(M) (3). However, a copy of the Prospectus will be filed with SEBI at SEBI Regional Office, Western Regional Office, Unit No 002, Ground Floor SAKAR-I, Near Gandhigram Railway Station opposite Nehru Bridge Ashram Road, Ahmedabad- 380009, Gujarat, India. A copy of the Prospectus along with the documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the RoC situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, India.

LISTING

In terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of obtaining in principle

approval from Emerge Platform of National Stock Exchange of India Limited. However application has been made to the Emerge Platform of National Stock Exchange of India Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. National Stock Exchange of India Limited is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The Emerge Platform of National Stock Exchange of India Limited has given its in-principle approval for using its name in our Draft Prospectus and Prospectus vide its letter NSE/LIST/171.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the Emerge Platform of National Stock Exchange of India Limited, our Company will forthwith repay, without interest, all moneys received from the bidders 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 15 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 working 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 and SEBI (ICDR) Regulations.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of National Stock Exchange of India Limited 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 & Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Reviewed Auditor, Banker to the Company and (b) Lead Manager, Underwriter, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue to act in their respective capacities have been obtained and will be filed along with a copy of the Prospectus with the RoC, as required under Sections 32 and Section 26 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC. Our Peer Reviewed Auditor 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 shall not be withdrawn up to the time of delivery of the Prospectus for filing with the RoC.

EXPERT TO THE ISSUE

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

- Report of the Peer Reviewed Auditor on Statement of Tax Benefits.
- Report of the Peer Reviewed Auditor on the Restated Financial Statements for the financial period ended on March 31, 2018 and financial year ended on March 31, 2017, 2016, 2015, 2014 and 2013 of our Company.

EXPENSES OF THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter "*Objects of the Issue*" beginning on page 97 of this Prospectus.

DETAILS OF FEES PAYABLE

Fees Payable to the Lead Manager

The total fees payable to the Lead Manager will be as per the Mandate Letter issued by our Company to the Lead Manager, the copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated June 18, 2018 a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided 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 if any.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and selling commission for this Offer is as set out in the Underwriting Agreement to entered into between our Company and the Lead Manager. Payment of underwriting commission, brokerage and selling commission would be in accordance with Section 40 of Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2014.

PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION

We have not made any previous rights and/or public issues since incorporation, and are an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations.

PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled *"Capital Structure"* beginning on page 75 of this Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

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

PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370 (1B) OF THE COMPANIES ACT, 1956 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS:

None of the equity shares of our Group Companies are listed on any recognized stock exchange. None of the above companies have raised any capital during the past 3 years.

PROMISE VERSUS PERFORMANCE FOR OUR COMPANY

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of this Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and Our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance

Officer, giving full details such as the name, address of the applicant, 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 SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders shall redress routine investor grievances within 15 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.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on March 13, 2018. For further details, please refer to the chapter titled "*Our Management*" beginning on page 160 of this Prospectus.

Our Company has appointed Archita Shah as Company Secretary and Compliance Officer and she may be contacted at the following address:

Archita Shah
Ushanti Colour Chem Limited
88/8, Phase-1, GIDC,
Vatva, Ahmedabad,
Gujarat 382445 India
Tel: 079-25833315
Fax: NA
Email: csucl@ushanti.com
Website: www.ushanti.com
Corporate Identification Number: U24231GJ1993PLC019444
Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, *etc*.

CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS

Except as disclosed below, there has been no change in auditors of the Company during the last three financial years:

Name of Auditors	Date of Appointment	Date of Completion of Tenure	Reason for Change
M/s. ANA & Associates, Chartered Accountants	March 15, 2018	Ensuing AGM	Appointment to fill Casual Vacancy
M/s. C. R. Sharedalal & Co., Chartered Accountants	September 23, 2017	March 13, 2018	Pre Occupancy

CAPITALISATION OF RESERVES OR PROFITS

Save and except as stated in the chapter titled "*Capital Structure*" beginning on page 75 of this Prospectus, our Company has not capitalized its reserves or profits during the last five years.

REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation.

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 there under.

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 INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued and transferred pursuant to this Issue shall be subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the SEBI Listing Regulations, the terms of the Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/ the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the FIPB, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the FIPB, the Stock Exchanges, the RoC and any other authorities while granting their approval for the Issue. SEBI has notified the SEBI Listing Regulations on September 2, 2015, which among other things governs the obligations applicable to a listed company which were earlier prescribed under the Equity Listing Agreement. The Listing Regulations have become effective from December 1, 2015.

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 website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

RANKING OF EQUITY SHARES

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act, 1956 and Companies Act, 2013 and the Articles. For further details, please refer to the section titled "*Main Provisions of Articles of Association*" beginning on page number 319 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 Regulations and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act, SEBI Listing Regulations and our Articles of Association. For further details, please refer to the chapter titled *"Dividend Policy"* on page 181 of this Prospectus.

FACE VALUE AND ISSUE PRICE PER SHARE

The face value of the Equity Shares is Rs. 10 each and the Issue Price is Rs. 60/-.

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 105 of this Prospectus. At any given point of time there shall be only one denomination for the Equity Shares.

COMPLIANCE WITH SEBI ICDR REGULATIONS

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- 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 issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013 Act, the terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, please refer to the section titled "*Main Provisions of Articles of Association*" beginning on page number 319 of this Prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated May 30, 2018 amongst NSDL, our Company and the Registrar to the Issue; and
- Agreement dated May 22, 2018 amongst CDSL, our Company and the Registrar to the Issue.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is 2,000 Equity Share. Allotment in this Issue will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of 2,000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of 2,000 Equity Share subject to a minimum allotment of 2,000 Equity Shares to the successful applicants.

MINIMUM NUMBER OF ALLOTTEES

Further in accordance with the Regulation 106R of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

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

JOINT HOLDER

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

NOMINATION FACILITY TO BIDDERS

In accordance with Section 72 of the Companies Act, 2013 the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

a. to register himself or herself as the holder of the Equity Shares; or

b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 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.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the LM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed

ISSUE OPENING DATE

Issue Opening Date	July 23, 2018
Issue Closing Date	July 25, 2018
Finalization of Basis of Allotment with the Designated Stock Exchange	July 30, 2018
Initiation of Refunds	July 31, 2018
Credit of Equity Shares to demat accounts of Allottees	August 1, 2018
Commencement of trading of the Equity Shares on the Stock Exchange	August 2, 2018

The above timetable is indicative and does not constitute any obligation on our Company, and the LM. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bids and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Bid/Issue Period. On the Bid/Issue Closing Date, the Bids and any revision to the same shall be accepted

between **10.00 a.m. and 5.00 p.m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of Bids received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Bid/Issue Closing Date. All times mentioned in this Prospectus are Indian Standard Times. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public issue, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on Business Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise. Any time mentioned in this Prospectus is Indian Standard Time.

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

In case of revision of the Price Band, the Bid/Issue Period will be extended for at least three additional working days after revision of Price Band subject to the Bid/ Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the changes on the websites of the Lead Manager and at the terminals of the Syndicate Member.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask for rectified data

MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level and is 100% underwritten.

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

In accordance with Regulation 106 P (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty)

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.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 issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

MIGRATION TO MAIN BOARD

Our company may migrate to the Main board of NSE from SME Exchange on a later date subject to the following:

- *If the Paid up Capital of our Company is likely to increase above Rs. 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to NSE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- *If the Paid up Capital of our company is more than Rs. 1,000 lakhs but below Rs. 2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

MARKET MAKING

The shares issued and transferred through this Issue are proposed to be listed on the NSE EMERGE (SME Exchange) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on NSE EMERGE. For further details of the market making arrangement please refer to chapter titled *"General Information"* beginning on page 66 of this Prospectus.

ARRANGEMENT FOR DISPOSAL OF ODD LOT

The trading of the equity shares will happen in the minimum contract size of 2,000 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 NSE EMERGE.

AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian Companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India / RBI while granting such approvals.

OPTION TO RECEIVE SECURITIES IN DEMATERIALISED FORM

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

NEW FINANCIAL INSTRUMENTS

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

APPLICATION BY ELIGIBLE NRIs, FPI'S REGISTERED WITH SEBI, VCF'S, AIF'S REGISTERED WITH SEBI AND QFI'S

It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page 75 of this Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled "*Main Provisions of the Articles of Association*" beginning on page 319 of this Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

ISSUE STRUCUTRE

This Issue is being made in terms of Regulation 106(M)(1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, our post issue face value capital does not exceed ten crore rupees. The Company shall issue specified securities 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). For further details regarding the salient features and terms of such an issue please refer chapter titled "*Terms of the Issue*" and "*Issue Procedure*" on page 225 and 234 of this Prospectus.

Following is the issue structure:

Initial Public Issue 19,26,000 Equity Shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs. 60/- (including a premium of Rs. 50/-) aggregating to Rs. 1,155.60 Lakhs. The Issue comprises a Net Issue to the public of 18,28,000 Equity Shares (the "Net Issue"). The Issue and Net Issue will constitute 26.83% and 25.04% of the post-Issue paid-up Equity Share capital of our Company.

The issue comprises a reservation of 98,000 Equity Shares of Rs. 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion").

Particulars	**Net issue to Public***	**Market Maker Reservation Portion**
Number of Equity Shares	18,28,000 Equity Shares	98,000 Equity Shares
Percentage of Issue Size available for allocation	94.91% of Issue size	5.09% of Issue Size
Basis of Allotment / Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of 2,000 equity shares and further allotment in multiples of 2,000 equity shares each. For further details please refer to the chapter titled "Issue Procedure – Basis of Allotment" on page 234 of this Prospectus.	Firm allotment
Mode of Bid cum Application	All the applicants shall make the application (Online or Physical) through the ASBA Process only	Through ASBA Process only
Minimum Bid Size	**For QIB and NII:** Such number of Equity Shares in multiples of 2,000 Equity Shares such that the Application Value exceeds Rs. 2,00,000/- **For Retail Individuals** 2,000 Equity shares	98,000 Equity Shares of Face Value of Rs. 10/- each
Maximum Bid Size	**For Other than Retail Individual Investors** For all other investors, the maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations as applicable. **For Retail Individuals:** 2,000 Equity Shares so that the Application Value does not exceeds Rs. 2,00,000.	98,000 Equity Shares of Face Value of Rs. 10/- each

Particulars	Net issue to Public*	Market Maker Reservation Portion
Mode of Allotment	Compulsorily in dematerialized mode.	Compulsorily in dematerialized mode.
Trading Lot	2,000 Equity Shares	2,000 Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations
Terms of payment	The Applicant shall have sufficient balance in the ASBA account at the time of submitting application and the amount will be blocked anytime within two day of the closure of the Issue.	

** As per Regulation 43(4) of the SEBI (ICDR) Regulations, in an issue made other than through the Book Building Process, allocation in the net issue to public category shall be made as follows:*

a. *Minimum fifty percent to retail individual investors; and*
b. *Remaining to:*
    a. *Individual applicants other than retail individual investors; and*
    b. *Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;*
    c. *The unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.*

For the purpose of sub-regulation 43 (4), *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.*

In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the LM, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue for sale of the Equity Shares, our Company shall file a fresh Prospectus with Stock Exchange. In terms of the SEBI Regulations, Non retail applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

ISSUE OPENING DATE

Issue Opening Date	July 23, 2018
Issue Closing Date	July 25, 2018
Finalisation of Basis of Allotment with the Designated Stock Exchange	July 30, 2018
Initiation of Refunds	July 31, 2018
Credit of Equity Shares to demat accounts of Allottees	August 1, 2018
Commencement of trading of the Equity Shares on the Stock Exchange	August 2, 2018

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

(i) in case of Application by Non-Institutional Investors, the applications and the revisions in applications shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 4.00 p.m. on the Issue Closing Date; and

(ii) in case of Application by Retail Individual Investors and applications by Eligible Employee, the applications and the revisions in applications shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. on the Issue Closing Date, which may be extended upto such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received upto the closure of timings and reported by lead manager to the Stock Exchanges.

