

**DRAFT RED HERRING PROSPECTUS**

April 22, 2015

**Please read Section 32 of the Companies Act, 2013**This Draft Red Herring Prospectus will be updated upon filing of the Red Herring Prospectus with the RoC  
**Book Built Offer****NUZIVEEDU SEEDS LIMITED**

Our Company was originally incorporated as a public limited company under the Companies Act, 1956, by a certificate of incorporation dated March 19, 2008 at New Delhi and a certificate of commencement of business dated April 9, 2008 from the Registrar of Companies, National Capital Territory of Delhi and Haryana, with the name “NSL Seeds Limited”. By a fresh certificate of incorporation on conversion to a private limited company, dated June 30, 2008 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana, the name of our Company was changed to “NSL Seeds Private Limited”. Subsequently, by a fresh certificate of incorporation dated September 23, 2010 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana, the name of our Company was further changed to “Nuziveedu Seeds Private Limited”. Our Company was converted into a public limited company pursuant to a special resolution passed by the Shareholders at an EGM on September 10, 2012 with the name “Nuziveedu Seeds Limited” and it received a fresh certificate of incorporation consequent upon change of name on conversion to a public limited company on September 18, 2012 from the Registrar of Companies, Andhra Pradesh. For details of changes to the registered office of our Company, please refer to the section titled “History and Certain Corporate Matters” on page 222 of this Draft Red Herring Prospectus.

**Corporate Identity Number:** U74120TG2008PLC074583; **Registered & Corporate Office:** Survey No. 69, Kandlakoya, Gundla Pochampally Village, Medchal Mandal, Ranga Reddy District 501 401, Telangana, India.  
**Tel:** +91 (8418) 308 888; **Fax:** +91 (8418) 308 892; **Website:** www.nuziveeduseeds.com; **Contact Person:** Mr. N. Murali Krishna; **Tel:** +91 (8418) 308 888; **Fax:** +91 (8418) 308 892; **E-mail:** investors@nuziveeduseeds.com

**PROMOTERS OF OUR COMPANY: MANDAVA HOLDINGS PRIVATE LIMITED AND MR. MANDAVA PRABHAKARA RAO**

**INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (“EQUITY SHARES”) OF NUZIVEEDU SEEDS LIMITED (THE “ISSUER” OR THE “COMPANY”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE, AGGREGATING UP TO ₹ [●] MILLION CONSISTING OF A FRESH ISSUE OF [●] EQUITY SHARES AGGREGATING TO ₹ 1,250 MILLION (THE “FRESH ISSUE”) AND AN OFFER FOR SALE OF UP TO 9,891,221 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY MR. MANDAVA PRABHAKARA RAO (THE “PROMOTER SELLING SHAREHOLDER”) AND UP TO 1,978,245 EQUITY SHARES (“BLACKSTONE OFFERED SHARES”) AGGREGATING UP TO ₹ [●] MILLION BY BLACKSTONE GPV CAPITAL PARTNERS MAURITIUS V-C LIMITED (“BLACKSTONE”) AND TOGETHER WITH THE PROMOTER SELLING SHAREHOLDER, THE “SELLING SHAREHOLDERS”) (THE “OFFER FOR SALE” AND TOGETHER WITH THE FRESH ISSUE, THE “ISSUE”). THE ISSUE SHALL CONSTITUTE AT LEAST 10% OF THE FULLY DILUTED POST-ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**  
**THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY THE COMPANY, BLACKSTONE AND THE PROMOTER SELLING SHAREHOLDER IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS (“MANAGERS”), AND ADVERTISED IN [●] EDITIONS OF [●], [●] EDITIONS OF [●] AND [●] EDITIONS OF [●] (WHICH ARE WIDELY CIRCULATED ENGLISH, HINDI AND TELEGU NEWSPAPERS, TELEGU BEING THE REGIONAL LANGUAGE OF TELANGANA, WHERE OUR REGISTERED OFFICE IS LOCATED) AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED (THE “ICDR REGULATIONS”) AND SUCH ADVERTISEMENT SHALL BE MADE AVAILABLE TO BSE LIMITED (“BSE”) AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED (“NSE”) FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES.**  
**THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES**

In case of revision in the Price Band, the Bid/Issue Period will be extended for a minimum of three additional Working Days after revision of the 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 NSE and the BSE, by issuing a press release, and also by indicating the change on the websites of the Managers and at the terminals of the Syndicate Members and Registered Brokers and by intimation to Self Certified Syndicate Banks (“SCSBs”).

In terms of Rule 19(2)(b)(iii) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 41 of the ICDR Regulations, this is an offer for at least 10% of the post-Issue capital. The Issue is through the Book Building Process, in reliance of Regulation 26(2) of the ICDR Regulations, wherein at least 75% of the Issue shall be Allotted on a proportionate basis to Qualified Institutional Buyers (“QIBs”). Provided that our Company, Blackstone and the Promoter Selling Shareholder, in consultation with the Managers, may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis out of which one-third shall be reserved for domestic Mutual Funds only subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Category. 5% of the Net QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Category shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. If at least 75% of the Issue cannot be Allotted to QIBs, all the application monies will be refunded forthwith. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Issue shall be available for allocation, in accordance with the ICDR Regulations, to Retail Individual Investors, subject to valid Bids being received at or above the Issue Price.

All investors, other than Anchor Investors, can participate in the Issue through the Applications Supported by Blocked Amount (“ASBA”) process by providing the details of their respective bank accounts in which the corresponding Bid Amount will be blocked by the Self Certified Syndicate Banks (“SCSBs”). However, QIBs (excluding Anchor Investors) and Non-Institutional Investors are mandatorily required to submit their Bids by way of ASBA only. For details, see “Issue Procedure” on page 633 of this Draft Red Herring Prospectus.

**RISKS IN RELATION TO FIRST ISSUE**

This being the first public offer of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10 each. The Floor Price is [●] times of the face value and the Cap Price is [●] times of the face value. The Issue Price is [●] times of the face value. The Issue Price (as has been determined by the Company, Blackstone and the Promoter Selling Shareholder in consultation with the Managers, and justified as stated in the section “Basis for Issue Price” on page 145 of this Draft Red Herring Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and / or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the 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 the Issue. For taking an investment decision, investors must rely on their own examination of the Company and the Issue, including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section “Risk Factors” on page 27 of this Draft Red Herring Prospectus.

**COMPANY’S AND THE SELLING SHAREHOLDERS’ ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. The Promoter Selling Shareholder accepts responsibility only for statements made him in this Draft Red Herring Prospectus and confirms that this Draft Red Herring Prospectus contains all information about him as a Promoter Selling Shareholder and the Equity Shares offered by him in the Issue and that such statements are true and correct in all material respects and are not misleading in any material respect. Blackstone accepts responsibility only for statements specifically confirmed by it in this Draft Red Herring Prospectus to the extent of information pertaining to itself and the Blackstone Offered Shares and confirms that such statements are true and correct in all material respects and are not misleading in any material respect.

**LISTING**

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on NSE and BSE. We have received in-principle approvals from NSE and BSE for listing of our Equity Shares pursuant to letters dated [●] and [●] respectively. For the purposes of the Issue, [●] shall be the Designated Stock Exchange.

**BOOK RUNNING LEAD MANAGERS****REGISTRAR TO THE OFFER**

				
<b>Axis Capital Limited</b> 1st Floor, Axis House C-2, Wadia International Centre, P.B. Marg Worli, Mumbai 400 025 Maharashtra, India Telephone: +91 (22) 4325 2183 Facsimile : +91 (22) 4325 3000 E-mail: nsl ipo@axiscap.in Website: www.axiscapital.co.in Investor grievance ID: complaints@axiscap.in Contact person: Mr. Vivek Toshniwal SEBI registration number: INM000012029	<b>IDFC Securities Limited</b> Naman Chambers, C-32, G Block Bandra Kurla Complex, Bandra (East) Mumbai 400 051, Maharashtra, India Tel : +91 22 6622 2600 Fax : +91 22 6622 2501 Email : nsl.ipo@idfc.com Investor Grievance Email: investorgrievance@idfc.com Website: www.idfccapital.com Contact Person: Mr. Akshay Bhandari SEBI registration No.: MB/INM000011336	<b>JM Financial Institutional Securities Limited</b> (formerly JM Financial Institutional Securities Private Limited) 7th Floor, Cnergy, Appasaheb Marathe Marg Prabhadevi, Mumbai 400 025. Maharashtra, India Telephone: +91 (22) 6630 3030 Facsimile: +91 22 6630 3330 Email: nsl.ipo@jmfml.com; Website: www.jmfml.com Investor grievance ID: grievance.id@jmfml.com Contact person: Ms. Lakshmi Lakshmanan SEBI registration number: INM000010361	<b>J.P. Morgan India Private Limited</b> J.P. Morgan Tower, Off C.S.T Road, Kalina Santacruz (E), Mumbai 400 098 Maharashtra, India Telephone: +91 22 6157 3000 Facsimile: +91 22 6157 3911 Email ID: nsl_ipo@jpmorgan.com Website: www.jpiml.com Investor Grievance ID: investorsmb.jpiml@jpmorgan.com Contact Person: Ms. Prateeksha Runwal SEBI registration number: INM000002970	<b>Karvy Computershare Private Limited</b> Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032, Telangana, India Telephone: +91 (40) 6716 2222 Facsimile: +91 (40) 2300 1153 Toll free number: 1800 3454 001 E-mail: einward.ris@karvy.com Investor grievance ID: nsl.ipo@karvy.com Website: www.karisma.karvy.com Contact person: Mr. Rakesh Santhalia SEBI registration number: INR000000221

**BID/ISSUE PROGRAMME**

<b>FOR ALL BIDDERS:</b>	<b>BID/ISSUE OPENS ON: [●]*</b>
<b>FOR QIBS:</b>	<b>BID/ISSUE CLOSES ON: [●]**</b>
<b>FOR RETAIL AND NON-INSTITUTIONAL INVESTORS</b>	<b>BID/ISSUE CLOSES ON [●]</b>

\*Our Company, Blackstone and the Promoter Selling Shareholder in consultation with the Managers, may consider participation by Anchor Investors in accordance with the ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.

\*\* Our Company, Blackstone and the Promoter Selling Shareholder in consultation with the Managers, may decide to close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the ICDR Regulations.

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## DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise implies or requires, the terms and abbreviations stated hereunder shall have the meanings as assigned therewith. References to statutes, rules, regulations, guidelines and policies will, unless the context otherwise requires, be deemed to include all amendments, modifications and replacements notified thereto as of the date of this Draft Red Herring Prospectus.

### Company and Selling Shareholder related terms

Term	Description
“Company”, “our Company” “Nuziveedu Seeds Limited”, “NSL” or “Issuer”.	Nuziveedu Seeds Limited, a public limited company incorporated under the Companies Act, 1956 and having its registered office at Survey No. 69, Kandlakoya, Gundla Pochampally Village, Medchal Mandal, Ranga Reddy District 501 401, Telangana, India.
“we”, “us”, or “our”	Unless the context otherwise requires or implies, Nuziveedu Seeds Limited, its Subsidiaries and its Associates, on a consolidated basis.
AAGL	Asian Agri Genetics Limited
Ambient Infratech	Ambient Infratech Private Limited.
Apple Avenue	Apple Avenue Private Limited.
APSCDRC	Andhra Pradesh State Consumer Disputes Redressal Commission.
“Articles”/ “Articles of Association”	The articles of association of our Company, as amended.
Associates	Swadeshi Bio-technics Limited and Swarnabharat Bio-technics Private Limited.
“Auditors” or “Statutory Auditor”	BSR & Associates LLP, Chartered Accountants.
BCOW Act	Building and Other Construction Works Welfare Cess Act, 1996.
Blackstone	BLACKSTONE GPV CAPITAL PARTNERS MAURITIUS V-C LTD.
Blackstone Investment Agreement	Share subscription and shareholders’ agreement, entered into amongst our Company, Mandava Prabhakara Rao, Mandava Asha Priya, Mr. Mandava Venkatram Chowdary, M. Srinivas Rao, Nelluri Bapuji, Savaram Saisubba Rao, Aala Veera Venkata Sivaprasad, Yasangi Madhu Babu and Gowrneni Seshu Kumar, and Blackstone, dated August 18, 2010, as amended by the deed of adherence dated November 24, 2011 executed by Mandava Holdings Private Limited, the letter of amendment issued by the Company, Mandava Prabhakara Rao and Mandava Asha Priya to Blackstone dated June 20, 2012, the adherence and amendment agreement entered into by the Company, the Promoters, Gooddeal Developers Private Limited, Portrait Properties Private Limited, Mandava Asha Priya, M. Venkatram Chowdary, M. Srinivas Rao and Blackstone dated January 16, 2013, the amendment agreement entered into by the Company, the Promoters, Mandava Asha Priya, M. Srinivas Rao, M. Venkatram Chowdary and Blackstone dated January 2, 2014 and the amendment and termination agreement entered into by the Company, the Promoters, Mandava Asha Priya, M. Srinivas Rao, M. Venkatram Chowdary, B. Aishwarya and Blackstone dated April 22, 2015.
Board/Board of Directors	The board of directors of our Company, as constituted from time to time including any committees thereof.



Term	Description
Cozy Properties	Cozy Properties Private Limited.
Director(s)	Director(s) on the Board of our Company, as appointed from time to time.
Dream Land Avenues	Dream Land Avenues Private Limited.
Equity Shares	Equity shares of our Company of face value of ₹ 10 each.
Executive Director	An executive Director.
FHSL	Fortune Hybrid Seeds Limited.
GAIL	Global Agrigenetics (India) Private Limited.
Group Companies	Companies, firms and ventures promoted by our Promoters, irrespective of whether such entities are covered under Section 370(1)(B) of the Companies Act, 1956, and disclosed in the section titled “ <i>Our Promoters and Group Companies</i> ” on page 270 of this Draft Red Herring Prospectus.
Highend Properties	Highend Properties Private Limited.
Independent Director	A non-executive, independent Director as per the Companies Act, 2013 and Clause 49 of the Listing Agreement.
JRPIPL	Jubilee Real Projects (India) Private Limited.
“KMP” / “Key Management Personnel”	Officers of our Company vested with executive powers and officers at the level immediately below the Board including any other person so declared by our Company, as defined in terms of Regulation 2(1)(s) of the ICDR Regulations and as disclosed in the section titled “ <i>Our Management</i> ” on page 262 of this Draft Red Herring Prospectus.
Lead Bank	Canara Bank.
“Memorandum” / “Memorandum of Association”	The memorandum of association of our Company, as amended.
Non-Executive Director	A non-executive, non-independent Director as per the Companies Act, 2013 and the Listing Agreement.
NRPPL	NSL Renewable Power Private Limited.
NSI	PT Nuziveedu Seeds Indonesia.
NSL Nagapatnam	NSL Nagapatnam Power and Infratech Limited.
NSL Properties	NSL Properties Private Limited.
NSL SEZ	NSL SEZ (Hyderabad) Private Limited.
NSL Sugars Tungabhadra	NSL Sugars (Tungabhadra) Limited.
NSL Sugars	NSL Sugars Limited.
NSL Textiles	NSL Textiles Limited.
NSL Tidong	NSL Tidong Power Generation Private Limited.
PABL	Prabhat Agri Biotech Limited.

<b>Term</b>		<b>Description</b>
PSPL		Pravardhan Seeds Private Limited.
Preference Shares		Compulsorily convertible cumulative preference shares of our Company of par value of ₹ 1,000 each.
Promoters		Mandava Holdings Private Limited and Mr. Mandava Prabhakara Rao.
Promoter Group		Such persons and entities which constitute the promoter group of our Company pursuant to Regulation 2 (1)(zb) of the ICDR Regulations.
Promoter Shareholder	Selling	Mandava Prabhakara Rao.
Regen Powertech		Regen Powertech Private Limited.
RISPL		ReGen Infrastructure and Services Private Limited (formerly known as Renewable Energy Generation Private Limited).
Registered & Corporate Office		Survey No. 69, Kandlakoya, Gundla Pochampally Village, Medchal Mandal, Ranga Reddy District 501 401, Telangana, India.
Restated Consolidated Financial Information		The consolidated financial information examined in accordance with the generally accepted auditing standards in India of our Company, Subsidiaries and Associates as of and for each of the financial years ended March 31, 2011, 2012, 2013 and 2014 and the nine month period ended December 31, 2014, restated in accordance with the requirements of the Companies Act, 2013, and the ICDR Regulations together with the schedules and notes thereto. The Restated Consolidated Financial Information comprise summary consolidated statements of profit and losses, assets and liabilities and cash flows and other consolidated financial information as of and for each of the financial years ended March 31, 2011, 2012, 2013 and 2014 and the nine month period ended December 31, 2014.
Restated Standalone Financial Information		The standalone financial information examined in accordance with the generally accepted auditing standards in India of our Company as of and for each of the financial years ended March 31, 2010, 2011, 2012, 2013 and 2014 and the nine month period ended December 31, 2014, restated in accordance with the requirements of the Companies Act, 2013, and the ICDR Regulations together with the schedules and notes thereto. The Restated Standalone Financial Information comprise summary consolidated statements of profit and losses, assets and liabilities and cash flows and other standalone financial information as of and for each of the financial years ended March 31, 2010, 2011, 2012, 2013 and 2014 and the nine month period ended December 31, 2014.
Restated Financial Information		Restated Consolidated Financial Information and Restated Standalone Financial Information collectively.
RoC		Registrar of Companies, Andhra Pradesh & Telangana.
Scheme of Arrangement 2010		Scheme of arrangement between our Company, Nuziveedu Seeds Private Limited (presently known as NSL Renewable Power Private Limited), Mandava Holdings Private Limited, NSL Properties Private Limited, NSL SEZ (Chennai) Private Limited, Ascendant Estates Private Limited and their respective shareholders and creditors with effect from April 1, 2010.
Scheme of Arrangement 2013		Scheme of arrangement between our Company, NSL Fertiliser Ventures Private Limited and their respective shareholders with effect from July 1, 2013.

<b>Term</b>	<b>Description</b>
Shared Assets and Services Agreement	A shared assets and services agreement entered into between our Company and Mandava Holdings Private Limited dated November 29, 2011
SBL	Swadeshi Bio-Technics Limited.
SBPL	Swarnabharat Bio-Technics Private Limited.
Selling Shareholders	The Promoter Selling Shareholder and Blackstone
“Subsidiary” / “Subsidiaries”	A subsidiary of the Company as of the date of this Draft Red Herring Prospectus, in accordance with the Companies Act, 2013, and as set out in “ <i>History and Certain Corporate Matters</i> ” on page 234 of this Draft Red Herring Prospectus.
Sub-License Agreement	A sublicensing agreement entered into between our Company with MMBL on February 21, 2004.
Trademark Sub-licence Agreement	Trademark sub-licence agreement entered into between our Company with MMBL executed on March 10, 2015
Trait Agreement	A trait introgression research agreement entered into between our Company had entered into with Monsanto Holdings Private Limited and Mahyco Monsanto Biotech (India) Limited on February 2, 2011.
Vantage Call Option Agreement	A call option agreement entered into between our Company, Mr. Mandava Prabhakara Rao and Vantage Quest (Mauritius) Limited dated November 1, 2010 as amended from time to time
YSPL	Yaaganti Seeds Private Limited.

#### **Issue Related Terms**

<b>Term</b>	<b>Description</b>
“Allotment” / “Allot” / “Allotted”	Unless the context otherwise requires, the allotment of Equity Shares to successful Bidders pursuant to the Fresh Issue and the transfer of Equity Shares to successful Bidders pursuant to the Offer for Sale.
Allottee	A successful Bidder to whom the Equity Shares are Allotted.
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the ICDR Regulations.
Anchor Investor Bidding Date	The day, one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Managers will not accept any Bids, and allocation to Anchor Investors shall be completed.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company, Blackstone and the Promoter Selling Shareholder in consultation with the Managers on the Anchor Investor Bidding Date.
Anchor Investor Issue Price	The final price at which Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor

Term	Description
	Investor Issue Price will be decided by the Company, Blackstone and the Promoter Selling Shareholder in consultation with the Managers.
Anchor Investor Portion	Up to 60% of the QIB Category, which may be allocated by our Company, in consultation with the Managers, to Anchor Investors on a discretionary basis in accordance with the ICDR Regulations, out of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.
“Applications Supported by Blocked Amount” / “ASBA”	An application, whether physical or electronic, used by ASBA Bidders to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Accounts.
ASBA Account	An account maintained with an SCSB and specified in the Bid cum Application Form submitted by an ASBA Bidder, which will be blocked by such SCSB to the extent of the Bid Amount specified by an ASBA Bidder.
ASBA Bidder	Any Bidder, other than an Anchor Investor, who Bids through ASBA in accordance with the terms of the Red Herring Prospectus and the Bid cum Application Form.
Axis	Axis Capital Limited
Basis of Allotment	The basis on which the Equity Shares will be Allotted, as described in “ <i>Issue Procedure – Allotment Procedure and Basis of Allotment</i> ” on page 677 of this Draft Red Herring Prospectus.
Bid	An indication to make an offer during the Bid/Issue Period by a Bidder (other than an Anchor Investor), or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of a Bid cum Application Form, to purchase, the Equity Shares at a price within the Price Band, including all revisions thereto, in terms of the Red Herring Prospectus and the Bid cum Application Form, and the term “Bidding” shall be construed accordingly.
Bid Amount	In relation to each Bid shall mean the highest value of the Bid indicated in the Bid cum Application Form and payable by the Bidder upon submission of the Bid in the Issue.
Bid/Issue Closing Date	<p>Except in relation to Bids received from the Anchor Investors, [●], the date after which the Syndicate, the SCSBs and the Registered Brokers will not accept any Bids, which shall also be notified in [●], an English national newspaper, [●], a Hindi national newspaper and [●] a Telegu daily newspaper (Telegu being the regional language of Telangana, where our Registered Office is located), each with wide circulation and in case of any revision, the extended Bid/Issue Closing Date, also to be notified to the Stock Exchanges by issuing a press release and also indicating the change on the websites of the Managers and at the terminals of the Syndicate Members and the Registered Brokers and by intimation to the SCSBs.</p> <p>The Company, Blackstone, and the Promoter Selling Shareholder, in consultation with the Managers, may consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the ICDR Regulations.</p>
Bid/Issue Opening Date	Except in relation to Bids received from the Anchor Investors, [●], the date on which the Syndicate, the SCSBs and the Registered Brokers, as applicable, shall start accepting Bids for the Issue, which shall also be notified in [●], an English national newspaper, [●], a Hindi national newspaper and [●], a Telegu daily

Term	Description
	newspaper (Telugu being the regional language of Telangana, where our Registered Office is located), each with wide circulation.
Bid/Issue Period	Except in relation to Bids received from the Anchor Investors, the period from and including the Bid/Issue Opening Date to and including the Bid/Issue Closing Date during which Bidders can submit their Bids, including any revisions thereto. The Bid/Issue Period will comprise Working Days only.
Bid Lot	[●] Equity Shares.
Bid cum Application Form	The form used by a Bidder, including an ASBA Bidder, to make a Bid and which will be considered as the application for Allotment for the purposes of the Red Herring Prospectus and the Prospectus.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form. Unless, otherwise stated or implied, the term “Bidder” shall be deemed to include an ASBA Bidder and an Anchor Investor.
Broker Centre	Broker centres notified by the Stock Exchanges where Bidders can submit the Bid cum Application Forms to a Registered Broker and details of which are available on the websites of the stock exchanges.
Book Building Process	The book building process as described in Part A, Schedule XI of the ICDR Regulations, in terms of which the Issue is being made.
Cap Price	The higher end of the Price Band, i.e. ₹ [●], above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted.
“CAN” or “Confirmation of Allocation Note”	The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
CARE April Report	“Report on Indian Seeds Industry”, April 3, 2015 by CARE
Controlling Branches	Such branches of the SCSBs which coordinate Bids with the members of the Syndicate, Registrar to the Issue and the Stock Exchanges, a list of which is available on the website of the SEBI at <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognized-Intermediaries">www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognized-Intermediaries</a> and updated from time to time, and at such other websites as may be prescribed by SEBI from time to time.
Cut-off Price	The Issue Price, as finalised by the Company, Blackstone and the Promoter Selling Shareholder in consultation with the Managers, which shall be any price within the Price Band. Only Retail Individual Investors whose Bid Amount does not exceed ₹ 200,000 are entitled to Bid at the Cut-off Price. No other category of Bidders is entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the Bidders such as their respective addresses, occupation, PAN, MICR Code and bank account details.
Designated Branches	Such branches of the SCSBs with which an ASBA Bidder, not Bidding through Syndicate/ Sub Syndicate or through a Registered Broker, may submit the Bid cum Application Forms, a list of which is available on the website of the SEBI at <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognized-Intermediaries">www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognized-Intermediaries</a> and updated from time to time, and at such other websites as may be prescribed by SEBI from time to time.

Term	Description
Designated Date	The date on which funds are transferred from the Escrow Account to the Public Issue Account or the Refund Account, as appropriate, or the funds blocked by the SCSBs are transferred from the ASBA Accounts to the Public Issue Account, as the case may be.
Designated Stock Exchange	[●].
Draft Red Herring Prospectus	This draft red herring prospectus dated April 22, 2015, issued in accordance with the ICDR Regulations, which does not contain complete particulars of the Issue, including the price at which the Equity Shares will be Allotted.
Eligible FPIs	FPIs from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby.
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares offered thereby.
Escrow Accounts	Accounts opened with the Escrow Collection Bank(s) and in whose favour the Bidders (excluding the ASBA Bidders) will issue cheques or drafts in respect of the Bid Amount when submitting a Bid.
Escrow Agreement	The agreement to be entered into amongst our Company, the Registrar to the Issue, the Managers, the Syndicate Members, Blackstone, the Promoter Selling Shareholder, the Escrow Collection Bank(s), the Public Issue Account Bank(s), and the Refund Bank(s) for collection of the Bid Amounts and, where applicable, refunds of the amounts collected on the terms and conditions thereof.
Escrow Collection Bank(s)	The banks which are clearing members and registered with SEBI under the BTI Regulations, with whom the Escrow Account(s) will be opened, being [●].
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form.
Floor Price	The lower end of the Price Band, i.e. ₹ [●], at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids, will be accepted.
Fresh Issue	The issue of [●] Equity Shares aggregating to ₹ 1,250 million by the Company offered for subscription pursuant to the Red Herring Prospectus.
General Information Document	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, suitably modified and included in “Issue Procedure” on page 650 of this Draft Red Herring Prospectus.
IDFC	IDFC Securities Limited.
Issue	Initial public offering of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] million consisting of a fresh issue of [●] Equity Shares aggregating to ₹ 1,250 million and an offer for sale of up to 9,891,221 Equity Shares aggregating up to ₹ [●] million by the Promoter Selling Shareholder and up to 1,978,245 Equity Shares aggregating up to ₹ [●] million by Blackstone, pursuant to the terms of the Red Herring Prospectus.

Term	Description
Issue Agreement	The agreement entered into on April 22, 2015 amongst our Company, Blackstone, the Promoter Selling Shareholder and the Managers, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	The final price at which the Equity Shares will be Allotted in terms of the Red Herring Prospectus. The Issue Price will be decided by the Company, Blackstone and the Promoter Selling Shareholder, in consultation with the Managers, on the Pricing Date and advertised in [●], an English national newspaper, [●], a Hindi national newspaper and [●], a Telegu daily newspaper (Telegu being the regional language of Telangana, where our Registered Office is located), each with wide circulation at least five Working Days prior to the Bid/Issue Opening Date, and shall be made available to the Stock Exchanges for the purpose of uploading on their website.
Issue Proceeds	Gross proceeds of the Issue that is available to our Company and the Selling Shareholders.
JM	JM Financial Institutional Securities Limited (formerly JM Financial Institutional Securities Private Limited).
JPM	J.P. Morgan India Private Limited.
Listing Agreement	The equity listing agreement to be entered into by our Company with each of the Stock Exchanges, as amended.
Managers	The Book Running Lead Managers, being Axis, IDFC, JM and JPM.
Mutual Fund Portion	5% of the Net QIB Category available for allocation to Mutual Funds only, on a proportionate basis.
Net Proceeds	Proceeds of the Fresh Issue less our Company's share of the Issue expenses.  For further information about use of the Net Proceeds and the Issue expenses, see section titled " <i>Objects of the Issue</i> " on page 138 of this Draft Red Herring Prospectus.
Net QIB Category	The QIB Category, available for allocation to QIBs, less the number of Equity Shares allocated to the Anchor Investors, being [●] Equity Shares.
Non-Institutional Investors	All Bidders, including Category III FPIs, that are not QIBs or Retail Individual Investors who have Bid for Equity Shares for an amount of more than ₹ 200,000, (but not including NRIs other than Eligible NRIs).
Non-Institutional Category	The portion of the Issue being not more than 15% of the Issue available for allocation to Non-Institutional Investors on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Offer for Sale	The offer for sale of up to 11,869,466 Equity Shares aggregating up to ₹ [●] million, consisting of the offer of up to 9,891,221 Equity Shares by the Promoter Selling Shareholder and up to 1,978,245 Equity Shares by Blackstone.
Price Band	Any price between the Floor Price and the Cap Price, inclusive of the Floor Price and the Cap Price, and includes revisions thereof.  The Price Band and the minimum Bid Lot for the Issue will be decided by the Company, Blackstone and the Promoter Selling Shareholder in consultation with the Managers and will be advertised in [●], an English national newspaper, [●], a Hindi national newspaper and [●], a Telegu daily newspaper (Telegu being the

Term	Description
	regional language of Telangana, where our Registered Office is located), each with wide circulation, at least five Working Days prior to the Bid/Issue Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price and such advertisement shall be made available to the Stock Exchanges for the purpose of uploading on their websites.
Pricing Date	The date on which the Company, Blackstone and the Promoter Selling Shareholder in consultation with the Managers, finalise the Issue Price.
Prospectus	The prospectus to be filed with the RoC in accordance with Sections 26 and 32 of the Companies Act, 2013, containing, <i>inter-alia</i> , the Issue Price that is determined at the end of the Book Building Process and certain other information, including any addenda or corrigenda thereto.
Public Issue Account(s)	An account opened in accordance with the provisions of the Companies Act, 2013, with the Public Issue Account Bank to receive money from the Escrow Accounts and from the ASBA Accounts maintained with the SCSBs on the Designated Date.
Public Issue Account Bank(s)	The banks which are clearing members and registered with SEBI under the BTI Regulations, with whom the Public Issue Account(s) will be opened, being [●].
“Qualified Institutional Buyers” or “QIBs”	A qualified institutional buyer, as defined under Regulation 2 (1)(zd) of the ICDR Regulations.
QIB Category	The portion of the Issue (including the Anchor Investor Portion) being at least 75% of the Issue which shall be Allotted to QIBs, including the Anchor Investors (in which allocation shall be on a discretionary basis, as determined by our Company, the Promoter Selling Shareholder and Blackstone, in consultation with the Managers).
Red Herring Prospectus	The red herring prospectus that will be issued in accordance with Section 32 of the Companies Act, 2013, and the ICDR Regulations, which will not have complete particulars, including the price at which the Equity Shares will be offered, including any addenda or corrigenda thereto.
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds (excluding refunds to ASBA Bidders), if any, of the whole or part of the Bid Amount shall be made.
Refund Bank(s)	The banks which are clearing members and registered with SEBI under the BTI Regulations with whom the Refund Account(s) will be opened and in this case being [●].
Registered Broker	Stock brokers registered with the Stock Exchanges having terminals in any of the Broker Centres other than the Syndicate, and eligible to procure Bids in terms of the circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI.
“Registrar” / “Registrar to the Issue”	Karvy Computershare Private Limited.
Retail Category	The portion of the Issue being not more than 10% of the Issue available for allocation to Retail Individual Investor(s) in accordance with the ICDR Regulations, subject to valid Bids being received at or above the Issue Price.
Retail Individual Investors	Individual Bidders (including HUFs applying through their <i>karta</i> and Eligible NRIs) who have not submitted a Bid for Equity Shares for a Bid Amount of more than ₹ 200,000 in any of the Bidding options in the Issue.



Term	Description
Revision Form	The form used by the Bidders, including ASBA Bidders, to modify the quantity of Equity Shares or the Bid Amount in their Bid cum Application Forms or any prior Revision Form(s), as applicable. QIBs and Non-Institutional Investors are not allowed to lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage.
Self Certified Syndicate Bank(s) or SCSB(s)	Banks which are registered with SEBI under the BTI Regulations, which offer the facility of ASBA, a list of which is available on the website of the SEBI at <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries">www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries</a> and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
“Specified Cities” or “Specified Locations”	Bidding centres where the Syndicate shall accept Bid cum Application Forms from ASBA Bidders, a list of which is available on the website of the SEBI ( <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries</a> ) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
Stock Exchanges	NSE and BSE.
“Syndicate” or “member of the Syndicate”	The Managers and the Syndicate Members.
Sub Syndicate	The sub-syndicate members, if any, appointed by the Managers and the Syndicate Members, to collect Bid cum Application Forms.
Syndicate Agreement	The agreement to be entered into amongst the Syndicate, our Company, Blackstone, the Promoter Selling Shareholder and the Registrar in relation to collection of Bids in the Issue (excluding Bids from ASBA Bidders procured directly by SCSBs and Bids procured by Registered Brokers).
Syndicate Bidding Centres	Syndicate and Sub Syndicate centres established for acceptance of the Bid cum Application Form and Revision Forms.
Syndicate Members	[●].
“TRS” or “Transaction Registration Slip”	The slip or document issued by the Syndicate/Sub Syndicate, Registered Broker or an SCSB (only on demand), as the case may be, to the Bidder as proof of registration of a Bid.
Underwriters	The Managers and the Syndicate Members.
Underwriting Agreement	The agreement to be entered into amongst the Underwriters, our Company, Blackstone and the Promoter Selling Shareholder on or after the Pricing Date.
Working Day	Any day other than Saturday or Sunday on which commercial banks are open for business in Mumbai, provided however, for the purposes of the time period between Bid/Issue Closing Date and listing of the Equity Shares, “Working Days” shall mean all days other than Sundays and bank holidays in Mumbai, in accordance with the SEBI circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010.

#### Conventional or general terms and abbreviations

Term	Description
A/c	Account.

<b>Term</b>	<b>Description</b>
AGM	Annual general meeting.
AIFs	Alternative investment funds as defined in and registered under the AIF Regulations.
AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
AS	Accounting standards issued by the Institute of Chartered Accountants of India, as notified by the Companies (Accounting Standards ) Rules, 2006.
A.Y.	Assessment year.
BIRAC	Biotechnology Industry Research Assistance Council.
Bioseed	Bioseed Research India Limited.
BPLR	Benchmark prime lending rate.
BSE	BSE Limited.
BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994.
CAGR	Compounded Annual Growth Rate.
“Calendar Year”/ “year”	Unless the context otherwise requires, shall refer to the twelve month period ending December 31.
CARE	Credit Analysis & Research Limited.
“Category III Foreign Portfolio Investors” or “Category III FPIs”	FPIs who are registered as “Category III foreign portfolio investors” under the FPI Regulations.
CCI	Competition Commission of India.
CDSL	Central Depository Services (India) Limited.
Central Seeds Statutes	Seeds Act 1966, Seeds Rules 1968 and Seeds (Control) Order 1983.
CFO	Chief Financial Officer.
Combination Regulations	Provisions under the Competition Act in relation to combinations.
Companies Act	Companies Act, 1956 and the rules thereunder, to the extent not repealed, and/or the Companies Act, 2013.
Companies Act, 1956	Companies Act, 1956, as the context requires.
Companies Act, 2013	Companies Act, 2013 and the rules and clarifications thereunder, to the extent notified.
Competition Act	Competition Act, 2002, as amended.
Cotton Seeds Act	A.P. Cotton Seeds (Regulation, Supply, Distribution, Sale and Fixation of Sale Price) Act, 2007.
Cotton Seeds Rules	A.P. Cotton Seeds (Regulation, Supply, Distribution, Sale and Fixation of Sale Price) Rules, 2007.
CSR	Corporate social responsibility.

<b>Term</b>	<b>Description</b>
Depositories Act	Depositories Act, 1996.
Depository	NSDL and CDSL.
DIN	Director Identification Number.
“DP”/ “Depository Participant”	A depository participant as defined under the Depositories Act.
DP ID	Depository Participant’s identity number.
Draft Seeds Bill	Seeds Bill 2011.
DTC	Draft Direct Taxes Code, 2013.
ECB	External commercial borrowing.
ED	Enforcement Directorate.
EGM	Extraordinary general meeting.
EPS	Earnings per share (as calculated in accordance with AS-20).
FDI	Foreign direct investment.
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
FII(s)	Foreign institutional investors, as defined under the FPI Regulations.
“Financial Year” / “Fiscal” / “FY” / “F.Y.”	Period of twelve months ending on March 31 of that particular year, unless stated otherwise.
FAO	Food Agriculture Organization.
FPI(s)	Foreign portfolio investors, as defined under the FPI Regulations, including FIIs and QFIs, which are deemed to be foreign portfolio investors.
FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
Finance Act	Finance Act, 1994.
FIPB	Foreign Investment Promotion Board.
FVCI	Foreign venture capital investors, as defined and registered with SEBI under the FVCI Regulations.
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000.
GAAR	General Anti-Avoidance Rule
GDP	Gross domestic product.
GERC	Gujarat Electricity Regulatory Commission.
GIR Number	General index registration number.

Term	Description
GoI	Government of India.
GST	Goods and services tax.
GST Bill	Constitution (One Hundred and Twenty-Second Amendment) Bill, 2014, introduced in the Lok Sabha on December 19, 2014
GUVNL	Gujarat Urja Vikas Nigam Limited.
Guj	Gujarat.
High Court of Hyderabad	High Court of Telangana and the State of Andhra Pradesh at Hyderabad.
HUF	Hindu undivided family.
ICAI	The Institute of Chartered Accountants of India.
IFRS	International Financial Reporting Standards.
IND AS	Indian Accounting Standards.
INR	Indian National Rupees.
I.T. Act	The Income Tax Act, 1961.
ITAT	Income Tax Appellate Tribunal.
ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
Indian Accounting Standard Rules	Companies (Indian Accounting Standards) Rules, 2015.
Indian GAAP	Accounting principles generally accepted in India.
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.
IPR	Intellectual Property Rights.
kg/ha	Kilograms per hectare.
KT	Karnataka.
Legal Metrology Act	Legal Metrology Act, 2009.
IPO	Initial public offer.
Maharashtra Cotton Seeds Act	Maharashtra Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Act, 2009
Mahyco	Maharashtra Hybrid Seeds Company Limited.
MAT	Minimum alternate tax.
MAPCL	Mahanadi Aban Power Company Limited.
MCA	Ministry of Corporate Affairs, Government of India.
Metahelix	Metahelix Life Sciences Private Limited.
MICR	Magnetic ink character recognition.

Term	Description
“Mn” / “mn”	Million.
MOEF	Ministry of Environment and Forests.
MP	Madhya Pradesh
MT/ha	Metric tons per hectare.
Mutual Funds	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
N.A.	Not applicable.
NALA	Andhra Pradesh Non-Agricultural Land Assessment Act, 1963.
NAV	Net asset value per share being Net Worth at the end of period / year excluding preference share capital and cumulative preference dividend divided by Total number of equity shares outstanding at the end of the period/year.
NCT	National Capital Territory.
NECS	National electronic clearing service.
NEFT	National electronic fund transfer.
Negotiable Instruments Act	Negotiable Instruments Act, 1881.
Net Worth	Equity share capital plus preference share capital and reserves and surplus.
NOC	No objection certificate.
Non-Resident	A person resident outside India, as defined under the FEMA and includes a Non-Resident Indian.
NRE Account	Non resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2000.
“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, such term as defined under the Foreign Exchange Management (Deposit) Regulations, 2000.
NRO Account	Non resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2000.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
“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 the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue.
PBITDA	Profit before interest, tax, depreciation and amortisation, calculated as profit / (loss) for the period excluding depreciation and amortization expense, finance cost, finance income and tax expenses.
P/E Ratio	Price/earnings ratio.

<b>Term</b>	<b>Description</b>
PAN	Permanent account number allotted under the I.T. Act.
PLR	Prime lending rate.
PPV&FR Act	Protection of Plant Varieties and Farmers' Rights Act, 2001.
PPV&FR Authority	Protection of Plant Varieties and Farmers' Rights Authority.
PSUs	Public Sector Undertakings (government-owned corporations)
QFI	Qualified foreign investor, as defined under the FPI Regulations.
R&D	Research and development.
RBI	Reserve Bank of India.
RONW	Return on net worth.
“Rs.” / “Rupees” / “₹”	Indian Rupees.
RTGS	Real time gross settlement.
SBIRI Scheme	‘Small Business Innovation Research Initiative’ Scheme of the Department of Biotechnology, Ministry of Science and Technology, Government of India.
SCRA	Securities Contracts (Regulation) Act, 1956.
SCRR	Securities Contracts (Regulation) Rules, 1957.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992.
SEBI ESOP Guidelines	Erstwhile Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.
SEBI ESOP Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
Securities Act	U.S. Securities Act of 1933, as amended.
Security Trustee	Axis Trustee Services Limited.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985.
SRSPC	Sri Rama Seeds and Pesticides Corporation.
Stock Exchanges	BSE and NSE.
STT	Securities Transaction Tax.
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
US/USA	United States of America.
“USD” or “\$” or “US \$”	United States Dollar.
USDA	US Department of Agriculture.
US GAAP	Generally accepted accounting principles in the US.
U.S. Person	As defined in Regulation S under the Securities Act.

Term	Description
U.S. QIBs	Qualified Institutional Buyers, as defined in Rule 144A under the Securities Act.
VAT	Value added tax.
VCFs	Venture capital funds as defined in and registered with SEBI under the VCF Regulations.
VCF Regulations	The erstwhile Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996.
WB	West Bengal.
y-o-y	Year on year.

Unless the content otherwise requires, the words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, the SEBI Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in “*Main Provisions of our Articles of Association*”, “*Statement of Tax Benefits*” and “*Financial Statements*” on pages 688, 149 and F-1, respectively, shall have the meanings given to such terms in these respective sections.

#### Industry related terms

Term	Description
AICRP	All India Coordinated Research Project.
Bt. trait	Advanced Bacillus Thuringiensis trait, or Bt. 2.
COGEM	Commission of Genetic Modification.
DSIR	The Department of Scientific and Industrial Research.
ERP	Enterprise resource planning system.
F1	First filial generation.
Farm-saved seeds	Seeds harvested from a previous crop.
GEAC	Genetic Engineering Appraisal Committee of India.
GM	Genetic modification.
GOT	Grow-out test.
HDP	High density planting.
ICRISAT	International Crops Research Institute for the Semi-Arid Tropics.
ISAAA	International Service for The Acquisition of Agri-Biotech Applications.
ISTA	International Seed Testing Association.
Kribhco	Krishak Bharati Cooperative Limited.
MMBL	Mahyco Monsanto Biotech (India) Limited.
MLTs	Multi-location trials.

Term	Description
MSP	Minimum support prices.
Notified	Notified by the Government of India, pursuant to Section 5 of the Seeds Act 1966, for having passed certain quality and performance assessments conducted by the Indian Council of Agricultural Research.
OECD	Organisation for Economic Co-operation and Development.
OECD Certification	Included in the list of seed products considered eligible for varietal certification by the OECD.
OPV	Open-pollinated variety.
PBFDt	Profit before finance costs, depreciation and tax.
PBTA	Profit before tax and amortisation expense.
PLC	Product life cycle.
Seed Growing Farmers	Third-party farmers who assist us in growing seeds.
STLs	Seed testing laboratories.
Tata Chemicals	Tata Chemicals Limited.



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

All references to “India” contained in this Draft Red Herring Prospectus are to the Republic of India and all references to the “U.S.” are to the United States of America.

### **Financial Data**

Unless the context requires otherwise, the financial data in this Draft Red Herring Prospectus is derived from our Restated Financial Information. The Company’s Financial Year commences on April 1, and ends on March 31 of the following year. In this Draft Red Herring Prospectus, any discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

As on and for the financial year ended March 31, 2010, our Company did not have any subsidiary or associates and consequently, the Restated Consolidated Financial Information are presented for the financial years ended March 31, 2011, 2012, 2013 and 2014 and the nine month period ended December 31, 2014.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the Restated Financial Information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. Our Company does not provide a reconciliation of its financial statements to IFRS or U.S. GAAP financial statements. For details, see “*Risk Factors – Significant differences exist between Indian GAAP used to prepare our financial information and other accounting principles, such as U.S. GAAP and IFRS, with which investors may be more familiar.*” on page 68 of this Draft Red Herring Prospectus.

Any percentage amounts, as set forth in the sections “*Risk Factors*”, “*Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 27, 184 and 442 of this Draft Red Herring Prospectus, respectively, and elsewhere in this Draft Red Herring Prospectus, unless otherwise indicated, have been calculated on the basis of our Restated Consolidated Financial Information and the Restated Standalone Financial Information.

### **Currency and units of presentation**

All references to:

- “Rupees” “Rs.” or “₹” are to Indian Rupees, the official currency of the Republic of India.
- “US Dollars” or “US\$” or “USD” are to United States Dollars, the official currency of the United States of America.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information in “million” units. One million represents 1,000,000.

### **Non-GAAP Financial Measures**

PBITDA and any related ratios presented in this Draft Red Herring Prospectus are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with, Indian GAAP, U.S. GAAP or IFRS. PBITDA is not a measurement of financial performance or liquidity under Indian GAAP, U.S. GAAP or IFRS and should not be considered as an alternative to net income, operating income or any other performance measures derived in accordance with Indian GAAP, U.S. GAAP or IFRS or as an alternative to cash flow from operating activities as a measure of liquidity. In addition, PBITDA is not a standardized term, hence a direct comparison between companies using such a term may not be possible.

We believe that PBITDA facilitates comparisons of operating performance from period to period and company to company by eliminating potential differences caused by variations in capital structures (affecting interest expense and finance charges), tax positions (such as the impact on periods or companies of changes in effective tax rates or net operating losses), the age and booked depreciation and amortization of assets (affecting relative depreciation and amortization of expense). PBITDA has been presented because we believe that it is frequently used by securities analysts, investors and other interested parties in evaluating similar companies, many of whom present such non - GAAP financial measures when reporting their results. Finally, PBITDA is presented as a supplemental measure of our ability to service debt. Nevertheless, PBITDA has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for analysis of, our financial condition or results of operations, as reported under Indian GAAP. Because of these limitations, PBITDA should not be considered as a measure of discretionary cash available to invest in the growth of our business.

## **Industry and Market Data**

Unless stated otherwise, industry data used throughout this Draft Red Herring Prospectus has been obtained or derived from publicly available information as well as industry publications. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decision should be made on the basis of such information. Although we believe that the industry data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by the Company, the Selling Shareholders, the Syndicate or any of their affiliates or advisors.

Information has been included in this Draft Red Herring Prospectus from the report titled “Report on Indian Seeds Industry” dated April 3, 2015 prepared by CARE Research, a division of Credit Analysis & Research Limited (the “**CARE Report**”) which, has been commissioned by the Company to further its understanding of the seeds industry and includes the following disclaimer.

*“This report is prepared by CARE Research, a division of Credit Analysis & Research Limited [CARE]. CARE Research has taken utmost care to ensure accuracy and objectivity while developing this report based on information available in public domain. However, neither the accuracy nor completeness of information contained in this report is guaranteed. CARE Research operates independently of ratings division and this report does not contain any confidential information obtained by ratings division, which they may have obtained in the regular course of operations. The opinion expressed in this report cannot be compared to the rating assigned to the company within this industry by the ratings division. The opinion expressed is also not a recommendation to buy, sell or hold an instrument.*

*CARE Research is not responsible for any errors or omissions in analysis/inferences/views or for results obtained from the use of information contained in this report and especially states that CARE (including all divisions) has no financial liability whatsoever to the user of this product. This report is for the information of the intended recipients only and no part of this report may be published or reproduced in any form or manner without prior written permission of CARE Research.”*

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

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in the section “*Risk Factors*” on page 27 of this Draft Red Herring Prospectus. Accordingly, investment decisions should not be based on such information.

## **Exchange Rates**

This Draft Red Herring Prospectus contains conversions of US\$ and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the ICDR Regulations. These conversions

should not be construed as a representation that such currency amounts could have been, or can be converted into Indian Rupees, at any particular rate, or at all.

The exchange rates of the respective foreign currencies are provided below:

(in ₹)

Currency	March 31, 2015	March 31, 2014 <sup>1</sup>	March 31, 2013 <sup>2</sup>	March 31, 2012 <sup>3</sup>	March 31, 2011	March 31, 2010
USD	62.5908	60.0998	54.3893	51.1565	44.6500	45.1400

Source: [www.rbi.org.in](http://www.rbi.org.in)

<sup>1</sup> Closing rate as on March 28, 2014, being the previous working day prior to March 31, 2014, which was a holiday.

<sup>2</sup> Closing rate as on March 28, 2013, being the previous working day prior to March 31, 2013, which was a holiday.

<sup>3</sup> Closing rate as on March 30, 2012, being the previous working day prior to March 31, 2012, which was a holiday.

## NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision investors must rely on their own examination of our Company and the terms of the offer, including the merits and risks involved. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the Securities Act and referred to in this Draft Red Herring Prospectus as “**U.S. QIBs**”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in the Draft Red Herring Prospectus as “**QIBs**”) in transactions exempt from the registration requirements of the Securities Act and (b) outside the United States in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

## NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES (“**RSA**”) WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

## NOTICE TO PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”) an offer to the public of any Equity Shares which are the subject of the offering contemplated by this Draft Red Herring Prospectus may not be made in that Relevant Member State except that an offer to the public in that Relevant Member State of any Equity Shares may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- (a) to legal entities which are qualified investors as defined under the Prospectus Directive;
  - (b) by the Book Running Lead Managers to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant Book Running Lead Manager or Book Running Lead Managers nominated by the Issuer for any such offer; or
  - (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,
- provided that no such offer of Equity Shares shall result in a requirement for the Issuer or any Book Running Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this clause, the expression an “offer to the public” in relation to any Equity Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase any Equity Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression “**Prospectus Directive**” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive), and includes any relevant implementing measure in each Relevant Member State and the expression “**2010 PD Amending Directive**” means Directive 2010/73/EU.

## FORWARD-LOOKING STATEMENTS

All statements contained in this Draft Red Herring Prospectus that are not statements of historical fact constitute “forward-looking statements.” All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Draft Red Herring Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by terminology such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “shall”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. All forward-looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Forward looking statements reflect our current views with respect to future events as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further, the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India in which we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- termination prior to expiry or failure to renew existing agreements with Mahyco Monsanto Biotech (India) Limited (“**MMBL**”);
- challenge by the Indian income tax authorities and future challenges to our use of certain income tax exemptions;
- dependence on the sale of cotton seeds and exposure to risks related to product concentration;
- dependence on the success of our research and development activities;
- requirement to reverse certain sales revenue if the return of seeds by our distributors and co-marketers is higher than initially provided for;
- inability to consistently meet the expectations of our end consumers could materially and adversely affect our business, results of operations, financial condition and prospects;
- seasonal nature of our business and our revenues, cash flows from operations and other operating results may fluctuate on a seasonal and quarterly basis;
- government control of prices for our cotton seed products;
- inability to predict accurately the demand for our products and to manage our production and inventory levels;
- failure to comply with financial and other covenants and restrictions imposed on us under the terms of our borrowings in the past, and if such failures were to occur in the future.

For a further discussion of factors that could cause our actual results to differ, see “*Risk Factors*”, “*Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 27, 184 and 442 of this Draft Red Herring Prospectus, respectively.

Only statements and undertakings which are specifically “confirmed” or “undertaken” by Blackstone in this Draft Red Herring Prospectus shall be deemed to be “statements and undertakings made by Blackstone”. All

other statements and/or undertakings in this Draft Red Herring Prospectus shall be statements and undertakings made by our Company and/or the Promoter Selling Shareholder (as the case may be) even if the same relates to Blackstone.

By their nature, certain 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. Our Company, Blackstone, the Promoter Selling Shareholder, the Directors, the Syndicate and their respective affiliates or associates do not have any obligation to, and do not intend 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 the SEBI requirements, our Company, Blackstone and the Promoter Selling Shareholder, in relation to the statements and undertakings specifically confirmed by each of them, respectively in the Draft Red Herring Prospectus, will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permissions by the Stock Exchanges. Further, in accordance with Regulation 51A of the ICDR Regulations, our Company may be required to undertake an annual updation of the disclosures made in the Red Herring Prospectus and make it publicly accessible in the manner specified by SEBI.

## RISK FACTORS

*An investment in equity shares involves a high degree of risk. You should carefully consider all the information disclosed in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment decision in the Equity Shares. The risks described below are not the only ones relevant to us or the Equity Shares, the industry in which we operate or India and other regions we operate in. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business, financial condition, results of operations and prospects. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with the sections titled “Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 184 and 442, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. If any of the risks described below or other risks that are currently not known actually occur, our business, financial condition, results of operations and prospects could be adversely affected, the trading price of the Equity Shares could decline, and prospective investors may lose all or part of their investment. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.*

*Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries.*

*This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further details, see the section titled “Forward-Looking Statements” on page 25.*

*Unless specified or quantified in the relevant risks factors below, we are not in a position to quantify the financial or other implication of any of the risks described in this section. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Consolidated Summary Statements.*

*Unless otherwise stated, references in this section to the “Company” are to Nuziveedu Seeds Limited, or NSL, and references to “we”, “our” or “us” are to the Company and its Subsidiaries and its Associates.*

### INTERNAL RISKS

1. ***Mahyco Monsanto Biotech (India) Limited (“MMBL”) may, under certain circumstances, terminate its existing agreements with us prior to their expiry or fail to renew the agreements upon their expiry. If our agreements with MMBL are terminated or expire without renewal, we would not be able to utilise MMBL’s technology, which may adversely affect our business, financial condition and prospects. Further, due to the non-exclusiveness of its existing agreements with us, MMBL has had and may continue to have similar licencing or sub-licencing relationships with other seed producing companies in India.***

We have entered into non-exclusive, non-transferable technology sub-licence agreements and trademark sub-licence agreements with MMBL (the “**Sub-licence Agreements**”) for the use of MMBL’s technology containing the advanced *Bacillus Thuringiensis* trait, or Bt. 2, (the “**Bt. trait**”) and the related *Bollgard* trademark for the purposes of integrating the Bt. trait into our cotton hybrid products. We develop, produce, test, market and sell hybrid cotton seeds which are integrated with the Bt. trait in India. The Sub-licence Agreements are valid until 2020 and may be extended by mutual agreement until 2023. In Fiscal 2013, Fiscal 2014 and the nine months ended December 31, 2014, 75.38%, 66.51% and 69.71%, respectively, of our revenue from operations were from the sale of cotton seeds which had been integrated with the Bt. trait pursuant to our sub-licence from MMBL. In connection with our sale of Bt. cotton seeds, we have, from time to time, received certain material

discounts from MMBL, at rates which are agreed between us and MMBL, on the trait fees payable to it under the Sub-licence Agreements. Such discounts are agreed to on an annual basis and are not specified in the Sub-licence Agreements. If MMBL reduces or terminates the trait fee discounts extended to us, or does not agree to any discounts in any period, our operating expenses may increase, which may materially and adversely affect our profitability and financial condition.

The Sub-licence Agreements allow for MMBL to terminate the agreements in certain circumstances. For example, if MMBL determines that the laws of India cannot adequately protect its commercial and intellectual property rights, or if there is a change of control of our Company (including our Company's current shareholders no longer possessing a majority of the voting power of our outstanding shares and the power to elect a majority of our Directors). Should MMBL terminate the Sub-licence Agreements for any reason or otherwise fail to renew the agreements upon their expiration, we would not have access to MMBL's Bt. trait technologies, which would adversely affect our competitiveness, business and results of operations.

Under the Sub-licence Agreements, we are subject to certain obligations which may restrict or adversely affect our business operations. The Sub-licence Agreements require us to obtain MMBL's approval prior to marketing or otherwise commercialising any new cotton seed product which utilises the Bt. trait. According to the CARE April 2015 Report, 93.00% of the cotton grown in India includes Bt. traits. Should MMBL delay or otherwise fail to grant us such approval, we may not be able to market and commercialise certain of our products in a timely manner or at all, which may adversely affect our ability to remain competitive, and to meet our customers' demands. Furthermore, pursuant to the indemnification provisions contained in the Sub-licence Agreements, except to the extent that liability arises from MMBL's gross negligence, wilful misconduct or from a breach by MMBL of any of the terms of the Sub-licence Agreements, we have agreed to indemnify MMBL against any liability arising from the development, testing, production or sale of our seeds using the Bt. trait and any derivatives made by us using the Bt. trait.

We cannot assure you that MMBL will agree to enter into arrangements to licence new technologies on terms favourable to us, or at all, if or when such new technologies are approved for commercialisation in India. Further, due to the non-exclusiveness of its existing agreements with us, MMBL has had and may continue to have similar licencing or sub-licencing relationships with other seed producing companies in India. MMBL may prefer to enter into licencing or sub-licencing relationships with or share its new technologies with any of our competitors or may prefer to produce, market and sell products itself based on these new technologies, which may lead to increased competition. If any of these situations occur, including increased competition in the market, our operating margins may be strained which could materially and adversely affect our business, financial condition, results of operations and prospects. For further details regarding the Sub-licence Agreements, see the section titled "*Business—Business Process—Research and Development—Technology Licence Arrangements with MMBL*" on page 197.

We are also currently in discussions with MMBL to explore the possibility of entering into further arrangements for our access to, and commercialisation of, certain new technologies. These technologies include those related to the *Roundup Ready<sup>TM</sup> Flex* gene for cotton. Our current arrangements in relation to the *Roundup Ready<sup>TM</sup> Flex* gene do not allow us to commercialise any products developed on the basis of this technology.

2. ***The Indian income tax authorities have challenged and may continue to challenge our use of certain income tax exemptions. If these exemptions become unavailable to us, our tax liability could increase significantly and, in turn, our results of operations, financial condition and cash flows could be materially and adversely affected.***

Income derived from agricultural operations is exempt under Section 10(1) of the Indian Income Tax Act, 1961 (the "**I.T. Act**"). In accordance with Section 2(1A) of the I.T. Act, any income derived from land situated in India, through the performance of any process to render agricultural produce fit to be taken to the market, constitutes agricultural income. There are varying judicial views in India relating



to the taxability of income derived from the production, marketing and sale of seeds. These views are yet to be settled by the Supreme Court of India. Our Company is of the view that it is entitled to the exemption available in relation to agricultural income under the provisions of the I.T. Act and that this exemption would be available to income generated from the production, marketing and sale of seed products. Accordingly, our income tax returns for the assessment years 2011-2012, 2012-2013, 2013-2014 and 2014-2015 classify such income as “agricultural income”. For further details, see the sections titled “*Statement of Tax Benefits*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operation–Significant Factors Affecting Results of Operations and Financial Condition–Taxation*” on pages 149 and 448, respectively.

For the assessment year 2011-2012, the Deputy Commissioner of Income Tax, Hyderabad, rejected our claim for tax exemption for agricultural income. However, as a result of our appeal, the Office of the Commissioner of Income Tax (Appeals) allowed our claim for the agricultural income tax exemption. The Deputy Commissioner of Income Tax appealed against this order to the Income Tax Appellate Tribunal, Hyderabad. This appeal was rejected by the Office of the Income Tax Appellate Tribunal by an order dated March 20, 2015 and it also allowed our claim for tax exemption for agricultural income (the “**Appellate Order**”). However, even after the Appellate Order, on March 30, 2015, the Deputy Commissioner of Income Tax, Hyderabad, rejected our claim for tax exemption for agricultural income for the assessment year 2012-2013 (“**DCIT Order**”). We intend to appeal against this order. There can be no assurance that the Deputy Commissioner of Income Tax, or any other relevant Indian tax authority or governmental body, will not appeal against the Appellate Order and be successful in such appeal. Furthermore, there can be no assurance that (i) our appeals against the DCIT Order will be successful or (ii) our claim for tax exemption for agricultural income under the I.T. Act for any assessment years after 2012-2013 will not be challenged by the Deputy Commissioner of Income Tax, or any other relevant Indian tax authority or governmental body. If we are unsuccessful in our appeal against the DCIT Order, or if the relevant Indian tax authorities appeal the Appellate Order and are successful, or if our use of such tax exemptions are challenged for later assessment years and we are unsuccessful in defending such claims, our tax liability and, in turn, our results of operations, financial condition and cash flows could be materially and adversely affected. For further details, see the section titled “*Outstanding Litigation and Material Developments*” on page 469.

We have provided for income tax liability for the assessment years 2012-2013, 2013-2014 and 2014-2015 on a basis that assumes that we would be entitled to the tax exemption for agricultural income. Accordingly, as of December 31, 2014, the provision for our Company’s net tax expense for assessment years 2012-2013, 2013-2014 and 2014-2015 was ₹69.29 million, ₹174.12 million and ₹(1.12) million, respectively, or an effective tax rate for our Company of 10.90%, 11.17% and -0.06%, respectively. If the tax exemption for agricultural income were not available, we estimate that our Company’s tax rate would be the standard tax rates of 32.45%, 32.45% and 33.99%, respectively, for those assessment years. Accordingly, should this tax exemption not be available going forward, our current provisions for these and future assessment years may be inadequate as our future tax liability could increase significantly and, in turn, materially and adversely affect our financial condition and results of operations. In addition, if the Indian tax authorities are successful in their challenge and we are required to pay the amount demanded of ₹232.14 million under the DCIT Order, our results of operations and financial condition may be materially and adversely affected as our current provisions may be inadequate.

3. ***We are highly dependent on the sale of cotton seeds and our business is exposed to risks related to product concentration, which could materially and adversely affect our business, financial condition, results of operations, and prospects.***

The sale of cotton seeds is the largest contributor towards our total revenue, and contributed 75.48%, 66.58% and 69.73% to our revenue from operations in Fiscal 2013, Fiscal 2014 and the nine months ended December 31, 2014, respectively. As a result, our business is exposed to risks related to product concentration and we do not currently expect our dependence on the sale of cotton seeds to reduce materially in at least the medium-term future. Our ability to sell cotton seeds in quantities similar to, or higher than, sales recorded during prior periods is subject to several uncertainties. These uncertainties

include changing customer preferences, competitive price pressures, movements in agricultural commodities markets, government regulation, our inability to produce sufficient quantities of our existing products in a timely manner or at all, our failure to develop new products that meet the evolving demands of our end consumers or to obtain the regulatory approvals for such products, the development of successful products by our competitors and general economic conditions. We cannot assure you that the performance of our cotton seeds will continue to meet our customers' expectations. In addition, we are also exposed to disruptions in the production of our cotton seeds that may be a result of drought, disease, government regulation, customer rejection of our hybrids or varieties of cotton or payment disruptions. Our business, financial condition, results of operations and prospects could be materially and adversely affected if one or more of these uncertainties or disruptions occur.

4. ***We are dependent on the success of our research and development activities and a failure to develop new and improved products could adversely affect our business.***

Our success depends heavily on our ability to identify and develop high quality products on a timely basis that meet the evolving needs of our end consumers and that distinguish us from our competitors. Our Company has in the past made, and intends to continue to make, investments in research and development. In Fiscal 2013, Fiscal 2014 and the nine months ended December 31, 2014, our Company incurred ₹276.68 million, ₹262.60 million and ₹200.81 million, respectively, on research and development expenses, which accounted for 2.36%, 2.19% and 1.60% of our revenue from operations in Fiscal 2013, Fiscal 2014 and the nine months ended December 31, 2014, respectively. We cannot assure you that our Company will make enhanced investments or continue the current level of investments in research and development efforts, or that these investments will yield satisfactory results, or any results at all.

The process for development of new hybrids and varieties of seeds is lengthy and costly. The success of new product offerings depends on several factors such as our ability to accurately anticipate and properly identify changing customer needs or industry trends, efficient use of our research and development resources, timely launch, competitive pricing and our ability to innovate, develop and commercialise new products and to differentiate our products from those of our competitors. In particular, the breeding process for certain field crops and vegetables are more complex and time consuming than for cotton, and we may require a long time to develop and commercialise new products. We thus cannot assure the timely development of new products to meet consumers' changing needs. If we are not able to adequately respond to such changes in time, our business may be adversely affected. Additionally, we cannot assure you that a new product will be commercially successful. If we are unable to successfully develop and commercialise new, competitive products, our business, financial condition, results of operations and prospects could be materially and adversely affected.

5. ***We may have to reverse certain sales revenue if the return of seeds by our distributors and co-marketers is higher than initially provided for, which may adversely affect our business, financial condition and results of operations.***

Revenue from the sale of seeds is generally recognised upon the delivery of the seeds to our customers in the relevant fiscal reporting period, which is typically quarterly. We give substantially all of our customers the right to return seeds, which typically extends to the end of the relevant growing season in which the seeds were sold. In addition, our marketing partners may also return a proportion, in some cases up to 10%, of unsold seeds. Most returns typically occur in the second quarter of the fiscal year, after the end of the *kharif* crop season. In the relevant reporting period following the sale and delivery of the seeds, we provide for any sales returns which we estimate based on actual returns to date, historical data available to us and our business interactions with our customers. In Fiscal 2013, Fiscal 2014 and the nine months ended December 31, 2014, seeds amounting to sales of ₹4,847.27 million, ₹7,964.03 million and ₹6,747.72 million, respectively, were returned, which represented 28.08%, 38.47% and 33.57%, respectively, of our gross sales of seeds. Gross sales of seeds represent our total seeds sold in the particular fiscal period without taking into account any actual or provisions for returns. Where the customer exercises their right to return the seeds and the amount varies from the provision we have created, we may have to reverse the sales revenue we had recognized from such

sale. If we have to reverse sales revenue, and if the returns of seeds sold are higher than initially provided for and we have not created adequate accounting provisions for such returns, our financial condition and results of operations may be adversely affected. This may lead to significant fluctuations in our quarterly revenue. For further details, see the sections titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operation—Significant Factors Affecting Results of Operations and Financial Condition—Inventory management*” on page 447.

6. ***Our inability to consistently meet the expectations of our end consumers could materially and adversely affect our business, results of operations, financial condition and prospects.***

Our revenues and future growth are dependent on continued demand for our products. We therefore have to, on an on-going basis, keep pace with the expectations of our end consumers and invest in new technology and processes to provide the products they require. We cannot guarantee that the performance of our seed varieties will meet our end consumers’ expectations, or that we will be able to introduce and commercialise specific seed varieties. The rates at which we receive repeat orders from our customers are subject to several uncertainties, many of which are beyond our control. These uncertainties include changing preferences of our end consumers, competitive price pressures, our failure to develop new products, our failure to obtain regulatory approvals, the development of successful products by our competitors and general economic conditions. Further, the process for new products to gain market recognition and acceptance is long and has uncertainties. For example, although we believe that the benefits of High Density Planting (“HDP”) will be attractive to farmers, the rate of adoption by farmers may not be consistent with our expectations, and our estimates of the demand for our HDP products may not be accurate.

Our failure to satisfy our end consumers, distributors could result in reduced demand for our products or the return of our sold products, which may in turn materially and adversely affect our business, financial condition, results of operations and prospects.

In addition, under our agreements with state corporations to supply seeds under subsidy programmes, where the seeds supplied by us fail to meet certain minimum standards, the state corporation is authorised to reject such seeds and we would be required to replace the rejected seeds at our own cost.

In the event of any crop failures on account of the seeds supplied by us, we are responsible for payment of compensation and for any consequences arising out of any complaints concerning the seeds supplied by us. Furthermore, the relevant Commissioner and Director of Agriculture has the sole authority to decide the reason and cause of a crop failure and for setting the amount of compensation we may have to provide.

7. ***Our business is seasonal in nature and our revenues, cash flows from operations and other operating results may fluctuate on a seasonal and quarterly basis.***

Our business is seasonal in nature and as a result, our operating results may fluctuate. Since our business is influenced by the traditional cropping seasons in India, our production as well as the demand for our products may be affected by seasonal factors such as weather conditions, irrigation facilities, availability of credit to farmers and overall agricultural production. Consequently, the results of one reporting period may not be necessarily comparable with the preceding, succeeding or corresponding reporting periods. Our revenues recorded during planting and harvesting seasons are typically lower as compared to revenues recorded during the periods preceding these crop seasons. During periods of lower sales activity, we continue to incur substantial operating expenses in connection with, among other things, product promotion expenses which are not reduced significantly during such periods, while our revenues remain reduced. We also experience significant fluctuations in our working capital requirements during the planting and harvesting cycles.

We have experienced, and expect to continue to experience, significant variability in our total revenue, operating cash flows, operating expenses and net revenues on a quarterly basis. In particular, our sales during the first quarter i.e., between the months of April and June, are significantly greater than sales

recorded during any other quarterly period as sale of cotton seeds and other *kharif* season crops generally take place during this period. Similarly, our sales during the first half (i.e., between the months of April and September) are significantly greater than our sales during the second half (i.e., between the months of October and March). In addition, because substantially all of our customers may return seeds purchased from us if they remain unsold at the end of the growing season, we typically provide for such returns. Our inability to accurately estimate such provisions may also lead to significant fluctuations in our quarterly revenue. For further details, see “*We may have to reverse certain sales revenue if the return of seeds by our distributors and co-marketers is higher than initially provided for, which may adversely affect our business, financial condition and results of operations.*”

8. ***Prices for our cotton seed products are subject to government controls.***

The prices for cotton seeds are subject to controls imposed by government authorities. For example, we are subject to pricing regulations in respect of our cotton seed products by the governments in the states of Andhra Pradesh, Telangana and Maharashtra under statutes, such as the Andhra Pradesh Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Act, 2007 (the “**A.P. Cotton Seeds Act**”), which applies to the states of Andhra Pradesh and Telangana, and the Maharashtra Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Act, 2009 (the “**Maharashtra Cotton Seeds Act**”). In addition, statutes such as the Essential Commodities Act, 1955 also provide for control by the government of the supply, distribution and trade in relation to certain notified commodities for securing their equitable distribution and availability at fair prices. A reduction in the price of seeds in one state may also cause a reduction in the price of seeds of the same type in another state as customers may choose to procure seeds from suppliers in the state with lower prices. Any adverse changes in the pricing environment for our cotton seed products or the introduction of price controls on any other seed products could affect our strategy for cotton seed products or our overall business strategy and could significantly affect our revenues and operating margins. For further details, see the section titled “*Regulations and Policies in India*” on page 214. We cannot assure you that the pressures on pricing of cotton seeds as a result of government controls will decrease or cease to operate in the foreseeable future. We may not be able to set prices for our products at levels high enough to earn an adequate return on our investments, which could materially and adversely affect our business, financial condition, results of operations and prospects.

9. ***Our inability to predict accurately the demand for our products and to manage our production and inventory levels could materially and adversely affect our business, financial condition, results of operations and prospects.***

We sell our seed products primarily to distributors, who in turn sell the products primarily to farmers, who are our end consumers. We monitor our inventory levels at different stages of our supply chain based on our own estimates of future demand for our products. Because of the length of time necessary to produce commercial quantities of seeds, we are typically required to make production decisions a year in advance of sales. Our end consumers generally make purchasing decisions for our products based on market prices, economic and weather or climatic conditions and certain other factors that we or our distributors may not be able to anticipate accurately in advance. Demand for our products may also be affected by factors such as irrigation facilities, availability of credit, overall agricultural production, farmers’ ability to generate income from their produce. Any negative change in preferences of our end consumers for our products could result in reduced demand for our products.

For example, weak rainfall during a particular year may result in lower than normal area under cultivation for certain crops and this may affect overall agricultural production in India. The onset of the monsoon, its geographic distribution and intensity during the year and other climatic factors contribute to overall agricultural productivity. Further, because of factors that may include adverse price fluctuations in commodities markets or changes in government policies, our end consumers in certain states where a significant proportion of our sales efforts have been, such as Maharashtra, Telangana, Andhra Pradesh, Tamil Nadu, Karnataka and Madhya Pradesh may discontinue cultivation of cotton and may instead decide to grow competing crops such as soybean and maize. In addition, certain farmers may not be willing to adopt genetically modified seeds.

An inaccurate forecast of demand for any of our products can result in the unavailability of seeds that are in high demand, which may adversely affect our results of operations, customer relationships and market share. Conversely, an inaccurate forecast of demand or return of our products can also result in a surplus of seeds, which may increase storage and other related costs, negatively impact cash flows, reduce the quality of inventory, erode margins substantially and may ultimately result in write-offs of inventory, any of which circumstances could materially and adversely affect our business, financial condition, results of operations and prospects. These factors could result in lower revenue or operating margins and in turn, materially and adversely affect our business, financial condition, results of operations and prospects.

10. ***Our Company has failed to comply with certain financial and other covenants and restrictions imposed under the terms of its borrowings in the past, and if such failures were to occur in the future, it could materially and adversely affect our business, results of operations and financial condition.***

Our Company has, in the past, failed to comply with certain covenants and restrictions under certain of its financing agreements, for example covenants and restrictions on making repayments of principal or interest within the time period stipulated, not creating or perfecting security interests within a certain time period or at all. In addition to any defaults that could have been triggered under the relevant facility documentation, certain of these delays have resulted in defaults under other loan documents and penal interest being levied by the relevant lenders on our Company. Our Company has sought and received waivers from all of our Company's current lenders for any such failures and breaches. Although our Company's lenders have, to date, never declared our Company to be in default or accelerated the loans under any of its facilities, any future breach of covenants under our financing documents may lead to an event of default. An event of default could also trigger cross-defaults under our other financing agreements. If we are deemed to be in default under our financing agreements for any reason, the relevant lenders may seek prepayment of loans, invoke or enforce their security interests in respect of such borrowings, impose penal interest or other penalties, and deny us access to future financing. Any such actions taken by our lenders, may individually, or in the aggregate, materially and adversely affect our business, results of operations and financial condition, including our ability obtain additional financing.