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, 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 applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchange and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.*

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Lead Manager 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 (Issue of Capital and Disclosure Requirements) Regulations, 2009 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 traded only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

APPLICATION FORM

Pursuant to SEBI Circular dated January 01, 2016 and bearing No. CIR/CFD/DIL/1/2016, the Application Form has been standardized. Also please note that pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 investors in public issues can only invest through ASBA Mode. The prescribed colours of the Application Form for various investors applying in the Issue are as follows:

Category	Colour of Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Eligible NRIs, FVCIs, FIIs, their Sub-Accounts applying on a repatriation basis (ASBA)	Blue

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Prospectus. The Application Form shall contain information about the Applicant and the price and the

number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. ASBA Applicants are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB at the time of submitting the Application.

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 issue 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 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.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants 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, and offices of Lead Manager to the Issue and Registrar to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of National Stock Exchange of India Limited i.e. www.nseindia.com.

WHO CAN APPLY?

In addition to the category of Applicants 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:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and / or industrial research organisations authorised in India to invest in the Equity Shares.

OPTION TO SUBSCRIBE IN THE ISSUE

a. As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialised form only.

b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

c. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him / her / it under the relevant regulations / statutory guidelines and applicable law.

PARTICIPATION BY ASSOCIATED / AFFILIATES OF LEAD MANAGER AND SYNDICATE MEMBERS

The Lead Manager and the Syndicate Members, 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 and the Syndicate Members, 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 (other than minor having valid depository accounts as per demographic details provided by the depositary), 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 (HUF), 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. foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies'(IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or

units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.

2. Where a foreign institutional investor or a sub account, prior to commencement of these regulations, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:
   a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
   b) Nothing contained in clause (a) shall apply to:
      i. Any transactions in derivatives on a recognized stock exchange;
      ii. Short selling transactions in accordance with the framework specified by the Board;
      iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
      iv. Any other transaction specified by the Board.
   c) No transaction on the stock exchange shall be carried forward;
   d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:
      i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
      ii. sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
      iii. sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
      iv. Sale of securities, in accordance with the Securities and Exchange Board of India (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.

A FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

APPLICATIONS 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.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

APPLICATIONS BY INSURANCE COMPANIES

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reasons thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 (the 'IRDA Investment Regulations'), are broadly set forth below:

1. *Equity shares of a company:* The least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
2. *The entire group of the investee company:* not more than 15% of the respective funds in case of life insurer or 15% of investment assets in case of general insurer or re-insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
3. *The industry sector in which the investee company operates:* not more than 15% of the fund of a life insurer or a general insurer or a re-insurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in case of investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or a general insurer and the amount calculated under points (1), (2) and (3) above, as the case may be.

APPLICATIONS 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 Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the Memorandum of Association and Articles of Association and/ or bye laws must be lodged 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 Rs. 25 crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 crore, 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.

APPLICATIONS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Applications made by provident funds with minimum corpus of Rs. 25 Crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 Crore, 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 the Prospectus.

INFORMATION FOR THE APPLICANTS

1. Our Company and the Lead Manager 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), if any

    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)

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.

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.

The Applicant cannot apply on another Application Form after one Application Form has 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.

2. 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.

3. 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.

4. 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.
5. 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.

6. 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.

APPLICATIONS BY BANKING COMPANIES

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Master Circular dated July 1, 2015 – Para-banking Activities, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the investment in a non-financial services company by a banking company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and mutual funds managed by asset management companies controlled by the banking company cannot exceed 20% of the investee company's paid-up share capital. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

APPLICATIONS BY SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE OFFER

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant

TERMS OF PAYMENT

Terms of Payment

The entire Issue price of Rs. 60/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied The Registrar to the Issue shall instruct the SCSBs to unblock the excess amount blocked.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account post finalisation of Basis of Allotment. 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 (v) Application accepted and uploaded but not sent to SCSBs for blocking of funds.
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;
    - 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 except on the technical grounds as mentioned in the Prospectus. The Application Collecting 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.

ALLOCATION OF EQUITY SHARES

1. The Issue is being made through the Fixed Price Process wherein 98,000 Equity Shares shall be reserved for Market Maker and 9,14,000 Shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on a proportionate basis to Non Retail Applicants.
2. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.
3. Allocation to Non-Residents, including Eligible NRIs, Eligible OFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
4. In terms of the SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
5. Allotment status details shall be available on the website of the Registrar to the Issue.

SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC

a) Our Company has entered into an Underwriting agreement dated June 18, 2018

b) A copy of the Prospectus will be filed with the RoC in terms of Section 26 of the Companies Act.

PRE- ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: (i) English National Newspaper; (ii) Hindi National Newspaper; and (iii) Regional Newspaper, each with wide circulation.

ISSUANCE OF ALLOTMENT ADVICE

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.

2. The Lead Manager 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.

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;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that you have requested for and receive a acknowledgement;
- 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 Application Collecting Intermediaries. 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 submit more than five Application Forms per ASBA Account.

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. 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 ('broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of NSE i.e. www.nseindia.com With a view to broadbase the reach of Investors by substantialy 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 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 EMERGE Platform of NSE 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 4 (four) and 6 (Six) days respectively 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 THE COMPANY

Our Company undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed on sixth working day from issue closure date;
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar to the Issue by us;
4. That our Promoter's contribution in full has already been brought in;
5. That no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.; and
6. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.

UTILIZATION OF THE ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

1. all monies received out of the Issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;

2. details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company 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 an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and

4. Our Company shall comply with the requirements of the SEBI Listing Regulations in relation to the disclosure and monitoring of the utilisation 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 all the Stock Exchanges where listing is sought has been received.

The Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactory.

EQUITY SHARES IN DEMATERIALSED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in the process of signing the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

Agreement dated May 30, 2018 among NSDL, the Company and the Registrar to the Issue;

Agreement dated May 22, 2018 among CDSL, the Company and the Registrar to the Issue;

The Company's shares bear ISIN no INE00NI01015.

PART B

GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the 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, 2009 **("SEBI ICDR Regulations, 2009").**

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the Prospectus filed by the Issuer with the Registrar of Companies **("RoC")**. Applicants should carefully read the entire Prospectus and the Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **LM(s)** to the Issue and on the website of Securities and Exchange Board of India **("SEBI")** at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section "Glossary 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, 2009, if applicable. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

The Issuer may also undertake IPO under chapter XB of the SEBI (ICDR) Regulations, wherein as per:

- Regulation 106M (1): An issuer whose post-issue face value Capital does not exceed ten 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 upto twenty five crore rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue is being made under Regulation 106M(1) of Chapter XB of SEBI (ICDR) Regulation.

2.2 OTHER ELIGIBILITY REQUIREMENTS

In addition to the eligibility requirements specified in paragraphs 2.1, an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 (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, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 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 Company has track record of distributable profits in terms of section 123 of Companies Act, 2013 for at least two years out of immediately preceding three financial years and each financial year has to be a period of at least 12 months. Extraordinary income will not be considered for the purpose of calculating distributable profits. The net worth of the Company is positive.

(f) The Post-issue paid up capital of the Company shall not be more than Rs. 25 Crore

(g) The Issuer shall mandatorily facilitate trading in demat securities.

(h) The Issuer should not been referred to Board for Industrial and Financial Reconstruction.

(i) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.

(j) 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.

(k) The Company should have a website.

(l) Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter XB of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this Issue.

Thus Company is eligible for the Issue in accordance with regulation 106M (1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed Rs. 1,000 lakhs. Company also complies with the eligibility conditions laid by the SME Platform of NSE for listing of our Equity Shares As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this Issue.

Thus Company is eligible for the Issue in accordance with regulation 106M(1) and other provisions of

chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital exceeds Rs. 1,000 lakhs but does not exceed Rs 2,500 lakhs. Company also complies with the eligibility conditions laid by the EMERGE 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, 2009, an Issuer can either determine the Issue Price through the Book Building Process **("Book Built Issue")** or undertake a Fixed Price Issue **("Fixed Price Issue")**. An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Issue Opening Date, in case of an IPO and at least one Working Day before the Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.4 ISSUE PERIOD

The Issue shall be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period.

Details of Issue Period are also available on the website of Stock Exchange(s).

2.5 MIGRATION TO MAIN BOARD

Our company may migrate to the Main board of NSE from NSE EMERGE on a later date subject to the following:

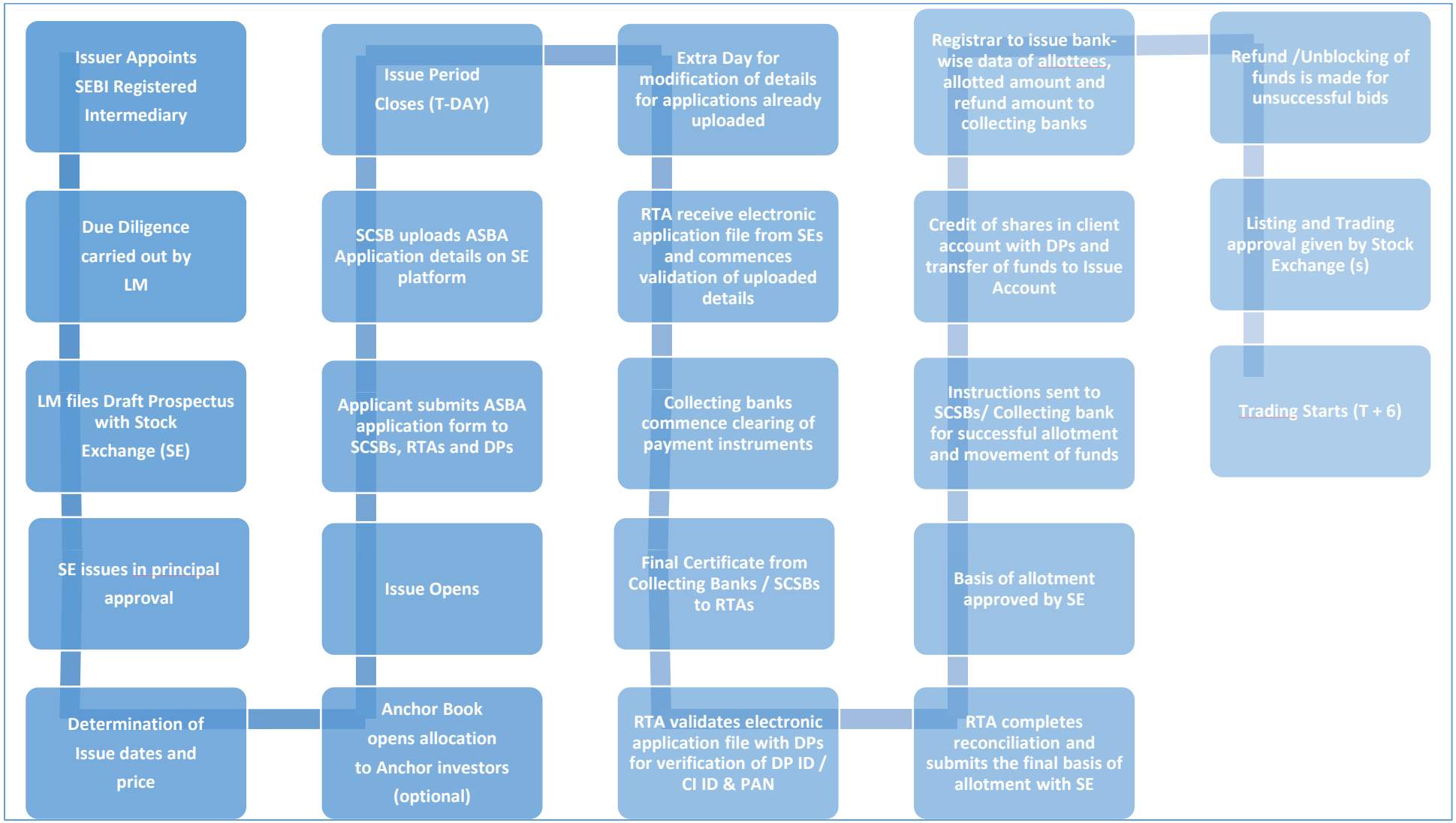
a. *If the Paid up Capital of our Company is likely to increase above Rs. 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to NSE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

b. *If the Paid up Capital of our company is more than Rs. 1,000 lakhs but below Rs. 2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal*

FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price Issues is as follows:



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

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 through 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 FPI; VCFs and FVCIs registered with SEBI
8. Limited Liability Partnerships (LLPs) 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 Rs. 2,500 Lakhs 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 Designated Branches of the SCSBs, at the registered office of the Issuer and at the registered office of LM. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Application Form for various categories of Applicants is as follows:

Category	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
Anchor Investors (where applicable) & Applicants applying in the reserved category	Not Applicable

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to allotment.