11. ***We are subject to restrictive covenants under our financing agreements that could limit the flexibility we have to manage our business.***

There are restrictive covenants in the financing agreements that we have entered into, including, but not limited to, requirements that we obtain the prior approval of, or provide notice to, our lenders in connection with certain activities. For example we are required to obtain the prior approval of, or provide notice to, our lenders in relation to entering into new financing agreements with other lenders, granting security over certain of our assets, effecting any change in ownership, declaring or paying dividends other than from profits, undertaking any merger, amalgamation or restructuring, undertaking guarantee obligations on behalf of any company, amending our constitutional documents or making substantial changes in the composition of our management. We required waivers and consents from certain of our lenders in relation to this Issue and we have obtained all such waivers and consents. Further, these restrictive covenants may affect some of the rights of our shareholders and may also affect our ability to pay dividends. We cannot assure you that in the future we will receive approvals from our lenders in a timely manner or at all. Our ability to execute our expansion plans, including our ability to obtain additional financing on commercially acceptable terms or at all, could be materially and adversely impacted as a result of the current restrictions and limitations in our financing agreements.

12. ***We, our Directors, our Promoters and certain of our Group Companies are parties to certain legal proceedings. Any adverse decision in such proceedings may adversely affect our business, prospects, results of operations and financial condition.***

We are involved in certain legal proceedings and claims. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. Should new developments arise in respect of such legal proceedings, such as a change in Indian law or rulings against us by courts or tribunals, we may face losses and may need to make provisions in our financial statements in respect of such litigation, which may increase our expenses and liabilities. We can give no assurance that any of these legal proceedings will be decided in our favour. Further, we may also not be able to quantify all the claims in which we are involved. Any adverse decision may have a significant effect on our business, prospects, results of operations and financial condition.

Our Promoters and Managing Director, Mandava Prabhakara Rao, had been served with a summons dated August 30, 2011 by the Assistant Director at the Directorate of Enforcement, Government of India (“ED”) in connection with an enquiry against our Company under the provisions of the FEMA. The summons sought certain information relating to foreign direct investment in our Company and its Subsidiaries, land holdings of our Company and its Subsidiaries, bank account details, details of proceeds from exports by our Company, details of overseas investment by our Company and details of foreign currency denominated equity or debt capital raised by our Company, and in this regard, required Mr. Rao to appear before the Assistant Director, ED on September 8, 2011. Our Company furnished the information requested by ED within the required time and Mr. Rao also appeared in person before the Assistant Director, ED in terms of the summons. We have not received any further communication from ED in this regard, nor have any specific allegations been made against us for contravention of the FEMA.

Further, certain of our Promoters and certain Group Companies are also currently involved in legal proceedings and claims. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. Should new developments arise in respect of such legal proceedings, such as a change in Indian law or rulings against such entities by courts or tribunals, our corporate Promoter, Mandava Holdings Private Limited, and each of our Group Companies may face losses and may need to make provisions in their financial statements in respect of such litigation, which could adversely affect their business results. Further, if significant claims are determined against such entities and such entities are required to pay all or a portion of the disputed amounts, it could materially and adversely affect their business and profitability. This could, in turn, materially and adversely affect our business.

A summary of pending litigation against our Company, its Subsidiaries and Associates, our Directors, our Promoters and certain Group Companies, as of April 17, 2015, and the approximate amounts involved, where quantifiable, are set forth below.

***Litigation filed against our Company:***

Nature of cases/claims	Number of cases outstanding	Amount involved*
		( ₹ in millions)
<i>Under the PPV &amp; FR Act</i>	5	0
<i>Under the Arbitration &amp; Conciliation Act</i>	1	0
<i>Under the Consumer Protection Act</i>	90	28.18
<i>Under the Civil Procedure Code</i>	6	30.60
<i>Under the Employee State Insurance Act</i>	1	0.67
<i>Under the Labour Act</i>	1	0
<i>Under the Workmen Compensation Act</i>	2	1.26
<i>Under the Seeds Act/ Seeds Control Order</i>	43	0
<i>Under the Standard Weights &amp; Measures Act</i>	2	0
<i>Under the Income Tax Act</i>	3	232.14
<i>Under the Indian Penal Code</i>	1	0

<i>Under the Essential Commodities Act</i>	2	0
<i>Gujarat Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixing of Sale Prices) Act, 2008</i>	1	0
<i>Under the Foreign Exchange Management Act</i>	1	0
<i>Notices under the Income Tax Act</i>	1	0
<i>Showcause notices</i>	68	0
<i>Showcause notices under the Legal Metrology Act</i>	14	0
<b>Total amount*</b>	<b>242</b>	<b>292.85</b>

\* To the extent quantifiable and exclusive of interest claimed, if any.

***Litigation filed against our Subsidiaries:***

Nature of cases/claims	Number of cases outstanding	Amount involved*
		( ₹ in millions)
<i>Cases against PABL under the Consumer Protection Act</i>	1	0.52
<i>Cases against PABL under the Civil Procedure Code</i>	1	1.01
<i>Cases against PABL under the Indian Penal Code</i>	1	0.70
<i>Cases against PABL under the PPV&amp;FR Act</i>	1	0
<i>Cases against PABL under the Seeds Act/Seeds Control Order</i>	5	0
<i>Cases against PABL under the Income Tax Act</i>	2	1.2
<i>Notices against PABL under the Income Tax Act</i>	1	0
<i>Cases against PSPL under the Consumer Protection Act</i>	1	0.18
<i>Cases against PSPL under the Seeds Act/Seeds Control Order</i>	4	0
<i>Showcause notices against PSPL</i>	17	0
<i>Cases against YSPL under the Consumer Protection Act</i>	23	4.17
<i>Cases against YSPL under Seeds Act/Seeds Control Order</i>	3	0
<i>Showcause notices against YSPL</i>	1	0
<i>Showcause notices against YSPL under the Legal Metrology Act</i>	2	0
<i>Cases against AAGL under the Consumer Protection Act</i>	2	0.43
<i>Cases against AAGL under the Seeds Act/Seeds Control Order</i>	3	0
<i>Cases against AAGL under the A.P. Cotton Seeds (Regulation, Supply, Distribution, Sale and Fixation of Sale Price) Act, 2007</i>	1	0.47
<i>Showcause notices against AAGL</i>	3	0
<i>Cases against FHSL under the Consumer Protection Act</i>	127	15.96
<i>Cases against FHSL under the Seeds Act/Seeds Control Order</i>	7	0
<i>Showcause notices against FHSL</i>	1	0
<b>Total amount*</b>	<b>207</b>	<b>24.64</b>

\* To the extent quantifiable and exclusive of interest claimed, if any.

\*\* PABL – Prabhat Agri Biotech Limited

YSPL – Yaaganti Seeds Private Limited

PSPL – Pravardhan Seeds Private Limited

AAGL – Asian Agri Genetics Limited

FHSL – Fortune Hybrid Seeds Limited

***Litigation filed against our Directors:***

Nature of cases/claims	Number of cases outstanding	Amount involved*
		( ₹ in millions)
<i>Under the Standard Weights &amp; Measures Act</i>	1	0
<i>Showcause notices under the Legal Metrology Act</i>	8	0
<b>Total amount*</b>	9	0

\* To the extent quantifiable and exclusive of interest claimed, if any.

***Litigation filed against our Promoters:***

Nature of cases/claims	Number of cases outstanding	Amount involved*
		( ₹ in millions)
<i>Cases filed against Mandava Holdings Private Limited under Arbitration and Conciliation Act</i>	1	200
<i>Cases filed against Mandava Holdings Private Limited under the Code of Civil Procedure</i>	4	0
<i>Cases filed against Mandava Prabhakara Rao under the Code of Civil Procedure</i>	1	0.33
<i>Cases filed against Mandava Prabhakara Rao under the Seeds Act, 1966</i>	4	
<i>Cases filed against Mandava Prabhakara Rao under the Standard Weights and Measures Act and Indian Penal Code</i>	1	0
<i>Cases filed against Mandava Prabhakara Rao under the Foreign Exchange Management Act</i>	1	0
<b>Total amount*</b>	<b>12</b>	<b>200.33</b>

\* To the extent quantifiable and exclusive of interest claimed, if any.

***Litigation filed against our Group Companies:***

Nature of cases/claims	Number of cases outstanding	Amount involved*
		( ₹ in millions)
<i>Cases filed against Cozy Properties Private Limited under the Companies Act, 1956</i>	1	0
<i>Cases filed against Dream Land Avenues Private Limited under the Constitution of India</i>	1	0
<i>Cases filed against Grandcity Avenues Private Limited under the Code of Civil Procedure</i>	1	0
<i>Tax disputes involving Highend Properties Private Limited in relation to Property Tax under Municipal Laws</i>	1	6.45
<i>Tax disputes involving Highend Properties Private Limited in relation to Service Tax under Finance Act, 1944</i>	1	1.19
<i>Cases filed against MAS Fabric Park (India) Private Limited under the Constitution of India</i>	1	0
<i>Cases filed against NCC Jay Laxmi Fibers Private Limited under the Essential Commodities Act, 1955</i>	1	0
<i>Cases filed against NCC Shri Cotton Private Limited under the Employees' Provident Fund Act, 1952</i>	1	0.72



Nature of cases/claims	Number of cases outstanding	Amount involved* ( ₹ in millions)
Cases filed against NSL Cotton Corporation Private Limited under the Seeds Act	2	0
Cases filed against NSL Cotton Corporation Private Limited under the Code of Civil Procedure	1	0.77
Cases filed against NSL Cotton Corporation Private Limited under the Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act 1972	1	0.15
Cases filed against NSL Eolica Limitada under international laws in Santiago, Chile	1	1.40
Tax disputes involving NSL Energy Ventures Private Limited	1	1.78
Cases filed against NSL Global Energy Ventures Private Limited, NSL Renewable Energy Overseas Private Limited and NSL Eolica Limitada under international Laws in Santiago, Chile	1	186.42
Cases filed against NSL Krishnaveni Sugars Limited under the Code of Civil Procedure	1	0.76
Cases filed against NSL Krishnaveni Sugars Limited under the Central Excise Tariff Act, 1985	1	73.27
Cases filed against NSL Masli Power Generation Private Limited under Land Acquisition Act, 1894	2	0
Cases filed against NSL Masli Power Generation Private Limited under the Code of Civil Procedure	4	0.09
Cases filed against NSL Nagapatnam Power and Infratech Limited under Land Acquisition Act, 1894	8	0
Cases filed against NSL Power & Infratech Limited under Coal Mine Act, 1842	1	0
Tax disputes involving NSL Properties in relation to Property Tax under Municipal Laws	1	43.76
Tax disputes involving NSL Properties in relation to utilisation of CENVAT Credit under Finance Act, 1944	1	3.13
Cases filed against NSL Renewable Power Private Limited under The Income Tax Act, 1961	3	78.94
Cases filed against NSL Renewable Power Private Limited under Arbitration and Conciliation Act, 1996	1	10.20
Cases filed against NSL Renewable Power Private Limited under the Code of Civil Procedure	1	0
Cases filed against NSL SEZ (Hyderabad) Private Limited under the Code of Civil Procedure	1	0
Cases filed against NSL SEZ (Hyderabad) Private Limited under Andhra Pradesh Land Reforms (Ceiling on Agricultural Holding) Act 1973	1	0
Cases filed against NSL Sugars Limited under the Code of Civil Procedure	10	1.88
Cases filed against NSL Sugars Limited under the Patents Act, 1970 and the Copyrights Act, 1957	1	0
Cases filed against NSL Sugars Limited under the Workmen's Compensation Act, 1923	4	1.10
Cases filed against NSL Sugars Limited under the Consumer Protection Act, 1986	1	0.20
Cases filed against NSL Sugars Limited under the Central Excise Tariff Act, 1985 and service tax	13	96.64
Tax disputes involving NSL Sugars under the Central Excise Act,	1	20.86

Nature of cases/claims	Number of cases outstanding	Amount involved*
		( ₹ in millions)
<i>1944</i>		
<i>Tax disputes involving NSL Sugars under the Income Tax Act, 1961</i>	2	3.10
<i>Tax disputes involving NSL Sugars under the Finance Act, 1944</i>	1	0.41
<i>Tax disputes involving NSL Sugars under the Karnataka Value Added Tax Act, 2003</i>	1	1.03
<i>Tax disputes involving NSL Sugars under the Maharashtra Purchase Tax on Sugarcane Rules, 1962</i>	1	82.26
<i>Cases filed against NSL Sugars Limited under the Maharashtra Value Added Tax Act, 2002</i>	1	0.86
<i>Cases filed against NSL Sugars Limited under the Employees' Provident Fund Act, 1952</i>	1	1.90
<i>Cases filed against NSL Sugars (Tungabhadra) Limited under the Central Excise Tariff Act, 1985</i>	4	9.44
<i>Cases filed against NSL Sugars (Tungabhadra) Limited under the Code of Criminal Procedure</i>	2	5.07
<i>Cases filed against NSL Sugars (Tungabhadra) Limited under the Sugar Cane Control Order 1966</i>	2	0.01
<i>Cases filed against NSL Sugars (Tungabhadra) Limited under the Code of Civil Procedure</i>	1	75.83
<i>Cases filed against NSL Sugars (Tungabhadra) Limited under Industrial Disputes Act, 1947</i>	4	16.71
<i>Cases filed against NSL Sugars (Tungabhadra) Limited under Indian Penal Code, 1860</i>	2	42.37
<i>Cases filed against NSL Sugars (Tungabhadra) Limited under Essential Commodities Act, 1955</i>	3	0
<i>Cases filed against NSL Sugars (Tungabhadra) Limited under Workmen's Compensation Act, 1923</i>	4	2.00
<i>Cases filed against NSL Sugars (Tungabhadra) Limited under Contract Labour (Abolition and Regulation) Act, 1976</i>	1	0.05
<i>Cases filed against NSL Sugars (Tungabhadra) Limited under Industrial Disputes (Karnataka Amendment) Act, 1987</i>	2	115.32
<i>Cases filed against NSL Textiles Limited under the Income Tax Act</i>	1	55
<i>Tax disputes involving NSL Textiles under the Income Tax Act, 1961</i>	1	0
<i>Cases filed against NSL Tidong Power Generation Private Limited under the Code of Civil Procedure</i>	1	0
<i>Cases filed against NSL Tidong Power Generation Private Limited under the Indian Forest Act, 1927</i>	1	0
<i>Cases filed against NSL Tidong Power Generation Private Limited under the Land Acquisition Act, 1894</i>	20	0
<i>Cases filed against NSL Tidong Power Generation Private Limited under the Workmen's Compensation Act, 1923</i>	2	1.28
<i>Cases filed against NSL Wind Power Company (Satara) Private Limited under the Code of Civil Procedure</i>	1	0
<i>Cases filed against Orbit Wind Energy Private Limited under the Maharashtra Land Revenue Code, 1966</i>	1	0
<i>Cases filed against Prabhat Homes Private Limited under the Consumer Protection Act, 1986</i>	1	45.26

Nature of cases/claims	Number of cases outstanding	Amount involved*
		(₹ in millions)
<i>Cases filed against Regen Powertech Private Limited under the Code of Civil Procedure</i>	16	0
<i>Cases filed against Regen Powertech Private Limited under the Rajasthan Land Revenue Act, 1956</i>	5	2.63
<i>Cases filed against Regen Powertech Private Limited under the Trade Marks Act, 1999</i>	1	0
<i>Cases filed against Regen Powertech Private Limited under the National Highways Act, 1956</i>	1	0
<i>Tax disputes involving Regen Powertech under the under the Tamil Nadu Value Added Tax Act, 2006</i>	1	2.91
<i>Cases filed against ReGen Infrastructure and Services Private Limited under the Code of Civil Procedure</i>	11	0.37
<i>Cases filed against Serene Estates Private Limited under Code of Criminal Procedure</i>	1	0
<i>Cases filed against Serene Estates Private Limited under Code of Civil Procedure</i>	7	0
<i>Cases filed against Serene Estates Private Limited under Consumer Protection Act</i>	1	0.09
<i>Cases filed against Serene Estates Private Limited under Arbitration and Conciliation Act</i>	1	1.20
<i>Cases filed against Solar Semiconductor Power Company (India) Private Limited under Code of Civil Procedure</i>	3	0
<i>Cases filed against Sree Ananthalakshmi Textiles Private Limited under the Andhra Pradesh Value Added Tax Act, 2005</i>	1	0.57
<i>Cases filed against Sree Ananthalakshmi Textiles Private Limited under the Central Sales Tax Act, 1956</i>	1	4.40
<i>Tax disputes involving Sree Anantha Lakshmi Textiles Private Limited Andhra Pradesh (Agricultural Produce &amp; Livestock) Markets Act, 1966</i>	1	0.42
<i>Cases filed against Super Cybertech Park Private Limited under the Constitution of India</i>	28	0
<i>Cases filed against Tangnu Romai Power Generation Private Limited under the Code of Civil Procedure</i>	8	0.76
<i>Cases filed against Tangnu Romai Power Generation Private Limited under Land Acquisition Act, 1894</i>	28	0
<i>Tax disputes involving Tangnu Romai Power Generation Private Limited under the Income Tax Act, 1961</i>	1	8.77
<b>Total amount*</b>	<b>248</b>	<b>1009.73</b>

\* To the extent quantifiable and exclusive of interest claimed, if any.

For further details, see the section titled “Outstanding Litigation and Material Developments” on page 469.

13. ***We are highly dependent on markets in the states of Maharashtra, Telangana and Andhra Pradesh and are exposed to risks related to the concentration of our operations in these states. Any disruption to our operations in these states could materially and adversely affect our business, financial condition, results of operations and prospects.***

A significant proportion of our sales efforts have been in the states of Maharashtra, Telangana and Andhra Pradesh. The states of Maharashtra and the states of Telangana (which was formed in Fiscal 2014) and Andhra Pradesh taken together contributed, 28.86% and 25.55%, respectively, to our

revenue from operations in Fiscal 2013, 26.11% and 26.44%, respectively, to our revenue from operations in Fiscal 2014 and 27.19% and 25.50%, respectively, to our total revenue from operations in the nine months ended December 31, 2014. Although our business operations are concentrated in these states out of necessity as most of these states are the key cotton producing states in India, such concentration exposes us to significant risks that any adverse changes to the markets in these states could adversely affect our business, financial condition, results of operations and prospects.

If one or more of the following occur in these states:

- adverse weather conditions, including windstorms, floods, drought and temperature extremes, or any natural disasters such as earthquakes;
- change in growing patterns or preference for other staple crops by farmers;
- negative demand for, or political opposition to, genetically modified seeds;
- expansion of our competitors' operations;
- failure to enter into contract farming arrangements on favourable terms;
- failure to engage the labour we require for our operations on favourable terms; and
- enactment of any unfavourable laws, rules or regulations,
- our business, financial condition, results of operations and prospects could be adversely affected.

We cannot assure you that we will be able to reduce our dependence on operations in these states, or that such dependence will not increase in the future.

14. ***We may be sensitive to fluctuations in market prices or demand for our products and a decline in prices of our products may materially reduce our profit margins.***

We operate in price sensitive markets where the prices we are able to charge for our products are influenced by factors such as fluctuations in market conditions, the competitive environment, quality issues, government regulation and general supply and demand factors. The prices and demand for related agricultural commodities also influence the prices and demand for our products. For example, any adverse movements in prices of cotton in the international market, reduction of the minimum support prices for cotton by the Government of India or any restraints on export of cotton or cotton-based products by the Government of India can adversely affect the preferences of our end consumers and consequently, the demand for our products. The demand for cotton in the international market could change due to changes in the cotton policy of large cotton-producing countries, such as China, the USA or Brazil. Such changes in the international market could influence the market price of and demand for cotton in India. The competitive market environment may also lead to seed suppliers offering significant discounts to customers in the market. This may cause our market share to decrease, or if we offer similar discounts, our profit margins may decrease. Such competitive pressures may also lead to the supply of products of inferior quality, which could adversely affect the reputation of the Indian seed industry and of our Company.

Demand for our products may also be adversely affected by a general decline in the number of farmers. The agriculture industry typically provides a limited profit margin for farmers, and this could encourage farmers to shift to other more profitable vocations. Furthermore, a general increase in preference for urban lifestyles could also reduce the number of farmers. A general decrease in the number of participants in the agriculture industry could reduce the demand for our products.

Further, our ability to influence prices for our products is limited and we may not be able to pass on increases in raw material or other operating costs to our customers in full, or at all. Any significant or continuous increase in the price of our products could affect their demand. As such, pricing could be unpredictable and we may not be able to protect our market position if our competitors are willing to reduce the prices for some of their products. We cannot assure you that any efforts we make will be sufficient to offset completely the effect of declining product prices on our operating results. Further, significant volatility in raw material costs tends to put pressure on our operating margins, as sales price increases generally tend to lag behind raw material cost increases that may have a negative effect on

our profitability. Any of the above factors, or a combination thereof, could materially and adversely affect our business, financial condition, results of operations and prospects.

15. ***We rely on third-party farmers who assist us in growing seeds (the “Seed Growing Farmers”) to produce our seeds, and any problems with such Seed Growing Farmers may negatively affect our sales, cash flows from operations and results of operations, and may further expose us to reputational risk.***

We generally undertake our seed production through contractual arrangements with certain selected Seed Growing Farmers during every crop season. We provide these Seed Growing Farmers with the required farm inputs and closely manage their activities during all stages of seed production. However, our arrangements with these Seed Growing Farmers carry risks that they may have economic or other interests that are inconsistent with our interests. They may take actions that are contrary to our instructions or requests, or may be unable or unwilling to fulfill their obligations, especially those that relate to timely delivery of the produce. Under the provisions of the Protection of Plant Varieties and Farmers’ Rights Act, 2001 (the “PPV & FR Act”), farmers may be entitled to statutory protection, thereby enabling farmers to save, use, sow, re-sow, exchange, share or sell their farm produce in any manner they want and we may not be able to enforce provisions in our agreements with such Seed Growing Farmers to restrict them from doing so. Further, any failure by us to monitor closely the activities of our Seed Growing Farmers could expose our crops to risks related to genetic contamination, disease or pest infestation and other types of problems that could affect the quality of our seeds. While we have had long-term relationships with several of our Seed Growing Farmers who are now familiar with our quality standards and other parameters, we do not have long-term contracts with our Seed Growing Farmers and cannot assure you that such Seed Growing Farmers will continue to work with us on expiry of the relevant contract period.

Further, while we have instituted an anti-child labour policy and our agreements with the Seed Growing Farmers require them not to employ children, there can be no assurance that the Seed Growing Farmers will comply with these restrictions. In the event the Seed Growing Farmers employ child labour, we or our Directors and officers may be subject to action under the penal provisions of the Child Labour (Prohibition and Regulation) Act, 1986, which may in turn expose us to reputational risk. Although we have not experienced any significant problems with our Seed Growing Farmers to date, we cannot assure you that we will not experience any problems in the near future, which may negatively affect our sales, cash flows from operations and results of operations.

16. ***Weather conditions, crop diseases and pest attacks could adversely affect the production of our seed products, as well as the demand for our seed products, which may adversely affect our business, financial condition, results of operations and prospects.***

Our seed production activities and the Indian seeds industry are subject to substantially all the risks faced by the agriculture industry in India. Crop yields depend significantly on the absence of any crop disease or pest attacks and favourable weather conditions such as adequate rainfall and temperature, which vary from location to location. Adverse weather conditions such as windstorms, flood, drought or frost may cause crop failures and reduce harvests, which may adversely affect our operations. However, results of changes in weather and climatic conditions are difficult to predict and may affect crop planning and timing. In addition to factors such as soil quality and the use of fertilisers, weather conditions may also affect the presence of diseases and pests. Any of these factors may adversely affect our production of seeds. As we are obliged to pay our Seed Growing Farmers a mutually agreed compensation regardless of the seed yield, we bear the risks associated with bad weather and climatic conditions. Furthermore, if crop diseases and pests develop resistance to our products, this could adversely affect our Seed Growing Farmers’ crop yields. Additionally, we cannot assure you that adverse weather patterns in the future or potential crop diseases will not affect our ability to produce the desired quality or quantity of products to meet demand and in turn, their pricing. Any of these factors, or a combination thereof, can adversely affect the quality of our seeds, yield and inventory levels, could increase our cost of operations, strain our operating margins and reduce our operating

revenue, which could materially and adversely affect our business, financial condition, results of operations and prospects.

Adverse weather conditions, or the onset of crop diseases and pest attacks could also reduce the demand for our seed products. Adverse agro-climatic conditions could affect the overall market demand for seeds, as farmers may choose not to engage in agricultural activities at all, or to grow crops for which we do not produce seed products, thus affecting the demand for our seed products. In addition, there can be no assurance that crop diseases and pests do not develop resistance to the Bt. trait we use. If crop diseases and pests develop resistance to our products, the demand for our seed products could also reduce. Furthermore, farmers may attribute crop failures and any low crop productivity and yields which arise from adverse agro-climatic conditions to the quality of our seeds. This may adversely affect the strength of our product brands, which could adversely affect our business, financial condition, results of operations and prospects.

For further details, see the section titled “*Industry—Key Factors Affecting Demand for Agricultural Inputs in India—Favourable Weather Conditions and Irrigation Facilities*” on page 163.

17. ***Our auditors have set out matters of emphasis and adverse remarks in their reports to our financial statements in the last five fiscal years.***

Our auditors set out the following reservations, qualifications and adverse remarks in our consolidated financial statements in the last five fiscal years:

***Fiscal 2014.*** Our auditors drew attention to the scheme of arrangement sanctioned by the High Court of Hyderabad with an appointed date of July 1, 2013. The accounting standards do not prescribe the accounting treatment of such scheme, however the net assets amounting to ₹3,250.93 million has been adjusted in accordance with the scheme approved by the High Court of Hyderabad. For further details, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations—Effects of Schemes of Arrangement*” on page 449.

Our auditors also reported that there had been a slight delay in a few cases in depositing undisputed statutory dues relating to tax and insurance contributions.

***Fiscal 2013.*** Our auditors reported that that there had been a slight delay in a few cases in depositing undisputed statutory dues relating to tax and insurance contributions.

***Fiscal 2012.*** Our auditors drew attention to write-off of investments in a subsidiary pursuant to a merger of the subsidiary with our corporate Promoter and holding company, Mandava Holdings Private Limited, which has been disclosed as an exceptional item in Fiscal 2012. For further details, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations — Exceptional Items—Fiscal 2012*” on page 453.

***Fiscal 2011.*** Our auditors reported that the process of reconciling quantitative movements during the year needed to be strengthened.

18. ***We face competition, and our inability to compete effectively for any reason could materially and adversely affect our business, financial condition, results of operations and prospects.***

We compete with other seed producing companies on factors such as product availability, range, disease and pest resistance, traits and quality as well as based on price, reputation, customer service and convenience. We also compete for production inputs such as arable land and seed growing farmers. Further, competition for qualified agri-business personnel, as well as for seed distributors is intense. Our major competitors are Advanta India Limited, Ajeet Seeds Limited, Ankur Seeds Pvt. Ltd., Bayer CropScience, Kaveri Seeds Company Limited, Monsanto India Limited, Maharashtra Hybrid Seeds Company Limited, PHI Seeds Private Limited, Rasi Seeds (Private) Limited, Seminis Vegetable Seeds (India) Limited, DCM Shriram Industries Ltd. and Syngenta India Limited.

With the number of products available to farmers steadily increasing, we anticipate that we will continue to face competitive challenges. According to the CARE April 2015 Report, the development and commercialisation of hybrid and open pollinated varieties of seeds typically takes a long time and may take approximately 72 to 84 months from the time of collection and evaluation of the relevant germplasm to the launch of a new seed product in the market. If a competitor introduces a successful product, it may take us years before we can produce a competitive product. Some of our competitors may be large corporations or subsidiaries of large corporations that have access to significantly greater resources than those available to us, are able to invest substantial resources in research and development, are able to introduce products of comparable or higher quality and may be willing to reduce prices in order to increase their market share. If we are unable to compete effectively, including in terms of pricing or the quality of our products, our market share may decline, which could materially and adversely affect our business, financial condition, results of operations and prospects.

19. ***Our ability to deliver our products in a timely manner is critical to our operations.***

The nature of our business requires our products to be available in the market before the beginning of every crop season in order to meet agricultural demand. Any extended interruption in our ability to deliver our products to our distributors and end consumers for any reason including those not within our control could adversely affect our business, results of operations and financial condition. We currently do not own all of our logistical infrastructure and we do rely on third party service providers in some instances for transportation and delivery of our products. Some of the factors that may interrupt delivery of our products include unavailability of suitable transporters, or delays in transportation, damage or loss of goods during transit, strike by unionised transportation providers, natural disasters, or any unusual or sudden rise in the cost of transportation or the price of fuel. While we are not insured for any loss of profit resulting from a failure to deliver products in a timely manner. If we were to experience any interruption due to any of the above factors, we cannot assure you that we will be able to organise alternative methods of delivery in a timely and cost-effective manner or at all.

20. ***Our failure to protect our intellectual property rights could materially and adversely affect our business, financial condition, results of operations and prospects.***

Our ability to compete effectively depends in part on the proprietary nature of our seeds and processes, technologies or materials owned by us or our Seed Growing Farmers and the effective protection of our intellectual property. In addition, our arrangements with MMBL require us to protect and be responsible for violation of the intellectual property related to the technologies we have licenced from it.

A substantial part of our business involves development and sale of hybrid seeds. These seeds can be easily replicated if the constituent germplasm are not adequately protected. If our products are replicated by unauthorised third parties or competitors, our market share may be eroded. The PPV & FR Act protects intellectual property in germplasm varieties and hybrids and may involve payment of a substantial amount of fees to the relevant authority (the “**PPV & FRA Authority**”) for this purpose. However, we cannot assure you that, on expiry of the registration period, the PPV & FRA Authority will not grant a licence to any other applicant to undertake production, distribution and sale of seeds related to the registered variety or hybrid in the public interest. In addition, third parties may pursue claims before the PPV & FRA Authority for a share of the benefits related to our registered germplasm, varieties and hybrids that are determined to be “essentially derived varieties” under the PPV & FR Act. For further details please see the section titled “*Outstanding Litigation and Material Developments*” on page 469 of this Draft Red Herring Prospectus. Any disputes or litigation relating to our intellectual property rights could also cause us to incur financial costs, product delays and disruptions to our business and operations. This can adversely affect our business, financial condition, results of operations and prospects.

Further, while we have registered trademarks for some of the brands and logos for our products, we are yet to obtain registration for our corporate logo and several other brands and logos related to our

products, certain of which have been challenged before the relevant trademark authorities by third parties. We cannot assure you that all our pending trademark applications will be approved. Until such time that we receive registered trademarks, only limited legal remedies may be available to us to protect our corporate logo and unregistered product brands.

Under the Sub-licence Agreements with MMBL, MMBL is entitled to terminate the agreements with immediate effect, if in its reasonable judgment, the laws in India do not provide adequate assurance of protection for its commercial and intellectual property rights. If we are unable to obtain or maintain intellectual property protection for our cotton seeds which use MMBL's Bt. traits, or if MMBL determines that such protection is inadequate, MMBL may terminate the Sub-licensing Agreements.

Attempting to protect our intellectual property, through litigation or otherwise, can be time consuming and expensive, have uncertain results and may be ineffective. We cannot assure that the steps taken by us to protect our intellectual property related to our germplasm, technologies licenced from MMBL or our trademarks, brand names and logos are adequate to prevent infringement of our rights. If we fail to successfully protect and enforce our intellectual property rights for any reason, we may experience a material adverse effect on our business, financial condition, results of operations and prospects.

21. ***Our operations are subject to risks related to an increase in costs or non-availability of raw materials and other key inputs.***

Seed production requires various raw materials including foundation seeds as well as other key inputs such as pesticides, fertilisers, fuel, electricity and water. The costs of seed production, including the cost of materials consumed, as adjusted for changes in inventories, constituted 42.13%, 43.24% and 45.90% of our total operating expenditure, after excluding finance costs, depreciation, amortisation and exceptional item and tax expenses, in Fiscal 2013, Fiscal 2014 and the nine months ended December 31, 2014, respectively. Except the foundation seeds that are developed internally by us, substantially all of our raw materials, including those required for the development or production of foundation seeds, are procured from third parties.

Production and procurement of these raw materials and key inputs is subject to disruptions and price volatility caused by various factors, including commodity market fluctuations, consumer demand, the quality and availability of raw materials, adverse weather conditions, availability of sufficient working capital and changes in government programmes or regulations. Though we produce our raw materials from a diverse set of suppliers and growers, in the case of foundation seeds, to ensure consistent availability, we cannot assure you that we will continue to do so in the future. Our stock of foundation seeds or other raw materials may not be sufficient to meet any unusual increases in demand. Failure of our crops due to any reason may also result in a shortfall in our foundation seeds. In certain circumstances, some of our existing growers, in the case of foundation seeds, may discontinue their operations or may choose to supply raw materials to our competitors instead of us.

Unanticipated increases in costs of raw material or other costs associated with the production of seeds such as the cost of labour, service charges, fertilisers and pesticides or our inability to procure continuously the raw materials within the required time and in sufficient quantity could materially and adversely affect our business, results of operations, financial condition and prospects.

22. ***Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised, and may be subject to change based on various factors, some of which are beyond our control.***

Our funding requirements and the proposed deployment of the Net Proceeds is based on management estimates and our current business plan, and have not been appraised by an independent entity. Furthermore, in the absence of such independent appraisal, or the requirement for us to appoint a monitoring agency in terms of the ICDR Regulations, the deployment of the Net Proceeds is at our discretion and investors will be relying on the judgment of our Company's management regarding the application of the Net Proceeds. We may have to revise our expenditure and funding requirements as a



result of variations in costs, or other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling planned expenditure and funding requirements at the discretion of our Board. Additionally, various risks and uncertainties, including those set forth in this section “Risk Factors”, may limit or delay our Company’s efforts to use the Net Proceeds to achieve profitable growth in its business.

Further, pursuant to Section 27 of the Companies Act, 2013, any variation in the objects of the Fresh Issue would require a special resolution of the shareholders of our Company, and our Promoters or controlling shareholders will be required to provide an exit opportunity to the shareholders of our Company who do not agree to such proposal to vary the objects, in such manner and upon such conditions as may be prescribed by SEBI.

We intend to utilise ₹ [●] million from the Net Proceeds for general corporate purposes. Our management has not made any specific commitments with respect to utilisation of the Net Proceeds towards general corporate purposes and therefore, will not be able to make adequate disclosures with regard to such utilisation. For further details, please see the section titled “*Objects of the Issue*” on page 138.

23. ***We rely on the success of our distribution network and the financial health of our distributors, and an unstable distribution network may adversely affect our business, results of operations and financial condition.***

We primarily rely on our distribution network to market, distribute and sell our products in each of the regions where we operate. Competition for seed distributors is intense and our growth depends on our ability to attract more high-quality distributors into our distribution network. We generally do not enter into long-term supply contracts with our distributors for the sale of our products. Our sales are recorded when we deliver our products based on purchase orders received from time to time. As a result, we cannot assure you that we will continue to receive purchase orders for our products on substantially the same terms, or at all, which could adversely affect our business and results of operations. Our business is therefore dependent on maintaining good relationships with our distributors. While we try to ensure that our distributors find our products to be commercially remunerative and preferred by farmers, we cannot assure you that our current distributors will continue to do business with us or that we will continue to attract additional distributors into our network. In addition, the contractual arrangements with many of our existing distributors are non-exclusive and they may market and sell products of our competitors as well.

We cannot assure you that revenue from distributors that have accounted for significant revenue in prior periods, individually or as a group, will continue, or if continued, will reach or exceed historical levels in any given period. Our failure to maintain a stable distribution network and attract more high-quality distributors into our distribution network may cause our market share to decline, thereby materially and adversely affecting our business, results of operations and financial condition.

Further, we receive certain payments in advance along with the orders from our customers in certain states, who are typically our distributors, with the remaining payment to be made on delivery. Our credit terms vary according to local market practice. Downturns in the local economy may affect the ability of farmers, who are our end consumers, to pay our distributors and consequently, the ability of our distributors to pay the amounts owed to us. This could adversely affect our financial condition and results of operations. We have not experienced significant bad debt losses in the past. However, higher levels of bad debts may reduce our operational cash flows and adversely affect our operating margins, which could materially and adversely affect our business, results of operations and financial condition.

24. ***Our failure to respond to rapid technological changes or evolving industry trends could adversely affect our business, financial condition, results of operations and prospects.***

The market for hybrid seed products is characterised by rapidly changing technology and new industry trends. We believe that our continued success depends on our ability to keep pace with advancing

technology and rapidly evolving industry trends and gain access to these technologies, either through indigenous development or through contractual arrangements to obtain rights to use such technologies. We cannot assure you that we will be able to foresee such changes accurately, complete development of new products or technologies in time or obtain the rights or licences to use any of these technologies on terms favourable to us, or at all. Further, we cannot assure you that we will be able to incur the required capital expenditure. New industry trends or technological advancements in the seeds industry could quickly render our technologies, products or facilities obsolete and make our operations less competitive. For example, if the Bt. trait gene loses its effectiveness as a pest-resistant gene, whether due to the obsolescence of the Bt. technology or for any other reason, our failure to develop new, more effective technologies could reduce the demand for our products. Additionally, we rely on technology providers, such as MMBL, to licence key technology to use to develop and sell our products. Under our Sub-Licence Agreements, MMBL is not required to transfer or grant us a licence to use any newly developed technologies, including new Bt. trait genes, and have the option to grant licences to our competitors or any other parties to use the Bt. trait gene or any newly developed technologies. If we cannot negotiate licencing agreements on commercially favourable terms or at all with our key technology providers, such as MMBL, or if we fail to adequately respond to such changes and timely commercialise new, improved seed products, our business, financial condition, results of operations and prospects may be adversely affected.

25. ***Actual or alleged claims relating to defective or low quality products could materially and adversely affect our business, financial condition, results of operations, reputation and prospects.***

Although our seeds undergo extensive quality checks, they may still contain defective or undesired characteristics that may be difficult to detect prior to their sale and use. Further, our seeds may be subject to contamination by external sources over which we may have little, if any, or no control. In particular, we have limited control of the handling and storage of our seed products once these products have been sold to our distributors, who in turn will on-sell the products to farmers. Any defects in our products, whether through our own fault or the fault of a third party, such as a distributor, could result in losses to farmers, which may include the value of lost crops and any claims for such losses could greatly exceed the value of the seeds that we sell, and could adversely affect our market reputation. Further, the Seeds Act 1966, the Seeds Rules 1968 and the Seeds (Control) Order 1983 (the “**Central Seeds Statutes**”) prescribe stringent standards in relation to the quality and reliability of seeds, which are implemented and enforced by various central or state government authorities. Although we believe we take appropriate storage and handling precautions, our seeds are biological products which may deteriorate naturally over time as a result of natural biological processes. In the event the seeds sold by us or by our distributors are defective, contaminated or substandard for any reason, including due to human errors at any stage of seed processing or conditioning, a large number of farmers may experience crop failures and government or regulatory authorities, individual farmers and other representative groups may pursue claims or actions against us.

We have, in the past, been subject to certain alleged claims and government action related to sub-standard seed products. We have incurred market support expenses of ₹25.15 million, ₹11.52 million and ₹5.02 million to certain customers in Fiscal 2013, Fiscal 2014 and the nine months ended December 31, 2014, respectively, towards settlement of their claims in connection with alleged non-germination of certain seed lots and claims for crop failures. We cannot assure you that we will not be subject to similar claims, lawsuits or government actions in the future. For further details, see the sections titled “*Outstanding Litigation and Material Developments—Litigations involving our Company and Material Developments – Outstanding Litigation – Litigation against our Company*” and “*Financial Statements*” on pages 469 and F-1, respectively.

Further, irrespective of the quality of the seeds, farmers may attribute poor crop yields or crop failures to perceived seed defects that may not exist, which could still result in claims against us. In addition, farmers may pursue claims against us under the provisions of the PPV & FR Act. Any claims, whether valid or not, could result in negative publicity, and prevent us from achieving increased sales and market share, and cause us to incur significant costs or suffer reputational harm, which could materially and adversely affect our business, financial condition, results of operations, reputation and prospects.

26. ***Our contingent liabilities could materially and adversely affect our financial condition.***

As of December 31, 2014, the contingent liabilities as disclosed in our restated consolidated financial statements consist of the following:

<b>Particulars</b>	<b>Amount (₹ in millions)</b>
Income tax matters under dispute	118.74
Claims not acknowledged as debts	367.34
<b>Total</b>	<b>486.08</b>

\* This includes compensation claims from farmers and customers and demand from government departments.

For the assessment year 2011-2012, the Deputy Commissioner of Income Tax, Hyderabad, rejected our claim for tax exemption for agricultural income. However, as a result of our appeal, the Office of the Commissioner of Income Tax (Appeals) allowed our claim for the agricultural income tax exemption. The Deputy Commissioner of Income Tax appealed against this order to the Income Tax Appellate Tribunal, Hyderabad. This appeal was rejected by the Office of the Income Tax Appellate Tribunal by an order dated March 20, 2015 and it also allowed our claim for tax exemption for agricultural income (the “**Appellate Order**”). However, even after the Appellate Order, on March 30, 2015 the Deputy Commissioner of Income Tax, Hyderabad, rejected our claim for agricultural income tax exemption for the assessment year 2012-2013 (“**DCIT Order**”). We intend to appeal against this order. Our contingent liabilities as of December 31, 2014 do not reflect the amounts demanded under the DCIT Order as the order was received after December 31, 2014. However, our contingent liabilities in future periods may increase as a result of the DCIT Order. For further details, see the section titled “*Management Discussion and Analysis of Financial Condition and Results of Operations—Significant Factors Affecting Results of Operations and Financial Condition—Taxation*” on page 448 and see “—*Internal Risks— The Indian income tax authorities have challenged and may continue to challenge our use of certain income tax exemptions. If these exemptions become unavailable to us, our tax liability could increase significantly and, in turn, our results of operations, financial condition and cash flows could be materially and adversely affected.*”

In addition, in respect of the trait fee we pay to MMBL, no value added tax or VAT has been charged to us since April 1, 2009 by MMBL based on its determination, which is in turn based on a legal opinion obtained by it, that no payment of VAT is required on such transactions. However, in the event the sales tax department reject MMBL’s contention in this regard and determines that VAT, along with any interest, penalties or costs in respect thereof, is payable on the trait fee paid by us, we may be liable to pay the amounts so determined to MMBL.

If any of the contingent liabilities specified above materialise, our liquidity, business, prospects, results of operations and financial condition could be adversely affected. For further details, see the section titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations—Related Party Transactions*” on page 465 and Annexure XX to our restated consolidated financial statements in the section titled “*Financial Statements*” on page F-78.

For further details, see Annexure XVIII to our restated consolidated financial statements in the section titled “*Financial Statements*” on page F-75.

27. ***The failure of our strategies to increase our market share of crops other than cotton could adversely affect our business, financial condition, results of operations and prospects.***

Our business strategies to increase our market share of crops other than cotton include greater diversification into other crops and increasing the production capacity for other seed products such as paddy and maize. In this regard, we intend to increase expenditure on research and development for

crops other than cotton, conduct brand building exercises, engage in greater partnership with governmental agencies, state agricultural universities and conduct selective acquisitions and strategic alliances with other seed companies. We cannot assure you that we will be able to execute these strategies on time and within the estimated budget in the future. These strategies involve risks and difficulties, many of which are beyond our control and, accordingly, we cannot assure you that we will be able to implement them or complete our plans on schedule or at all, or without incurring additional unforeseen material capital expenditure. As a result, we may not be able to diversify the product concentration risks we currently have, which could cause us to be affected more immediately and directly by problems affecting the cotton seeds industry generally, which may in turn adversely affect our business, financial condition, results of operations and prospects.

28. ***The recent growth in the market for cotton seeds may not be sustainable.***

According to the CARE April 2015 Report, the area under cultivation for cotton in India increased between Fiscal 2004 and Fiscal 2015 at a compounded annual growth rate of 4.74%. This, according to the CARE April 2015 Report, has been one of the reasons for the increase in demand for, and the consequent increase in sale of, cotton seeds in India during this period. Another factor that the CARE April 2015 Report attributes to the increased demand for cotton seeds is an increase in the Bt. cotton adoption rate (i.e., the ratio of crop area based on hybrid cotton seeds with the Bt. traits to the total area harvested) in India from 1% in Fiscal 2002 to 95% in Fiscal 2011. In Fiscal 2013, Fiscal 2014 and the nine months ended December 31, 2014, the sale of Bt. cotton-based products, which, for the last three fiscal years comprised substantially all of our cotton seeds products, contributed 75.38%, 66.51% and 69.71%, respectively, of our revenue from operations. We cannot assure you that the area under cultivation and the Bt. cotton adoption rate will continue to increase at a similar rate in the future. Any reduction in the area under cultivation or the Bt. cotton adoption rate may result in a reduction in demand for our hybrid cotton seeds and a consequent reduction in revenues from sales, which in turn could adversely affect our business, financial condition, results of operations and prospects.

29. ***Our failure to manage successfully the expansion of our business, successfully execute future acquisitions or efficiently manage the businesses we have acquired or may acquire in the future could materially and adversely affect our business, financial condition, results of operations and prospects.***

Our business is rapidly expanding and the introduction of new products might expose us to new business risks, which we may not have the expertise, capability or the systems to manage. In particular, we intend to expand our operations in the future into both national and international seed markets in which we have had limited experience hitherto. Such expansion is highly dependent on our ability to obtain the requisite approvals and registrations from the appropriate regulatory authorities. Although we have a strong market presence in the southern and central regions of India, we may not be able to develop our market presence in the northern and eastern regions of India. Despite our efforts to grow our business in international markets, particularly in the South Asian countries, our growth in these markets has been limited. Furthermore, as we continue to expand our product portfolio, we would require suitable production, supply chain management, marketing and distribution systems to effectively manage such expansion. We may not have such expertise, capabilities or systems to manage a large portfolio of products effectively, and this could adversely affect our business, financial condition, results of operations and prospects.

We have in the past undertaken acquisitions to pursue growth. While we have not faced any material problems with our integration plans or strategy, there can be no assurance that problems will not arise in the future. Further, our integration plans may take longer than expected or result in more costs than estimated. We may undertake further acquisitions in India and overseas as a part of our growth strategy. The success of our past acquisitions and any future acquisitions will depend upon several factors, including our ability to:

- identify and acquire businesses on a cost-effective basis;
- integrate acquired operations, products and technologies into our organisation effectively;

- retain and motivate key managerial personnel and to retain the customers of the acquired businesses;
- manage unanticipated problems or legal liabilities of the acquired businesses; and
- manage tax or accounting issues relating to the acquired businesses.

Any acquisition or integration of expanded operations into our existing operations, particularly outside India, may require a significant capital investment and financial and other resources such as the addition of new employees. We may also be required to expand our relationships with customers, suppliers and third parties. In addition, we may be subject to unforeseen contingent risks, operational difficulties, expenditures or latent liabilities related to certain acquisitions or expansion activities that may become apparent in the future. The expansion or acquisitions may also require greater oversight and significant management attention that would otherwise be available for the continuous development of our existing businesses. We cannot assure you that we will be able to achieve the strategic purpose of such an acquisition, expansion or operational integration or an acceptable return on such an investment. If we are unable to do so, our business, financial condition and results of operations could be materially and adversely affected.

Our inability to effectively execute the planned acquisition strategy, or integrate any acquired business, or manage or finance such undertakings while managing our existing operations and any failure to integrate successfully the expanded operations may materially and adversely affect our overall operations and financial condition.

30. ***Our failure to implement successfully our brand building strategy or to effectively promote our brands may adversely affect our business, financial condition and results of operations.***

We believe that brand image plays an important role in influencing consumers' decisions to purchase our products. While our corporate brands are important, we rely heavily on our product brands to sell our products. We believe that our product brands are well recognised in the market and the image and consumers' association with these brands provide us with a strong platform to maintain and increase our revenues. It is our strategy to build and enhance recognition of our corporate brands such as the *Nuziveedu Seeds* brand and to utilise the familiarity of our end consumers with, and their loyalty to, the brands related to our cotton products in order to increase our revenues from seed products for other field crops and vegetables. We cannot assure you that we will be able to implement this strategy successfully or that our marketing and promotional activities will remain effective. If we fail to successfully market or promote our brands, our brand recognition may be adversely affected and the demand for our products may decline or fail to increase as much as we expect, which may adversely affect our business, financial condition and results of operations.

31. ***Our failure to obtain various approvals, licences or permits in a timely manner, or at all and failure to comply with the terms of any of these approvals, licences or permits or applicable laws could adversely affect our business, financial condition, results of operations and prospects.***

The testing, production and marketing of our products are subject to extensive regulatory requirements, which vary widely in each state where we operate. We are required to obtain various approvals, licences or permits necessary to launch new products or to operate our business, which can be time consuming and expensive and our inability to obtain these in a timely and cost effective manner, or at all could materially and adversely affect our business, financial condition, results of operations and prospects. Furthermore, our government approvals, licences or permits may be subject to numerous conditions, some of which are onerous and may require us to undertake substantial expenditure. Breach or non-compliance (including being held to be in non-compliance) with any of the terms and conditions under any of these approvals, licences or permits or any applicable laws or regulations (including those under which we obtained these approvals, licences or permits), or an allegation by an authority that we have not complied with the same may result in their suspension, withdrawal or termination, expose us to regulatory proceedings as also the imposition of penalties. Additionally, we would need to apply for certain approvals, including renewal of approvals that may expire from time to time, as and when required in the ordinary course of our business.

As of the date of this Draft Red Herring Prospectus, certain of our approvals, licences or permits required for our business or operations have expired and we have sought renewals for such approvals, licences and permits. For further details, see the section titled “*Government and Other Approvals*” on page 581. We cannot assure you that we will be able to apply for similar approvals, licences or permits in the future in a timely manner, or at all, or that we would receive such approvals, licences or permits or any renewals thereof. Further, we may receive the renewals applied for conditional on certain restrictions which may not be acceptable to us, or which may prejudicially affect our operations. Any suspension, withdrawal, termination or refusal to grant or extend our business approvals, licences or permits could prevent us from launching new products or require us to cease production of all or some of our existing products, which could materially and adversely affect our business, financial condition, results of operations and prospects.

32. ***We cannot predict the effect of changes to the regulatory framework governing the Indian seeds industry and some of these changes could adversely affect our business, financial condition, results of operations and prospects.***

The Indian seeds industry is substantially regulated. Certain relevant statutes include the Central Seeds Statutes, the PPV & FR Act, the Environment (Protection) Act, 1986, the Biological Diversity Act, 2002, the Legal Metrology Act, 2009 and the Essential Commodities Act, 1955, and the relevant rules and regulations framed thereunder. These laws, among other things, prescribe standards for quality and reliability of seeds, maintaining or increasing supplies, equitable distribution and also seek to protect the environment, biological diversity and rights of seed consumers. In addition, certain laws enacted by the different states in India such as the A.P. Cotton Seeds Act and the Maharashtra Cotton Seeds Act also regulate the seeds industry. For further details, see the section titled “*Regulations and Policies in India*” on page 214. The possibility that additional laws and regulations may be enacted or that existing laws or regulations may be amended or repealed and the known and unknown costs of complying with an evolving regulatory framework may lead to considerable uncertainty with regard to evaluating our business, financial condition, results of operations and prospects.

For instance, the Seeds Bill 2011 (the “**Draft Seeds Bill**”) will, on enactment, supersede and replace the Central Seeds Statutes. The Draft Seeds Bill imposes significant compliance obligations on seeds producers such as the registration of all commercial seed varieties prior to sale, with registration of transgenic varieties of seeds being allowed only after approval of the relevant environment regulatory authorities. Further, the Draft Seeds Bill provides for more stringent means of consumer and farmer protection, including the right to seek compensation from a producer of seeds if the seeds do not meet the expected quality standards. We believe that if enacted into a law in its current form, the Draft Seeds Bill may pose significant challenges for the Indian seed industry. The Draft Seeds Bill will require the approval of the Indian Parliament, the assent of the President of India as well as publication in the Official Gazette of India before becoming law. We cannot assure you that if enacted into a law, the Draft Seeds Bill will not adversely affect our business, financial condition and results of operations.

In addition, the government may enact laws or issue administrative orders that may make it difficult for us to test, produce and market genetically engineered products in a timely manner or under technically or commercially feasible conditions, or at all. Any such regulatory action could result in increased expenses, delays or other impediments to development of our products and could materially and adversely affect our business, financial condition, results of operations and prospects.

33. ***The availability and proliferation of counterfeit or cloned seed products for cotton and other crops, including those passed off by others as our products, could adversely affect the goodwill we have with customers and our results of operations.***

According to the CARE April 2015 Report, the Indian seed industry is fragmented and the sale of counterfeit or cloned, often less expensive, hybrid seeds constitutes a significant portion of the total annual sales of hybrid seeds in India. Counterfeit and cloned products are products manufactured and sold illegally as legitimate products, whereas passed-off products may be manufactured or packaged to resemble legitimate products. In the past few years, advances in technology have contributed to the

ease with which legitimate seed products can be counterfeited. For further details, see the section titled “*Industry —Overview of the Indian Seeds Industry—Indian Seed Market - Segments Profile*” on page 172.

Certain entities in India could pass off their own products, including counterfeit or cloned products, as ours by imitating our brand name, packaging materials or by creating look-alike products of deficient quality. Counterfeit, cloned or passed-off seed products are not easily detectible by unsuspecting consumers. The proliferation of counterfeit or cloned seed products for cotton and other crops, including those passed off by others as our products, could tarnish our brand image, decrease our goodwill among customers, result in reduced sales and cause us to lose our competitive advantage. It may also result in loss of time and incurrence of legal costs in pursuing claims and complaints about such products. Any resultant reduction in demand for our products or our market share could materially and adversely affect our business, results of operations and financial condition.

34. ***We may be subject to claims of infringement of third-party intellectual property rights.***

While we believe that our products do not infringe the intellectual property rights of others, infringement claims may be asserted against us in the future, which could result in proceedings. We may not be able to obtain favourable outcomes in such proceedings and may be unable to obtain the required licences or assignments for the use of any such infringed intellectual property on commercially reasonable terms. In addition, we may face liability claims from MMBL if we are unable to protect its technologies licenced to us in accordance with our contractual arrangements with it. Any such claims, regardless of their outcome, could result in substantial costs to us and divert our management’s attention from our operations and require us to pay damages, temporarily suspend the sales of such products during the pendency of any litigation, develop non-infringing intellectual property or acquire licences or assignments to the subject intellectual property. Further, such claims may require us to alter our technologies or product inputs, conduct further research or discontinue certain operations or products. Our business, results of operations financial condition and prospects could be materially and adversely affected if one or more of the above factors materialise. For further details, see the section titled “*Outstanding Litigation and Material Developments*” on page 469.

35. ***If we fail to comply with environmental laws and regulations or face environmental litigation, our business, financial condition, results of operation and reputation may be materially and adversely affected.***

Environmental laws and regulations in India are stringent and may become significantly more stringent in the future. Trials, release into the environment or commercial use of genetically engineered or transgenic hybrids and varieties require the approval of the Genetic Engineering Approval Committee, Ministry of Environment and Forests, Government of India (the “**GEAC**”) in accordance with the relevant rules framed for this purpose under the Environment (Protection) Act, 1986. The GEAC has also prescribed procedures for commercial release of cotton hybrid seeds with the Bt. traits. Further, as our production and processing activities generate noise, waste water, gases and other industrial wastes, we are required to comply with all national and local regulations regarding protection of the environment and human health.

Some of our operations involve the use of hazardous materials, which can be harmful to humans and the environment. We also use pesticides and fertilisers in the course of our operations. Non-compliance with any environmental or other related regulations may result in imposition of heavy penalties on us or the closure of any of our facilities or the operations at such facilities. We may have to pay for the costs or damages associated with the use of these substances, including for any improper application, accidental release or other misuse. Our insurance may not be adequate to cover these costs or damages or may not continue to be available at premiums or under terms that are satisfactory to us. In these cases, any mishaps or accidents could result in adverse publicity and payment of costs or damages, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Further, we may incur costs to comply with regulations, appealing any decision to close our facilities, and will continue to incur labour and other maintenance costs while any such decision to close our facilities subsists. As a result, our business, financial condition, results of operation and reputation may be materially and adversely affected.

36. ***Any disruption in, shutdown, or loss of our operations at any of our production or processing facilities could materially and adversely affect our business, results of operation and financial condition.***

Our production and processing facilities are subject to operating risks. These risks include the breakdown or failure of equipment, power supply or other processes, performance below expected levels of output or efficiency, obsolescence, labour disputes, strikes, lock-outs, natural disasters or unusual changes in weather and environment, industrial accidents, continued interruption of services of our external contractors and compliance with any onerous directives by the relevant government authorities. The occurrence of any of these risks could significantly affect our operating results.

Under certain unfavourable conditions due to one or more factors listed above, we might be forced to pursue special production plans that may differ from our routine production activities, including temporarily closing our production facilities, shortening operation time and reducing production shifts. As a result, our productivity might materially decrease and we may experience delays in delivery of our products in a timely and cost-effective manner. We also carry out planned shutdowns of our facilities for maintenance. Any significant operational problems or disruption in, shutdown, or loss of our operations at any of our production or processing facilities could materially and adversely affect our business, results of operation and financial condition.

37. ***Our success depends to a large extent on our ability to attract and retain key personnel.***

Our future success and business strategy substantially depends on the continued services and performance of senior members of our management and to a large extent on our ability to identify, attract, hire, train, retain and motivate skilled personnel, including our scientists and operational personnel. Competition for qualified agribusiness personnel is intense, given the limited supply of such personnel and because they are highly sought after by our competitors. We presently have non-compete agreements with certain personnel. We may need to increase our pay structures to attract and retain such personnel and we cannot assure you that increased salaries will be successful in retaining such personnel. Further, we may not be able to redeploy and retrain our employees to keep pace with continuing changes, evolving standards and changing customer preferences. Our business, financial condition, results of operations and prospects could be adversely affected by factors such as loss of the services of our senior management personnel, our inability to recruit or train a sufficient number of experienced personnel or to manage our attrition levels, or our failure to hire and retain sufficient numbers of qualified personnel for functions such as research and development, operations and marketing and sales.

38. ***Strikes, work stoppages, increased wage demands or any other kind of disputes with our employees could adversely affect our results of operations.***

We cannot assure you that we will not experience disruptions to our operations due to disputes or other problems with our employees and other seasonal workers, which may adversely affect our business, results of operations and financial condition. Our employees are not currently unionised. Efforts by labour unions to organise our employees may divert the attention of our management and increase operating expenses. We may be unable to negotiate acceptable collective bargaining agreements with those who have chosen to be represented by unions, which could lead to work stoppages and strikes, which could in turn adversely affect our business, results of operations and financial condition.

39. ***We rely on contract labour for carrying out some of our seasonal activities at our production facilities, and any shortage of such contract labour or work stoppages caused by disagreements with***



***independent labour contractors could adversely affect our business, financial condition and results of operations.***

In order to retain flexibility, we rely on a significant number of contract labourers to perform various assignments and operational processes for each crop season. The term of some of our arrangements with contract labour providers is up to three years. As contract labourers are typically employed for short time periods or for specific assignments, there is a high turnover rate amongst our contract labourers. Any shortage of such contract labour or any work stoppages caused by disagreements with independent contractors could materially and adversely affect our business, financial condition and results of operations. Although we may not engage this labour directly, we may be held responsible under the provisions of Contract Labour (Regulation and Abolition) Act, 1970 for any wage payments to be made to such labour in the event of default by such independent contractors and may also be required to absorb a portion of the contract labour as our employees. Any requirement to absorb such contract labour or to fund their wage requirements may have an adverse impact on our results of operations and financial condition.

40. ***We may require additional capital to fund our operations and business strategies, and our failure to obtain the required financing on commercially favourable terms, or at all, may adversely affect our business, financial condition and results of operations.***

We may require additional capital to fund our operations and business strategies. The amount and timing of our future funding requirements may vary and will depend largely on our working capital requirements and the nature of our capital expenditures. We presently fund a portion of our working capital requirements from the payments we receive from our customers along with the advance orders they place for our products. However, in some states, such as Maharashtra, the collection of advance orders is not permitted. If other states follow the practice in Maharashtra, advances from customers may further decline and we may need to rely on other sources to meet our working capital requirements, such as, increased borrowings. We intend to fund a portion of our future capital expenditures, working capital and other funding requirements from cash flows generated by our operating activities as well as from external sources of financing, including debt and equity. Any expenditure requirements that exceed our available resources may require additional debt or equity financing. Further, our failure to collect advance payments from our customers or any reduction otherwise in advance orders may result in a proportionate increase in our dependence on debt or equity financing.

Our ability to obtain additional financing on commercially favourable terms, or at all, will depend on factors that include our existing indebtedness, our future financial performance and market conditions. Additional debt financing could increase our interest cost and require us to comply with additional restrictive covenants in our financing agreements. We cannot assure you that we will be able to raise additional financing on acceptable terms in a timely manner, or at all, and we may not be able to implement successfully our business strategies, which may adversely affect our competitiveness, and consequently, our business, financial condition and results of operations.

41. ***Our insurance policies do not cover all losses or risks, specifically risks related to adverse weather conditions, errors or omissions by our Seed Growing Farmers or those related to product defects and loss of profits; if such events occur, our insurance coverage may not adequately protect us against possible risk of loss.***

Our operations are subject to inherent risks such as defects, malfunctions or failures of equipment, fire, natural disasters and transportation. We believe that we maintain insurance coverage in amounts consistent with the industry norms. However, our insurance may not be adequate to completely cover any or all our liabilities, specifically risks related to adverse weather conditions, errors or omissions by our Seed Growing Farmers, risks resulting from the use of pesticides and other hazardous substances or those related to product defects or loss of profits, and may be subject to exclusions and deductibles. Further, there is no assurance that the insurance premiums payable by us will be commercially justifiable, and that our insurance policies will be adequate to cover the losses in respect of which the

insurance had been availed. For instance, we are particularly vulnerable to the loss of our inventory, due to fire, adverse weather conditions or natural disasters such as floods, storms or drought. While we maintain insurance against these risks, we cannot assure you that such insurance will be adequate. If we suffer a significant uninsured loss or if an 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 could be materially and adversely affected.

42. ***We rely on our information technology systems to manage parts of our business, and any failure of our information systems could disrupt our operations.***

We rely on our information technology systems for managing several integral parts of our business and use information systems in connection with our production activities, management of our supply chain, research and development, accounting and certain other functions. We possess a disaster recovery system to preserve all critical information and carry on our operations in the event of a breakdown. However, we cannot assure you that failure of our information technology systems will not result in business interruptions such as disruptions in our supply chain management and unanticipated increases in costs, all or any of which could adversely affect our business, financial condition, results of operations and prospects.

43. ***Consumer resistance to certain genetically modified plants resulting therefrom may negatively affect our public image.***

The commercial success of genetically engineered products depends, in part, on the public acceptance of the growth and consumption of genetically modified plants resulting therefrom. While different versions of genetically modified cotton plants have gained acceptability, there continues to be much publicised opposition in India to the sale of other genetically engineered products, primarily from consumer groups because of concerns related to their costs as well as their effect on food safety and the environment. We and other seed-producing companies are exposed to the risk that this resistance may spread to other sections of the public and influence their acceptance of agricultural commodities other than cotton that are developed with the assistance of biotechnology and genetic engineering. In addition, government authorities might enact regulations governing the use of genetically modified organisms that may delay, limit, impose onerous conditions on or even prohibit, the development, testing and sale of such products.

44. ***We do not own all of our regional offices or the facilities or farmlands through which we carry out some of our research and development, production, processing and storage activities.***

We do not own all of our regional offices and operate from leased premises. In addition, certain of our processing and storage facilities or the farmlands on which we grow and produce our crops are not owned by us and we operate such facilities through lease or licence arrangements. Several of our processing, research and development and storage facilities are not owned by us and we have entered into lease or licence arrangements with the owners of such properties that include our Promoters, Group Companies and members of our Promoter Group for the rights to use these facilities. We cannot assure you that these contracts will be renewed in a timely manner and on terms and conditions favourable to us, or at all. Any breach of the contractual terms of such lease or licence agreements, including any delay in payment of rent or other charges, may impede our operations. We cannot assure you that we will be able to continue our use of all such properties or enforce our rights under such agreements, which though not quantifiable, may impair our operations and adversely affect our financial condition.

Further, we enter into seasonal contractual arrangements with Seed Growing Farmers for the use of their farmland during every crop season for the production of seeds. Any failure to renew our existing contracts for our processing, or storage facilities, or our inability to procure sufficient amounts of suitable farmland from our Seed Growing Farmers at commercially reasonable prices or at all to meet

our production needs may materially and adversely affect our business, financial condition, results of operations and prospects.

45. ***Any defects in the title of our owned or leased properties could materially affect our business, results of operations and financial condition.***

As of December 31, 2014, our research and development activities, including biotechnology laboratories and facilities for multi-location trials, were spread over 732.43 acres of land, of which 68.04 acres of land was owned by us, while the remaining 664.39 acres of land was leased by us. Further, certain other properties through which we carry out our operations have been obtained through lease arrangements with the owners of such properties.

Certain of these properties may not have been constructed or developed in accordance with local laws or other statutory requirements and there may be certain legal defects or irregularities in the title to some of our owned or leased properties. For example, some of the agreements for leasehold or licence rights may not have been duly executed or adequately stamped or registered in the land records of the local authorities. Further, these properties may be subject to unregistered encumbrances in favour of third parties, rights of adverse possessors, ownership claims of family members of prior owners, or other defects that we may not be aware of. These defects may arise after we acquired the properties, and are not necessarily revealed by a title due diligence. Any defects or irregularities of title may result in litigation or the loss of right to use the affected property for our business. We have not independently verified the title of land held by our lessors, and any defects in their titles may lead us to losing the right to use these lands, which may adversely affect our ability to use these leasehold properties.

For example, local land laws in certain states restrict the acquisition or use of agricultural land in such states by companies. If our utilisation of leasehold or freehold land in such states is held to be in violation of the local land laws, we may be faced with the risk of being dispossessed of such land, which will adversely affect our operations.

Any of the above could affect our business operations, and require us to find alternative properties to carry out our operations, which may not be available on commercially reasonable terms, or at all, all of which could have an adverse effect on our business, results of operations and financial condition.

46. ***Our Directors, Promoters and key management personnel may have interests in us other than reimbursement of expenses incurred or normal remuneration or benefits.***

Our Promoters and one of our Directors are interested in our Company to the extent of their shareholding and dividend entitlement in our Company. Our Directors are also interested in our Company to the extent of remuneration paid to them for services rendered as Directors of our Company and reimbursement of expenses payable to them. Our Directors and Promoters are also interested in transactions between our Company and certain Group Companies and members of our Promoter Group in which they are either directors or shareholders. Additionally, our Directors, Promoters and key management personnel may have a conflict of interest to the extent that they are involved with any ventures which are engaged in the same line of activity or business as that of the Company. For further details, see the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Related Party Transactions” and Annexure XX to our restated consolidated financial statements in the section titled “*Financial Statements*” on pages 465 and F-78, respectively.

47. ***There are potential conflicts of interest with our Group Companies and members of our Promoter Group. Furthermore, we have entered into related party transactions and may continue to do so in the future and we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties.***

Our Promoters, certain Group Companies and members of our Promoter Group have equity interests or other investments in other companies that operate in related businesses and we have had, and

will continue to have, business dealings with such companies. While certain Group Companies currently do not carry on any activities which conflict with our business there may be conflicts of interest in addressing business opportunities and strategies in circumstances where our interests differ from other companies in which our Promoters or one or more Group Companies has an interest. Further, none of our Promoters, Group Companies or members of our Promoter Group has undertaken to refrain from competing with our business and may engage in business activity in the future that may compete with us, solicit our employees or acquire interests in competing ventures in locations in which we operate resulting in conflicts of interest with us. Our Promoters may also keep us from entering into certain related businesses such as the agricultural input equipment business that may be important for our growth in the future. For further details, see the section titled “*Our Promoters and Group Companies*” on page 267.

We have also entered into transactions with several related parties, including our Directors, Promoters, Group Companies and members of our Promoter Group. We have sold goods to Group Companies such as NSL Cotton Corporation Private Limited, NSL Textiles Limited and Prabhat Agri Biotech Limited (a Group Company at the time of the sale) in Fiscal 2011, Fiscal 2012, Fiscal 2013, Fiscal 2014 and the nine months ended December 31, 2014. The amounts of such sales constituted 10.29%, 16.30%, 0.54%, 0.63%, and 0.03% of our revenue from operations for those respective periods.

Our Company had entered into a shared assets and services agreement with Mandava Holdings Private Limited (“**MHPL**”) dated November 29, 2011 (“**Shared Assets and Services Agreement**”), valid for a period of five years commencing from November 14, 2011, for the purpose of availing certain identified services including but not limited to financial and accounting, fundraising, tax assessment, XBRL filings, information technology infrastructure management and also share certain identified assets including, central server space, network computers, servers, centralised software licenses, network printers and related equipment owned by MHPL at prices fixed mutually by our Company and MHPL. Further our Company is not entitled to avail the assets and services provided by MHPL exclusively and such assets and services may be provided to other group companies or third parties at the discretion of MHPL. The Share Assets and Services Agreement is for an aggregate value of services availed and assets shared from MHPL by our Company for an amount of ₹40 million per annum with an annual increment of 20%, and has been approved by the Ministry of Corporate Affairs, Hyderabad. For further details, see the section titled “*History & Certain Corporate Matters—Material Agreements*” on page 228.

We have made interest-bearing inter-corporate deposits with our Group Companies in Fiscal 2011, Fiscal 2012, Fiscal 2013 and Fiscal 2014. The total inter-corporate deposits made for Fiscal 2011, Fiscal 2012, Fiscal 2013 and Fiscal 2014 was ₹395.00 million, ₹2,195.00 million, ₹3,506.50 million and ₹1,550.00 million, respectively. In addition, we converted certain receivables or advances aggregating ₹509.12 million due from NSL Textiles Limited and NSL Cotton Corporation Private Limited into inter-corporate deposits in Fiscal 2014. A substantial portion of our inter-corporate deposits, ₹3,249.64 million, were transferred pursuant to a scheme of arrangement approved by the High Court of Hyderabad for the State of Telangana and the State of Andhra Pradesh (“High Court of Hyderabad”) in Fiscal 2014. For further details, see the section titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations—Effect of Schemes of Arrangement*” on page 449.

Certain of these related party transactions may have benefitted us whereas others may have been adverse to us. We cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. Certain Group Companies with whom we have entered into related party transactions have experienced losses, have had negative cash flows from operating activities during the last three fiscal years and have experienced net decrease in cash flow during the last one year. The transactions we have entered into have involved, and any future transactions with our related parties could potentially involve, conflicts of interest.

We have also entered into schemes of arrangement and merger with our related parties:

- Pursuant to a scheme of arrangement, effective from the appointed date of April 1, 2010, the seed business of NSL Renewable Power Private Limited was demerged and vested in our Company. At the time of such demerger, the liabilities of the seeds business of NSL Renewable Power Private Limited exceeded its assets by ₹4,347.83 million.
- In Fiscal 2012, pursuant to a scheme of merger approved on April 19, 2012 by the High Court of Andhra Pradesh, our subsidiary, Prestige Agri Inputs Private Limited, was merged with MHPL, our holding company and Promoter with effect from January 1, 2012. Since our subsidiary merged with our holding company, no consideration was payable to us in shares because a company cannot hold shares in its holding company pursuant to applicable Indian laws and no cash consideration was provided. Consequently, our investment of ₹876.72 million was written off. Given this event's materiality and non-recurring nature, we have disclosed it as an exceptional item in our restated consolidated summary statements of profit and loss.
- Pursuant to a scheme of arrangement in Fiscal 2014, we had transferred and demerged our business undertaking relating to our fertiliser business, to NSL Fertilizer Ventures Private Limited, a related party. The net assets transferred with the fertiliser business primarily consisted of ₹3,249.64 million of our inter-corporate deposit receivables. We cannot assure you that we could not have achieved more favourable terms had these transactions been entered into with unrelated parties, or that such transactions did not involve potential conflicts of interest. This accounting treatment was not prescribed by the Accounting Standards referred to in subsection (3C) of Section 211 of the Companies Act, 1956, and was based on the accounting treatment set out under the scheme of arrangement as sanctioned by the High Court of Hyderabad.

For further details, see the sections titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations—Effects of Schemes of Arrangement*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations—Exceptional Items*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations—Related Party Transactions*” and “*History and Certain Corporate Matters*” on pages 449, 452, 464 and 222.

48. ***Our Promoters have encumbered their Equity Shares with certain third parties, including lenders. A breach by the borrowers of certain covenants, including those under certain lending arrangements, may entitle these parties to exercise their rights under such encumbrances and dilute the shareholding of our Promoters, which may adversely affect our business and prospects.***

Our Promoters, Mandava Prabhakara Rao and MHPL, have encumbered 28,116,762 Equity Shares that represents 29.14% of the total outstanding Equity Shares as of the date of this Draft Red Herring Prospectus. Certain of these Equity Shares have been pledged or encumbered in favour of Axis Trustee Services Limited and IFCI Limited. Any default under these agreements by MHPL will entitle the lenders to enforce the pledge over these Equity Shares or seek pledge or deposit of further Equity Shares in case the value of the pledged shares is insufficient to meet the obligations. If this happens, the shareholding of our Promoters may be diluted and we may face certain impediments in taking decisions on certain key, strategic matters. As a result, we may not be able to conduct our business or implement our strategies as currently planned, which may adversely affect our business and prospects. Further, any rapid sale of Equity Shares by such lenders may adversely affect the price of the Equity Shares.