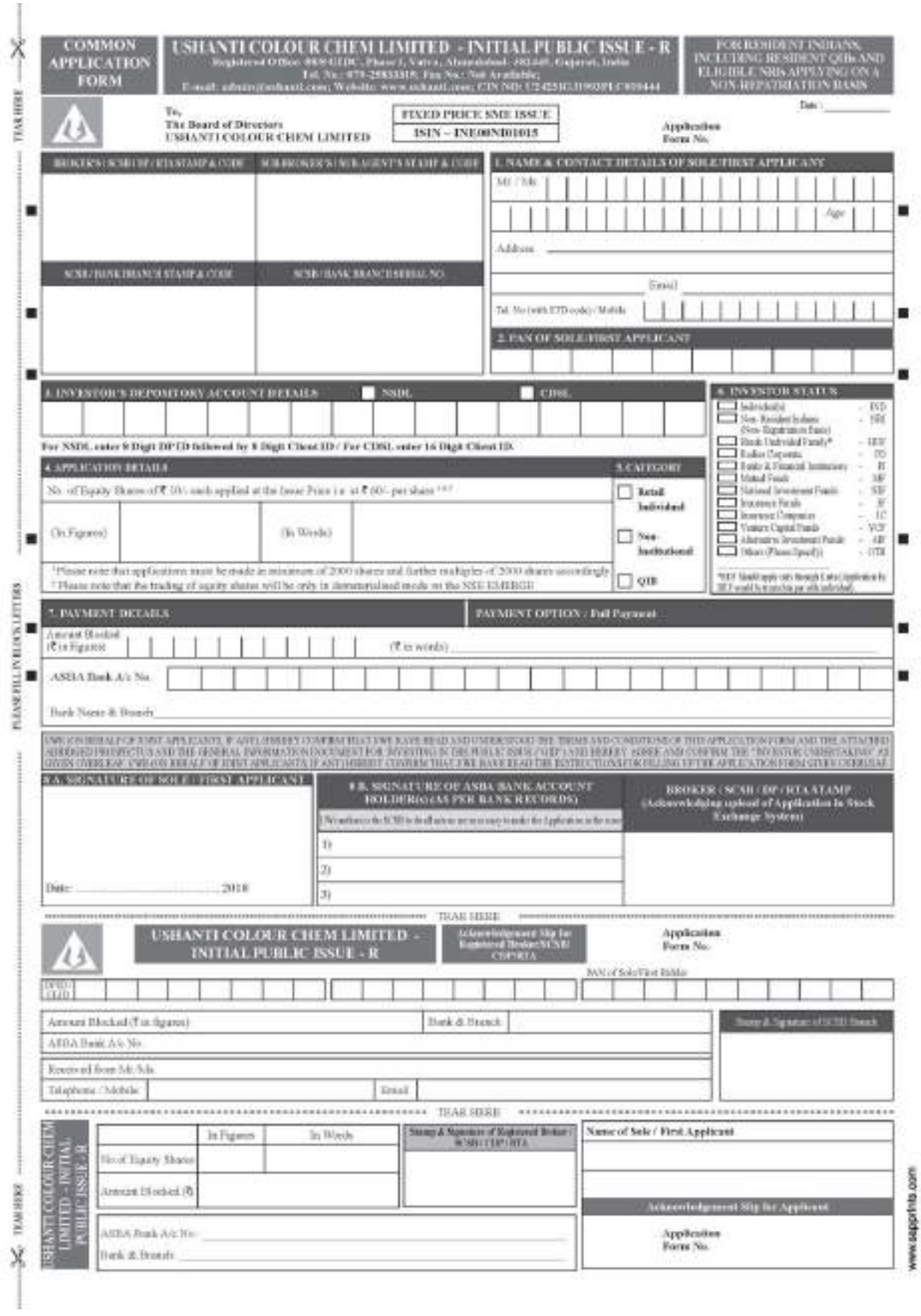
4.1 INSTRUCTIONS FOR FILING THE APPLICATION FORM (FIXED PRICE ISSUE)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and the Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:

R Application Form



COMMON APPLICATION FORM

USHANTI COLOUR CHEM LIMITED - INITIAL PUBLIC ISSUE - R

Registered Office: 808 GIDC, Phase 3, Vatva, Ahmedabad - 382445, Gujarat, India
Tel. No.: 079-25833315; Fax No.: Not Available;
E-mail: admin@ushanti.com; Website: www.ushanti.com; CIN NO: U24231GJ1992PLC018444

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

To,
The Board of Directors
USHANTI COLOUR CHEM LIMITED

FIXED PRICE SME ISSUE
ISIN – INE00NI01015

Date:

Application Form No.

BROKER'S / SCSB / DP / RTA STAMP & CODE | SUB-BROKER'S / SUB-AGENT'S STAMP & CODE

SCSB / BANK BRANCH STAMP & CODE | SCSB / BANK BRANCH SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT

Mr. / Ms. Age

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. INVESTOR STATUS

- Individual(s) - IND
- Non-Resident Indians (Non-Repatriation Basis) - NRI
- Hindu Undivided Family* - HUF
- Bodies Corporate - CO
- Banks & Financial Institutions - FI
- Mutual Funds - MF
- National Investment Funds - NIF
- Insurance Funds - IF
- Insurance Companies - IC
- Venture Capital Funds - VCF
- Alternative Investment Funds - AIF
- Others (Please Specify) - OTH

*HUF should apply with Karta's name. Application by HUF would be treated on par with individual.

4. APPLICATION DETAILS

No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ 60/- per share *#

(In Figures) (In Words)

*Please note that applications must be made in minimum of 2000 shares and further multiples of 2000 shares accordingly
#Please note that the trading of equity shares will be only in dematerialised mode on the NSE EMERGE

5. CATEGORY

- Retail Individual
- Non-Institutional
- QIB

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) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUES (GID) AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

8 A. SIGNATURE OF SOLE / FIRST APPLICANT

Date: 2018

8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)

(Non-Retail to the SCSB to deduct the necessary transfer the Application to the issue)

1)
2)
3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)

TEAR HERE

USHANTI COLOUR CHEM LIMITED - INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Registered Broker/SCSB/CDP/RTA

Application Form No.

DP ID / CLID

PAN of Sole/First Bidder

Amount Blocked (₹ in figures) Bank & Branch

Stamp & Signature of SCSB Branch

ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile Email

TEAR HERE

USHANTI COLOUR CHEM LIMITED - INITIAL PUBLIC ISSUE - R

	In Figures	In Words
No. of Equity Shares		
Amount Blocked (₹)		

Stamp & Signature of Registered Broker / SCSB / CDP / RTA

ASBA Bank A/c No.:

Bank & Branch:

Name of Sole / First Applicant

Acknowledgement Slip for Applicant

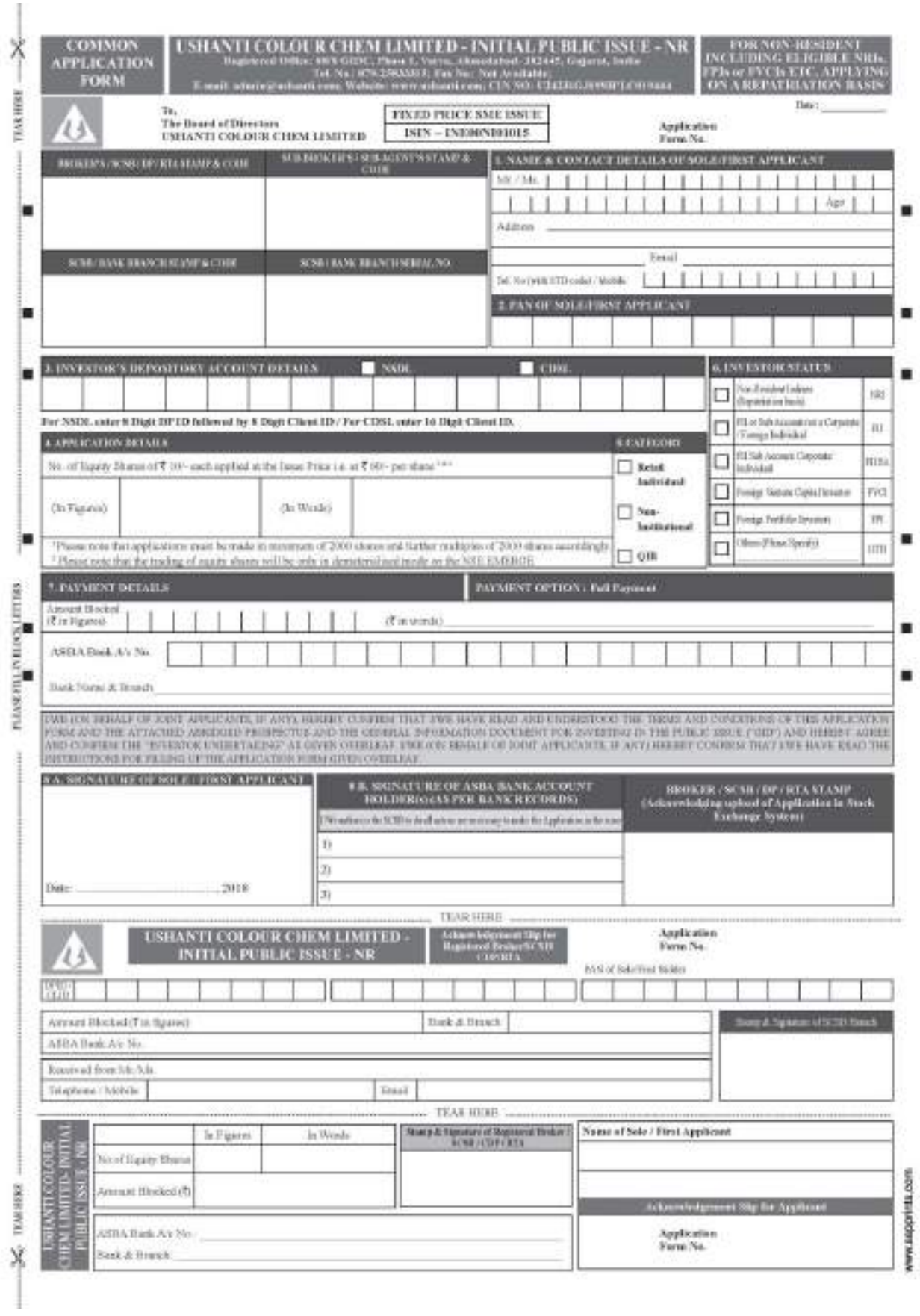
Application Form No.

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

www.edpnita.com

NR Application Form



COMMON APPLICATION FORM

USHANTI COLOUR CHEM LIMITED - INITIAL PUBLIC ISSUE - NR

Registered Office: 805 GIDC, Phase I, Vatva, Ahmedabad- 382445, Gujarat, India
Tel. No.: 079-25833333; Fax No.: Not Available;
E-mail: ushanti@ushanti.com; Website: www.ushanti.com; CIN NO: U24231GJ1995PLC030444

FOR NON-RESIDENT INCLUDING ELIGIBLE NRIs, FPIs or FVCIs ETC. APPLYING ON A REPATRIATION BASIS

To,
The Board of Directors
USHANTI COLOUR CHEM LIMITED

FIXED PRICE SME ISSUE
ISIN – INE00N101015

Date: _____

Application Form No.

BROKER'S / SCSB / DP / RTA STAMP & CODE

SUB-BROKER'S / SUB-AGENT'S STAMP & CODE

SCSB / BANK BRANCH STAMP & CODE

SCSB / BANK BRANCH SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT

Mr. / Ms.

Age

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.

6. INVESTOR STATUS

☐	Non-Resident Indians (Repatriation basis)	NRI
☐	FII or Sub Account (not a Corporate / Foreign Individual	FII
☐	FII Sub Account Corporate/ Individual	FIISA
☐	Foreign Venture Capital Investor	FVCI
☐	Foreign Portfolio Investors	FPI
☐	Others (Please Specify)	OTH

4. APPLICATION DETAILS

No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ 60/- per share [1] [2]

(In Figures) (In Words)

5. CATEGORY

☐ Retail Individual
☐ Non-Institutional
☐ QIB

[1] Please note that applications must be made in minimum of 2000 shares and further multiples of 2000 shares accordingly
[2] Please note that the trading of equity shares will be only in dematerialised mode on the NSE EMERGE

7. PAYMENT DETAILS

PAYMENT OPTION : Full Payment

Amount Blocked (₹ in Figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

PLEASE FILL IN BLOCK LETTERS

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 ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR 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.

8 A. SIGNATURE OF SOLE / FIRST APPLICANT

Date: 2018

8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)

(Mandatory in the SCSB in the all cases in case money is made for Application in the name)

1)
2)
3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)

TEAR HERE

USHANTI COLOUR CHEM LIMITED - INITIAL PUBLIC ISSUE - NR

Acknowledgement Slip for Registered Broker/SCSB/DP/RTA

Application Form No.

DP ID / CLID

DATE OF SUBMISSION OF APPLICATION FORM

PAN of Sole/First Holder

Amount Blocked (₹ in figures) Bank & Branch

ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile Email

Stamp & Signature of SCSB Branch

TEAR HERE

USHANTI COLOUR CHEM LIMITED- INITIAL PUBLIC ISSUE - NR

	In Figures	In Words
No of Equity Shares		
Amount Blocked (₹)		

Stamp & Signature of Registered Broker / SCSB / DP / RTA

ASBA Bank A/c No.

Bank & Branch

Name of Sole / First Applicant

Acknowledgement Slip for Applicant

Application Form No.

www.asbaindia.com

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(a) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

(b) **Joint Applications:** In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

(c) **Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who:

- makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or
- makes or abets making of multiple applications to a Company in different names or 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 of the said Act.

(d) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT

(a) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.

(b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications by Applicants residing in Sikkim ("PAN Exempted Applicants"). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Applications by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

(c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the

same.

(d) Application Forms which provide the General Index Register Number instead of PAN may be rejected.

(e) Applications by Applicants whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and demographic details are not provided by depositories.

4.1.3 FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS

(a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the Application Form is liable to be rejected.

(b) Applicants should ensure that the beneficiary account provided in the Application Form is active.

(c) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to an Issue.

(d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk.

4.1.4 FIELD NUMBER 4: APPLICATION DETAILS

(a) The Issuer may mention Price in the Prospectus. However a prospectus registered with RoC contains one price.

(b) Minimum And Maximum Application Size

i. For Retail Individual Applicants

The Application must be for a minimum of 2,000 Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for 2,000 Equity Shares.

ii. For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 2,00,000 and in multiples of 2,000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Prospectus.

(a) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to any other Application Collecting Intermediary and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

(b) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:

i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FPI sub-accounts, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.

ii. For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(c) The following applications may not be treated as multiple Applications:

i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.

ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.

iii. Applications by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.1.5 FIELD NUMBER 5: CATEGORY OF APPLICANTS

i. The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Application, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

ii. An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.

iii. The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. For details pertaining to allocation and Issue specific details in relation to allocation, applicant may refer to the Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

(a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

(c) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.

(d) Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD 7: PAYMENT DETAILS

(a) Please note that, providing bank account details in the space provided in the Application Form is mandatory and Applications that do not contain such details are liable to be rejected.

4.1.7.1 Payment instructions for Applicants

(a) Applicants may submit the Application Form in physical mode to the Application Collecting

Intermediaries.

(b) Applicants should specify the Bank Account number in the Application Form.

(c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;

(d) Applicants shall note that that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one Bank Account, a maximum of five Application Forms can be submitted.

(f) Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained. In case Applicant applying through Application Collecting Intermediary other than SCSB, after verification and upload, the Application Collecting Intermediary shall send to SCSB for blocking of fund.

(g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.

(h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.

(i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.

(j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.

(k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and subsequent transfer of the Application Amount against the Allotted Equity Shares, if any, to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.

(l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.1.8 Unblocking of ASBA Account

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected/ partial/ non allotment ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 6 Working Days of the Issue Closing Date.

4.1.8.1 Discount (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.

(c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.1.8.2 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to block funds in their Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.9 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

(a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the Applicant, then the Signature of the ASBA Account holder(s) is also required.

(c) In relation to the Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.

(d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

4.1.10 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should ensure that they receive the acknowledgment duly signed and stamped by Application Collecting Intermediaries, as applicable, for submission of the Application Form.

(a) All communications in connection with Applications made in the Issue should be addressed as under:

i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, unblocking of funds, the Applicants should contact the Registrar to the Issue.

ii. In case of applications submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.

iii. Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.

(b) The following details (as applicable) should be quoted while making any queries -

i. Full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount blocked on application And ASBA Account Number and Name.

ii. In case of ASBA applications, ASBA Account number in which the amount equivalent to the application amount was blocked.

For further details, Applicant may refer to the Prospectus and the Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

(a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.

(b) RII may revise/withdraw their applications till closure of the Issue period

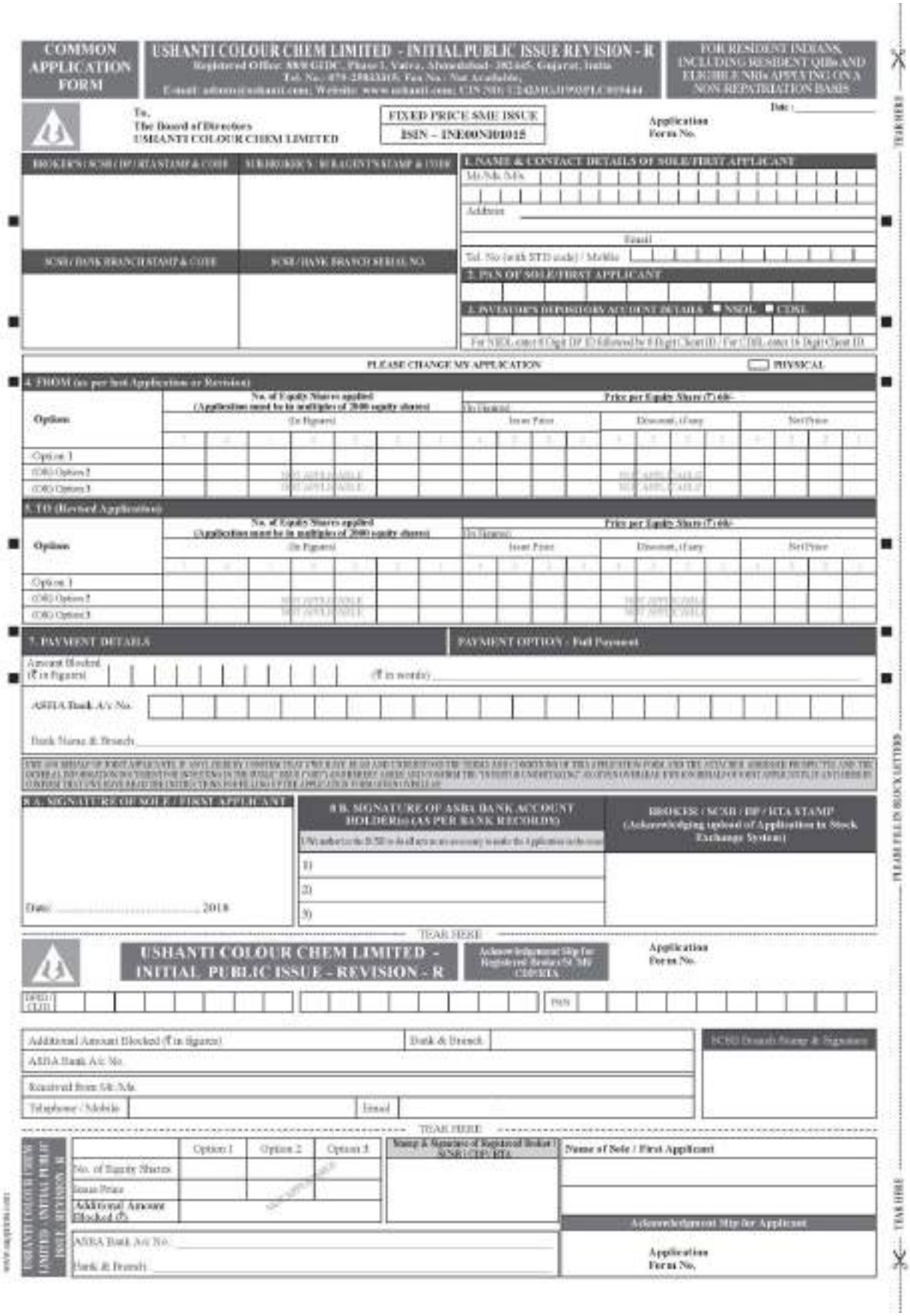
(c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.

(d) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

Revision Form – R



COMMON APPLICATION FORM

USHANTI COLOUR CHEM LIMITED - INITIAL PUBLIC ISSUE REVISION - R

Registered Office: AWGEIDC, Phase I, Vatva, Ahmedabad- 382445, Gujarat, India
Tel. No.: 079-25833305; Fax No.: Not Available;
E-mail: ahmedabad@ushanti.com; Website: www.ushanti.com; CIN:20[illegible]

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

To,
The Board of Directors
USHANTI COLOUR CHEM LIMITED

FIXED PRICE SME ISSUE
ISIN – INE00N101015

Date :

Application Form No.

BROKER'S / SCSB / DP / RTA STAMP & CODE | SUB-BROKER'S / SUB-AGENT'S STAMP & CODE

SCSB / BANK 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

PLEASE CHANGE MY APPLICATION ☐ PHYSICAL

4. FROM (as per last Application or Revision)

Option	No. of Equity Shares applied (Application must be in multiples of 2000 equity shares) (In Figures)	Price per Equity Share (₹) (₹ in figures) Issue Price	Discount, if any	Net Price
Option 1				
(OR) Option 2	NOT APPLICABLE		NOT APPLICABLE	
(OR) Option 3	NOT APPLICABLE		NOT APPLICABLE	

5. TO (Revised Application)

Option	No. of Equity Shares applied (Application must be in multiples of 2000 equity shares) (In Figures)	Price per Equity Share (₹) (₹ in figures) Issue Price	Discount, if any	Net Price
Option 1				
(OR) Option 2	NOT APPLICABLE		NOT APPLICABLE	
(OR) Option 3	NOT APPLICABLE		NOT APPLICABLE	

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) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE DETAILED INFORMATION CONTAINED IN THE PUBLIC ISSUE (SEBI) GUIDELINES AND HEREBY AGREE AND CONFIRM THE UNDERTAKING AS GIVEN AVAILABLE BELOW ON BEHALF OF FIRST APPLICANT (IF APPLICATION IS MADE IN JOINT NAMES). I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN AVAILABLE

8A. SIGNATURE OF SOLE / FIRST APPLICANT

Date: 2018

8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)

(We authorize the SCSB to do all acts as are necessary to make the Application in the issue)

1)
2)
3)

BROKER / SCSB / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)

TEAR HERE

USHANTI COLOUR CHEM LIMITED - INITIAL PUBLIC ISSUE - REVISION - R

Acknowledgement Slip for Registered Broker / SCSB / DP / RTA

Application Form No.

DP ID / CLID | PAN

Additional Amount Blocked (₹ in figures) | Bank & Branch | SCSB Branch Stamp & Signature

ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile | Email

TEAR HERE

USHANTI COLOUR CHEM LIMITED - INITIAL PUBLIC ISSUE - REVISION - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Issue Price			
Additional Amount Blocked (₹)			

Stamp & Signature of Registered Broker / SCSB / DP / RTA

Name of Sole / First Applicant

Acknowledgement Slip for Applicant

ASBA Bank A/c No.