Our Promoters have also granted options to certain entities, pursuant to which those entities would be entitled to purchase the Equity Shares held by our Promoters upon the exercise of such options. For example, such options have been granted to Vantage and Blackstone. In the event such options are exercised, the shareholding of our Promoters may be diluted. For further details, see the section titled “*History and Certain Corporate Matters*” on page 222.

49. ***Our Promoters have significant control over our Company and, if they take actions that are not in your best interests, the value of your investment in the Equity Shares may be harmed.***

As at December 31, 2014, our Promoters and members of our Promoter Group beneficially owned 89.44% of our Company's outstanding Equity Shares and on completion of this Issue, will continue to hold [●]% of our Company's issued and paid-up capital. As a result, our Promoters and members of our Promoter Group will have the ability to exercise significant control over most matters requiring approval by our Company's shareholders, including the election and removal of directors and other significant corporate transactions. This significant control by our Promoters and members of our Promoter Group could delay, defer or prevent a change in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company.

50. ***Our historical financial information may not be comparable and may not provide a reliable indication of our future financial performance.***

Until 2010, our business was part of the business of a Group Company, NSL Renewable Power Private Limited ("NRPPL", which was earlier known as Nuziveedu Seeds Private Limited). NRPPL completed a restructuring exercise in Fiscal 2011 pursuant to which the seeds business was demerged from NRPPL and vested into our Company with effect from April 1, 2010. Until the transfer of the seeds business to our Company, it did not have any material business or assets. As a result, we have meaningful financial statements only from and including Fiscal 2011.

Further, pursuant to another restructuring exercise, our former subsidiary Prestige Agri Inputs Private Limited was merged with Mandava Holdings Private Limited, our holding company and Promoter, with effect from January 1, 2012. Accordingly, period-to-period comparisons of our historical financial statements may be of limited use as certain fiscal periods will not be comparable.

Further, in Fiscal 2014, by way of a scheme of arrangement, our Company transferred and demerged our business underaking relating to our fertiliser business, with net assets aggregating to ₹3,249.64 million, which, among other things, included inter-corporate deposits and any business undertakings other than the seed business, to NSL Fertilizer Ventures Private Limited for consideration of one fully paid up 1% non-cumulative redeemable preference share of ₹1 each of NSL Fertilizer Ventures Private Limited payable to our Company's shareholders, for every Equity Share held by them in our Company as on the date of the scheme becoming effective.

For further details, see the sections titled "History and Certain Corporate Matters", "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Effects of Schemes of Arrangement" on pages 222, F-1 and 449, respectively.

51. ***We have experienced negative cash flows from investing and financing activities in prior periods. Any negative cash flows in the future could adversely affect our business and working capital.***

We have experienced negative cash flows from investing and financing activities in the past. As set out in our restated consolidated statement of cash flow, the net cash from investing activities was ₹18.93 million, and the net cash used in investing activities was ₹228.52 million and ₹120.31 million and the net cash used in financing activities was ₹1,355.60 million, and the net cash from financing activities was ₹1,771.32 million and ₹1,015.34 million for Fiscal 2013, Fiscal 2014 and the nine months ended December 31, 2014, respectively. Further, as per our restated consolidated statement of cash flow, there was a net decrease of ₹198.43 million, ₹407.51 million and a net increase of ₹79.43 million in cash and cash equivalents in Fiscal 2013, Fiscal 2014 and the nine months ended December 31, 2014, respectively. For further details, see the section titled "Financial Statements" on page F-1.

Some of our Subsidiaries and our Group Companies have also experienced a net decrease in cash and cash equivalents as per their latest audited financial statements. The names of these Subsidiaries and Group Companies, along with the amount of net decrease in cash flow, are as follows:

<b>Names of the Subsidiaries</b>	<b>Net decrease for the nine months ended December 31, 2014, unless stated otherwise (₹ in millions)</b>
Pravardhan Seeds Private Limited	(12.10)

<b>Names of the Group Companies</b>	<b>Net decrease for the year ended March 31, 2014, unless stated otherwise (₹ in millions, unless stated otherwise)</b>
NSL Cotton Corporation Private Limited	(6.83)
NCC Abhinandan Cotton Private Limited	(0.21)
NCC CJ Cotton Private Limited	(0.00)
NCC Ganapathi Cotton Private Limited	(0.08)
NCC Matoshri Cotton Private Limited	(0.29)
NCC Narsinh Cotton Private Limited	(0.04)
NCC Radhakrishna Cotton Private Limited	(0.04)
NCC Usha Ginning Private Limited	(0.60)
NCC Venkateswara Cotton Private Limited	(0.01)
NSL Infratech Private Limited	(0.30)
Ascendant Estates Private Limited	(0.01)
Century Avenues Private Limited	(0.01)
Topnotch Projects Private Limited	(0.01)
NSL MAS Textoplast Park Private Limited	(0.00)
NSL Estates Private Limited	(0.58)
Apple Avenues Private Limited	(0.01)
Arena Infrastructure Private Limited	(0.01)
Celebrity Infrastructure Private Limited	(0.03)
Dream Land Avenues Private Limited	(0.18)
Madras Escon Private Limited	(0.01)
Venkatrama Technocity Private Limited	(0.02)
Prabhat Homes Private Limited	(0.61)
Mandava Holdings Private Limited	(143.59)
Marvel Infratech Private Limited	(0.01)
Golden Tower Infratech Private Limited	(0.78)
Nuziveedu Seeds Limited	(51.44)
Pravardhan Seeds Private Limited	(118.34)
Prabhat Agri Biotech Limited	(232.00)
Asian Agri Genetics Limited	(9.96)
Fortune Hybrid Seeds Limited	(12.70)
NSL Sugars Limited	(51.17)
NSL Sugar & Industries (Orissa) Private Limited	(0.00)
NSL Sugars & Trading DMCC	(0.00)
NSL Conventional Power Private Limited	(0.13)
NSL Andhra Power Private Limited	(0.01)
NSL Bihar Power Company Private Limited	(0.01)
NSL Jharkhand Power Company Private Limited	(0.01)
NSL Nagapatnam Power Ventures Private Limited	(0.03)
NSL Orissa Power Company Private Limited	(0.01)
NSL Power & Infratech Limited	(0.17)
NSL Renewable Power Private Limited	(355.88)
Celebrity Power Company Private Limited	(0.02)
NSL Wind Power Company (Chilarwadi) Private Limited	(0.02)
NSL Wind Power Company (Virli) Private Limited	(0.02)

<b>Names of the Group Companies</b>	<b>Net decrease for the year ended March 31, 2014, unless stated otherwise (₹ in millions, unless stated otherwise)</b>
NSL Satara Infratech Private Limited	(0.01)
NSL Wind Power Company (Sreepalwan) Private Limited	(0.01)
NSL Real Estates Private Limited	(0.00)
NSL Wind Power Company (Gubbi-Tumkur) Private Limited	(0.01)
NSL Wind Power Company (Holalkere-Chitradurga) Private Limited	(0.02)
NSL Wind Power Company (Sira-Tumkur) Private Limited	(0.01)
Solar Semiconductor Power Company (India) Private Limited	(1.70)
NSL Energy Holdings Private Limited	USD in millions (0.07)
Mandava Investments Private Limited	(0.00)
Highend Project Consultants Private Limited	(0.02)
Mandava Cold Storage Private Limited	(0.20)
Marigold Apparel Industries Private Limited	(0.01)
Swadeshi Bio-technics Limited	(0.01)
Swarnabharat Bio-technics Private Limited	(0.01)
Highend Properties Private Limited	(0.09)
Divyasree NSL Infrastructure Private Limited	(61.27)
Cozy Properties Private Limited	(0.95)
Sree Venkataraya Cotton Mills Private Limited	(0.37)
Sree Ananthalakshmi Textiles Private Limited	(0.03)

Negative cash flows of our Company and the Subsidiaries over extended periods, or significant negative cash flows in the short term, could adversely affect our ability to operate our business.

52. ***We cannot assure payment of dividend on the Equity Shares in future.***

The amount of our future dividend payments, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures, applicable Indian legal restrictions, any contractual restrictions and other factors. We cannot assure you that we will pay dividends on the Equity Shares. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, we may not declare dividends on the Equity Shares. Additionally, we may in the future be restricted by the terms of our loan agreements, including loan agreements of our Subsidiaries to make any dividend payments unless otherwise agreed with the lenders.

53. ***Certain of our Group Companies have incurred losses in the preceding financial year and may continue to do so in the future, which could have a material adverse effect on our business, results of operations and financial condition***

The following Group Companies have incurred a loss in the preceding financial year:

	<b>For the year ended March 31, 2014 / December 31, 2013 / August 31, 2013, as applicable</b>
<b>Name of Group Company</b>	<b>(₹ in millions, unless stated otherwise)</b>
Pravardhan Seeds Private Limited	(0.21)
Yaaganti Seeds Private Limited	(80.47)
SwarnaBharat Bio-Technics Limited	(1.81)



	For the year ended March 31, 2014 / December 31, 2013 / August 31, 2013, as applicable
Name of Group Company	(₹ in millions, unless stated otherwise)
Swadeshi Bio-Technics Limited	(0.01)
Mandava Investments Private Limited	(0.91)
Highend Project Consultants Private Limited	(0.02)
Mandava Holdings Private Limited	(860.83)
Splendid Minerals Private Limited	(48.32)
Golden Tower Infratech Private Limited	(0.29)
NSL Energy Ventures Private Limited	(113.27)
NSL Wind Power (Gubbi-Tumkur) Private Limited	(0.01)
NSL Wind Power (Holalkere-Chitradurga) Private Limited	(0.01)
NSL Wind Power (Sira-Tumkur) Private Limited	(0.01)
NSL Wind Power Company (Sreepalwan) Private Limited	(0.01)
NSL Satara Infratech Private Limited	(0.01)
NSL Wind Power Company (Virli) Private Limited	(0.02)
NSL Wind Power Company (Chilarwadi)) Private Limited	(0.02)
NSL Real Estates Private Limited	(0.03)
NSL Power Private Limited	(0.02)
Orbit Wind Energy Private Limited	(0.15)
Celebrity Power Company Private Limited	(0.01)
NSL Wind Power Company (Sayamalai) Private Limited	(0.01)
Badawada Wind Energy Private Limited	(0.01)
Dhar Wind Energy Private Limited	(0.01)
Shahuwadi Wind Energy Private Limited	(0.01)
Alot Wind Energy Private Limited	(0.01)
Sailana Wind Energy Private Limited	(0.02)
Sispara Renewable Power Private Limited	(0.01)
Nilgiri Power Private Limited	(0.01)
Kalsubai Power Private Limited	(0.01)
Hardeol Renewable Power Private Limited	(0.01)
Anamudi Renewable Power Private Limited	(0.01)
Amboli Power Private Limited	(0.01)
NSL Masli Power Generation Private Limited	(20.07)
NSL Tidong Power Generation Private Limited	(0.26)
Tangnu Romai Power Generation Private Limited	(0.72)
Khaga Solar Power Private Limited	(0.01)
NSL Energy Holdings Private Limited - Singapore UIN :HYWA20110820 (in USD million)	(0.96)
NSL Global Energy Ventures Private Limited (in USD million)	(0.02)

	For the year ended March 31, 2014 / December 31, 2013 / August 31, 2013, as applicable
Name of Group Company	(₹ in millions, unless stated otherwise)
NSL Renewable Energy Overseas Private Limited -Singapore ( <i>in USD million</i> )	(0.03)
NSL Oil & Gas Limited (Republic of Ghana) ( <i>in Ghanaian Cedis in million</i> )	(2.04)
NSL Conventional Power Private Limited	(44.58)
NSL Andhra Power Private Limited	(0.01)
NSL Bihar Power Company Private Limited	(0.01)
NSL Jharkhand Power Company Private Limited	(0.01)
NSL Orissa Power Company Private Limited	(0.01)
NSL Nagapatnam Power Ventures Private Limited	(0.15)
NSL Orissa Power and Infratech Private Limited	(0.11)
NSL Nagapatnam Power and Infratech Limited	(11.68)
NSL Power & Infratech Limited	(0.08)
NSL Nagapatnam Infrastructure Private Limited	(2.03)
Ambient Infratech Private Limited	(0.02)
Excelsior Projects Private Limited	(0.01)
Pearl Infratech (India) Private Limited	(0.01)
Nagapatnam Port and Infrastructure Private Limited	(0.01)
Souvenir Estates Private Limited	(0.01)
Taurus Projects Private Limited	(0.01)
Westend Real Projects (India) Private Limited	(0.01)
NSL Sugars Limited	(834.60)
NSL Krishnaveni Sugars Limited	(251.78)
NSL Foods & Oils Limited (Republic of Ghana)	(0.01)
NSL Sugars & Industries Limited (Republic of Ghana) ( <i>in Ghanaian Cedi's in million</i> )	(0.40)
Sree Anantha Lakshmi Textiles Private Limited	(1.45)
NSL Cotton Corporation Private Limited	(107.26)
NCC Abhinandan Cotton Private Limited	(0.63)
NCC Ganapathi Cotton Private Limited	(4.53)
NCC JAY LAXMI FIBERS PRIVATE LIMITED	(4.85)
NCC Matoshri Cotton Private Limited	(2.24)
NCC Narsinh Cotton Private Limited	(0.86)
NCC Radhakrishna Cotton Private Limited	(2.70)
NCC Santosh Fibers Private Limited	(1.42)
NCC Shri Cotton Private Limited	(4.19)
NCC Venkateswara Cotton Fibers Private Limited	(1.47)
NSL Infratech Private Limited	(30.44)
Topnotch Projects Private Limited	(0.01)

	For the year ended March 31, 2014 / December 31, 2013 / August 31, 2013, as applicable
Name of Group Company	(₹ in millions, unless stated otherwise)
Century Avenues Private Limited	(0.02)
Ascendant Estates Private Limited	(0.13)
Midas Projects Private Limited	(0.01)
NSL Estates Private Limited	(143.89)
Arena Infrastructure Private Limited	(0.01)
Celebrity Infrastructure Private Limited	(0.14)
Chennai Cybercity Private Limited	(0.12)
Clean City Estates Private Limited	(8.72)
Dream Land Avenues Private Limited	(2.48)
Grandcity Avenues Private Limited	(0.21)
Madras Escon Private Limited	(0.02)
Prabhat Homes Private Limited	(3.80)
Seamless Properties Private Limited	(0.31)
Serene Estates Private Limited	(29.23)
Super Cybertech Park Private Limited	(0.44)
Venkatrama Techno City Private Limited	(0.02)
Whitefield Homes Private Limited	(0.04)
Prudent Estates	(0.03)
Vanguard	(0.15)
Caeser Stone Estates	(0.01)
Tranquill Homes	(0.03)
NSL Power Equipment Trading Private Limited	(0.06)
Renewable Harness Energy Private Limited	(0.04)
Puto Energy Infrastructure Private Limited	(0.04)
Saastha Energy Infrastructure Private Limited	(0.04)
Renewable Energy (Vagarai) Private Limited	(0.05)
Regen O&M Services Private Limited	(0.02)
Renewable Energy (Phoolwadi) Private Limited	(0.06)
Wind Direct GmbH ( <i>in Euros in million</i> )	(0.12)
Cozy Properties Private Limited.	(2.22)
NSL Properties Private Limited	(28.90)
Highend Properties Private Limited	(62.95)
Gold Touch Real Projects Private Limited	(0.01)
NSL Fertilizer Ventures Private Limited (Formerly NSL Fertilizers Private Limited)	(2.86)
Mandava Cold Storage Private Limited	(57.53)
Sampada Creations Private Limited	(0.01)
MKP Power Private Limited	(33.26)

	For the year ended March 31, 2014 / December 31, 2013 / August 31, 2013, as applicable
Name of Group Company	(₹ in millions, unless stated otherwise)
MPR Private Trust	(0.13)
Mandava Foundation (Trust)	(0.40)
Inversiones NSL Green Ventures Limitada LLC (in US\$)	(0.04)

These Group Companies may continue to incur losses in the future, which could have a material adverse effect on our business, results of operations and financial condition. For details on these Group Companies, please see the section titled “*Our Promoters and Group Companies*” on page 267. For details on our Subsidiaries, which comprise part of these Group Companies, please refer to “*History & Certain Corporate Matters - Subsidiaries*” on page 234.

54. ***Our Company proposes to utilise a portion of the Net Proceeds to repay certain loans availed by our Company, and accordingly, the utilisation of that portion of the Net Proceeds will not result in creation of any tangible assets.***

Our Company intends to use a certain portion of the Net Proceeds for the purposes of repayment, in full or part, of certain loans availed by our Company. The details of the loans identified to be repaid or prepaid using the Net Proceeds have been disclosed in the section titled “*Objects of the Issue*” on page 138 (“*Identified Loans*”). While we believe that the utilisation of Net Proceeds for the repayment of loans would help us to reduce our cost of debt and enable the utilisation of our funds for further investment in business growth and expansion, the repayment of loans will not result in the creation of any tangible assets.

55. ***One of our Promoters, Mandava Prabhakara Rao, and BLACKSTONE GPV CAPITAL PARTNERS MAURITIUS V-C LTD. (“Blackstone”) are Selling Shareholders, and we will not receive proceeds from the Offer for Sale.***

This Issue includes an Offer for Sale of Equity Shares by the Selling Shareholders. One of our Promoters, Mandava Prabhakara Rao, and Blackstone are the Selling Shareholders and will receive [●]% of the proceeds from the Issue, which is in proportion to the Equity Shares offered by them in the Issue. Accordingly, the proceeds from the Offer for Sale will be remitted to the Selling Shareholders and we will not benefit from such proceeds. For further details, see the section titled “*Objects of the Issue*” on page 138.

56. ***We, our Promoters, Group Companies and/or Associates may obtain unsecured borrowings in the future, which, subject to the terms and conditions of the relevant agreements, may be recalled at any time.***

As at February 28, 2015, our Company had unsecured borrowings of ₹ 3.61 million. The lenders of our unsecured obligations may have the right to recall any amounts lent to us at any point of point, with or without the existence of an event of default. In the event such loans are recalled by the lenders, our business, prospects, results of operations and financial condition could be adversely affected.

Further, our Promoters, our Group Companies or our Associates may in the future avail of unsecured loans, which could be recalled by the relevant lenders at any time.

57. ***We may not always receive revenue at the time of sale when selling to state corporations.***

Our Company does not always receive revenue at the time of sale with respect to the sales made to state corporation pursuant to subsidy programmes and the receipt of revenue is subject to certain conditions. In agreements executed with state corporations, the subsidy amount of the seed value will

be released to our Company after receipt of proceeds by the relevant Commissioner and Director of Agriculture and on the condition that there are no outstanding complaints with respect to our Company's seeds, for example, with respect to seed quality or price. Accordingly, in certain cases, there may be a significant time lag between a sale and the receipt of revenue.

## **EXTERNAL RISKS**

58. ***Statistical and financial data in this Draft Red Herring Prospectus may be incomplete or unreliable.***

The information included in the sections titled "Industry" and "Business" on pages 158 and 184 are derived from the CARE April 2015 Report. We commissioned the CARE April 2015 Report for the purpose of confirming our understanding of the industry in connection with the Issue.

Neither we, nor any of the Book Running Lead Managers, nor any other person connected with the Issue, have independently verified data obtained from industry publications and other sources referred to in this Draft Red Herring Prospectus such as the CARE April 2015 Report and therefore, while we believe them to be true, we cannot assure you that they are complete or reliable. Such data may also be produced on different bases from those used in other industry publications. Therefore, discussions of matters relating to India, its economy, the Indian agriculture industry or our industry in this Draft Red Herring Prospectus are subject to the caveat that the statistical and other data upon which such discussions are based may be incomplete or unreliable. In addition, internal company reports may be based on a number of variables and have not been verified by independent sources and may be incomplete or unreliable. Prospective investors are advised not to unduly rely on the data derived from the CARE April 2015 Report when making their investment decision. For further details, see the section titled "Industry" on page 158.

59. ***Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, financial condition, results of operations and prospects.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, financial condition, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

- The Government of India proposes to revamp the implementation of direct taxes by way of the introduction of the Direct Taxes Code, 2013 ("DTC"). The DTC proposes to consolidate and amend laws relating to income tax and wealth tax. The DTC, has, among other things, specified the manner of aggregation and computation of income, minimum alternate tax, wealth tax, dividend distribution tax, provided for certain tax incentives and has specified penalties in the event of contravention of the provisions of the DTC. The DTC has specified that dividend distribution tax is payable at the rate of an effective rate of 16.99% by a domestic company, including applicable cess and surcharge. Further, the DTC has specific rates for taxation, including for non-residents. For instance, withholding tax at the rate of 25%, plus effective cess and surcharge, will be applicable for interest (other than specified interest) on any dividends not subject to distribution tax. If the DTC is passed in its present form by both houses of the Indian Parliament and approved by the President of India and then notified in the Gazette of India, the tax impact discussed in this Draft Red Herring Prospectus will be altered by the DTC. As of the date of this Draft Red Herring Prospectus, the Finance Minister of India has indicated, in his speech in the Parliament during the Budget session on February 28, 2015, that he finds no merit in going ahead with the DTC as it exists presently.
- The Government of India has proposed a comprehensive national goods and services tax ("GST") regime that will combine taxes and levies by the Central and State Governments into a unified rate structure. While the Government of India and other state governments have announced that all committed incentives will be protected following the implementation of the

GST, given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to this or any other aspect of the tax regime following implementation of the GST. The implementation of this rationalised tax structure may be affected by any disagreement between certain state governments, which may create uncertainty. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable.

The Constitution (One Hundred and Twenty-Second Amendment) Bill, 2014, introduced in the Lok Sabha on December 19, 2014 (the “**GST Bill**”), seeks to amend the Constitution to introduce the GST regime. The GST regime subsumes various central indirect taxes, including the Central Excise Duty, the Countervailing Duty, Service Tax, state value added tax, octroi, entry tax and luxury tax. As of the date of this Draft Red Herring Prospectus, the GST Bill is awaiting approval from the lower and upper houses of Parliament. Only upon receiving the approval of both houses of Parliament can the bill be tabled for Presidential approval. The central Government of India anticipates that the GST Bill will be enacted with effect from April 1, 2016.

- The Government of India has proposed to introduce the General Anti-Avoidance Rule (“**GAAR**”) pursuant to the Finance Act, 2012, with effect from April 1, 2014. The GAAR seeks to prevent tax benefits accruing to tax payers where such benefits arose from arrangements that were considered impermissible avoidance arrangements. The Government has deferred the applicability of the GAAR provisions to take effect from April 1, 2016. As of the date of this Draft Red Herring Prospectus, the Finance Minister of India has indicated, in his speech in the Parliament during the Budget session on February 28, 2015, that he proposes to defer the effective date of the GAAR to April 1, 2017. Further, the Finance Minister had indicated that he proposes to make the provisions of GAAR applicable only to prospective arrangements. The GAAR provisions could materially and adversely affect our future investments and arrangements.

We have not determined the impact of these recent and proposed legislations on our business. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. In addition, we may have to incur capital expenditure to comply with the requirements of any new regulations, which may also materially harm our results of operations.

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

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013, together with the rules thereunder (the “**Companies Act**”), contains significant changes to Indian company law, including in relation to the issue of capital by companies, disclosures in prospectus, related party transactions, corporate governance, audit matters, shareholder class actions and restrictions on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions). Moreover, effective April 1, 2014, companies exceeding certain net worth, revenue or profit thresholds are required to spend at least 2% of average net profits during the immediately preceding three financial years on corporate social responsibility projects, failing which an explanation is required to be provided in such companies’ annual reports. Accordingly, we may face challenges in interpreting and complying with such provisions due to limited administrative precedent or jurisprudence on them. In the event, our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be

required to undertake remedial steps. Additionally, some of the provisions of the Companies Act, 2013 overlap with other existing laws and regulations (such as the corporate governance norms and insider trading regulations). We may face difficulties in complying with any such overlapping requirements. Further, the Companies Act, 2013 imposes greater monetary and other liability on our Company and Directors for any non-compliance. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013 which are yet to come in force. We may incur increased costs and other burdens relating to compliance with these new requirements, which may also require significant management time and other resources, and any failure to comply may subject us to fines or other penalties which may adversely affect our business, financial condition and results of operations.

61. ***Natural or man-made disasters, acts of terrorism, other similar threats to security and events outside our control, and the ineffective management of the effects of such events, may affect our business.***

Some of our facilities are located in areas that may be impacted by natural disasters such as earthquakes, water shortage, droughts and floods. All facilities are subject to other natural or man-made disasters such as fires, acts of terrorism and community disturbances and riots. Additionally, we have operations in certain areas in Andhra Pradesh, Jharkhand, Maharashtra, Odisha and Telangana which are exposed to risks of attacks by certain rebel groups. Such attacks may be directed at our property or personnel, at property belonging to our Seed Growing Farmers or distributors. Substantially all of our operations and employees are located in India and there can be no assurance that we will not be affected by natural disasters in India or elsewhere in the future. If any such event were to occur, our business could be affected due to the event itself or due to our inability to effectively manage the effects of the particular event. Potential effects include the damage to infrastructure and the loss of business continuity, business information or inventories of raw materials or finished goods and could have an adverse effect on the financial markets and economics of India and other countries. In addition, some of our facilities are more suitable or possess specialised equipment necessary to work on specialised products that our other locations lack. If work at one of these facilities is disrupted due to the occurrence of any such event, it may be impractical or impossible to transfer such specialised work to another facility without significant costs and delays. Thus, any disruption in operations at a facility possessing specialised equipment could adversely affect our ability to provide products to our customers, and thus our business, results of operations, financial condition and prospects could be materially and adversely affected.

Increased political instability, evidenced by the threat or occurrence of terrorist attacks, enhanced national security measures, conflicts in several regions in which we operate, strained relations arising from these conflicts and the related decline in consumer confidence may hinder our ability to do business. Any escalation in these events or similar future events may disrupt our operations or those of our customers and suppliers and could affect the availability of materials needed to produce our seeds or the means to transport those materials to our facilities and finished products to customers. These events have had and may continue to have an adverse impact on the Indian economy and customer confidence and spending in particular, which could in turn adversely affect our revenue, financial condition, results of operations and prospects. The impact of these events on the volatility of global financial markets could increase the volatility of the market price of our securities and may limit the capital resources available to us and to our customers and suppliers.

62. ***Political instability or changes in the Government of India or in the government of the states where we operate, or changes in the regulatory or economic environment, or fluctuations in inflation, in India could cause us significant adverse effects.***

We are incorporated in India and substantially all of our operations, assets and personnel are located in India. Consequently, our business, performance and the market price and liquidity of the Equity Shares may be affected by changes in exchange rates and controls, interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India. The Government of India has traditionally exercised, and continues to exercise, a significant influence over many aspects of the economy. Further, our business is also impacted by regulation and conditions in the various states in India where we operate. Since 1991, successive central governments have

pursued policies of economic liberalisation and financial sector reforms. Nevertheless, the role of the Indian central and state governments in the Indian economy as producers, consumers and regulators has remained significant and we cannot assure you that such liberalisation policies will continue. The rate of economic liberalisation could change, and specific laws and policies affecting companies in our industry or the industries in which our customers operate in, foreign investments, currency exchange rates and other matters affecting investments in India could change as well. For example, we benefit from demand drivers in rural India such as government expenditure on rural schemes, minimum support prices and agriculture growth. Any slowdown in these demand drivers or change in government policies may adversely impact our business and operations. However, there can be no assurance that such policies will be continued. A significant change in the central government's policies, in particular, those relating to the seeds industry in India, could adversely affect our business, financial condition and results of operations and could cause the price of the Equity Shares to decline. The Indian economy has grown significantly over the past few years, although it has recently experienced an economic slowdown. Any continued or future slowdown in the Indian economy could have a material adverse effect on our business, financial condition and results of operations.

The Indian economy has sustained high levels of inflation in the past, and the country's recent downward trend in inflation may cease or reverse in the future. According to the Organisation for Economic Cooperation and Development, or OECD, India experienced higher levels of inflation than most of the member states of the OECD between January 2012 and the end of Fiscal 2014, and higher inflation than all OECD countries except Turkey during the first quarter of Fiscal 2015. More recently, according to Global-Rates, India's inflation rate had declined in each of the months from July 2014 to November 2014, and stood at 4.12% as of November 2014, but has increased in subsequent months and stood at 6.30% as of February 2015. We can give no assurance that any recent favourable trends in Indian inflation levels will return or continue in the future, nor can we assure you that inflation rates will not increase further. Further, the Government has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. A return of high inflation rates or the perception thereof among Indian businesses may adversely affect growth in the Indian economy and our results of operations.

63. ***Significant differences exist between Indian GAAP used to prepare our financial information and other accounting principles, such as U.S. GAAP and IFRS, with which investors may be more familiar.***

Our financial statements included in this Draft Red Herring Prospectus are prepared in conformity with Indian GAAP. We have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. Indian GAAP differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles and standards. If we were to prepare our financial statements in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. The significant accounting policies applied in the preparation of our Indian GAAP financial statements are set forth in the notes to our restated consolidated financial information included in this Draft Red Herring Prospectus. Prospective investors should review the accounting policies applied in the preparation of our financial statements, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Accordingly, the degree to which the financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

64. ***Public companies in India, including our Company, may be required to prepare financial statements under a variation of IFRS, referred to as Indian Accounting Standard ("Ind AS") that are different from Indian GAAP. The transition to Ind AS in India is very recent and unclear and our Company may be negatively affected by such transition.***



Our financial statements, including the restated financial information included in this Red Herring Prospectus are prepared in accordance with Indian GAAP and restated in accordance with the SEBI Regulations. The Ministry of Corporate Affairs released a notification on February 16, 2015 advising that the Companies (Indian Accounting Standards) Rules, 2015 (the “**Indian Accounting Standard Rules**”) will come into force on April 1, 2015. Under the terms of the notification, all companies in India, listed or otherwise, with a net worth exceeding ₹5,000 million as of March 31, 2014 or as of the end of the immediately succeeding fiscal period for which audited financial statements are prepared, will be required to prepare annual and interim financial statements under Indian Accounting Standard 101 “First-time Adoption of Indian Accounting Standards” (“**Ind AS**”) with effect from April 1, 2016. In addition, all companies in India whose equity or debt securities are listed or are in the process of being listed on any stock exchange worldwide with a net worth below ₹5,000 million, and all other companies in India with a net worth exceeding ₹2,500 million but lower than ₹5,000 million, in each case as of March 31, 2014 or as of the end of the immediately succeeding fiscal period for which audited financial statements are prepared, will be required to prepare annual and interim financial statements under Ind AS with effect from April 1, 2017. These requirements do not apply to banking companies, insurance companies and non-banking finance companies but apply to any holding, subsidiary, joint venture or associate companies of the companies meeting the net worth threshold described above. Our Company had a net worth of less than ₹2,500 million as of March 31, 2014 and accordingly, we may have to convert our opening balance sheet as on April 1, 2017 in accordance with Ind AS. We may also be required to convert our balance sheet as on April 1, 2016 in accordance with Ind AS for preparing comparable financial statements for the previous year. The Indian Accounting Standard Rules also permit voluntary adoption of Ind AS by companies for accounting periods beginning on or after April 1, 2015, with the comparatives for the periods ending March 31, 2015 or thereafter.

The rules regarding the implementation and application of Ind-AS may change. Additionally, Ind AS differs in certain respects from IFRS and therefore financial statements prepared under Ind AS may be substantially different from financial statements prepared under IFRS. There can be no assurance that our financial condition, results of operations, cash flows or changes in shareholders’ equity will not appear materially different, or worse, under Ind AS than under current Indian GAAP. As we transition to reporting under Ind AS, we may encounter difficulties or challenges in the ongoing process of implementing and enhancing our management information systems. Our management may also have to divert its time and other resources for successful and timely implementation of Ind AS. Moreover, our transition to Ind AS may be hampered by increasing competition and increased costs due to the small number of Ind AS experienced accounting personnel as more Indian companies begin to prepare Ind AS financial statements. There can be no assurance that our adoption of Ind AS will not adversely affect our reported results of operations or financial condition. Any failure to successfully adopt Ind AS when required under Indian law could have a material adverse effect on the financial position and results of operation of our Company.

65. ***Our business may be adversely affected by competition laws in India.***

The Competition Act, 2002, as amended (“**Competition Act**”), was enacted for the purpose of preventing practices having an appreciable adverse effect on competition in India, and has mandated the Competition Commission of India (“**CCI**”) to regulate such anti-competitive practices. Under the Competition Act, any arrangement, understanding or action in concert, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India are void and may result in substantial penalties. Any agreement among competitors which directly or indirectly determines purchase or sale prices, directly or indirectly results in bid rigging or collusive bidding, limits or controls production, supply, markets, technical development, investment or the provision of services, or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or types of goods or services or number of customers in the relevant market is presumed to have an appreciable adverse effect on competition in the relevant market in India and shall be void. Further, the Competition Act prohibits the abuse of dominant position by any enterprise. Any contravention with the consent or connivance or if attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, is punishable

under the Competition Act. If we or any of our employees is penalised under the Competition Act, our business may be adversely affected.

On March 4, 2011, the Government of India notified the provisions under the Competition Act in relation to combinations (“**Combination Regulations**”) with effect from June 1, 2011. The Combination Regulations require that acquisition of shares, voting rights, assets or control or mergers or amalgamations, which cross the prescribed asset and turnover based thresholds, shall be mandatorily notified to and pre-approved by the CCI. In addition, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011, which sets out the mechanism for implementation of the Combination Regulations under the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect on competition in India.

If we or any member of our group are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act or any proceedings initiated by the CCI or any other relevant authority (or any other claim by any other party under the Competition Act) or any adverse publicity that may be generated due to scrutiny or prosecution under the Competition Act, including by way of financial penalties, our business, financial condition, results of operations and reputation may be materially and adversely

66. ***Economic developments and volatility in securities markets in other countries may cause the price of the Equity Shares to decline.***

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors’ reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India.

Global economic conditions have shown some signs of recovery, particularly in the US, but remain challenging as concerns remain on the sustainability of the recovery. Many key indicators of sustainable economic growth remain under pressure. Ongoing concerns over the sustainability of economic recovery in the US and its substantial debt burden, the historically low price of crude oil across the globe and the related implications for potential global deflation, as well as concerns of slower economic growth in the European Union, Russia, China and India, have contributed to market volatility and diminished expectations for the US, European and global economies. If countries in the Eurozone or other countries require additional financial support, if sovereign credit ratings continue to decline, or in the event of a default on sovereign debt obligations in certain countries including Argentina and Russia yields on the sovereign debt of certain countries may continue to increase, the cost of borrowing may increase and credit may become more limited. Further, continuing conflicts and instability in various regions around the world may lead to additional acts of terrorism and armed conflict around the world, as well as the growing concerns over the sustained and drastic fall in the price of crude oil and the associated risk of global deflation, may contribute to further economic instability in the global securities markets.

No assurance can be given that a further economic downturn or financial crisis will not occur, or that measures taken to overcome a crisis will be sufficient to restore stability in the global financial markets in the short term or beyond. Further, any slowdown in the Indian economy, and in particular, in the demand for seed products and the demand for agricultural produce could adversely affect our business.

67. ***Any downgrading of India’s debt rating by an international rating agency could have a negative impact on our business.***

India’s sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or decline in India’s foreign exchange reserves, which are outside our control. Any adverse revisions to India’s credit ratings for domestic and international debt by domestic or

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 the Equity Shares.

68. *It may not be possible for you to enforce any judgment obtained outside India, including in the United States, against us or any of our directors and officers that are resident in India, except by way of a suit in India on such judgment.*

Our Company is incorporated under the laws of India and all of our Directors and executive officers reside in India. Furthermore, substantially all of our assets are located in India. As a result, you may be unable to:

- effect service of process in jurisdictions outside India, including in the United States, upon our Company directors or executive officers; or
- enforce in Indian courts judgments obtained in courts of jurisdictions outside India against our Company directors or executive officers, including judgments predicated upon the civil liability provisions of the securities laws of jurisdictions outside India.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Civil Code. Section 13 of the Civil Code provides that a foreign judgment shall be conclusive as to any matter directly adjudicated upon except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law in force in India.

Section 44A of the Civil Code provides that where a foreign judgment has been rendered by a superior court in any country or territory outside India which the Central Government has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Civil Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the Code of Civil Procedure, 1908, as amended, (the “**Civil Code**”). The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in a non-reciprocating territory, such as the United States, for civil liability, whether or not predicated solely upon the general securities laws of the United States, would not be enforceable in India under the Civil Code as a decree of an Indian court.

The United Kingdom, Singapore and Hong Kong have been declared by the Government to be reciprocating territories for purposes of Section 44A of the Civil Code. A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a fresh suit on the judgment and not by proceedings in execution. Under the Civil Code, a court in India shall, on the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record.

However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States or other such jurisdiction within three years of obtaining such final judgment. It is unlikely that an Indian court

would award damages on the same basis as a foreign court if an action is brought in India. Moreover, it is unlikely that an Indian court would award damages to the extent awarded in a final judgment rendered outside India if it believes that the amount of damages awarded were excessive or inconsistent with public policy. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate outside India any amount recovered.