Bank & Branch

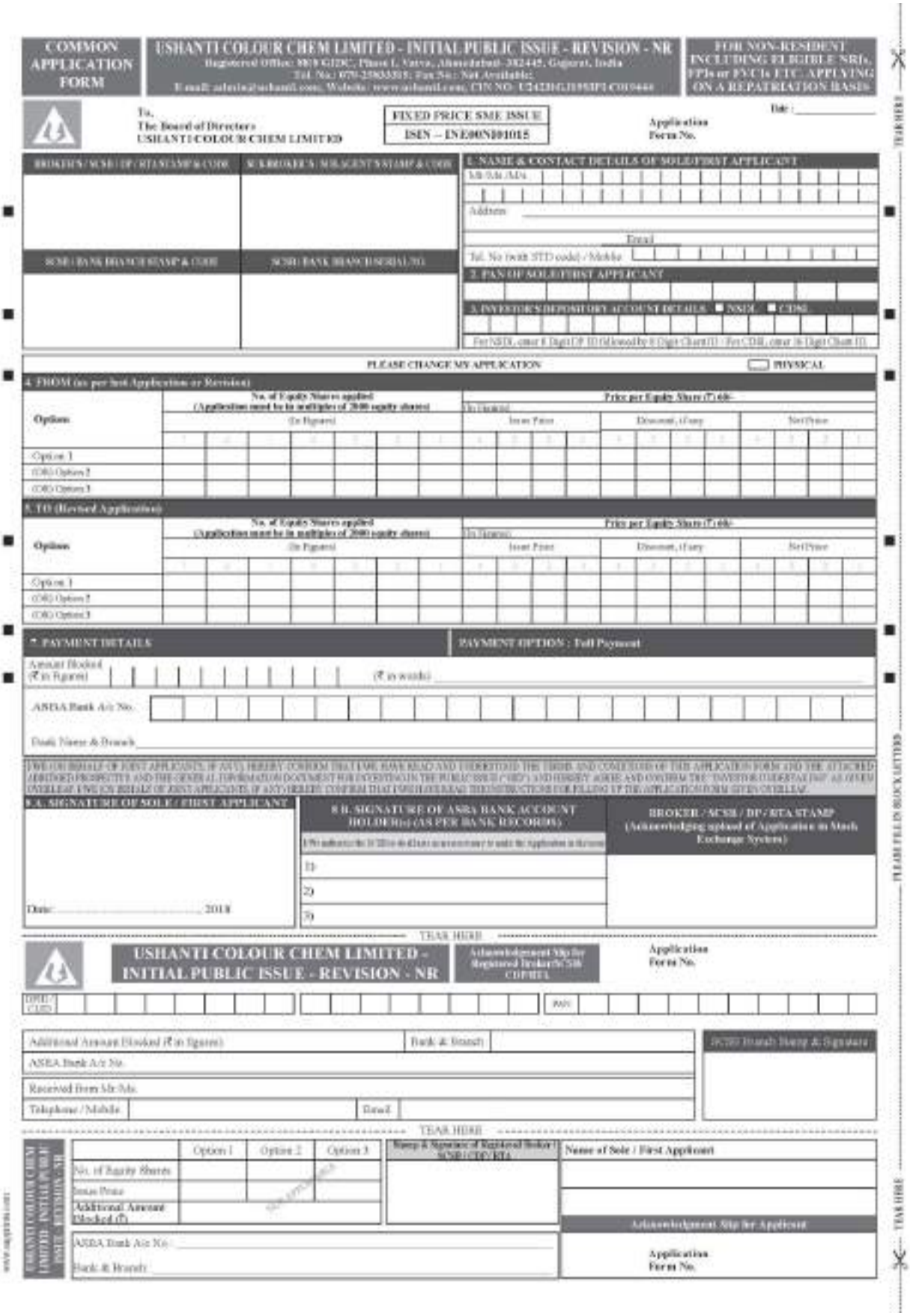
Application Form No.

www.ushanti.com

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

Revision Form – NR



COMMON APPLICATION FORM

USHANTI COLOUR CHEM LIMITED - INITIAL PUBLIC ISSUE - REVISION - NR

Registered Office: 803/ GIDC, Phase I, Vatva, Ahmedabad-382445, Gujarat, India
Tel. No.: 079-25833315; Fax No.: Not Available;
E-mail: admin@ushanti.com; Website: www.ushanti.com; CIN NO: U24231GJ1995PLC030466

FOR NON-RESIDENT INCLUDING ELIGIBLE NRIs, FPIs or FVCIs ETC. APPLYING ON A REPATRIATION BASIS

To,
The Board of Directors
USHANTI COLOUR CHEM LIMITED

FIXED PRICE SME ISSUE
ISIN – INE00N101015

Date :

Application Form No.

BROKER'S / SCSB / DP / RTA STAMP & CODE | SUB-BROKER'S / SUB-AGENT'S STAMP & CODE

NSE / BANK 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

PLEASE CHANGE MY APPLICATION ☐ PHYSICAL

4. FROM (as per last Application or Revision)

Option	No. of Equity Shares applied (Application must be in multiples of 2000 equity shares) (In Figures)	Price per Equity Share (₹) (₹ in Figures) Issue Price	Discount, if any	Net Price
Option 1				
(OR) Option 2				
(OR) Option 3				

5. TO (Revised Application)

Option	No. of Equity Shares applied (Application must be in multiples of 2000 equity shares) (In Figures)	Price per Equity Share (₹) (₹ in Figures) Issue Price	Discount, if any	Net Price
Option 1				
(OR) Option 2				
(OR) Option 3				

6. 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 ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR'S UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

8.A. SIGNATURE OF SOLE / FIRST APPLICANT

Date: 2018

8.B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)

I/We authorize the SCSB to do all acts as are necessary to make the application in the name

1)
2)
3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)

TEAR HERE

USHANTI COLOUR CHEM LIMITED – INITIAL PUBLIC ISSUE - REVISION - NR

Acknowledgement Slip for Registered Broker/SCSB/ CDP/RTA

Application Form No.

DP ID / CLID | PAN

Additional Amount Blocked (₹ in figures) | Bank & Branch

ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile | Email

SCSB Branch Stamp & Signature

TEAR HERE

USHANTI COLOUR CHEM LIMITED - INITIAL PUBLIC ISSUE - REVISION - NR

	Option 1	Option 2	Option 3
No. of Equity Shares			
Issue Price			
Additional Amount Blocked (₹)			

Stamp & Signature of Registered Broker / SCSB / CDP/ RTA

Name of Sole / First Applicant

Acknowledgement Slip for Applicant

ASBA Bank A/c No.

Bank & Branch

Application Form No.

www.ushanti.com

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: APPLICATION REVISION 'FROM' AND 'TO'

(a) Apart from mentioning the revised number of shares in the Revision Form, the Applicant must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form.

(b) In case of revision of applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the application amount should exceed Rs. 2,00,000/- due to revision and the application may be considered, subject to eligibility, for allocation under the Non-Institutional Category.

4.2.3 FIELD 6: PAYMENT DETAILS

(a) All Applicants are required to make payment of the full application amount along with the Revision Form.

(b) Applicant may Issue instructions to block the revised amount in the ASBA Account, to Designated Branch through whom such Applicant had placed the original application to enable the relevant SCSB to block the additional application amount, if any.

4.2.4 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

4.3.1 Applicants may submit completed application form / Revision Form in the following manner:-

Mode of Application	Submission of Application Form
All Investors Application	To the Application Collecting Intermediaries as mentioned in the Prospectus/ Application Form

SECTION 5: ISSUE PROCEDURE IN FIXED PRICE ISSUE

5 APPLICANTS MAY NOTE THAT THERE IS NO BID CUM APPLICATION FORM IN A FIXED PRICE ISSUE

As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through Application Collecting Intermediaries and apply only through ASBA facility.

ASBA Applicants may submit an Application Form either in physical/electronic form to the Application Collecting Intermediaries authorising blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

6 GROUNDS OF REJECTIONS

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 (other than minor having valid depository accounts as per demographic details provided by the depositary);
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 2,000;
- Category not ticked;
- Multiple Applications as defined in the Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole/ first Applicant;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of Rs. 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 the EMERGE Platform of NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth hereunder:

(a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of Applicants in the category x number of Shares applied for)

(b) The number of Shares to be allocated to the successful Applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).

(c) For applications where the proportionate allotment works out to less than 2,000 equity shares the allotment will be made as follows:

i. Each successful Applicant shall be allotted 2,000 equity shares; and

ii. The successful Applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.

(d) If the proportionate allotment to an Applicant works out to a number that is not a multiple of 2,000 equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of 2,000 equity shares subject to a minimum allotment of 2,000 equity shares.

(e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Applicants in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 2,000 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.

(f) The above proportionate allotment of Shares in an Issue that is oversubscribed shall be subject to the reservation for Retail individual Applicants as described below:

i. As per Regulation 43 (4) of SEBI (ICDR), as the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

ii. The balance net offer of shares to the public shall be made available for allotment to

- individual applicants other than retails individual investors and

- other investors, including corporate bodies/ institutions irrespective of number of shares applied for.

iii. The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/- . Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue**.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 5 Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 5 Working Days of the Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in the Prospectus.

8.2.2 MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the "stated minimum amount" has not 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 at a rate prescribed under section 73 of the Companies Act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013).

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

8.3 MODE OF REFUND

Within 6 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

8.3.1 Mode of making refunds

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum/or demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not done within the 4 Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 days from the Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid.
Allotment/ Allot/ Allotted	Issue and allotment of Equity Shares of our Company pursuant to the Issue of the Equity Shares to successful Bidders
Allottee(s)	Successful Bidders(s) to whom Equity Shares have been allotted/transferred
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Application Amount	The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form.
Application Collecting Intermediaries	5. a SCSB with whom the bank account to be blocked, is maintained 6. a syndicate member (or sub-syndicate member) If any 7. a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity)('broker') if any 8. a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity) 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 Form	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue
ASBA / Application Supported by Blocked Amount	An application, whether physical or electronic, used by Bidders, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account
ASBA Account	An account maintained with an SCSB and specified in the Bid cum Application Form submitted by Bidders for blocking the Bid Amount mentioned in the Bid cum Application Form
ASBA form	An application form, whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of this Prospectus.
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, and Ahmedabad.
Banker(s) to the Issue	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being ICICI Bank.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Bidders under the Issue and which is described under chapter titled "Issue Procedure" beginning on page 234 of this Prospectus.
Bid	An indication to make an issue during the Bid/Issue Period by a Bidder pursuant to submission of the Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an ASBA Bidder

Term	Description
Bidding	The process of making a Bid.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue
Bid cum Application form	The form used by a Bidder, to make a Bid and which will be considered as the application for Allotment in terms of the Prospectus
Bid Cum Application Collecting Intermediaries	a SCSB with whom the bank account to be blocked, is maintained a syndicate member (or sub-syndicate member) If any a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity)('broker') if any a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity) 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)
Bid Lot	19,26,000 Equity shares and in multiples of 2,000 Equity Shares thereafter
Bid/ Issue Period	The period between the Bid/ Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof.
Bidding/Collecting Centre	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e, Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Issue can be made
Broker Centres	Broker centres notified by the Stock Exchanges, where the Bidders can submit the Bid cum application forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of National Stock Exchange of India Limited.
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Bidder indicating the Equity Shares which will be Allotted/ transferred, after approval of Basis of Allotment by the Designated Stock Exchange.
Collecting Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Controlling Branch of SCSBs	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants 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
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Controlling Branch/Designated Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants 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

Term	Description
Demographic Details	The demographic details of the Bidders/Applicants such as their address, PAN, occupation and bank account details
Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Date	The date on which the Collection Banks transfer funds from the public issue accounts, and the SCSBs issue instructions for transfer of funds from the ASBA Accounts, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Prospectus following which the Board of Directors may Allot Equity Shares to successful Bidders in the Fresh Issue may give delivery instructions for the transfer of the respective Offered Shares.
Designated RTA Locations	Such centres of the RTAs where Bidder can submit the Bid cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchange (www.nseindia.com) and updated from time to time
Designated Stock Exchange	National Stock Exchange of India Limited.
Draft Prospectus	The Draft Prospectus dated June 19, 2018 issued in accordance with section 32 of the Companies Act, 2013 and filed with the Emerge Platform of National Stock Exchange of India Limited under SEBI (ICDR) Regulations, which does not contain
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s) for the Issue and in whose favour the Applicants (excluding ASBA Applicants) will issue cheques or drafts in respect of the Application Amount when submitting any Application(s) pursuant to this Issue
Escrow Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the Lead Manager, and the Escrow Collection Bank(s) for collection of the Application Amounts and where applicable, refunds of the amounts collected to the Applicants (excluding ASBA Applicants) on the terms and conditions thereof
First/sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
FII/ Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
General Information Document/GID	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 and included in "Issue Procedure" on page 234 of this Prospectus
Issue/ Issue Size/ Initial Public Issue/ Initial Public Offer/ Initial Public Offering/ IPO	Public Issue aggregating 19,26,000 Equity Shares of face value of Rs. 10 each fully paid of Ushanti Colour Chem Limited for cash at a price of Rs 60/- per Equity Share (including a premium of Rs. 50/- per Equity Share) aggregating Rs.1,155.60 lakhs.
Issue Agreement	The agreement dated April 18, 2018 between our Company and the Lead Managers, pursuant to which certain arrangements are agreed to in relation to the Issue.