## **RISKS RELATING TO THE ISSUE**

69. ***The market price of our Equity Shares may fluctuate due to the volatility of the Indian securities market.***

The price at which the Equity Shares will trade after this Issue will be determined by the marketplace and may be influenced by many factors, including:

- our financial results and the financial results of the companies in the businesses we operate in;
- the history of, and the prospects for, our business and the sectors and industries in which we compete;
- an assessment of our management, our past and present operations, and the prospects for, and timing of, our future revenues and cost structures;
- the present state of our development; and
- the valuation of publicly traded companies that are engaged in business activities similar to ours.

In addition, the Indian stock market has from time to time experienced significant price and volume fluctuations that have affected the market prices for the securities of Indian companies. As a result, investors in the Equity Shares may experience a decrease in the value of the Equity Shares regardless of our operating performance or prospects. The market price of our Equity Shares may fluctuate due to the volatility of the Indian securities market and may be more volatile than the securities markets in other countries.

70. ***Government regulation of foreign ownership of Indian securities may have an adverse effect on our financial condition, results of operations, financial performance and the price of the Equity Shares.***

Foreign ownership of Indian securities is subject to Government regulation. In accordance with foreign exchange regulations currently in effect in India, under certain circumstances the RBI must approve the sale of the Equity Shares from a Non-Resident to a resident of India, or vice-versa, and sales from an NRI to a Non-Resident (excluding NRIs), or vice-versa. Additionally, any person who seeks to convert the Indian rupee proceeds from any such sale into foreign currency and repatriate that foreign currency from India is required to obtain a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any approval from the RBI or any other government agency will be obtained on terms favourable to a non-resident investor in a timely manner or at all. Because of possible delays in obtaining requisite approvals, investors in the Equity Shares may be prevented from realising gains during periods of price increase or limiting losses during periods of price decline.

71. ***Any future issuance of Equity Shares or convertible securities or other equity-linked securities of our Company may dilute your shareholding and any such issuance or sales of the Equity Shares by the Promoters or other major shareholders may adversely affect the trading price of the Equity Shares.***

Any future issuances by us of Equity Shares, convertible securities or equity-linked securities may lead to the dilution of investors' shareholdings in our Company. In addition, any sales of substantial amounts of the Equity Shares in the public market after the completion of this Issue, including by our Promoters or other major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could materially impair our future ability to raise capital through offerings of the Equity Shares. Our Promoters and members of our Promoter Group currently hold an aggregate of 89.44% of our outstanding Equity Shares. After the completion of the Issue, our Promoters and members of our Promoter Group will continue to hold [●]% of our outstanding Equity Shares. Further, pursuant to ICDR Regulations, the Equity Shares held by

Blackstone under the FVCI route are exempt from the lock-in requirements applicable to other pre-offer shareholders of our Company. We cannot predict what effect, if any, market sales of the Equity Shares held by our Promoters or other major shareholders or the availability of these Equity Shares for future sale will have on the market price of the Equity Shares.

72. ***There is no existing public market for the Equity Shares, and we do not know if one will develop, or when one might develop, to provide you with adequate liquidity.***

If the stock price of the Equity Shares adversely fluctuates after this Issue, you could lose a significant part of your investment. As at the date of this Draft Red Herring Prospectus, there is no public market for the Equity Shares. Following this Issue, the Equity Shares are expected to trade on the NSE and BSE. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and traded on the NSE and BSE. Any failure or delay in obtaining approval would restrict investors' ability to dispose of their Equity Shares. Investors' book entry, or "demat," accounts with depository participants in India are expected to be credited within two working days of the date on which the basis of allotment is approved by the NSE and the BSE. Thereafter, upon receipt of final approval from the NSE and the BSE, trading in the Equity Shares is expected to commence within 12 Working Days of the Bid/ Issue Closing Date. We cannot assure investors that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified above. Any delay in obtaining the approvals would restrict the ability of an investor to dispose of its Equity Shares.

Furthermore, we cannot assure you that active trading in the Equity Shares will develop after the Issue or, if such trading develops, that it will continue. You might not be able to sell your Equity Shares in a timely manner at the quoted price if there is no active trading in the Equity Shares. The Issue Price will be determined by the book building process and may not be indicative of market prices that will prevail in the open market at the time of commencement of trading of the Equity Shares or at any time following this Issue. The market price of the Equity Shares may be influenced by many factors, some of which are beyond our control, including:

- the failure of security analysts to cover the Equity Shares after this Issue, or changes in the estimates of our performance by analysts;
- the activities of competitors and suppliers;
- future sales of the Equity Shares by us or our shareholders;
- investor perception of us and the industry in which we operate;
- the quarterly or annual earnings of our competitors;
- developments affecting fiscal, industrial or environmental regulations;
- the public's reaction to our press releases and adverse media reports;
- developments relating to India and in other markets in which we operate; and
- general economic conditions.

As a result of these factors, you may not be able to resell your Equity Shares at or above the Issue Price or at all. In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our operating performance.

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

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realised on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax ("STT") has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realised on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a

recognised stock exchange and on which no STT has been paid, will be subject to long-term capital gains tax in India. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. For further details, see the section titled “*Statement of Tax Benefits*” on page 149.

74. ***There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder’s ability to sell Equity Shares or the price at which Equity Shares can be sold at a particular point in time.***

Subsequent to listing, the Equity Shares will be subject to a daily circuit breaker imposed on listed companies by all stock exchanges in India, which does not allow transactions beyond certain volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by the SEBI on the Indian stock exchanges. The percentage limit on the Equity Shares’ circuit breaker will be set by the stock exchanges based on historical volatility in the price and trading volume of the Equity Shares. The BSE and NSE are not required to inform us of the percentage limit of the circuit breaker and they may change the limit without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, we cannot provide you assurance regarding the ability of shareholders to sell Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

75. ***If securities or industry analysts do not publish research or publish unfavourable or inaccurate research about our business, the price and trading volume of the Equity Shares could decline.***

The trading market for the Equity Shares will depend, in part, on the research and reports that securities or industry analysts publish about us or our business. We may be unable to sustain coverage by well-regarded securities and industry analysts. If either none or only a limited number of securities or industry analysts maintain coverage of our Company, or if these securities or industry analysts are not widely respected within the general investment community, the trading price of the Equity Shares would be negatively impacted. In the event we obtain securities or industry analyst coverage, if one or more of the analysts who cover us downgrade the Equity Shares or publish inaccurate or unfavourable research about our business, the price of the Equity Shares would likely

76. ***There is no guarantee that the Equity Shares to be allotted pursuant to this Issue will be listed on the BSE and NSE in a timely manner, or at all.***

In accordance with Indian law and practice, permission for listing of the Equity Shares will not be granted by the BSE and the NSE until after the Equity Shares offered in the Issue have been Allotted. In addition, we are required to deliver the Red Herring Prospectus and the Prospectus to the RoC for registration under the applicable provisions of the Companies Act and the ICDR Regulations. We cannot assure you that the RoC will register the Red Herring Prospectus or the Prospectus in a timely manner, or at all. Such approval will require all other relevant documents authorising the transfer of the Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the BSE and the NSE. Any failure or delay in obtaining such approval would restrict your ability to dispose your Equity Shares.

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

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

78. ***You may be restricted in your ability to exercise pre-emptive rights under Indian law and may be adversely affected by future dilution of your ownership position.***

Under the Companies Act, a company incorporated in India must offer its holders of equity shares certain pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution. However, if the law of the jurisdiction you are in does not permit you to exercise your pre-emptive rights without us filing an offering document or a registration statement with the applicable authority in the jurisdiction you are in, you will be unable to exercise your pre-emptive rights unless we make such a filing. If we elect not to make such a filing, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian would receive upon the sale of such securities, if any, and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interest in us would be reduced.

79. ***Fluctuations in the exchange rate of the Rupee and other currencies could materially and adversely affect the value of the Equity Shares, independent of our financial results.***

Once listed, the Equity Shares will be quoted in Rupees on the Stock Exchanges. Any dividends in respect of the Equity Shares will be paid in Rupees and subsequently converted into appropriate foreign currency for repatriation. Any adverse movement in exchange rates during the time it takes to undertake such conversion may reduce the net dividend to investors. In addition, any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders. The exchange rate of the Rupee has changed substantially in the last two decades and could fluctuate substantially in the future, which may materially and adversely affect the value of the Equity Shares and returns from the Equity Shares, independent of our operating results.

#### **Prominent Notes:**

1. Initial public offering of up to [●] Equity Shares having a face value of ₹ 10 each of our Company for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] million comprising a fresh issue of [●] Equity Shares aggregating to ₹ 1,250 million and an offer for sale comprising up to 9,891,221 Equity Shares aggregating up to ₹ [●] million by the Promoter Selling Shareholder and up to 1,978,245 Equity Shares aggregating up to ₹ [●] million by Blackstone. The Issue shall constitute at least 10% of the fully diluted post-Issue paid-up capital of our Company.
2. We were incorporated as 'NSL Seeds Limited' under the provisions of the Companies Act, 1956 pursuant to a certificate of incorporation dated March 19, 2008 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. For further details in relation to the changes to our name see the section titled "*History and Certain Corporate Matters*" on page 222 of this Draft Red Herring Prospectus.
3. Our Net Worth, as at December 31, 2014, was ₹ 3,182.33 million, as derived from our Restated Consolidated Financial Information, and was ₹ 3,175.90 million, as derived from our Restated Standalone Financial Information.
4. The net asset value per Equity Share was ₹ 32.98 as at December 31, 2014, as per our Restated Consolidated Financial Information and the net asset value per Equity Share was ₹ 32.91 as at December 31, 2014, as per our Restated Standalone Financial Information.

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

Name of the Promoter	No. of Equity Shares held	Average price per share (in ₹)
Mandava Holdings Private Limited	54,240,165	41.67
Mr. Mandava Prabhakara Rao	24,871,445	0.01

6. For details in relation to interests of Group Companies in our Company, including business interests see the section titled “*Our Promoters and Group Companies – Related business transactions and business interest of Group Companies in our Company*” on page 385 of this Draft Red Herring Prospectus.
7. There are no financing arrangements whereby the Promoter Group, the Directors, the directors of our corporate Promoter or their relatives may have financed the purchase of our Equity Shares by any other person other than in the normal course of business of the financing entity in the six months immediately preceding the date of filing of this Draft Red Herring Prospectus.
8. Bidders may contact any of the merchant bankers who have submitted the due diligence certificate to SEBI, for any complaint in relation to the Issue. For further details of the Managers, including contact details, see the section titled “*General Information*” on page 108 of this Draft Red Herring Prospectus.
9. For details of the related party transactions with related parties (as defined under Accounting Standard 18), see “*Financial Statements*” on page F-1 of this Draft Red Herring Prospectus.



## SUMMARY OF OUR BUSINESS

*Our ability to implement our business strategy may be affected by various factors that have an influence on our operations or on the industry segment in which we operate. Such factors have been disclosed in the section entitled “Risk Factors” on page 27. The “Summary of Business” section should be read in conjunction with such risk factors. Certain information in this section (as indicated) is derived from the “Report on Indian Seeds Industry”, April 3, 2015 by Credit Analysis & Research Ltd. (the “CARE April 2015 Report”). We commissioned the CARE April 2015 Report for the purposes of confirming our understanding of the industry in connection with the Issue. Neither we, nor any of the Managers, nor any other person connected with the Issue has verified the information in the CARE April 2015 Report. CARE Research, a division of Credit Analysis & Research Limited (“CARE”), has advised that while it has taken utmost care to ensure accuracy and objectivity while preparing the CARE April 2015 Report, it does not guarantee the accuracy or completeness of the CARE April 2015 Report or the information therein and is not responsible for any errors or omissions in analysis/inferences/views or for results obtained from the use of information contained in the CARE April 2015 Report and especially states that CARE (including all divisions) has no financial liability whatsoever to the user of the CARE April 2015 Report. Further, the CARE April 2015 Report is not a recommendation to invest / disinvest in any company covered in the report. CARE Research operates independently of the ratings division and the CARE April 2015 Report does not contain any confidential information obtained by the ratings division, which they may have obtained in the regular course of business. The opinion expressed in the CARE April 2015 Report cannot be compared to the rating assigned to the Company within this industry by the ratings division. Unless otherwise stated, references in this section to the “Company” are to Nuziveedu Seeds Limited, or NSL, and references to “we”, “our” or “us” are to the Company, its Subsidiaries and its Associates. Unless otherwise stated, all figures provided in this section are on a consolidated basis.*

### Overview

We are a technology driven seeds company that develops, produces, processes and sells seeds for a range of field crops and vegetables and, through predecessor entities, have more than 30 years of experience in the Indian seeds industry. According to the CARE April 2015 Report, we were the largest private sector seeds company in India in terms of revenue in Fiscal 2012, Fiscal 2013 and Fiscal 2014. We, or our predecessor entities, have also been consistently ranked as one of the top 10 biotech companies by revenue in India by the Biospectrum-ABLE Indian biotech industry survey from Fiscal 2008 to Fiscal 2013, the date of the most recent survey. We integrate traditional breeding techniques with biotechnology tools and seek to produce hybrid and open pollinated variety crop and vegetable seeds that deliver higher yields, enhanced product quality and higher levels of pest and disease tolerance over naturally occurring varieties. Our seeds are suitable for varying agro-climatic conditions, such as water availability, crop duration and soil attributes, across different geographic regions in India.

We produced, as of December 31, 2014, seeds for 27 different field crops and vegetables and have operations in 19 states across India. According to the CARE April 2015 Report, we were the largest private sector producer of cotton seeds in India in volume terms in Fiscal 2014. The sale of cotton seeds contributes the majority of our revenue from operations, contributing 66.58% and 69.73% of our revenue from operations in Fiscal 2014 and the nine months ended December 31, 2014, respectively. We were the largest private sector producer, in terms of volume, of cotton seeds in India, with approximately 21.00% of the Indian cotton seed market in Fiscal 2014, and have been one of the market leaders in cotton seeds since 1995. (Source: CARE April 2015 Report) Our other significant products are open pollinated variety and hybrid seeds for paddy and hybrid seeds for maize. Our product portfolio includes field crop seeds for wheat, sorghum and pearl millet, and vegetable seeds for okra, tomato, chilli, cucumber, cabbage, cauliflower and watermelon.

Our research and development activities include conventional breeding programmes and the use of innovative biotechnology tools, which we believe have driven the development of our diverse repository of germplasm, which has enabled us to develop an extensive portfolio of products and helped us to gain greater market share across various product categories and regions across the country. In Fiscal 2014 and the nine months ended December 31, 2014, our Company incurred ₹262.60 million and ₹200.81 million, respectively, in research and development expenses. We believe that we possess one of the largest germplasm banks among private sector seed companies in India, which strengthens our breeding programmes, provides a platform for our research and

development efforts and has helped us to accelerate the development of and regularly introduce new products that are suitable for different agro-climatic conditions and geographical regions in India. We also engage in research activities through arrangements entered into with various international and Indian research institutions. As of December 31, 2014, our Company had filed a total of 635 applications for its products to be registered and protected under the PPV & FR Act, and had received 33 certificates of registration pursuant to such applications. 392 of our Company's applications are in the testing stage, the final stage prior to certification. Through our research, we have successfully developed and commercialised several hybrid seed products for cotton, such as *Mallika* and *Bunny*, which we believe met with commercial success because of their superior quality and yields relative to other cotton seed products at the time of their launch into the market.

As of May 2012, we had developed and received approvals from the Genetic Engineering Appraisal Committee of India ("GEAC") for the highest number of Bt. cotton hybrids granted to any entity. (Source: *CARE April 2015 Report*) As of the date of this Draft Red Herring Prospectus, 23 varieties of our products, including cotton, paddy, maize and sweet corn, have also been notified by the Government of India, pursuant to Section 5 of the Seeds Act 1966, for having passed certain quality and performance assessments conducted by the Indian Council of Agricultural Research ("Notified"), and a further 2 of our products have been recommended by the Varietal Identification Committee for Notification. Our Notified seed products have also been included, among a total of 109 seed varieties from India (as of September 2014), in the list of seed products considered eligible for varietal certification by the Organisation for Economic Co-operation and Development ("OECD") ("OECD Certification"). OECD Certification recognises a seed product's adherence to international standards of quality, as prescribed by the OECD. As of September 2014, only 7 cotton products from both the private and public sector had been Notified by the Government of India and included in the list of products eligible for OECD Certification. Our products, *Bunny* and *Mallika*, comprised 2 of the 7 Notified cotton products which are included in the list of products eligible for OECD Certification. Furthermore, our cotton hybrid seed product, *Bunny*, has high yields and fibre quality and, according to the CARE April 2015 Report, is considered an industry benchmark.

We have entered into a non-exclusive technology sub-licence agreement with Mahyco Monsanto Biotech (India) Limited ("MMBL") in 2004 to sub-licence Bt. traits for our hybrid cotton seeds and to use the related *Bollgard* trademark. Our initial sub-licence agreement expired in February 2014. However, MMBL had extended the validity of our sub-licence agreement from time to time, with our mutual consent, until March 31, 2015. We signed new sub-licence agreements with MMBL on March 10, 2015 (the "Sub-licence Agreements"), which are effective from April 1, 2015 for an initial term of five years and are renewable for an additional period of three years by our and MMBL's mutual agreement. We have integrated the Bt. trait into our key hybrid cotton seed products such as *Mallika*, *Raghav*, *Bhakti*, *Suraksha*, *Uttam*, *Flux*, *Ganesh*, *Denim*, *Ambuja* and *Malini*, which we believe have been commercially successful in the cotton-growing regions of India.

We are also one of the leading private sector seeds companies in India for open pollinated paddy, hybrid paddy and hybrid maize. (Source: *CARE April 2015 Report*) In Fiscal 2014 and the nine months ended December 31, 2014, sales of paddy seeds contributed 9.95% and 10.20%, respectively, and sales of maize seeds contributed 14.35% and 11.33%, respectively, of our revenue from operations. Our key hybrid maize seed products include *Bond*, *Dragon*, *Sunny*, *Suvarna*, and *Sandhya*; our key open pollinated paddy seed products include *Moti*, *Kanak*, *Saurabh*, *Sonal*, and *Suma*; and our key hybrid paddy seed products include *Badshah*, *Karishma*, *Champion* and *Raja*.

The sales of seeds for field crops other than cotton, paddy and maize, such as wheat, pearl millet, sunflower, sorghum, fodder sorghum, mustard, castor and sweet corn, and vegetables such as okra, tomato, chillies, and cucumbers presently constitute the remaining portion of our business. Since Fiscal 2010, we have registered significant growth in our sales of vegetable seeds and seeds of field crops other than cotton. The contribution of our revenue from operations excluding cotton sales to our revenue from operations has increased from 17.85% in Fiscal 2011 to 33.42% in Fiscal 2014.

In Fiscal 2014, we produced 89,602 MT of raw seeds, comprising 75 cotton hybrids and 149 open pollinated varieties and hybrids of vegetables and field crops other than cotton, and in the nine months ended December 31, 2014, we produced 80,596 MT of raw seeds, comprising 37 cotton hybrids and 124 open pollinated varieties and hybrids of vegetables and field crops other than cotton. As of December 31, 2014, we had access to

farmland in 11 states in India, primarily through contractual arrangements with over 70,000 Seed Growing Farmers. As of December 31, 2014, we operated 14 processing facilities in six states in India with a combined processing capacity of 150 MT per hour and an aggregate ambient storage capacity of 845,130 square feet (which can store approximately 84,513 MT of seeds). In addition, we had access to temperature-controlled, or conditioned, storage facilities to store seeds that have a short shelf life, with capacity to store approximately 33,700 MT of seeds. We also operated six specialised maize cob-drying units with an aggregate capacity of 4,306 MT per batch.

Our extensive sales, distribution and marketing network comprised, as of December 31, 2014, nine regional offices, one head office and approximately 2,400 distributors. Our 36 strategically located distribution and storage facilities (including conditioned storage facilities), which include seven carrying and forwarding agent warehouses, help us meet the varying requirements of our customers in 19 states in India. In addition, our marketing arrangements with certain agricultural input companies such as Krishak Bharati Cooperative Limited (“**Kribhco**”) and Tata Chemicals Limited (“**Tata Chemicals**”) provide us access to their distribution facilities and network.

Our revenue from operations increased from ₹11,735.26 million in Fiscal 2013 to ₹11,966.12 million in Fiscal 2014 and was ₹12,549.45 million for the nine months ended December 31, 2014. Our profit after tax increased from ₹1,444.28 million in Fiscal 2013 to ₹1,508.63 million in Fiscal 2014 and was ₹2,004.81 million for the nine months ended December 31, 2014.

## **Our Competitive Strengths**

### ***Largest private sector seeds company in India with sustained market leadership in cotton seeds***

According to the CARE April 2015 Report, we were the largest private sector seeds company in India in terms of revenue in Fiscal 2012, Fiscal 2013 and Fiscal 2014, and contributed approximately 8.40%, 7.20% and 7.70%, respectively, of the domestic seed market size. We, or our predecessor entities, have also been consistently ranked as one of the top 10 biotech companies by revenue in India by the Biospectrum-ABLE Indian biotech industry survey from Fiscal 2008 to Fiscal 2013, the date of the most recent survey. According to the CARE April 2015 Report, cotton seeds comprised approximately 28.00% of the overall seed market in India in Fiscal 2014 by revenue. We are the largest private sector producer, in terms of volume, of cotton seeds in India, with approximately 21.00% of the Indian cotton seed market in Fiscal 2014, and have been one of the market leaders in cotton seeds since 1995. (Source: CARE April 2015 Report)

The sale of cotton seeds continues to contribute the majority of our revenue from operations. We believe that we occupy a leading position in terms of revenue in the key markets of the state of Maharashtra and the states of Telangana (which was formed in Fiscal 2014) and Andhra Pradesh taken together, which, according to the CARE April 2015 Report, comprised 35.00% and 20.00%, respectively, of the total cotton crop acreage in India in Fiscal 2013. Our revenue from the sale of cotton seeds in Maharashtra and Telangana and Andhra Pradesh taken together, contributed 24.02% and 21.30%, respectively, of our revenue from operations in Fiscal 2014 and 25.63% and 21.39%, respectively, of our revenue from operations in the nine months ended December 31, 2014.

We believe our cotton product portfolio and our products’ acceptance by farmers have led to our sustained leadership position in cotton seeds. We believe that our leadership position has been bolstered by our presence within each of the nine major cotton-growing states in India (Maharashtra, Gujarat, Andhra Pradesh, Madhya Pradesh, Karnataka, Tamil Nadu, Punjab, Haryana and Rajasthan), and by the range of our hybrid seed products, which includes hybrids suited for each region. We believe that our sustained leadership has improved our visibility with distributors and farmers and enhances their trust in the quality of our products. This allows us to promote our new products to our distributors and farmers more effectively. We have entered into Sub-licence Agreements with MMBL to sub-license the Bt. trait for cotton and the related *Bollgard* trademark. Our Sub-licence Agreements are effective from April 1, 2015 for an initial term of five years and are renewable for an additional period of three years by our and MMBL’s mutual agreement. Through our use of conventional breeding techniques to develop seeds with desirable qualities, such as improved yield and better produce quality, and our integration of the Bt. trait, we have developed our key hybrid cotton seed products, such as *Mallika*, *Raghav*, *Bhakti*, *Suraksha*, *Uttam*, *Flux*, *Ganesh*, *Denim*, *Ambuja* and *Malini*, which we believe have

been commercially successful in the cotton-growing regions of India. As of May 2012, our Company had developed and received approvals from the GEAC to commercialise 217 cotton hybrid seed products.

We have also developed a new range of cotton hybrid seeds which are specifically suitable for high density planting (“HDP”) crop management systems and for mechanised harvesting. HDP involves the optimisation of crop planting geometry and spacing, so as to achieve improved agronomic efficiency and yields. Mechanised harvesting involves the use of specialised machines to harvest cotton as opposed to the traditional labour intensive methods of harvest. We believe that our HDP-suitable and mechanised harvesting-suitable hybrid seeds allow us to take advantage of the growing market trend towards adoption of these practices.

***One of the leaders in paddy and maize seeds with a rapidly growing field crop and vegetable product brand portfolio***

In addition to being the largest private sector company producing cotton seeds in India in volume terms, we are also one of the market leaders for open pollinated paddy seeds, and are one of the leading private sector seeds companies in India for hybrid paddy and one of the leaders in the domestic hybrid maize seed segment. (Source: CARE April 2015 Report) Our key hybrid maize seed product brands include *Bond, Dragon, Sunny, Suvarna*, and *Sandhya*; our key hybrid paddy seed product brands include *Badshah, Karishma, Champion and Raja*; and our key open pollinated paddy seed product brands include *Moti, Kanak, Saurabh, Sonal, and Suma*. Our total revenue from the sale of maize and paddy seeds was ₹291.43 million and ₹458.22 million, respectively, in Fiscal 2011, as compared to ₹1,717.62 million and ₹1,190.72 million, respectively, in Fiscal 2014, representing compounded annual growth rates of 80.63% and 37.48%, respectively, between Fiscal 2011 and Fiscal 2014. Our revenues from the sale of maize seeds and paddy seeds, which accounted for 3.87% and 6.09%, respectively, of our revenue from operations in Fiscal 2011, had increased to 14.35% and 9.95%, respectively, of our revenue from operations in Fiscal 2014.

We also produce seeds for other field crops such as mustard, wheat, sunflower, sorghum and fodder sorghum, and for vegetables such as okra, chillies, tomatoes and cucumbers. As of December 31, 2014, our product portfolio comprised 161 product brands across 27 types of field crops and vegetables. As a testament to the quality and commercial success of our growing portfolio of product brands, a number of our seed products have been Notified by the Government of India. The Notification process typically requires seed products to pass certain performance and quality tests and can take up to one year. (Source: CARE April 2015 Report) Our NPH-924-1 hybrid paddy seed is the first hybrid paddy seed, from the public or private sector, to have been Notified for the *boro* season in the states of West Bengal and Assam. Our sweet corn hybrid seed, *Mishti*, is the first sweet corn hybrid seed developed by a private sector company to be Notified.

***Large germplasm bank and strong research and development***

We believe that we possess one of the largest germplasm banks among private sector seeds companies in India. We have spent over two decades developing our germplasm bank and as of February 2015 we had more than 23,000 germplasm lines. Our diverse germplasm bank across various field crops and vegetables provides us with flexibility for our breeding programmes and the ability to diversify our product pipeline. The germplasm diversity of our repository also helps us accelerate the development of products that are suitable for different agro-climatic conditions and geographical regions to meet the demands of various markets. A substantial portion of our germplasm is the product of our own research and development efforts. Based on the products developed from our diversified germplasm, our Company had filed a total of 635 applications for the registration of product lines, including hybrids, parents and varieties, under the PPV & FR Act, as of December 31, 2014. In addition, as of May 2012, our Company had developed and received approvals from the GEAC for 217 cotton hybrids, which represented 22.00% of the total number of approvals granted by the GEAC as of May 2012. (Source: CARE April 2015 Report) This is the highest proportion of GEAC approvals received by any company. The second highest proportion of GEAC approvals received by a company was only 5.10% of the total approvals as of the same date. (Source: CARE April 2015 Report) GEAC approvals are only granted upon its satisfaction that the seed in question has passed certain product assessments and tests.

Further, according to the CARE April 2015 Report, in Fiscal 2013, 93.00% of the cotton grown in India included Bt. traits and, in the same period, there were more than 40 sub-licensees of MMBL's Bt. cotton

technology in India. As a result, although we believe Bt. traits are a key characteristic of commercially successful cotton seed products, we also believe that the high quality of our products and the large germplasm bank we possess are our principal differentiating factors which allow us to enjoy a leadership position in hybrid cotton seeds. We believe that a germplasm repository as extensive as ours is difficult and expensive to replicate, obtain regulatory approvals for and to commercialise. As a result, we believe that the resources and time required to develop a large germplasm bank acts as a barrier to entry for potential new entrants into the market. In Fiscal 2014 and the nine months ended December 31, 2014, our Company incurred ₹262.60 million and ₹200.81 million, respectively, in research and development expenses, representing 2.19% and 1.60% of our revenue from operations in Fiscal 2014 and the nine months ended December 31, 2014, respectively. As of December 31, 2014, our research facilities were spread over 732.43 acres of land and we had a dedicated research team comprising 193 persons, including 17 research scientists with doctorate degrees. Our research facilities are equipped with modern equipment and facilities. The Department of Scientific and Industrial Research (“DSIR”) has recognised certain of our facilities as “in-house research and development units”. Such recognition by the DSIR is necessary for our seed products to be Notified by the Government of India. Our research and development team has also been awarded with certificates of appreciation by the Indian Council of Agricultural Research for our outstanding contributions to maize improvement for the years 2013 and 2014. We also engage in research activities through arrangements entered into with various international and Indian research partners. These arrangements supplement our in-house research capabilities for the development and collection of germplasm, product development, evaluation and testing.

***High quality product portfolio with strong brands established across various geographies through research and development and active life cycle management***

We believe that the seeds we produce are of high quality and produce crops which perform well across various agro-climatic zones and which possess characteristics such as higher yield and better pest and disease tolerance. We believe that our brands and those of our marketing partners are well recognised by farmers and that the positive reputation of these brands in the market provides us with a strong platform to maintain and increase our revenues. We also believe that this enables us to receive advance orders from our distributors along with payments in certain states in India, which helps us manage our working capital requirements and provides us with an early indication of the demand for our products.

We believe that our ability to understand the evolving needs of farmers in India distinguishes us from other seed companies and provides us with a strong platform to develop new, innovative products and to grow our market share. Through our network of research and development centres established across various agro-climatic regions in India, we are able to develop our understanding of farmers’ specific requirements and to develop products to suit those requirements. This has enabled us to grow from operating in two states in India as of Fiscal 1995 to 19 states across the country, as of the date of this Draft Red Herring Prospectus. We place particular emphasis on the cost effective integration of biotechnology tools with conventional breeding activities. We have also utilised other research and development techniques such as molecular marker-based selection and double haploidy to reduce overall breeding cycles in our open pollinated varieties and hybrids. We believe this has allowed us to create differentiated products for our customers.

Examples of our research and development resulting in new products include our successful commercialisation of several hybrid cotton seed brands such as *Mallika* and *Bunny*, which we believe exhibited increased tolerance against diseases and certain sucking pests and resulted in comparatively higher yields and product quality than other cotton seed products of the time. *Bunny*, was Notified in the year 2001, and *Mallika* was Notified in 2003. As of the date of this Draft Red Herring Prospectus, the Government of India has Notified 23 of our seed products for field crops such as paddy, maize, sorghum and pearl millet, and a further 2 of our products have also been recommended by the Varietal Identification Committee for Notification. In addition, we have developed products for specific agro-climatic conditions. For example, our *Raghav* cotton seeds were specifically developed to suit states in northern India, such as Punjab, Haryana and Rajasthan, while our *Bhakti* cotton seeds were developed to suit states in southern and central India, such as Madhya Pradesh, Maharashtra, Gujarat, Andhra Pradesh, Telangana and Karnataka.

We believe that another key factor in maintaining our high-quality product portfolio is our active life cycle management. The typical life cycle of a seed product is, approximately, a 10-15 year cycle. This breaks down

into (i) four years to develop test and commercialize the product, (ii) three years of ramp up, (iii) four years of the product's growth phase, during which the seed products are supplied at high volumes and margins, and (iv) two-three years of maturity, during which volumes stabilize and decline, however, margins remain high. (Source: CARE April 2015 Report) We actively manage the life cycle of our products by closely monitoring our products' performance in the field, changing consumer preferences and the products released by our competitors. We have, in the past, successfully managed product transitions as our products reached the end of their life cycle. For example, as *Bunny* neared the end of its product life cycle, we successfully improved *Mallika* to meet changing market requirements, and successfully maintained our leadership position in the cotton seeds market. We believe that we are currently in the process of managing *Mallika*'s life cycle maturity through the introduction of other key brands such as *Bhakti*, *Balwan*, *Suraksha* and *Malini*, which address current consumer preferences more effectively than *Mallika*. We believe that effective product life cycle management ensures that our Company can continue to grow and safely navigate the transition from older to newer products in our portfolio.

### ***Pan-India infrastructure for seed production and processing and large scale of operations***

We have extensive seed production, processing, and storage facilities throughout 17 states in India. These facilities provide us with an integrated system which allows us to effectively manage and monitor the quality of our seed products. Our production centres manage the production of our seeds by Seed Growing Farmers, and our processing facilities thereafter process these seeds into saleable seed products and store our seed products. Our research and production facilities also allow us to subject our seeds to rigorous quality assessment and testing processes throughout the various stages of production, processing and storage, and to ensure the consistency and quality of our seeds before they are packed for sale. Our emphasis on quality assurance of our seeds is reflected in our processes and standards. Our seed testing laboratory in Kompally, Telangana, is one of only six laboratories in India to have been accredited by the International Seed Testing Association ("ISTA") for conformance to international standards of seed testing. We believe this demonstrates our adherence to global standards in seed testing and the high quality of our output products.

We believe we maintain a robust and reliable infrastructure for producing seeds. As of December 31, 2014, we had a number of production centres located in 12 states across India to provide Seed Growing Farmers with the required raw materials and equipment to produce our seeds. Through our production centres, we are also able to closely manage and monitor Seed Growing Farmers' activities through all stages of seed production. As of December 31, 2014, primarily through contractual arrangements with over 70,000 selected Seed Growing Farmers, we had access to farmland and other production related services. In Fiscal 2014, we produced 89,602 MT of raw seeds, comprising 75 cotton hybrids and 149 open pollinated varieties and hybrids of field crops other than cotton and vegetables, and in the nine months ended December 31, 2014, we produced 80,596 MT of raw seeds, comprising 37 cotton hybrids and 124 open pollinated varieties and hybrids of field crops other than cotton and vegetables.

As of December 31, 2014, we operated 14 processing facilities in six states across India with a combined processing capacity of 150 MT per hour for various seed types, and an aggregate ambient storage capacity of 845,130 square feet. In Fiscal 2014 and the nine months ended December 31, 2014, our average aggregate capacity utilisation of our processing facilities was approximately 53.03% and 65.65%, respectively. Our existing processing facilities thus have the additional capacity to increase our seed product output, if required, to respond to any future changes in market demand.

Our large scale of our operations, our extensive pan-India infrastructure and facilities and our high production and processing volumes allow us to benefit from significant economies of scale, such as cost efficiencies including reduced logistical costs and production and processing costs per product.

### ***Robust supply chain management and extensive storage, sales, distribution and marketing network***

Supply chain logistics in the agricultural sector are highly complex because of the seasonal nature of demand. We try to ensure that our seeds are available in the market on a timely basis to meet agricultural demand. We have developed production and processing facilities in various parts of the country to decentralise our supply chain and thereby meet requirements locally and more efficiently. Our key production centres are located in

Uttar Pradesh, Uttarakhand, Gujarat, Telangana, Andhra Pradesh, Tamil Nadu, Madhya Pradesh, Karnataka, Odisha, and Maharashtra, and processing facilities in Andhra Pradesh, Odisha, Uttarakhand, Gujarat, Maharashtra, and Telangana.

Our decentralised, pan-India supply chain allows us to effectively manage our inventory and provides us with flexibility and access to a number of production, processing and storage facilities. Our products are supplied to points of sale in different markets from our network of strategically located storage facilities, which include an aggregate ambient storage capacity at our processing facilities of 854,930 square feet for seeds and conditioned storage facilities with an aggregate capacity to store 33,700 MT of seeds, across 17 states in India. As a result, we believe that our large-scale distribution network allows us to provide seeds in more locations across India with less lead times than producers with less geographically extensive distribution networks. In addition, as one of India's largest seed companies, our experience with handling large sales volumes on an annual basis have helped us to further strengthen our capabilities in supply chain and distribution network coordination.

We use information technology and communication applications to further improve operational efficiencies in our business. For example, our SAP-based enterprise resource planning system ("ERP") integrates barcode tracking to monitor the movement of our products and sales returns for better inventory management. We are also piloting the use of mobile applications in managing our inventory and logistics, supply chain and sales and distribution operations, as well as in our farm advisory services.

As of December 31, 2014, our marketing team comprised more than 900 personnel, and conducted educational programmes for farmers on new agronomic and field management practices and technologies. For example, we provide automatic alerts via mobile text message service to growers to ensure the timely completion of agronomic practices and to dispense agriculture-related advice. We believe that these programmes have contributed to higher yields, and have also provided us with opportunities to promote our products to farmers. We believe that the additional services that we provide to farmers, aside from the sale of seeds help to reinforce our positive relationship with both our farmer customers and our Seed Growing Farmers.

As of December 31, 2014 we had an extensive storage, sales, distribution and marketing network that included nine regional offices, one head office, seven carrying and forwarding agent warehouses and approximately 2,400 distributors. Our 36 strategically located distribution and storage facilities, which include warehouses, carrying and forwarding agent warehouses and processing facilities, also help us to meet the requirements of our customers in 19 states in India. In addition, our marketing arrangements with certain agricultural input companies such as Kribhco and Tata Chemicals provide us access to their distribution facilities and network.