Term	Description
Issue Closing date	July 25, 2018
Issue Opening Date	July 23, 2018
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective Investors may submit their application
Issue Price	The price at which the Equity Shares are being issued by our Company under this Prospectus being Rs. 60/- per Equity Share of face value of Rs. 10 each fully paid
Issue Proceeds/Gross Proceeds	The proceeds of the Issue that is available to our Company. For further information about use of Issue Proceeds, see "Objects of the Issue" on page 97 of this Prospectus
Indian GAAP	Generally Accepted Accounting Principles in India
IFRS	International financial reporting standard
Lead Managers LM	Lead Manager to the Issue in this case being Pantomath Capital Advisors Private Limited (PCAPL).
Listing Agreement	The Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited.
Market Making Agreement	Market Making Agreement dated April 18, 2018 between our Company, Lead Manager and Market Maker
Market Maker	Market Maker appointed by our Company from time to time, in this case being Pantomath Stock Brokers 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 98,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs 60/- per Equity Share aggregating Rs. 58,80,000 for the Market Maker in this Issue.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India.
NSE Emerge of NSE	The EMERGE Platform of National Stock Exchange of India Limited, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter XB of the SEBI (ICDR) Regulations.
NSE	National Stock Exchange of India Limited
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 18,28,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs. 60/- per Equity Share aggregating Rs. 10,96,80,000/- by our Company
Net Proceeds	Proceeds of the Fresh Issue less our Company's share of the Issue expenses. For further information about use of the Issue Proceeds and the Issue expenses, see "Objects of the Issue" on page 97
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Non Institutional Bidders	All Bidders, including Category III FPIs that are not QIBs or Retail Individual Investors, who have apply for Equity Shares for an amount of more than Rs. 2,00,000/- but not including NRIs other than Eligible NRIs
Non-Resident	A person resident outside India, as defined under FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended from time to time, and includes FIIs and FPIs

Term	Description
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue
Other Investors	Investors other than Retail Individual Investors. These include individual bidders/applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Prospectus	The Prospectus to be filed with the RoC and the SEBI containing, inter alia, the Issue Price, the size of the Issue and certain other information
Public Issue Account	Account opened with the Banker to the Issue i.e. ICICI Bank under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the bidders on the Designated Date.
Public Issue Account Agreement/ Banker to the Issue Agreement	Agreement entered on June 18, 2018 amongst our Company, Lead Manager, the Registrar to the Issue and Public Issue Bank/Banker to the Issue for collection of the Bid Amount on the terms and conditions thereof.
Qualified Institutional Buyers or QIBs or QIB Bidders	Qualified Institutional Buyers as defined under Regulation 2(1)(zd) of the SEBI (ICDR) Regulations, 2009.
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to Bidders) shall be made.
Refund Bank(s) / Refund Banker(s)	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being ICICI Bank.
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of NSE having right to trade in stocks listed on 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/dynaContent/find_a_broker.htm
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Bigshare Services Private Limited having registered office at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai - 400059
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Resident Indian	A person resident in India, as defined under FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended from time to time

Term	Description
Retail Individual Bidder(s)/Retail Individual Investor(s)/RII(s)/RIB(s)	Individual Bidders, or minors applying through their natural guardians, including HUFs (applying through their Karta), who apply for an amount less than or equal to Rs 2,00,000/-
Revision Form	Form used by the Bidders, to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
Registrar Agreement	The agreement dated June 18, 2018, entered by our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
SCSB/ Self Certified Syndicate Banker	Bank which is registered with SEBI under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which Issue the service of making Bids/Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised Intermediaries or at such other website as may be prescribed by SEBI from time to time
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 (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
TRS or Transaction Registration Slip	The slip or document issued by the Syndicate, or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid
Underwriter	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The agreement dated June 18, 2018 entered into between the Underwriter and our Company
Working Day	i. (i) Till Application / Offer closing date: All days other than a Sunday or a public holiday, on which commercial banks in Mumbai are open for business; (ii). Post Application / Issue closing date and till the Listing of Equity Shares: All trading days of stock exchanges excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

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 Foreign Exchange Management Act, 1999 **("FEMA")**. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("**RBI**") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India **("DIPP")**.

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment **("FDI")** through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India **("DIPP"),** has issued consolidated FDI Policy Circular of 2017**("FDI Policy 2017")**, which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India **("RBI")** also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted in our company under automatic route.

In case of investment in sectors through Government Route approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained by the Company.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include: (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that: a) the requisite approval of the Government has been obtained; and b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.; (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence with the pricing guidelines and documentation requirements as specified by Reserve Bank of India from time to time.; (iii)where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionality (such as minimum capitalization, etc.), reporting requirements, documentation etc.; b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank and iv) where the investee company is in the financial sector provided that: a) Any 'fit and proper/due diligence' requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionality (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with. 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. Investors are advised to confirm their eligibility under the relevant laws before

investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/restrictions for overseas entities

Under the current FDI Policy 2017, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, , FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

i. Investment by FPIs under Portfolio Investment Scheme (PIS):

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10 % of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24 % of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

ii. Investment by NRI or OCI on repatriation basis:

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 i.e.:

- The total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

iii. Investment by NRI or OCI on non-repatriation basis

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

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 of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state 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.

Further, no offer to the public (as defined under Directive 20003/71/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Prospectus.

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

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

SECTION VIII – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013
(COMPANY LIMITED BY SHARES)
ARTICLES OF ASSOCIATION
OF
USHANTI COLOUR CHEM LIMITED

Sr. No	Particulars	
1.	No regulation contained in Table "F" in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	**Table F Applicable.**
	Interpretation Clause	
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	**Act**
	(b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	**Articles**
	(c) "Auditors" means and includes those persons appointed as such for the time being of the Company.	**Auditors**
	(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	**Capital**
	(e) *****"The Company" shall mean USHANTI COLOUR CHEM LIMITED	
	(f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	**Executor or Administrator**
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	**Legal Representative**
	(h) Words importing the masculine gender also include the feminine gender.	**Gender**
	(i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	**In Writing and Written**

Sr. No	Particulars	
	(j) The marginal notes hereto shall not affect the construction thereof.	**Marginal notes**
	(k) “Meeting” or “General Meeting” means a meeting of members.	**Meeting or General Meeting**
	(l) "Month" means a calendar month.	**Month**
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	**Annual General Meeting**
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	**Extra-Ordinary General Meeting**
	(o) “National Holiday” means and includes a day declared as National Holiday by the Central Government.	**National Holiday**
	(p) “Non-retiring Directors” means a director not subject to retirement by rotation.	**Non-retiring Directors**
	(q) "Office” means the registered Office for the time being of the Company.	**Office**
	(r) “Ordinary Resolution” and “Special Resolution” shall have the meanings assigned thereto by Section 114 of the Act.	**Ordinary and Special Resolution**
	(s) “Person" shall be deemed to include corporations and firms as well as individuals.	**Person**
	(t) “Proxy” means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	**Proxy**
	(u) “The Register of Members” means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.	**Register of Members**
	(v) "Seal" means the common seal for the time being of the Company.	**Seal**
	(w) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	**Singular number**
	(x) “The Statutes” means the Companies Act, 2013and every other Act for the time being in force affecting the Company.	**Statutes**
	(y) “These presents” means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	**These presents**
	(z) “Variation” shall include abrogation; and “vary” shall include abrogate.	**Variation**
	(aa) “Year” means the calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2(41) of the Act.	**Year and Financial Year**
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	**Expressions in the Act to bear the same meaning in Articles**
	CAPITAL	

Sr. No	Particulars	
3.	The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	**Authorized Capital.**
4.	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe 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 this Article the Directors shall comply with the provisions of Section 64of the Act.	**Increase of capital by the Company how carried into effect**
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 instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	**New Capital same as existing capital**
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	**Non Voting Shares**
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	**Redeemable Preference Shares**
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	**Voting rights of preference shares**
9.	On the issue of redeemable preference shares under the provisions of Article 7 hereof , the following provisions-shall take effect: (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of 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) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the	**Provisions to apply on issue of Redeemable Preference Shares**

Sr. No	Particulars	
	profits of the Company or out of the Company's security premium account, before the Shares are redeemed; (d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and (e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital	
10.	The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce (a) the share capital; (b) any capital redemption reserve account; or (c) any security premium account In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.	**Reduction of capital**
11.	Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.	**Debentures**
12.	The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.	**Issue of Sweat Equity Shares**
13.	The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.	**ESOP**

Sr. No	Particulars	
14.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	**Buy Back of shares**
15.	Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as 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.	**Consolidation, Sub-Division And Cancellation**
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	**Issue of Depository Receipts**
17.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	**Issue of Securities**
	MODIFICATION OF CLASS RIGHTS	
18.	(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting. Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.	**Modification of rights**
	(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.	**New Issue of Shares not to affect rights attached to existing shares of that class.**
19.	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue,	**Shares at the disposal of the Directors.**

Sr. No	Particulars	
	allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.	
20.	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	**Power to issue shares on preferential basis.**
21.	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.	**Shares should be Numbered progressively and no share to be subdivided.**
22.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	**Acceptance of Shares.**
23.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	**Directors may allot shares as full paid-up**
24.	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 become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	**Deposit and call etc.to be a debt payable immediately.**
25.	Every Member, or his heirs, executors, administrators, or legal representatives, 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	**Liability of Members.**

Sr. No	Particulars	
	to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	
26.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	**Registration of Shares.**
	RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT	
27.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	
	CERTIFICATES	
28.	(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. 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 cases of issues against letter of acceptance or of renunciation or in cases 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.	**Share Certificates.**

Sr. No	Particulars	
	(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares 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 Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act. (c) 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.	
29.	If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to debentures of the Company.	**Issue of new certificates in place of those defaced, lost or destroyed.**
30.	(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.	**The first named joint holder deemed Sole holder.**
	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.	**Maximum number of joint holders.**

Sr. No	Particulars	
31.	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.	**Company not bound to recognise any interest in share other than that of registered holders.**
32.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	**Installment on shares to be duly paid.**
	UNDERWRITING AND BROKERAGE	
33.	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 shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	**Commission**
34.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	**Brokerage**
	CALLS	
35.	(1) 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 a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the 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 persons and at the time and places appointed by the Board. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by installments.	**Directors may make calls**
36.	Fifteen 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 whom such call shall be paid.	**Notice of Calls**
37.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the	**Calls to date from resolution.**

Sr. No	Particulars	
	discretion of the Directors on such subsequent date as may be fixed by Directors.	
38.	Whenever any calls for further share capital are made on shares, such calls shall be made on 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.	**Calls on uniform basis.**
39.	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 on account of the residence at a distance or other cause, which 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.	**Directors may extend time.**
40.	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 not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	**Calls to carry interest.**
41.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	**Sums deemed to be calls.**
42.	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, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money 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 in the Minute Books: and that notice of such call was duly given to the Member or his representatives used 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 a quorum of Directors was present at the Board 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.	**Proof on trial of suit for money due on shares.**
43.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any	**Judgment, decree, partial payment motto proceed for forfeiture.**

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	indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	
44.	(a) The Board may, if it thinks fit, 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 any 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 shares may carry interest but shall not confer a right to dividend or to participate in profits. (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. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.	**Payments in Anticipation of calls may carry interest**
	LIEN	
45.	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.	**Company to have Lien on shares.**
46.	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the	**As to enforcing lien by sale.**

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	Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.	
47.	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 lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.	**Application of proceeds of sale.**
	FORFEITURE AND SURRENDER OF SHARES	
48.	If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.	**If call or installment not paid, notice may be given.**
49.	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon 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 or places appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.	**Terms of notice.**
50.	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 but before payment of all calls or instalments, interest and expenses, due in respect thereof, be forfeited by 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 and not actually paid before the forfeiture.	**On default of payment, shares to be forfeited.**
51.	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood	**Notice of forfeiture to a Member**

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	immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.	
52.	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.	**Forfeited shares to be property of the Company and may be sold etc.**
53.	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, instalments, 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 of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	**Members still liable to pay money owing at time of forfeiture and interest.**
54.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand 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.	**Effect of forfeiture.**
55.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have 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.	**Evidence of Forfeiture.**
56.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	**Title of purchaser and allottee of Forfeited shares.**
57.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the 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, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	**Cancellation of share certificate in respect of forfeited shares.**
58.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the	**Forfeiture may be remitted.**

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	actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	
59.	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 cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers 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.	**Validity of sale**
60.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	**Surrender of shares.**
	TRANSFER AND TRANSMISSION OF SHARES	
61.	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	**Execution of the instrument of shares.**
62.	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. The instrument of transfer shall be in a common form approved by the Exchange;	**Transfer Form.**
63.	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder	**Transfer not to be registered except on production of instrument of transfer.**

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	any person to whom the right to any shares in the Company has been transmitted by operation of law.	
64.	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— (a) any transfer of shares on which the company has a lien. That registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;	**Directors may refuse to register transfer.**
65.	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.	**Notice of refusal to be given to transferor and transferee.**
66.	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	**No fee on transfer.**
67.	The Board of Directors shall have power on giving not less than seven days pervious notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	**Closure of Register of Members or debentureholder or other security holders..**
68.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	**Custody of transfer Deeds.**
69.	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	**Application for transfer of partly paid shares.**
70.	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	**Notice to transferee.**
71.	(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole	**Recognition of legal representative.**

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	holder, shall be the only person recognized by the Company as having any title to his interest in the shares. (b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate (c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.	
72.	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative 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 of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72of the Companies Act.	**Titles of Shares of deceased Member**
73.	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.	**Notice of application when to be given**
74.	Subject to the provisions of the Act and these Articles, any person becoming entitled to any 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 presents, may, with the consent of the Directors (which they 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 this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election	**Registration of persons entitled to share otherwise than by transfer. (transmission clause).**

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	by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.	
75.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	**Refusal to register nominee.**
76.	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	**Board may require evidence of transmission.**
77.	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 or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same 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 or require to regard or attend or give effect to any notice which may be given to them 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 Directors shall so think fit.	**Company not liable for disregard of a notice prohibiting registration of transfer.**
78.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	**Form of transfer Outside India.**
79.	No transfer shall be made to any minor, insolvent or person of unsound mind.	**No transfer to insolvent etc.**
	NOMINATION	
80.	i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013shall apply in respect of such nomination. ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company	**Nomination**

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	during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination. iv) lf the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.	
81.	A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either- (i) to be registered himself as holder of the security, as the case may be; or (ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made; (iii) if the nominee elects to be registered as holder of the security, 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 security holder as the case may be; (iv) 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 security except that he shall not, before being registered as a member in respect of his security, 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.	**Transmission of Securities by nominee**
	DEMATERIALISATION OF SHARES	
82.	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.	**Dematerialisation of Securities**
	JOINT HOLDER	
83.	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	**Joint Holders**
84.	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	**Joint and several liabilities for all payments in respect of shares.**

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	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	**Title of survivors.**
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	**Receipts of one sufficient.**
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.	**Delivery of certificate and giving of notices to first named holders.**
	SHARE WARRANTS	
85.	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.	**Power to issue share warrants**
86.	(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant. (b) Not more than one person shall be recognized as depositor of the Share warrant. (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.	**Deposit of share warrants**
87.	(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.	**Privileges and disabilities of the holders of share warrant**

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88.	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	**Issue of new share warrant coupons**
	CONVERSION OF SHARES INTO STOCK	
89.	The Company may, by ordinary resolution in General Meeting. a) convert any fully paid-up shares into stock; and b) re-convert any stock into fully paid-up shares of any denomination.	**Conversion of shares into stock or reconversion.**
90.	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.	**Transfer of stock.**
91.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares , have conferred that privilege or advantage.	**Rights of stock holders.**
92.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.	**Regulations.**
	BORROWING POWERS	
93.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, 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; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.	**Power to borrow.**
94.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise;	**Issue of discount etc. or with special privileges.**

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	provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	
95.	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	**Securing payment or repayment of Moneys borrowed.**
96.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	**Bonds, Debentures etc. to be under the control of the Directors.**
97.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	**Mortgage of uncalled Capital.**
98.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surely for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	**Indemnity may be given.**
	MEETINGS OF MEMBERS	
99.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	**Distinction between AGM & EGM.**
100.	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	**Extra-Ordinary General Meeting by Board and by requisition**
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to	**When a Director or any two Members may call an Extra Ordinary General Meeting**

Sr. No	Particulars	
	increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	
101.	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	**Meeting not to transact business not mentioned in notice.**
102.	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	**Chairman of General Meeting**
103.	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	**Business confined to election of Chairman whilst chair is vacant.**
104.	a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	**Chairman with consent may adjourn meeting.**
105.	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	**Chairman's casting vote.**
106.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	**In what case poll taken without adjournment.**
107.	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	**Demand for poll not to prevent transaction of other business.**
	VOTES OF MEMBERS	

Sr. No	Particulars	
108.	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, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.	**Members in arrears not to vote.**
109.	Subject to the provision 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 last preceding Article shall be entitled to be present, and to speak and to 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 is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	**Number of votes each member entitled.**
110.	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.	**Casting of votes by a member entitled to more than one vote.**
111.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	**Vote of member of unsound mind and of minor**
112.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	**Postal Ballot**
113.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	**E-Voting**
114.	a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.	**Votes of joint members.**

Sr. No	Particulars	
	b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	
115.	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles	**Votes may be given by proxy or by representative**
116.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised 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 as if it were an individual member, creditor or holder of debentures of the Company.	**Representation of a body corporate.**
117.	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	**Members paying money in advance.**
	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	**Members not prohibited if share not held for any specified period.**
118.	Any person entitled under Article 73 (transmission clause) 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 at least forty-eight hours 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 indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	**Votes in respect of shares of deceased or insolvent members.**
119.	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	**No votes by proxy on show of hands.**
120.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before	**Appointment of a Proxy.**

Sr. No	Particulars	
	the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	
121.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	**Form of proxy.**
122.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy 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 meeting or adjourned meeting at which the proxy is used.	**Validity of votes given by proxy notwithstanding death of a member.**
123.	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.	**Time for objections to votes.**
124.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	**Chairperson of the Meeting to be the judge of validity of any vote.**
	DIRECTORS	
125.	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 (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution **a) Board of Directors** The Present Directors* of the Company are (1) Mr. Minku Shantilal Gandhi, (2) Mr. Maunal Shantilal Gandhi, (3) Mr. Shailesh Indradaman Patwari (4) Mrs. Hanisha Jinish Patel (5) Mrs. Purvi Tapan Trivedi (6) Mrs. Harshaben Nishithbhai Mehta	**Number of Directors**
126.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	**Qualification shares.**
127.	(a) Subject to the provisions of the Companies Act, 2013and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement (b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the	**Nominee Directors.**

Sr. No	Particulars	
	minutes, sitting fees, etc. as any other Director of the Company is entitled. (c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board. (d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.	
128.	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 period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	**Appointment of alternate Director.**
129.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.	**Additional Director**
130.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.	**Directors power to fill casual vacancies.**
131.	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.	**Sitting Fees.**
132.	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	**Travelling expenses Incurred by Director on Company's business.**
	PROCEEDING OF THE BOARD OF DIRECTORS	

Sr. No	Particulars	
133.	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	**Meetings of Directors.**
134.	a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting. b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.	**Chairperson**
135.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	**Questions at Board meeting how decided.**
136.	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.	**Continuing directors may act notwithstanding any vacancy in the Board**
137.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	**Directors may appoint committee.**
138.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	**Committee Meetings how to be governed.**
139.	a) A committee may elect a Chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	**Chairperson of Committee Meetings**
140.	a) A committee may meet and adjourn as it thinks fit.	**Meetings of the Committee**

Sr. No	Particulars	
	b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	
141.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	**Acts of Board or Committee shall be valid notwithstanding defect in appointment.**
	RETIREMENT AND ROTATION OF DIRECTORS	
142.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	**Power to fill casual vacancy**
	POWERS OF THE BOARD	
143.	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	**Powers of the Board**
144.	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	**Certain powers of the Board**
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	**To acquire any property , rights etc.**
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the	**To take on Lease.**

Sr. No	Particulars	
	Directors may believe, or may be advised to be reasonably satisfy.	
	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	**To erect & construct.**
	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.	**To pay for property.**
	(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	**To insure properties of the Company.**
	(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	**To open Bank accounts.**
	(7) To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	**To secure contracts by way of mortgage.**
	(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	**To accept surrender of shares.**
	(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	**To appoint trustees for the Company.**

Sr. No	Particulars	
	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	**To conduct legal proceedings.**
	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.	**Bankruptcy &Insolvency**
	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	**To issue receipts & give discharge.**
	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	**To invest and deal with money of the Company.**
	(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	**To give Security by way of indemnity.**
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	**To determine signing powers.**
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	**Commission or share in profits.**
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	**Bonus etc. to employees.**
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the	**Transfer to Reserve Funds.**

Sr. No	Particulars	
	depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depredation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.	
	(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.	**To appoint and remove officers and other employees.**
	(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their	**To appoint Attorneys.**

Sr. No	Particulars	
	limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.	
	(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.	**To enter into contracts.**
	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.	**To make rules.**
	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	**To effect contracts etc.**
	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	**To apply & obtain concessions licenses etc.**
	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.	**To pay commissions or interest.**
	(26) To redeem preference shares.	**To redeem preference shares.**
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	**To assist charitable or benevolent institutions.**

Sr. No	Particulars	
	(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	
	(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.	
	(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how. (32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products. (33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient. (34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate. (35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any	

Sr. No	Particulars	
	rights or privileges belonging to or at the disposal of the Company or in which the Company is interested. (36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit. (37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid. (38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.	
	MANAGING AND WHOLE-TIME DIRECTORS	
145.	a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places. b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.	**Powers to appoint Managing/ Wholetime Directors.**
146.	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.	**Remuneration of Managing or Wholetime Director.**
147.	(1) Subject to control, direction and supervision of the Board of Directors, the day-today management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.	**Powers and duties of Managing Director or Whole-time Director.**

Sr. No	Particulars	
	(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers. (3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles. (4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit. (5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.	
	Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer	
148.	a) Subject to the provisions of the Act,— i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. **b)** A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in	**Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer**

Sr. No	Particulars	
	place of, chief executive officer, manager, company secretary or chief financial officer.	
	THE SEAL	
149.	(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given. (b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.	**The seal, its custody and use.**
150.	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.	**Deeds how executed.**
	Dividend and Reserves	
151.	(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares. (2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. (3) 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.	**Division of profits.**
152.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	**The company in General Meeting may declare Dividends.**
153.	a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for	**Transfer to reserves**

Sr. No	Particulars	
	equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit. b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	
154.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	**Interim Dividend.**
155.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	**Debts may be deducted.**
156.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	**Capital paid up in advance not to earn dividend.**
157.	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 dividends as from a particular date such share shall rank for dividend accordingly.	**Dividends in proportion to amount paid-up.**
158.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	**Retention of dividends until completion of transfer under Articles .**
159.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	**No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.**
160.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	**Effect of transfer of shares.**
161.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	**Dividend to joint holders.**
162.	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.	**Dividends how remitted.**

Sr. No	Particulars	
	b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	
163.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	**Notice of dividend.**
164.	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	**No interest on Dividends.**
	CAPITALIZATION	
165.	(1) The Company in General Meeting may, upon the recommendation of the Board, resolve: (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. (2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards: (i) paying up any amounts for the time being unpaid on any shares held by such members respectively; (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii). (3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares. (4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.	**Capitalization.**
166.	(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall — (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and (b) generally to do all acts and things required to give effect thereto. (2) The Board shall have full power - (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also	**Fractional Certificates.**

Sr. No	Particulars	
	(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares. (3) Any agreement made under such authority shall be effective and binding on all such members. (4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.	
167.	(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges. (2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.	**Inspection of Minutes Books of General Meetings.**
168.	a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors. b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.	**Inspection of Accounts**
	FOREIGN REGISTER	
169.	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	**Foreign Register.**
	DOCUMENTS AND SERVICE OF NOTICES	
170.	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the	**Signing of documents & notices to be served or given.**