### ***Strong Promoter background and experienced management team***

Our senior management has deep domain knowledge, skill and experience in operating and managing agricultural input businesses in general and in particular, the business of production, marketing and distribution of seeds.

- Mandava Prabhakara Rao, who is our Chairman and Managing Director and is one of our Promoters, has over 30 years of experience in our business and has, along with other Promoters, played a key role in the growth and development of our business. As of the date of this Draft Red Herring Prospectus, Mr. Prabhakara Rao is also the President of the National Seed Association of India, and the President of the Andhra Chambers of Commerce and Industry Federation.
- Dr. Puligundla Sateesh Kumar, who is a full-time director, has over 30 years of experience in agricultural research and the seed business, and has been associated with us for more than 22 years. Dr. Kumar has extensive experience in the field of agri-genetics and biotechnology and has been frequently published in scientific journals.
- Our Head of Supply Chain Management, D. V. Ranga Rao, has over 32 years of agricultural experience. Aside from his 22 years of industry experience, Mr. Ranga Rao was also involved with International Crops Research Institute for the Semi-Arid Tropics ("ICRISAT") for approximately 10 years. ICRISAT is a non-profit, non-political organisation that conducts agricultural research for development in Asia and sub-Saharan Africa.

- Further, our Board comprises industry experts, banking experts, management professionals and experienced investors that seek to develop good corporate governance and effective internal controls.
- Our middle management team has played a key role in the development of our standard operating procedures and maintaining employee relations and stable supply chain relationships.

We believe that the experience of our management team and its in-depth understanding of the agricultural input industry and the market for seeds in India will enable us to continue to take advantage of both current and future market opportunities. For further details, see the section titled “*Our Management*” on page 243.

## **Our Business Strategy**

Our vision is to be India’s most preferred seed brand for all the field crop and vegetable seeds we produce. Our key strategies are set out below.

### ***Investments in research and development activities focused on new technologies and in human resources***

Our Company’s research and development expenses have increased at a compounded annual growth rate of 6.13% from ₹219.70 million in Fiscal 2011 to ₹262.60 million in Fiscal 2014. We believe that research and development has been a key component of our performance over the last five years and we believe it will be a significant contributor to our business growth in the future.

We believe that our success is dependent on our continued investment in and focus on research and development. Our strategy involves retaining and growing our market share by continuing to develop high-quality, proprietary hybrids for the key markets in which we operate and to actively pursue the development of new technologies through our research and development efforts. We integrate conventional breeding programmes with modern biotechnologies to reduce breeding cycles and develop seeds with better resistance to biotic and abiotic stresses, nutritional quality and yield. We renewed our Sub-licence Agreements with MMBL in March 2015 to sub-license the Bt. trait for our hybrid cotton seeds and to use the related *Bollgard* trademark. Our Sub-licence Agreements are effective from April 1, 2015 for an initial term of five years and are renewable for an additional period of three years by our and MMBL’s mutual agreement. In addition, we aim to continue to expand our research capability through continued arrangements with national and international research institutions, state agricultural universities and government sponsored organisations in India. We will also seek to explore opportunities for sharing germplasm and breeding capabilities in various crops, accessing new or established germplasm and technologies which we currently do not possess, and conducting joint research and development in the areas of biotechnology, crop transformation and transgenic research by entering into arrangements with other organisations.

Since 2005, we have been developing hybrid cotton seeds which are suitable for HDP crop management systems and mechanised planting and harvesting, which, according to the CARE April 2015 Report, is expected to be a growth driver for the cotton seed market in India. In 2012, our first generation of HDP-suitable hybrid seeds were implemented in the cotton yield enhancement programme, administered by the Public Private Partnership for Integrated Agriculture Development Project, and led by the Government of Maharashtra. Our HDP-suitable hybrid cotton seeds, *Bhakti*, *Bhadra*, *Malini* and *Sona* have successfully demonstrated an increase in yield of up to 50.00% under the HDP system as compared to traditionally-spaced seed planting systems. (Source: *FICCI Report: Evaluation of the PPPIAD Project on Cotton*) We launched our HDP-suitable cotton hybrid seeds, *Bhakti* and *Puja*, in 2012 and 2014, respectively, and have also launched other HDP-suitable cotton hybrid seed products, such as *Raja*. We believe that our HDP-suitable hybrid seeds will help cotton farmers to improve their yield and agronomic efficiency, and will form part of our continuing strategy to grow our market share by developing new agronomic techniques. We have also been developing new technologies and planting techniques to enable the mechanised planting and harvesting of cotton crops. For example, the use of precision pneumatic planters to plant seeds to ensure uniform spacing and to attain the desired plant spacing density for HDP, illustrates our application of new technologies to allow farmers to use machines to plant and harvest cotton crops in a larger area. Furthermore, machine-harvested cotton, after undergoing certain cleaning procedures, exhibit reduced contamination and can be sold in the international seed market at a higher price than non-machine-harvested cotton. (Source: *CARE April 2015 Report*) As the traditional methods of harvesting



cotton are labour intensive, our technologies allow farmers to overcome problems of labour scarcity and to improve their operational efficiency, which could improve profitability for farmers.

Our investment in our human resources has also been a key component of our performance over the last five years. Our expenditure on employee benefit expenses has increased at a compounded annual growth rate of 26.66% from ₹369.98 million in Fiscal 2011 to ₹751.84 million in Fiscal 2014. We believe such investments will be significant contributors to our business growth in the future.

### ***Strengthen our leadership position in cotton seeds***

Our strategy is to regularly develop new products to respond to changing market demands, through systematic breeding and product development. We intend to strengthen our market leading position in cotton seeds by growing our market share with our newly launched products such as *Bhakti, Raja, Puja, Balwan* and *Suraksha*. For this purpose, we intend to:

- Accelerate the commercialisation process for new hybrids that are currently in our pipeline, including seeds that are suited to HDP and mechanised harvesting.
- Expand our marketing operations and distribution network in other cotton-producing states such as Gujarat, Punjab, Haryana, Rajasthan and Madhya Pradesh where we have traditionally recorded lower sales than in the states of Telangana, Andhra Pradesh and Maharashtra.
- Develop and promote our advanced crop management systems such as HDP, and sell our seed products which are suitable for HDP and mechanised harvesting.

For further details, see the section titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations—Capital Expenditure*” on page 464. We believe that an increase in our production capacity will improve our economies of scale and will enable us to compete more effectively.

### ***Increase our sales volume and market share in vegetables and field crops other than cotton***

While we expect seeds for cotton to remain our key product in the foreseeable future, we intend to increase our production and sales volume and market share in other crops.

The Indian market for certain vegetable seeds such as okra, tomato and chilli seeds and field crops other than cotton such as paddy and maize, show potential for expansion as the use of hybrid seeds has not yet fully penetrated these markets. A practice amongst farmers in the Indian market is to save and reuse seeds harvested from a previous crop (“**farm-saved seeds**”), rather than purchase new seeds for the subsequent crop, thus reducing the seed replacement rate in these crops. We believe that the seed markets for crops with significant reliance on farm-saved seeds, and thus low seed replacement rates, have potential for expansion and present an opportunity for us to grow our volumes and market share. The following table sets out the market penetration of hybrid and open pollinated seeds in the Indian seed market for paddy and maize.

<b>Crop</b>	<b>Hybrid</b>	<b>Open Pollinated Varieties</b>	<b>Farm-saved</b>
Paddy	<b>5%</b>	<b>38%</b>	<b>57%</b>
Maize	<b>60%</b>	<b>23%</b>	<b>17%</b>

*Source: CARE April 2015 Report*

We believe that the markets for hybrid and open pollinated variety seeds for crops such as paddy and maize present significant growth potential for us and we plan to focus on expanding our production and marketing of seeds for these crops. In particular, we plan to focus on developing open pollinated variety seeds for crops such as paddy which have seen increasing seed replacement rates. Our strategy is to regularly develop new products to respond to changing market demands, through systematic breeding and product development. We have developed and introduced new open pollinated varieties for paddy, such as *Suma Gold, Kanak Plus* and *Jordar* and new hybrids for paddy, such as *Badshah*, and new hybrids for maize, such as *Dragon, Marshall* and *Bond*. In Fiscal 2011, the contribution of maize and paddy to our revenue from operations was 3.87% and 6.09%, respectively, as compared to 14.35% and 9.95%, respectively, in Fiscal 2014. We have also developed certain hybrid seeds for vegetables such as tomatoes, chillies, bajra, cabbage, cauliflower okra and cucumbers, which

we believe offer relatively higher margins for farmers than field crops. We intend to continue to produce these high quality products in large volumes to increase our market share for these products, and consequently, their contribution to our revenue from operations.

We have also created two separate specialised marketing teams that focus on marketing our seeds for vegetables and our field crops other than cotton. Our other strategies to increase our market share for field crops other than cotton include increasing expenditure on research and development for such crops, increased brand building exercises, greater collaboration with governmental agencies for farmer education programmes and strategic alliances with other seeds companies. We may also consider selective acquisitions to increase our market share of field crops other than cotton.

Our vegetable seed sales have grown at a compounded annual growth rate of 18.20% from ₹200.78 million in Fiscal 2011 to ₹331.55 million in Fiscal 2014. While okra contributed more than 50.00% of our revenue from the sale of vegetable seeds in Fiscal 2014, other significant contributors in Fiscal 2014 included tomato (11.00% of revenue from the sale of vegetable seeds) and chilies (9.00% of revenue from the sale of vegetable seeds). We believe that our growth stems from our research and development efforts and our introduction of new, high quality products. One of our okra hybrids, one tomato hybrids and one of our bottle gourd hybrids have been have been Notified by Government of India in January 2015. We intend to continue to focus on our vegetable seeds product pipeline to contribute to our future growth.

#### ***Expand our customer base and distribution network in India***

We believe that our success depends on our ability to understand the changing preferences and circumstances of farmers, who are our end consumers and developing new products to suit their preferences and requirements. We intend to continue to develop new varieties and hybrids of seeds which address these changing requirements.

The southern, central and northern regions of India contributed substantially all of our revenue from operations in Fiscal 2014 and the nine months ended December 31, 2014, respectively. Our strategy is to expand our distribution network and thereby the reach of our products to other regions of India, which we believe present significant growth potential. We intend to establish new storage and conditioned storage facilities to support our expanded distribution network and recruit additional sales and marketing personnel to expand our marketing operations in these regions. We also intend to enter into marketing arrangements with other seed companies in these areas to utilise their sales and distribution channels.

#### ***Pursue growth through selective acquisitions and strategic initiatives in India and other Asian countries***

We have in the past undertaken acquisitions to pursue growth. From Fiscal 2011 to Fiscal 2013 we acquired Yaaganti Seeds, Pravardhan Seeds, Prabhat Agri Biotech, Fortune Hybrid Seeds, Asian Agri Genetics and Jubilee Real Projects which have helped us expand our germplasm bank, product offerings, processing facilities, research and development infrastructure, customer base and sales and distribution network. In particular, the acquisition of Yaaganti Seeds provided us access to established hybrid products for maize, which in turn increased our presence in the market for maize seeds. Although we have not identified specific targets as of the date of this Draft Red Herring Prospectus, we may, as a part of our growth strategy, undertake further acquisitions, domestically and overseas. We evaluate acquisition opportunities relating to companies and assets in India and overseas that could grow our business, diversify our existing product offerings, enhance our geographical reach and sales and distribution networks, establish new relationships or enable us to acquire technical expertise. We will also continue to seek to acquire, invest in or form joint ventures or strategic alliances with companies in India and overseas that provide proprietary and innovative products or other advantages to our business. We consider our key international markets to be locations where the demand for seed products and agro-climatic conditions are similar to those in India. We believe that markets in certain countries in Asia, particularly in South and Southeast Asia, as well as certain countries in Africa, present attractive opportunities for us. We established our wholly owned subsidiary, PT Nuziveedu Indonesia in 2014 to commence seed operations in Indonesia. Due to Indonesian regulations governing foreign participation in the seeds business, we are currently seeking out a majority joint venture partner prior to commencing our business. We are currently testing, and in some cases have begun to commercialise, some of our products in markets in

Pakistan, Bangladesh, Indonesia, Thailand and Vietnam as well as certain African nations such as Tanzania, Senegal, Mali and Burkina Faso. We may also explore relationships for distribution and marketing of our products in these markets.

***Pursue brand building exercises and other marketing programmes***

While our product brands are important, we intend to continue to develop our corporate brand to enhance our brand recognition and improve cross-selling opportunities for products in our portfolio. Our current brand building strategy is a result of the findings of a branding consultancy firm that we engaged in Fiscal 2012. Our strategy relies on increasing the focus on our corporate brand as well as standardizing product designs across our product range to provide greater visual uniformity and improve our corporate brand recall. According to the CARE April 2015 Report, our product brands such as *Bhakti*, *Balwan*, *Puja*, *Denim*, *Flux*, *Azura*, *Mallika*, *Uttam* and *Raghav* are the amongst the dominant products in the regions in which they are sold. We also believe that these brands provide us with a strong platform to maintain and increase our revenues. For example, we believe that the familiarity of our end consumers with, and their loyalty to, brands of our cotton products and our corporate brands could in turn enable us to increase our revenues from non-cotton products, as these same cotton farmers may also grow other crops for which we produce seeds.

Further, we intend to actively promote and market our products as suitable for mechanisation and new agronomic concepts such as HDP. We are currently, and have in the past, been part of certain strategic public-private partnership arrangements with state governments such as the Governments of Maharashtra and Uttar Pradesh, pursuant to which we have conducted educational programmes for cotton, paddy and maize farmers in these states. We believe that these programmes have provided us with opportunities to enable farmers to improve their profitability and spread awareness about new agronomic concepts, which we believe may lead to further growth in demand for our seed products. We intend to continue organising such programmes.

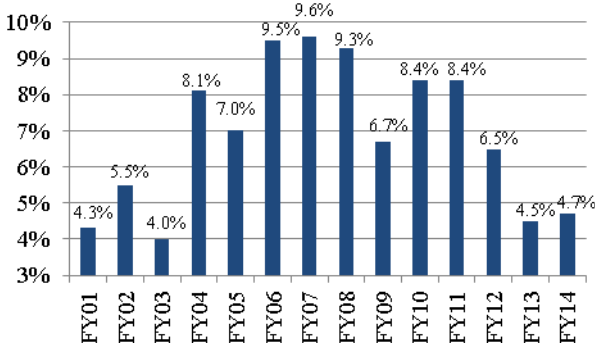
## SUMMARY OF INDUSTRY

The information in this section is derived from the “Report on Indian Seeds Industry”, April 3, 2015 by Credit Analysis & Research Ltd. (the “CARE April 2015 Report”). We commissioned the CARE April 2015 Report for the purposes of confirming our understanding of the industry in connection with the Issue. Neither we, nor any of the Managers, nor any other person connected with the Issue has verified the information in the CARE April 2015 Report. CARE Research, a division of Credit Analysis & Research Limited (“CARE”), has advised that while it has taken utmost care to ensure accuracy and objectivity while preparing the CARE April 2015 Report, it does not guarantee the accuracy or completeness of the CARE April 2015 Report or the information therein and is not responsible for any errors or omissions in analysis/inferences/views or for results obtained from the use of information contained in the CARE April 2015 Report and especially states that CARE (including all divisions) has no financial liability whatsoever to the user of the CARE April 2015 Report. Further, the CARE April 2015 Report is not a recommendation to invest / disinvest in any company covered in the report. CARE Research operates independently of the ratings division and the CARE April 2015 Report does not contain any confidential information obtained by the ratings division, which they may have obtained in the regular course of business. The opinion expressed in the CARE April 2015 Report cannot be compared to the rating assigned to the Company within this industry by the ratings division. For purposes of this section, references to “FY” are to the fiscal year ended March 31, unless indicated otherwise.

### I. OVERVIEW OF THE INDIAN ECONOMY

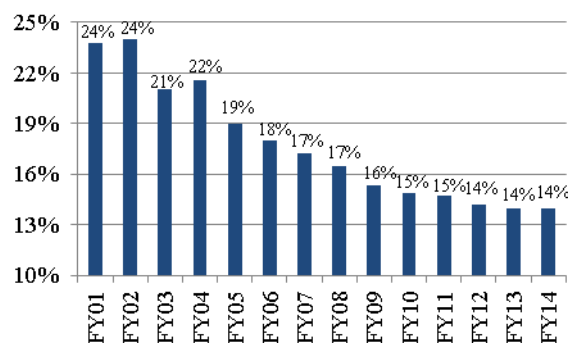
The Indian economy has been one of the fastest growing economies in the world. India’s economic growth is backed by strong economic fundamentals that have helped maintain a high growth trajectory with gross domestic product (“GDP”) growth averaging over 6.50% over the five years between FY09-FY14. However, in recent years the Indian economy has been adversely affected by some spill-over effects of the global economic slowdown, coupled with domestic pressures. During FY14, the Indian economy registered a growth rate of 4.7% as against 4.5% during FY13.

**Indian GDP growth rate at factor cost trend**



Source: CARE April 2015 Report

**Agriculture contribution to GDP trend**



Source: CARE April 2015 Report

After China, India has the second largest population in the world and it is the third largest producer of grains in the world after China and the US. The agriculture and allied sectors accounted for 14% of India’s GDP in FY14. While the contribution of the agriculture sector to India’s GDP has steadily declined due to the high growth in manufacturing and services sector, it still plays a significant role for the Indian economy because approximately 55% of the population is dependent upon the agriculture sector.

### II. OVERVIEW OF GLOBAL AGRICULTURE

According to the US Department of Agriculture (“USDA”) estimates, global grain stock-to-use ratio is expected to be 20.8% in FY15, which is relatively in-line with the 15-year historical average levels of 21.1%. The world grain demand grew at a compounded annual growth rate (“CAGR”) of 1.86% during FY01-15 on account of increasing population, rising per capita income in developing countries and use of grains for industrial purpose.

Despite marginal increase in acreage (+0.37%), global grain supply also grew at a CAGR of 1.86% during FY01-15 and this was due to significant improvement in yield (from 2.83 metric tons per hectare (“**MT/ha**”) in FY98 to 3.53 MT/ha in FY15) caused by increased use of better agriculture inputs and improved farm practices. While the use of agricultural inputs like seeds, nutrients (fertilizer, manures, micronutrients), water, pesticides (insecticides and fungicides), herbicides and farm machinery, has increased the global productivity of agriculture, seeds are the basic and most critical input for sustainable agriculture. To a large extent, a crop’s response to all other agricultural inputs will depend on the quality of seeds. It is estimated that the direct contribution of the quality of the seed alone to total crop production is about 15–20% (depending upon the type of crop) and this contribution can be raised to up to 45% with efficient management of other agricultural inputs.

According to USDA estimates, global cotton stock-to-use ratio is expected to reach a record 93.7% in FY15, well above the 15-year average of 58.3%. This is on account of a sharp improvement in cotton productivity on the back of higher adoption of Bt. cotton by the major producing countries and a slowdown in demand in the key consuming regions (such as China and Brazil) due to weakening global economy.

Over the medium-term, cotton prices are expected to be supported by expectation of partial recovery in consumption, particularly from major importing countries in FY16. According to the International Cotton Advisory Committee, it is expected that higher Chinese imports (+27% year on year (“**y-o-y**”)) will increase the world cotton trade by 4% y-o-y to 7.9 MT in FY16.

### III. OVERVIEW OF INDIAN AGRICULTURE

According to Food Agriculture Organization (“**FAO**”), 11% of world’s arable land is in India which makes it the country with the second largest amount of arable land, the US has the largest amount of arable land. However, India’s arable land accounts for only 4.0% of the world’s agricultural area on account of low cropping intensity. On a global scale, despite the fact that India has been a small net exporter of agricultural products, it maintains its standing in the global agricultural market because it caters for the domestic demand from its large population.

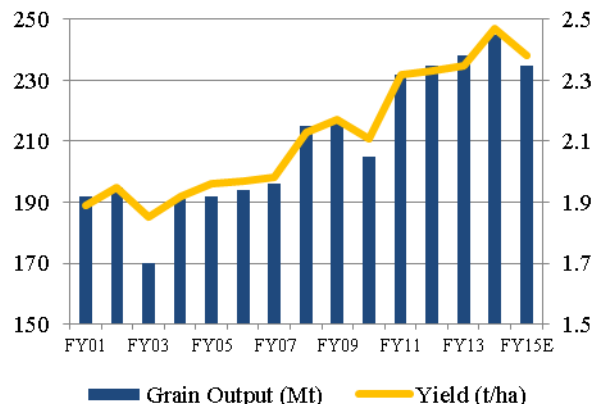
#### *India’s agriculture position in global market for key crops*

Crop	Area	Yield (MT/ha) -FY15		Production	Demand	Export	Stock-to-use		India’s position
	(mn ha)	India	World	(Mt)	(Mt)	% of global trade	FY15	15-year avg	Comment
Rice	43.5	3.52	4.41	102.0	99.0	20.4%	17.0	19.7	2nd largest producer and exporter
Wheat	30.6	3.13	3.25	95.9	94.0	2.2%	17.3	17.2	2nd largest producer
Cotton	12.7	0.52	0.76	30.5	24.0	13.8%	50.0	36.0	Largest producer and 2nd largest exporter
Soybean	11.0	0.95	2.66	10.5	10.3	0.1%	6.2	5.7	5th largest producer
Corn	9.0	2.44	5.56	22.0	20.0	2.2%	4.7	4.1	6th largest producer and 5th largest exporter
Millet	8.8	1.08	0.87	9.5	9.7	0%	2.7	4	Largest producer
Sorghum	5.5	0.91	1.56	5.0	4.9	0.5%	3.0	2.4	3rd largest producer

**Source: CARE April 2015 Report**

Despite a marginal decline in acreage (-0.26%), Indian grain output rose at a CAGR of 1.43% during FY00-15 on account of improving agriculture productivity. However, India’s agriculture productivity is significantly below that of the other major worldwide grain producing regions due to lower consumption of high quality seeds, fertilizers, pesticides, lower farm mechanisation, weak credit facilities, shortage of water and energy and certain other factors.

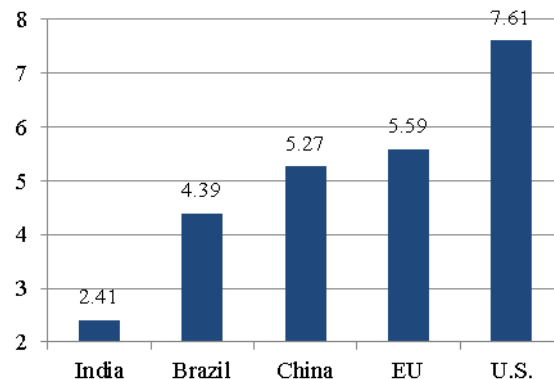
### Indian grain output rose 1.4% per year over FY00-15



Source: CARE April 2015 Report

\*Yield unit is in MMt/ha (million metric tons per hectare)

### Yield\* in major grain producing regions – FY15



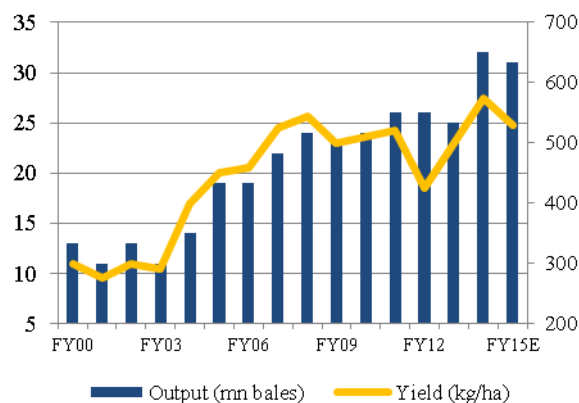
Source: CARE April 2015 Report

India is the second largest producer of fruits and vegetables in the world after China. It is the largest producer of ginger and okra amongst vegetables and ranks second in the world in production of potatoes, onions, cauliflowers, brinjal, cabbages. Amongst fruits, the country ranks first in production of bananas, papayas, mangoes, and acid limes.

Indian cotton output grew at a CAGR of 6.3% during FY00-15 on account of increased acreage (+2.48%) and improvement in crop yield. Yield increased from 302 kilograms per hectare (“kg/ha”) in FY00 to 523kg/ha in FY15 due to increased adoption of Bt. cotton hybrid seeds from nil in FY02 to more than 95% in FY15. Consequently, India became the largest producer and the second largest exporter of cotton in the world from being the second largest importer in FY02.

Despite the significant increase in cotton yields, the overall productivity in India is still below the global average, which presents the opportunity to improve yields by using (i) modern crop management techniques such as high density planting (“HDP”), (ii) better hybrids, and (iii) new transgenic traits. Indian seed companies are currently working on initiatives to further capture this opportunity.

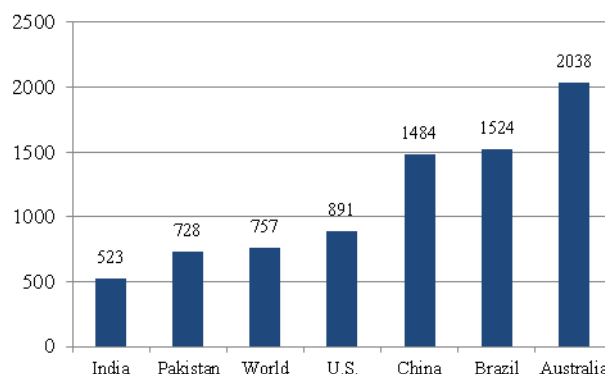
### Indian cotton output rose 6.3% per year during FY00-15



Source: CARE April 2015 Report

\*Yield unit is in kg/ha

### Yield\* in major grain producing regions – FY15



Source: CARE April 2015 Report

Cotton acreage in India has grown at a CAGR of 4.74% between FY04 and FY15 to reach 12.5 million ha. This growth has been driven by the higher profitability of cotton production for farmers relative to other crops, which in turn has been driven by increased use of Bt. cotton hybrids. Maharashtra is the largest cotton-growing state in India, accounting for 34% of crop acreage, followed by Gujarat (23%), Andhra Pradesh (18%).

#### State cotton acreage in India (million hectares)

STATE	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	\$ share- FY14	CAGR %
Maharashtra	2.8	2.8	2.9	3.1	3.2	3.1	3.5	3.9	4.1	4.1	3.9	34%	3.4%
Gujarat	1.6	1.9	1.9	2.4	2.4	2.4	2.6	2.6	3.0	2.5	2.7	23%	5.4%
Andhra Pradesh*	0.8	1.2	1.0	1.0	1.1	1.4	1.5	1.8	1.9	2.4	2.1	18%	10.1%
Madhya Pradesh	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.7	0.7	0.6	0.6	5%	0.0%
Karnataka	0.3	0.5	0.4	0.4	0.4	0.4	0.5	0.5	0.6	0.5	0.6	5%	7.2%
Haryana	0.5	0.6	0.6	0.5	0.5	0.5	0.5	0.5	0.6	0.6	0.6	5%	1.8%
Punjab	0.5	0.5	0.6	0.6	0.6	0.5	0.5	0.5	0.6	0.5	0.5	5%	0.0%
Total acreage	7.6	8.8	8.7	9.1	9.4	9.4	10.3	11.1	12.2	11.9	11.5	100%	4.2%

Source: CARE April 2015 Report

\* Andhra Pradesh includes Telengana, which was separated from Andhra Pradesh in June 2014. For FY15, cotton planting in Telengana is estimated to be 1.7 million ha and in Andhra Pradesh at 0.7 million ha

The below table indicates the cost of cultivation per hectare for the top six seed consuming crops in India. The costs of cultivation differs significantly region-wide so in order to offer a useful comparison, the table below compares the main crop grown by each of the major crop growing states: Maharashtra (“MH”) as for cotton, Uttar Pradesh (“UP”) for wheat, West Bengal (“WB”) for rice, Gujarat (“Guj”) for groundnut, Karnataka (“KT”) for corn and Madhya Pradesh (“MP”) for soybean.

#### Cost of cultivation for key crops in India – FY12

	Cotton (MH)	Wheat (UP)	Rice (WB)	Groundnut (Guj)	Corn (KT)	Soybean (MP)
Human Labour	33%	20%	47%	26%	29%	22%
Animal Labour	10%	1%	4%	7%	6%	3%
Machine Labour	4%	12%	5%	9%	12%	14%
Seeds	6%	5%	3%	19%	6%	11%
Fertilizers and Manures	11%	9%	8%	7%	13%	7%
Pesticides	4%	0%	1%	3%	0%	6%
Irrigation	3%	10%	4%	2%	1%	0%
Interest on working capital	2%	1%	2%	2%	2%	2%
Miscellaneous	0%	0%	0%	0%	0%	0%
Fixed costs	28%	42%	26%	24%	32%	36%
Total costs (Rs per hectare)	61,907	42,384	49,143	42,837	36,272	22,561

Source: CARE April 2015 Report

As evident from the table above, seeds form a small proportion of the total input costs for cotton, rice, wheat and corn.

## SUMMARY FINANCIAL INFORMATION

**Nuziveedu Seeds Limited**

### RESTATED CONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES:

Rupees in millions

Particulars	As at 31 December 2014	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011
<b>EQUITY AND LIABILITIES</b>					
<b><u>Shareholders' funds</u></b>					
Share capital	965.00	965.00	1,212.75	2,597.50	2,597.50
Reserves and surplus	2,217.33	212.75	2,556.16	830.31	284.32
	<b>3,182.33</b>	<b>1,177.75</b>	<b>3,768.91</b>	<b>3,427.81</b>	<b>2,881.82</b>
Minority interest	67.37	54.34	108.85	186.02	97.42
<b><u>Non-current liabilities</u></b>					
Long-term borrowings	191.12	79.39	149.88	199.77	290.23
Deferred tax liability (net)	1.49	-	-	1.70	1.73
Other long-term liabilities	163.55	131.11	118.52	97.62	58.24
Long-term provisions	14.88	10.86	18.59	10.28	6.74
	<b>371.04</b>	<b>221.36</b>	<b>286.99</b>	<b>309.37</b>	<b>356.94</b>
<b><u>Current liabilities</u></b>					
Short-term borrowings	5,208.95	3,834.78	698.43	529.91	1,299.30
Trade payables	2,417.73	3,719.74	3,911.75	2,570.42	1,725.14
Other current liabilities	1,479.93	3,661.55	5,764.88	5,977.52	4,354.92
Short-term provisions	291.54	174.50	40.29	164.35	29.10
	<b>9,398.15</b>	<b>11,390.57</b>	<b>10,415.35</b>	<b>9,242.20</b>	<b>7,408.46</b>
<b>TOTAL</b>	<b>13,018.89</b>	<b>12,844.02</b>	<b>14,580.10</b>	<b>13,165.40</b>	<b>10,744.64</b>



**Nuziveedu Seeds Limited**

**RESTATED CONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES contd..**

**Rupees in millions**

<b>Particulars</b>	<b>As at 31 December 2014</b>	<b>As at 31 March 2014</b>	<b>As at 31 March 2013</b>	<b>As at 31 March 2012</b>	<b>As at 31 March 2011</b>
<b>ASSETS</b>					
<b>Non-current assets</b>					
<b>Fixed assets</b>					
Tangible assets	1,255.15	1,231.96	1,159.04	1,175.94	727.23
Intangible assets	1,468.96	1,472.43	1,466.26	2,599.13	3,578.97
Capital work-in-progress	127.86	184.36	71.25	58.68	83.37
	<b>2,851.97</b>	<b>2,888.75</b>	<b>2,696.55</b>	<b>3,833.75</b>	<b>4,389.57</b>
Non-current investments	0.69	0.68	0.70	1.37	1.41
Deferred tax asset (net)	1.82	23.79	22.21	1.31	0.70
Long-term loans and advances	153.31	168.54	134.85	56.14	144.52
Other non-current assets	8.02	24.16	14.76	3.72	5.10
	<b>163.84</b>	<b>217.17</b>	<b>172.52</b>	<b>62.54</b>	<b>151.73</b>
<b>Current assets</b>					
Current investments	-	-	-	1,767.93	-
Inventories	5,985.40	8,000.69	7,376.95	4,722.24	3,439.23
Trade receivables	2,866.66	1,489.39	762.18	465.46	440.19
Cash and bank balances	209.09	129.51	538.78	736.79	831.19
Short-term loans and advances	926.77	113.79	3,000.38	1,524.31	1,489.81
Other current assets	15.16	4.72	32.74	52.38	2.92
	<b>10,003.08</b>	<b>9,738.10</b>	<b>11,711.03</b>	<b>9,269.11</b>	<b>6,203.34</b>
<b>TOTAL</b>	<b>13,018.89</b>	<b>12,844.02</b>	<b>14,580.10</b>	<b>13,165.40</b>	<b>10,744.64</b>

**Note:** The above statement should be read with the notes annexed to and forming part of consolidated restated financial information and significant accounting policies as appearing in Annexures IV and V.

**Nuziveedu Seeds Limited**

**RESTATED CONSOLIDATED SUMMARY STATEMENT OF PROFITS AND LOSSES:**

**Rupees in millions**

<b>Particulars</b>	<b>Nine months ended 31 December 2014</b>	<b>Year ended 31 March 2014</b>	<b>Year ended 31 March 2013</b>	<b>Year ended 31 March 2012</b>	<b>Year ended 31 March 2011</b>
<b>REVENUE</b>					
Revenue from operations	12,549.45	11,966.12	11,735.26	10,605.11	7,528.82
Other income	7.02	187.53	653.64	181.71	71.02
<b>Total Revenue</b>	<b>12,556.47</b>	<b>12,153.65</b>	<b>12,388.90</b>	<b>10,786.82</b>	<b>7,599.84</b>
<b>EXPENDITURE</b>					
Cost of materials consumed	3,762.47	4,862.73	5,323.68	3,875.67	3,496.22
Changes in inventories of work-in-progress and finished goods	760.29	(548.38)	(1,669.49)	(810.53)	(878.54)
Employee benefits expense	605.99	751.84	676.40	479.32	369.98
Other expenses	4,725.44	4,911.43	4,342.69	3,509.11	2,975.03
<b>Total Expenses</b>	<b>9,854.19</b>	<b>9,977.62</b>	<b>8,673.28</b>	<b>7,053.57</b>	<b>5,962.69</b>
<b>Profit before finance cost, depreciation, amortisation, exceptional item and tax</b>	<b>2,702.28</b>	<b>2,176.03</b>	<b>3,715.62</b>	<b>3,733.25</b>	<b>1,637.15</b>
Finance costs	487.17	450.92	242.10	137.11	332.07
<b>Profit before depreciation, amortisation, exceptional item and tax</b>	<b>2,215.11</b>	<b>1,725.11</b>	<b>3,473.52</b>	<b>3,596.14</b>	<b>1,305.08</b>
Depreciation expense	151.09	136.04	128.59	105.26	85.22
Amortization of intangible assets	4.63	3.01	1,756.72	1,753.05	876.69
<b>Profit before exceptional item and tax</b>	<b>2,059.39</b>	<b>1,586.06</b>	<b>1,588.21</b>	<b>1,737.83</b>	<b>343.17</b>
Exceptional item	-	85.98	-	876.72	-
<b>Profit before tax</b>	<b>2,059.39</b>	<b>1,500.08</b>	<b>1,588.21</b>	<b>861.11</b>	<b>343.17</b>
<b>Tax expense:</b>					
Current tax expense	19.97	18.38	174.61	89.86	36.80
Less: MAT credit entitlement	(1.88)	(11.63)	-	(1.15)	(1.18)
Net current tax	18.09	6.75	174.61	88.71	35.62
Deferred tax expense / (benefit)	23.46	(1.59)	(22.60)	(0.19)	2.72
<b>Total tax expense</b>	<b>41.55</b>	<b>5.16</b>	<b>152.01</b>	<b>88.52</b>	<b>38.34</b>
<b>Profit after tax but before minority interest and share of net loss of associate</b>	<b>2,017.84</b>	<b>1,494.92</b>	<b>1,436.20</b>	<b>772.59</b>	<b>304.83</b>
Minority interest	13.03	(13.10)	(8.87)	64.63	(27.26)
Share of net (profit) / loss of associate	-	(0.61)	0.79	0.42	-
<b>Profit after tax, as restated</b>	<b>2,004.81</b>	<b>1,508.63</b>	<b>1,444.28</b>	<b>707.54</b>	<b>332.09</b>

**Note:** The above statement should be read with the notes annexed to and forming part of consolidated restated financial information and significant accounting policies as appearing in Annexures IV and V.