Sr. No	Particulars	
	Board for such purpose and the signature may be written or printed or lithographed.	
171.	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.	**Authentication of documents and proceedings.**
	WINDING UP	
172.	Subject to the provisions of Chapter XX of the Act and rules made thereunder— (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not. (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.	
	INDEMNITY	
173.	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.	**Directors' and others right to indemnity.**
174.	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for	**Not responsible for acts of others**

Sr. No	Particulars	
	the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.	
	SECRECY	
175.	(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 Directors, before entering upon his duties, sign a declaration pleading 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 matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.	**Secrecy**
	(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.	**Access to property information etc.**

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Prospectus which are, or may be deemed material, have been entered or to be entered into by our Company. These contracts, copies of which will be attached to the copy of the 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 88/8, GIDC, Phase I, Vatva, Ahmedabad, Gujarat- 382445, India from date of filing the Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

Material Contracts

1. Issue Agreement dated April 18, 2018 between our Company and the LM;
2. Registrar Agreement dated June 18, 2018 between our Company and Bigshare Services Private Limited, Registrar to the Issue;
3. Underwriting Agreement dated June 18, 2018 between our Company and Underwriter viz. LM;
4. Market Making Agreement dated April 18, 2018 between our Company, Market Maker and the LM;
5. Bankers to the Issue Agreement dated June 18, 2018 our Company, the LM, Banker(s) to the Issue and the Registrar to the Issue;
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated May 30, 2018;
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated May 22, 2018;

Material Documents

1. Certified copies of the updated Memorandum and Articles of Association of our Company along with certificates of incorporation as amended from time to time;
2. Resolutions of the Board of Directors dated March 19, 2018 in relation to the Issue and other related matters;
3. Special resolution of the Shareholders' passed at the Extra-ordinary General meeting dated March 24, 2018 authorizing the Issue;
4. Statement of Tax Benefits dated July 11, 2018 issued by our Peer Reviewed Auditor, N. K. Aswani & Co., Chartered Accountants;
5. Report of the Peer Reviewed Auditor, N. K. Aswani & Co., Chartered Accountants, and dated July 11, 2018 on the Restated Financial Statements for the period ended March 31, 2018 and financial years ended as on March 31, 2017, 2016, 2015, 2014 & 2013 of our Company;
6. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer Reviewed Auditors, Banker to the Company, Legal Advisor to the Issue, the Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Bankers to the Issue and Refund Banker to the Issue to act in their respective capacities;
7. Consent in writing by M/s. ANA & Associates, for inclusion of their name, appraisal report, in Draft Prospectus/Prospectus;
8. Techno Economic Viability Report dated April 5, 2018 issued by M/s. ANA & Associates;
9. Copy of In Principle approval from Emerge Platform of National Stock Exchange of India Limited *vide* letter dated June 29, 2018, to use the name of National Stock Exchange of India Limited in this Issue document for listing of Equity Shares on Emerge Platform of National Stock Exchange of India Limited;

None of the contracts or documents mentioned in this Prospectus may be amended or modified at any time without reference to the shareholders, subject to compliance of the provisions contained in the companies Act and other relevant statutes.

DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, as the case may be, have been complied with and no statement made in the Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Prospectus are true and correct.

Signed by all the Directors of our Company:

Name and designation	Signature
Maunal Gandhi *Promoter and Joint Managing Director*	Sd/-
Minku Gandhi *Promoter and Joint Managing Director*	Sd/-
Shantilal Gandhi *Chairman and Executive Director*	Sd/-
Shailesh Patwari *Independent Director*	Sd/-
Hanisha Patel *Independent Director*	Sd/-
Purvi Trivedi *Independent Director*	Sd/-

Signed by Chief Financial Officer and Company Secretary and Compliance Officer of the Company.

Sd/-	Sd/-
Archita Shah	**Pradip Parikh**
Company Secretary & Compliance Officer	Chief Financial Officer

Place: Ahmedabad

Date: July 14, 2018

Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED

Sr. No.	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Softtech Engineers Limited	22.81	80.00	May 11, 2018	88.00	-22.50% (-0.18%)	Not Applicable	Not Applicable
2.	Innovators Façade Systems Limited	40.76	72.00	May 24, 2018	72.00	-13.19% (2.96%)	Not Applicable	Not Applicable
3.	Shree Vasu Logistics Limited	9.29	45.00	June 4, 2018	48.00	24.00% (0.67%)	Not Applicable	Not Applicable
4.	Affordable Robotic & Automation Limited	22.79	85.00	June 4, 2018	90.05	35.29% (1.05%)	Not Applicable	Not Applicable
5.	Latteys Industries Limited	8.07	66.00	June 5, 2018	68.00	0.68% (1.67%)	Not Applicable	Not Applicable
6.	Nakoda Group of Industries Limited	6.43	35.00	June 6, 2018	36.00	5.43% (1.12%)	Not Applicable	Not Applicable
7.	ShreeOswal Seeds and Chemicals Limited	11.90	26.00	June 20, 2018	27.00	Not Applicable	Not Applicable	Not Applicable
8.	Priti International Limited	5.25	75.00	June 21, 2018	81.00	Not Applicable	Not Applicable	Not Applicable
9.	Accuracy Shipping Limited	35.76	84.00	June 22, 2018	88.00	Not Applicable	Not Applicable	Not Applicable
10.	Ganga Forging Limited	5.00	21.00	July 11, 2018	21.10	Not Applicable	Not Applicable	Not Applicable

Sources: All share price data is from www.bseindia.com and www.nseindia.com

Note:-

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered
4. In case 30th/90th/180th days, scrips are not traded then last trading price has been considered.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by the lead manager are provided.

SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO	Total funds raised (Rs. Cr)	Nos of IPOs trading at discount on 30th Calendar day from listing date			Nos of IPOs trading at premium on 30th Calendar day from listing date			Nos of IPOs trading at discount on 180th Calendar day from listing date			Nos of IPOs trading at premium on 180th Calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
15-16	*9	54.01	-	-	1	3	2	3	-	1	1	4	3	-
16-17	**24$	204.56	-	-	5	5	3	8	-	1	5	10	1	6
17-18	***30$$	610.90	-	-	4	10	7	9	-	1	3	12	2	4
18-19	****16$$$	260.74	1	1	3	1	1	7	-	-	-	-	-	-

*The scripts of Filtra Consultants and Engineers Limited, Ambition Mica Limited, Jiya Eco Products Limited, M.D. Inducto Cast Limited, Majestic Research Services and Solutions Limited, Mangalam Seeds Limited, Sri Krishna Constructions (India) Limited, Patdiam Jewellery Limited and Vidli Restaurants Limited were listed on April 15, 2015, July 14, 2015, July 16, 2015, July 16, 2015, July 16, 2015, August 12, 2015, October 01, 2015, October 16, 2015 and February 15, 2016 respectively.

**The scripts Ruby Cables Limited, Sysco Industries Limited, Lancer Containers Lines Limited, Yash Chemex Limited, Titaanium Ten Enterprise Limited, Commercial Syn Bags Limited, Shiva Granito Export Limited, Sprayking Agro Equipment Limited, Narayani Steels Limited, Nandani Creation Limited, DRA Consultant Limited, Gretex Industries Limited, Sakar Health Care Limited, Bindal Exports Limited, Mewar Hi-Tech Engineering Limited, Shashijit Infraprojects Limited, Agro Phos (India) Limited, Majestic Research Services and Solutions Limited, Maheshwari Logistics Limited, Madhav Copper Limited, Chemcrux Enterprises Limited, Manomay Tex India Limited, Oceanic Foods Limited and Euro India Fresh Foods Limited were listed on April 13, 2016, April 13, 2016, April 13, 2016, June 20, 2016, July 14, 2016, July 14, 2016, September 06, 2016, September 14, 2016, September 14, 2016, October 10, 2016, October 13, 2016, October 14, 2016, October 14, 2016, October 17, 2016, October 17, 2016, October 17, 2016, November 16, 2016 December 14, 2016, January 16, 2017, February 06, 2017, March 28, 2017, March 28, 2017, March 31, 2017 and March 31, 2017 respectively.

***The scripts Bohra Industries Limited, Creative Peripherals and Distribution Limited, Panache Digilife Limited, Zota Health Care Limited, Gautam Exim Limited, Bansal Multiflex Limited, Shrenik Limited, Jigar Cables Limited, Vaishali Pharma Limited, Lexus Granito (India) Limited, Worth Peripherals Limited, R M Drip and Sprinklers Systems Limited, Shree Tirupati Balajee FIBC Limited, Innovative Tyres and Tubes Limited, Poojawestern Metaliks Limited, Airo Lam Limited, Goldstar Power Limited, IRIS Business Services Limited, Tirupati Forge Limited, Beta Drugs Limited, One Point One Solutions Limited, Astron Paper & Board Mill Limited, Shree Ram Proteins Limited and Gujarat Hy – Spin Limited, Focus Suites Solutions & Services Limited, A and M Jumbo Bags Limited, Sintercom India Limited, Mohini Health & Hygiene Limited, South West Pinnacle Exploration Limited and Macpower CNC Machines Limited were listed on April 05, 2017, April 12, 2017, April 25, 2017, May 10, 2017 July 11, 2017, July 12, 2017, July 18, 2017, July 28, 2017, August 22, 2017, August 23, 2017, September 27, 2017, October 04, 2017, October 05, 2017, October 05, 2017, October 05, 2017, October 06, 2017, October 10, 2017, October 11, 2017, October 12, 2017, October 12, 2017, December 26,

2017, December 29, 2017, February 05, 2018, February 08, 2018, February 09, 2018, February 12, 2018, February 15, 2018, February 16, 2018, February 19, 2018 and March 22, 2018 respectively.

****The scripts of Benara Bearings and Pistons Limited, Soya Products Limited, Vera Synthetic Limited, S.S. Infrastructure Development Consultants Limited, Mahickra Chemicals Limited, Akshar Spintex Limited, Softtech Engineers Limited, Innovators Façade Systems Limited, Shree Vasu Logistics Limited, Affordable Robotic & Automation Limited, Latteys Industries Limited, Nakoda Group of Industries Limited, ShreeOswal Seeds and Chemicals Limited, Priti International Limited, Accuracy Shipping Limited and Ganga Forging Limited were listed on April 3, 2018, April 12, 2018, April 12, 2018, April 12, 2018, April 26, 2018, May 11, 2018, May 11, 2018, May 24, 2018, June 4, 2018, June 4, 2018, June 5, 2018, June 6, 2018, June 20, 2018, June 21, 2018, June 22, 2018 and July 11, 2018 respectively.

$. As on 30th trading day the closing price of the scripts Ruby Cables Limited and Shashijit Infraprojects Limited were at par with the issue price. Hence, they are not considered for counting the number of IPOs trading at discount and premium.

$$ The scripts of Shree Ram Proteins Limited, Gujarat Hy – Spin Limited, Focus Suites Solutions & Services Limited, A and M Jumbo Bags Limited, Sintercom India Limited, Mohini Health & Hygiene Limited, South West Pinnacle Exploration Limited and Macpower CNC Machines Limited have not completed 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 days, 180 Days and 180 Days respectively from the date of listing.

$$$ The scripts of Benara Bearings and Pistons Limited, Soni Soya Products Limited, Vera Synthetic Limited, S.S. Infrastructure Development Consultants Limited, Mahickra Chemicals Limited, Akshar Spintex Limited, Softtech Engineers Limited, Innovator Façade Systems Limited, Shree Vasu Logistics Limited, Affordable Robotic & Automation Limited, Latteys Industries Limited, Nakoda Group of Industries Limited, ShreeOswal Seeds and Chemicals Limited, and Priti International Limited, Accuracy Shipping Limited and Ganga Forging Limited have not completed 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 30 Days, 30 Days, 30 Days and 30 Days respectively from the date of listing.

Note: *Majestic Research Services and Solutions Limited and Ambition Mica Limited are Further Public Offerings lead managed by Pantomath Capital Advisors Private Limited in the Financial Years 2016-17 and 2017-18 respectively and the same have not been included in the above mentioned Summary Statement of Disclosure as the disclosure is limited to IPOs only*.