**Nuziveedu Seeds Limited**

**RESTATED CONSOLIDATED SUMMARY STATEMENT OF CASHFLOWS:**

**Rupees in millions**

Particulars	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011
<b>Cash flow from / (used in) operating activities</b>					
<b>Net profit before tax</b>	2,059.39	1,500.08	1,588.21	861.11	343.17
Adjustments for:					
Depreciation and amortization expense	155.72	139.05	1,885.31	1,858.31	961.91
Investment written off	-	-	-	876.72	-
Finance costs	487.17	450.92	242.10	137.11	332.07
Interest income	(1.51)	(181.74)	(630.53)	(153.06)	(64.68)
Dividend income	-	-	(10.58)	(25.13)	-
Gain on sale of mutual funds	-	-	(6.92)	(0.62)	-
Provision for bad and doubtful debts	23.83	16.88	70.33	28.95	16.99
Provision for doubtful advances	9.74	-	-	-	-
Inventory charged off	-	335.57	-	-	-
Loss on disposal of assets (net)	0.23	5.10	1.98	0.50	0.06
Packing material written off	-	9.71	-	-	-
Bad debts / debit balances written off	0.18	0.15	0.58	0.83	2.33
Unrealised loss on foreign currency transactions (net)	0.15	0.01	-	-	-
Provision no longer required written back	(0.23)	(0.26)	(0.18)	-	-
Claims received on damaged assets	-	-	-	-	(0.06)
Loss on sale of investments	-	-	-	0.08	-
<b>Operating profit before working capital changes</b>	<b>2,734.67</b>	<b>2,275.47</b>	<b>3,140.30</b>	<b>3,584.80</b>	<b>1,591.79</b>
(Increase)/Decrease in inventories	2,015.30	(975.67)	(2,654.71)	(1,184.50)	(1,261.49)
(Increase) / decrease in trade receivables	(1,400.75)	(879.31)	(364.29)	159.06	(24.06)
(Increase) / decrease in loans and advances and other assets	(735.10)	1,042.22	59.96	(23.60)	273.29
Increase / (decrease) in trade payables, liabilities, provisions	(3,416.10)	(3,382.97)	1,199.64	1,906.94	2,519.61
<b>Cash generated from operations</b>	<b>(801.98)</b>	<b>(1,920.26)</b>	<b>1,380.90</b>	<b>4,442.70</b>	<b>3,099.14</b>
Income tax paid (net)	(13.62)	(30.05)	(242.66)	(23.12)	(154.23)
<b>Net cash provided by / (used in) operating activities - (A)</b>	<b>(815.60)</b>	<b>(1,950.31)</b>	<b>1,138.24</b>	<b>4,419.58</b>	<b>2,944.91</b>

**Nuziveedu Seeds Limited**

**RESTATED CONSOLIDATED SUMMARY STATEMENT OF CASHFLOWS contd..:**

**Rupees in millions**

<b>Particulars</b>	<b>Nine months ended 31 December 2014</b>	<b>Year ended 31 March 2014</b>	<b>Year ended 31 March 2013</b>	<b>Year ended 31 March 2012</b>	<b>Year ended 31 March 2011</b>
<b>Cash flow from / (used in) investing activities</b>					
Acquisition of fixed assets (including cwip, capital advances and capital creditors)	(129.29)	(318.67)	(172.05)	(396.98)	(201.16)
Proceeds from sale of assets	1.11	3.76	2.32	1.67	0.51
Insurance claims received towards fixed assets	-	-	-	-	0.40
Purchase of Investments	(0.11)	(40.06)	(689.80)	(2,493.90)	(1,141.14)
Proceeds from sale of investments	-	-	1,775.51	194.27	0.04
Net proceeds from / (investments in) fixed deposits with banks for more than 3 months (held as margin money)	2.43	(0.08)	2.38	1.30	(0.74)
Other advances given	-	(0.80)	(0.78)	(1.50)	3.70
Inter corporate deposits given	-	(1,550.00)	(3,506.50)	(2,195.00)	(395.00)
Inter corporate deposits refunded	-	1,582.50	1,946.90	1,245.00	250.00
Interest received	5.55	94.83	649.11	104.94	62.63
Dividends received	-	-	11.84	23.87	-
<b>Net cash from/(used in) investing activities - (B)</b>	<b>(120.31)</b>	<b>(228.52)</b>	<b>18.93</b>	<b>(3,516.33)</b>	<b>(1,420.76)</b>
<b>Cash flow from / (used in) financing activities</b>					
Proceeds from issue of shares	-	-	-	-	2,557.01
Equity shares bought back	-	(840.00)	-	-	-
Proceeds from short-term borrowings	1,416.39	4,436.72	525.69	1,878.96	960.92
Repayment of short-term borrowings	(42.28)	(1,300.38)	(340.00)	(2,648.95)	(3,649.82)
Proceeds from long-term borrowings	179.18	-	-	-	1.02
Repayment of long-term borrowings	(53.65)	(71.57)	(78.75)	(89.78)	(185.46)

**Nuziveedu Seeds Limited**

**RESTATED CONSOLIDATED SUMMARY STATEMENT OF CASHFLOWS contd....:**

**Rupees in millions**

<b>Particulars</b>	<b>Nine months ended 31 December 2014</b>	<b>Year ended 31 March 2014</b>	<b>Year ended 31 March 2013</b>	<b>Year ended 31 March 2012</b>	<b>Year ended 31 March 2011</b>
Share application money refunded	-	-	-	-	(5.00)
Finance costs paid	(482.79)	(451.20)	(238.71)	(126.26)	(413.01)
Dividends paid	-	(1.92)	(1,047.29)	(62.66)	(17.10)
Dividend tax paid	(1.51)	(0.33)	(176.54)	(6.77)	-
<b>Net cash from/(used in) financing activities - (C)</b>	<b>1,015.34</b>	<b>1,771.32</b>	<b>(1,355.60)</b>	<b>(1,055.46)</b>	<b>(751.44)</b>
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>79.43</b>	<b>(407.51)</b>	<b>(198.43)</b>	<b>(152.21)</b>	<b>772.71</b>
Cash and cash equivalents at the beginning of the year	124.99	532.50	730.77	882.98	4.24
Cash received through Scheme of arrangement	-	-	-	-	51.05
<b>Cash and cash equivalents at the end of the year</b>	<b>204.42</b>	<b>124.99</b>	<b>532.34</b>	<b>730.77</b>	<b>828.00</b>
Cash and bank balances as per consolidated summary statement of assets and liabilities, as restated	209.09	129.51	538.78	736.79	831.19
Less: Deposits with maturity more than 3 months but less than 12 months of the reporting date	4.67	4.52	6.44	6.02	3.19
<b>Cash and cash equivalents considered for cash flow statement</b>	<b>204.42</b>	<b>124.99</b>	<b>532.34</b>	<b>730.77</b>	<b>828.00</b>
<b>Cash and cash equivalents comprises of:</b>					
Cash on hand	1.87	41.78	3.36	5.31	3.00
Cheques on hand	-	2.21	245.40	71.62	3.90
Balances with banks					
on current accounts	190.99	81.00	283.58	543.84	761.10
on dividend accounts	7.56	-	-	-	-
Short term bank deposits	4.00	-	-	110.00	60.00
<b>TOTAL</b>	<b>204.42</b>	<b>124.99</b>	<b>532.34</b>	<b>730.77</b>	<b>828.00</b>

**Note:**

The above statement should be read with the notes annexed to and forming part of consolidated restated financial information and significant accounting policies as appearing in Annexures IV and V.

**Nuziveedu Seeds Limited**

**RESTATED STANDALONE SUMMARY STATEMENT OF ASSETS AND LIABILITIES:**

**Rupees in Millions**

Particulars	As at 31 December 2014	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011	As at 31 March 2010
<b>EQUITY AND LIABILITIES</b>						
<b><u>Shareholders' funds</u></b>						
Share capital	965.00	965.00	1,212.75	2,597.50	2,597.50	0.50
Reserves and surplus	2,210.90	341.43	2,434.37	727.50	322.77	(0.26)
	<b>3,175.90</b>	<b>1,306.43</b>	<b>3,647.12</b>	<b>3,325.00</b>	<b>2,920.27</b>	<b>0.24</b>
<b><u>Non-current liabilities</u></b>						
Long-term borrowings	191.12	79.39	149.88	199.77	290.23	-
Other long-term liabilities	59.65	57.24	56.73	53.03	47.02	-
Long-term provisions	10.40	6.92	6.60	7.54	5.17	-
	<b>261.17</b>	<b>143.55</b>	<b>213.21</b>	<b>260.34</b>	<b>342.42</b>	<b>-</b>
<b><u>Current liabilities</u></b>						
Short-term borrowings	4,928.95	3,556.40	420.92	340.00	1,108.90	-
Trade payables	2,052.05	3,436.15	3,489.67	2,066.73	1,654.77	0.06
Other current liabilities	1,257.78	2,967.71	4,943.75	4,905.29	4,180.23	5.00
Short-term provisions	269.31	107.24	46.63	146.01	28.18	-
	<b>8,508.09</b>	<b>10,067.50</b>	<b>8,900.97</b>	<b>7,458.03</b>	<b>6,972.08</b>	<b>5.06</b>
<b>TOTAL</b>	<b>11,945.16</b>	<b>11,517.48</b>	<b>12,761.30</b>	<b>11,043.37</b>	<b>10,234.77</b>	<b>5.30</b>
<b>ASSETS</b>						
<b><u>Non-current assets</u></b>						
<b>Fixed assets</b>						
Tangible assets	1,152.37	1,122.22	1,036.44	1,059.34	708.74	4.62
Intangible assets	3.49	7.13	8.34	1,753.12	3,506.03	-
Capital work-in-progress	127.86	184.36	71.25	58.68	83.37	-
	<b>1,283.72</b>	<b>1,313.71</b>	<b>1,116.03</b>	<b>2,871.14</b>	<b>4,298.14</b>	<b>4.62</b>
Non-current investments	1,872.54	1,868.18	1,828.12	1,138.32	203.08	-
Deferred tax assets (net)	-	1.68	0.57	0.56	0.34	-
Long-term loans and advances	126.25	147.24	117.66	51.30	140.34	-
Other non-current assets	7.88	24.12	14.74	3.70	5.10	-
	<b>2,006.67</b>	<b>2,041.22</b>	<b>1,961.09</b>	<b>1,193.88</b>	<b>348.86</b>	<b>-</b>
<b><u>Current assets</u></b>						
Current investments	-	-	-	1,035.22	-	-
Inventories	5,743.56	7,374.05	6,525.82	3,979.90	3,057.25	-
Trade receivables	1,904.94	640.03	435.26	275.25	326.14	-
Cash and bank balances	105.15	49.77	104.40	336.10	742.74	0.68
Short-term loans and advances	886.11	93.99	2,608.22	1,301.97	1,458.74	-

Other current assets	15.01	4.71	10.48	49.91	2.90	-
	<b>8,654.77</b>	<b>8,162.55</b>	<b>9,684.18</b>	<b>6,978.35</b>	<b>5,587.77</b>	<b>0.68</b>
<b>TOTAL</b>	<b>11,945.16</b>	<b>11,517.48</b>	<b>12,761.30</b>	<b>11,043.37</b>	<b>10,234.77</b>	<b>5.30</b>

**Note:** The above statement should be read with the notes annexed to and forming part of standalone restated financial information and significant accounting policies as appearing in Annexures IV and V.



**Nuziveedu Seeds Limited**

**RESTATED STANDALONE SUMMARY STATEMENT OF PROFITS AND LOSSES:**

**Rupees in Millions**

<b>Particulars</b>	<b>Nine months ended 31 December 2014</b>	<b>Year ended 31 March 2014</b>	<b>Year ended 31 March 2013</b>	<b>Year ended 31 March 2012</b>	<b>Year ended 31 March 2011</b>	<b>Year ended 31 March 2010</b>
<b>REVENUE</b>						
Revenue from operations	11,385.51	11,868.31	10,037.53	9,117.81	7,322.76	-
Other income	3.94	171.59	804.82	153.39	72.49	-
<b>Total Revenue</b>	<b>11,389.45</b>	<b>12,039.90</b>	<b>10,842.35</b>	<b>9,271.20</b>	<b>7,395.25</b>	<b>-</b>
<b>EXPENDITURE</b>						
Cost of materials consumed	3,770.83	4,698.27	4,867.35	3,074.99	3,461.16	-
Changes in inventories of finished goods and work-in-progress	368.86	(388.80)	(1,671.15)	(569.83)	(859.70)	-
Employee benefits expense	488.22	598.87	532.70	410.04	349.12	-
Other expenses	4,282.18	4,829.23	3,460.95	2,878.78	2,756.75	0.18
	<b>8,910.09</b>	<b>9,737.57</b>	<b>7,189.85</b>	<b>5,793.98</b>	<b>5,707.33</b>	<b>0.18</b>
<b>Profit / (loss) before finance cost, depreciation, amortisation, exceptional item and tax</b>	<b>2,479.36</b>	<b>2,302.33</b>	<b>3,652.50</b>	<b>3,477.22</b>	<b>1,687.92</b>	<b>(0.18)</b>
Finance costs	460.47	417.03	215.97	113.89	324.28	-
<b>Profit / (loss) before depreciation, amortisation, exceptional item and tax</b>	<b>2,018.89</b>	<b>1,885.30</b>	<b>3,436.53</b>	<b>3,363.33</b>	<b>1,363.64</b>	<b>(0.18)</b>
Depreciation expense	143.06	124.52	120.97	98.13	78.08	-
Amortization of intangible assets	4.45	2.80	1,756.54	1,752.91	876.54	-
<b>Profit / (loss) before exceptional item and tax</b>	<b>1,871.38</b>	<b>1,757.98</b>	<b>1,559.02</b>	<b>1,512.29</b>	<b>409.02</b>	<b>(0.18)</b>
Exceptional item	-	-	-	876.72	-	-
<b>Profit / (loss) before tax</b>	<b>1,871.38</b>	<b>1,757.98</b>	<b>1,559.02</b>	<b>635.57</b>	<b>409.02</b>	<b>(0.18)</b>
<b>Tax expense:</b>						
Current tax expense	-	1.78	174.13	69.50	36.00	-
Less: MAT credit entitlement	-	(1.78)	-	-	-	-
Net Current tax	-	-	174.13	69.50	36.00	-
Deferred tax expense / (benefit)	1.68	(1.12)	(0.01)	(0.21)	2.47	-
<b>Total tax expense</b>	<b>1.68</b>	<b>(1.12)</b>	<b>174.12</b>	<b>69.29</b>	<b>38.47</b>	<b>-</b>
<b>Profit / (loss) after tax, as restated</b>	<b>1,869.70</b>	<b>1,759.10</b>	<b>1,384.90</b>	<b>566.28</b>	<b>370.55</b>	<b>(0.18)</b>

**Note:** The above statement should be read with the notes annexed to and forming part of standalone restated financial information and significant accounting policies as appearing in Annexures IV and V.

**Nuziveedu Seeds Limited**

**RESTATED STANDALONE SUMMARY STATEMENT OF CASHFLOWS:**

**Rupees in Millions**

	<b>Nine months ended 31 December 2014</b>	<b>Year ended 31 March 2014</b>	<b>Year ended 31 March 2013</b>	<b>Year ended 31 March 2012</b>	<b>Year ended 31 March 2011</b>	<b>Year ended 31 March 2010</b>
<b>Cash flow from / (used in) operating activities</b>						
<b>Net profit / (loss) before tax, as restated</b>	1,871.38	1,757.98	1,559.02	635.57	409.02	(0.18)
Adjustments for:						
Depreciation and amortization expense	147.51	127.32	1,877.51	1,851.04	954.62	-
Exceptional item	-	-	-	876.72	-	-
Finance costs	460.47	417.03	215.97	113.89	324.28	-
Interest income	(0.76)	(167.88)	(551.87)	(151.32)	(64.64)	-
Provision for bad and doubtful debts	18.79	9.39	11.02	8.76	11.67	-
Provision for doubtful advances	7.28	-	-	-	-	-
Bad debts / debit balances written off	0.19	0.07	0.11	0.54	1.65	-
Inventory charged off	-	335.57	-	-	-	-
Provision no longer required written back	-	-	(0.15)	-	-	-
Dividend income	-	-	(249.08)	-	(0.18)	-
Claims received on damaged assets	-	-	-	-	(0.06)	-
Loss on sale / scrapping of assets (net)	0.08	3.21	1.83	0.21	0.02	-
Unrealised gain on foreign currency transactions (net)	0.15	-	-	-	-	-
<b>Operating profit / (loss) before working capital changes</b>	<b>2,505.09</b>	<b>2,482.69</b>	<b>2,864.36</b>	<b>3,335.41</b>	<b>1,636.38</b>	<b>(0.18)</b>
(Increase)/Decrease in inventories	1,630.49	(1,183.79)	(2,545.93)	(922.64)	(1,202.37)	-
(Increase) / decrease in trade receivables	(1,283.90)	(374.33)	(171.15)	41.79	(105.80)	-
(Increase) / decrease in loans and advances and other assets	(796.55)	(7.15)	(31.31)	44.37	292.77	-
Increase / (decrease) in trade payables, liabilities and provisions	(2,915.79)	(2,477.26)	1,509.43	1,144.85	2,439.57	0.05
<b>Cash generated/(used in) from operations</b>	<b>(860.66)</b>	<b>(1,559.84)</b>	<b>1,625.40</b>	<b>3,643.78</b>	<b>3,060.55</b>	<b>(0.13)</b>
Income tax paid (net)	(0.51)	(28.66)	(219.92)	(16.91)	(154.18)	-
<b>Net cash provided by / (used in) operating activities - (A)</b>	<b>(861.17)</b>	<b>(1,588.50)</b>	<b>1,405.48</b>	<b>3,626.87</b>	<b>2,906.37</b>	<b>(0.13)</b>

**Nuziveedu Seeds Limited**

**RESTATED STANDALONE SUMMARY STATEMENT OF CASHFLOWS contd..:**

**Rupees in Millions**

	<b>Nine months ended 31 December 2014</b>	<b>Year ended 31 March 2014</b>	<b>Year ended 31 March 2013</b>	<b>Year ended 31 March 2012</b>	<b>Year ended 31 March 2011</b>	<b>Year ended 31 March 2010</b>
<b>Cash flow from / (used in) investing activities</b>						
Acquisition of fixed assets (including cwip, capital advances and capital creditors)	(127.01)	(316.08)	(159.67)	(386.23)	(200.87)	(4.62)
Proceeds from sale of fixed assets	0.28	1.79	1.72	1.39	0.41	-
Insurance claims received towards fixed assets	-	-	-	-	0.40	-
Purchase of investments	(4.36)	(40.06)	(689.80)	(1,771.18)	(1,141.32)	-
Proceeds from sale of investments	-	-	1,035.23	-	-	-
Net proceeds from / (investments in) fixed deposits with banks for more than 3 months (held as margin money)	1.30	1.20	2.46	(0.81)	(1.42)	-
Other advances	-	(0.80)	(0.88)	(1.50)	3.70	-
Inter corporate deposits given	-	(1,500.00)	(2,600.00)	(2,195.00)	(395.00)	-
Inter corporate deposits refund received	-	1,500.00	1,311.90	1,245.00	250.00	-
Interest received	4.95	86.09	591.50	104.40	62.37	-
Dividends received	-	-	249.08	-	0.18	-
<b>Net cash used in investing activities - (B)</b>	<b>(124.84)</b>	<b>(267.86)</b>	<b>(258.46)</b>	<b>(3,003.93)</b>	<b>(1,421.55)</b>	<b>(4.62)</b>
<b>Cash flow from / (used in) financing activities</b>						
Proceeds from issue of shares	-	-	-	-	2,557.01	-
Equity shares bought back	-	(840.00)	-	-	-	-
Share application money (net)	-	-	-	-	(5.00)	5.00
Proceeds from short-term borrowings	1,414.53	4,435.49	420.92	1,849.07	890.89	-
Repayment of short-term borrowings	(41.98)	(1,300.00)	(340.00)	(2,617.97)	(3,632.87)	-
Proceeds from long-term borrowings	179.18	-	-	-	1.02	-
Repayment of long-term borrowings	(53.65)	(71.57)	(61.59)	(89.78)	(185.46)	-
Finance costs paid	(456.45)	(416.75)	(215.28)	(103.60)	(404.71)	-
Dividends paid	-	(1.92)	(1,047.29)	(62.66)	(17.10)	-
Dividend tax paid	(1.51)	(0.33)	(135.82)	(6.77)	-	-

Net cash (used in) / provided by financing activities-(C)	1,040.12	1,804.92	(1,379.06)	(1,031.71)	(796.22)	5.00
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**Nuziveedu Seeds Limited**

**RESTATED STANDALONE SUMMARY STATEMENT OF CASHFLOWS contd..:**

**Rupees in Millions**

	<b>Nine months ended 31 December 2014</b>	<b>Year ended 31 March 2014</b>	<b>Year ended 31 March 2013</b>	<b>Year ended 31 March 2012</b>	<b>Year ended 31 March 2011</b>	<b>Year ended 31 March 2010</b>
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>54.11</b>	<b>(51.44)</b>	<b>(232.04)</b>	<b>(408.77)</b>	<b>688.60</b>	<b>0.25</b>
Cash and cash equivalents at the beginning of the year / period	48.08	99.52	331.56	740.33	0.68	0.43
Cash received through scheme of arrangement	-	-	-	-	51.05	-
<b>Cash and cash equivalents at the end of the year / period</b>	<b>102.19</b>	<b>48.08</b>	<b>99.52</b>	<b>331.56</b>	<b>740.33</b>	<b>0.68</b>
Cash and bank balances as per standalone summary statement of assets and liabilities, as restated	105.15	49.77	104.40	336.10	742.74	0.68
Less: Margin money deposits	2.96	1.69	4.88	4.54	2.41	-
<b>Cash and cash equivalents considered for cash flow statement</b>	<b>102.19</b>	<b>48.08</b>	<b>99.52</b>	<b>331.56</b>	<b>740.33</b>	<b>0.68</b>
<b><u>Cash and cash equivalents comprises of:</u></b>						
Cash on hand	1.81	2.59	3.02	3.60	2.50	-
Cheques on hand	-	-	-	68.84	3.90	-
Balances with banks						
on current accounts	92.82	45.49	96.50	259.12	683.93	0.68
on dividend accounts	7.56	-	-	-	-	-
Short term bank deposits	-	-	-	-	50.00	-
<b>TOTAL</b>	<b>102.19</b>	<b>48.08</b>	<b>99.52</b>	<b>331.56</b>	<b>740.33</b>	<b>0.68</b>

**Note:** The above statement should be read with the notes annexed to and forming part of standalone restated financial information and significant accounting policies as appearing in Annexures IV and V.

## THE ISSUE

<b>Issue</b>	Up to [●] Equity Shares aggregating up to ₹ [●] million.
<b>Of which</b>	
<i>Fresh Issue<sup>(1)</sup></i>	[●] Equity Shares aggregating to ₹ 1,250 million.
<i>Offer for Sale<sup>(2)</sup></i>	Up to 11,869,466 Equity Shares aggregating up to ₹ [●] million.
The Issue consists of:	
QIB Category <sup>(3)(4)</sup>	At least [●] Equity Shares
<i>of which</i>	
- Available for allocation to Mutual Funds only	[●] Equity Shares
- Balance for all QIBs including Mutual Funds	[●] Equity Shares
Non-Institutional Category	Not more than [●] Equity Shares available for allocation on proportionate basis.
Retail Category <sup>(4)</sup>	Not more than [●] Equity Shares available for allocation in accordance with the ICDR Regulations.
Equity Shares outstanding prior to the Issue	96,499,716 Equity Shares
Equity Shares outstanding after the Issue	[●] Equity Shares
Use of proceeds from the Issue	See “ <i>Objects of the Issue</i> ” on page 138 of this Draft Red Herring Prospectus.

(1) *The Fresh Issue has been authorized by the Board of Directors pursuant to a resolution passed on March 16, 2015 and by the shareholders of the Company pursuant to a special resolution dated March 28, 2015 under Section 62(1)(c) of the Companies Act.*

(2) *Our Board has by way of resolution dated March 16, 2015 approved the offer for sale of up to 11,869,466 Equity Shares by the Selling Shareholders of which up to 9,891,221 Equity Shares are being offered by the Promoter Selling Shareholder and up to 1,978,245 Equity Shares are being offered by Blackstone, respectively pursuant to the Offer for Sale as part of the Issue.*

*Blackstone specifically confirms that it is offering up to 1,978,245 Equity Shares aggregating up to ₹ [●] million.*

*Blackstone specifically confirms that its board of directors has authorised the offer, sale and transfer of the Blackstone Offered Shares by way of an offer for sale pursuant to the Issue by way of a resolution dated April 3, 2015.*

*The Promoter Selling Shareholder has consented to the inclusion of his component of the Offer for Sale pursuant to the letter dated March 16, 2015.*

*Further, the IPO Committee has approved this Draft Red Herring Prospectus pursuant to its resolution dated April 22, 2015.*

*The Promoter Selling Shareholder confirms that the Equity Shares being offered in the Issue have been held by him for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus with SEBI and, to the extent that the Equity Shares being offered by him in the Offer for Sale have resulted from a bonus issue, the bonus issue has*

*been of Equity Shares held for a period of at least one year prior to the filing of this Draft Red Herring Prospectus and issued out of free reserves and share premium existing in the books of account as at the end of the financial year preceding the financial year in which this Draft Red Herring Prospectus is filed with the SEBI and such Equity Shares are not being issued by utilization of revaluation reserves or unrealized profits of our Company, and are eligible for being offered for sale in the Issue, in terms of Regulation 26(6) of the ICDR Regulations.*

*Blackstone specifically confirms that the Blackstone Offered Shares have been held by it for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus with SEBI, including the Equity Shares received pursuant to conversion of any convertible instruments held by Blackstone in accordance with Regulation 26(6) of the ICDR Regulations and, to the extent that the Blackstone Offered Shares have resulted from a bonus issue, the bonus issue has been of Equity Shares held for a period of at least one year prior to the filing of this Draft Red Herring Prospectus and issued out of free reserves and share premium existing in the books of account as at the end of the financial year preceding the financial year in which this Draft Red Herring Prospectus is filed with the SEBI and such Equity Shares are not being issued by utilization of revaluation reserves or unrealized profits of our Company, and are eligible for being offered for sale in the Issue, in terms of Regulation 26(6) of the ICDR Regulations.*

- (3) Our Company, Blackstone and the Promoter Selling Shareholder, in consultation with the Managers, may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Category. 5% of the Net QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Category shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. At least 75% of the Issue shall be Allotted to QIBs, failing which, all the application monies shall be refunded forthwith. For further details, see "Issue Procedure" on page 633 of this Draft Red Herring Prospectus.*
- (4) Subject to valid Bids received at or above the Issue Price, in the event of under-subscription in the Retail Category or the Non-Institutional Category in the Issue, the unsubscribed portion would be allowed to be met with spill over from over subscription from any other category or a combination of categories at the sole discretion of the Company, in consultation with the Managers and the Designated Stock Exchange.*

## GENERAL INFORMATION

Our Company was originally incorporated as a public limited company, with the name 'NSL Seeds Limited' under the Companies Act, 1956 by a certificate of incorporation dated March 19, 2008 and received a certificate of commencement of business dated April 9, 2008 from the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, by a fresh certificate of incorporation on conversion to a private limited company, dated June 30, 2008, the name of our Company was changed to 'NSL Seeds Private Limited'. Pursuant to a scheme of arrangement, approved by the High Court of Delhi vide its order dated May 13, 2010, the entire seed business of NSL Renewable Power Private Limited formerly known as Nuziveedu Seeds Private Limited, was transferred to and vested with our Company. Subsequently by a fresh certificate of incorporation dated September 23, 2010, issued by the Registrar of Companies, National Capital Territory of Delhi & Haryana, the name of our Company was further changed to 'Nuziveedu Seeds Private Limited'. Our Company was converted into a public limited company pursuant to a special resolution passed by our shareholders at an EGM on September 10, 2012 and its name was changed to 'Nuziveedu Seeds Limited' and it received a fresh certificate of incorporation dated September 18, 2012 consequent upon change of name on conversion to a public limited company from the Registrar of Companies, Andhra Pradesh.

Further, pursuant to a scheme of arrangement, approved by the High Court of Telangana and Andhra Pradesh vide its order dated October 21, 2014, the fertiliser undertaking of our Company was transferred to and vested in NSL Fertiliser Ventures Private Limited with effect from July 1, 2013. For further details, see the section "*History & Certain Corporate Matters*" on page 222 of this Draft Red Herring Prospectus.

### Registered & Corporate Office of our Company

Survey No. 69, Kandlakoya  
Gundla Pochampally Village  
Medchal Mandal  
Ranga Reddy District 501 401  
Telangana, India  
**Telephone:** +91 (8418) 308 888  
**Facsimile:** +91 (8418) 308 892  
**E-mail:** ipo@nuziveeduseeds.com  
**Website:** www.nuziveeduseeds.com  
**Corporate Identity No:** U74120TG2008PLC074583  
**Registration Number:** 074583

For details relating to changes in our Registered Office, see "*History and Certain Corporate Matters - Changes in registered office of our Company*" on page 222 of this Draft Red Herring Prospectus.

### Address of the Registrar of Companies

Our Company is registered at the office of:

The Registrar of Companies, Andhra Pradesh & Telangana  
2nd Floor, CPWD Building  
Kendriya Sadan, Sultan Bazar, Koti  
Hyderabad 500 195  
Telangana, India

### Board of Directors

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

Name, Designation and Occupation	Age	DIN	Address
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<b>Name, Designation and Occupation</b>	<b>Age</b>	<b>DIN</b>	<b>Address</b>
<b>Mr. Mandava Prabhakara Rao</b> <i>Designation:</i> Chairman and Managing Director (Executive Director) <i>Occupation:</i> Industrialist	56	00009650	Plot No. 543, House.No. 8-2-293/82/A543, Road No. 26 Jubilee Hills Hyderabad 500 033
<b>Mr. Sateeshkumar Puligundla</b> <i>Designation:</i> Executive Director <i>Occupation:</i> Service	57	00023149	Plot No. 31, Lake Vali Residential Society Road No. 11, Opposite, Care Hospital Road Banjara Hill Hyderabad 500 034
<b>Mrs. Mandava Asha Priya</b> <i>Designation:</i> Non-Executive Director <i>Occupation:</i> Business	52	01199936	Plot No. 543, House.No. 8-2-293/82/A543, Road No. 26 Jubilee Hills Hyderabad 500 034
<b>Mr. Richard Blaise Saldanha</b> <i>Designation:</i> Nominee Director (Non-Executive Director) <i>Occupation:</i> Service	71	00189029	24, Senor Valley Road No. 13 Jubilee Hills Hyderabad 500 033
<b>Mr. Kotaiah Pamidi</b> <i>Designation:</i> Independent Director <i>Occupation:</i> Development Professional	76	00038420	102, Pooja Pride, Plot No. 75 Srinagar Colony Hyderabad 500 073
<b>Mr. Gopala Krishna Muddusetty</b> <i>Designation:</i> Independent Director <i>Occupation:</i> Business	76	00088454	12-2-823A/23, Santosh Nagar Mehdipatnam Hyderabad 500 028
<b>Mr. Ashok Kumar Jha</b> <i>Designation:</i> Independent Director <i>Occupation:</i> Business	67	00170745	D-6/24, S/F, Road of D Block, E 1/20, Ground Floor Vasant Vihar, Opposite MCD Park New Delhi 110 057 India
<b>Mr. Mandavili Bhaskara Nageswararao</b> <i>Designation:</i> Independent Director <i>Occupation:</i> Business	66	00287260	Flat No. A906, Purva Heights 14 Bannerghatta Road Bilekahalli Bengaluru 560 076
<b>Mr. Utpal Sengupta</b> <i>Designation:</i> Independent Director <i>Occupation:</i> Consultant	65	02577237	P-411, G-Block Ground Floor, New Alipore, Kolkata - 700053

Name, Designation and Occupation	Age	DIN	Address
<b>Mr. Dilip Shripad Gokhale</b> <i>Designation:</i> Independent Director <i>Occupation:</i> Business	67	00320061	805, Sindh Society Aundh Pune 411 007 Maharashtra India

For further details and profile of our Directors, see “*Our Management*” on page 243 of this Draft Red Herring Prospectus.

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

##### **Mr. N Murali Krishna**

Survey No. 69, Kandlakoya  
Gundla Pochampally Village  
Medchal Mandal  
Ranga Reddy District - 501 401  
Telangana, India.  
**Telephone:** (91 8418) 308 888  
**Facsimile:** (91 8418) 308 892  
**E-mail:** investors@nuziveeduseeds.com

#### **Chief Financial Officer**

##### **Mr. Mannava Venkata Sharat Chandra\***

Survey No. 69, Kandlakoya,  
Gundla Pochampally Village,  
Medchal Mandal,  
Ranga Reddy District - 501 401,  
Telangana, India.  
**Telephone:** (91 8418) 308 888  
**Facsimile:** (91 8418) 308 892  
**E-mail:** cfo@nuziveeduseeds.com

*\*Mr. Mannava Venkata Sharat Chandra was appointed to act as the Chief Financial Officer of the Company (on an interim basis) by way of a board resolution dated March 16, 2015.*

Investors can contact the Compliance Officer, the Managers and 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 refund orders or non-receipt of funds by electronic mode etc.

All grievances relating to the non-ASBA process must be addressed to the Registrar to the Issue quoting the full details such as the name and address of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid cum Application Form, amount paid on application, name and address of the member of the Syndicate at the Specified Location or the Registered Broker at the Broker Centre where the Bid cum Application Form was submitted and cheque or draft number and issuing bank thereof.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker at any Broker Centre, as the case may be, giving full details such as name and address of the sole or First Bidder, Bid cum Application Form number, number of Equity Shares applied for, Bid Amount blocked, ASBA Account number, Bidders' DP ID, Client ID, PAN and name and address of the Designated Branch of the SCSB or the collection centre of the SCSB or the member of the

Syndicate at the Specified Location or the Registered Broker at the Broker Centre where the Bid cum Application Form was submitted. All grievances relating to Bids submitted through the Registered Broker may be addressed to the Stock Exchanges with a copy to the Registrar.

Further with respect to the Bid cum Application Forms submitted with the Registered Broker, the investor shall also enclose the acknowledgment from the Registered Broker in addition to the documents/ information mentioned hereinabove.

## Selling Shareholders

Blackstone specifically confirms its details as set forth below:

BLACKSTONE GPV CAPITAL PARTNERS MAURITIUS V-C LTD. is a company incorporated under the laws of Mauritius. Its registered office is located at Abax Corporate Services Limited, 6<sup>th</sup> Floor, Tower A, 1 Cyber City, Ebene, Mauritius.

For more details on Blackstone, please refer to the section “History and Other Corporate Matters” beginning on page 222 of this Draft Red Herring Prospectus.

For details of the Promoter Selling Shareholder, please refer to the sections titled “Our Management” and “Our Promoters and Group Companies” on pages 243 and 267 of this Draft Red Herring Prospectus.

Book Running Lead Managers			
<b>Axis Capital Limited</b> 1st Floor, Axis House C-2, Wadia International Centre P.B. Marg, Worli Mumbai 400 025 Maharashtra, India <b>Telephone:</b> + 91 (22) 4325 2183 <b>Facsimile :</b> +91 (22) 4325 3000 <b>Email:</b> nsl.ipo@axiscap.in <b>Website:</b> www.axiscapital.co.in <b>Investor Grievance ID:</b> complaints@axiscap.in <b>Contact Person:</b> Mr. Vivek Toshniwal <b>SEBI registration number:</b> INM000012029	<b>IDFC Securities Limited</b> Naman Chambers C-32, G Block Bandra Kurla Complex Bandra (East) Mumbai 400 051 Maharashtra, India <b>Telephone:</b> +91 (22) 6622 2600 <b>Facsimile:</b> +91 (22) 6622 2501 <b>Email:</b> nsl.ipo@idfc.com <b>Website:</b> www.idfccapital.com <b>Investor Grievance ID:</b> investorgrievance@idfc.com <b>Contact Person:</b> Mr. Akshay Bhandari <b>SEBI registration number:</b> MB/INM000011336	<b>JM Financial Institutional Securities Limited</b> (formerly JM Financial Institutional Securities Private Limited) 7th Floor, Cnergy Appasaheb Marathe Marg Prabhadevi Mumbai 400 025 Maharashtra, India <b>Telephone:</b> + 91 (22) 6630 3030 <b>Facsimile:</b> + 91 22 6630 3330 <b>Email:</b> nsl.ipo@jmfl.com <b>Website:</b> www.jmfl.com <b>Investor grievance ID:</b> grievance.ibd@jmfl.com <b>Contact Person:</b> Ms. Lakshmi Lakshmanan <b>SEBI registration number:</b> INM000010361	<b>J.P. Morgan India Private Limited</b> J.P. Morgan Tower Off C.S.T Road, Kalina Santacruz (E) Mumbai 400 098 Maharashtra, India <b>Telephone:</b> +91 22 6157 3000 <b>Facsimile:</b> +91 22 6157 3911 <b>Email ID:</b> nsl_ipo@jpmorgan.com <b>Website:</b> www.jpmypl.com <b>Investor Grievance ID:</b> investorsmb.jpmypl@jpmorgan.com <b>Contact Person:</b> Ms. Prateeksha Runwal <b>SEBI registration number:</b> INM000002970

Syndicate Members		
[●]		

Legal Counsel to our Company as to Indian law	Legal Counsel to the Managers as to Indian law	Legal Counsel to Blackstone
<b>AZB &amp; Partners</b> 24th Floor, Express Towers Nariman Point Mumbai 400 021	<b>S&amp;R Associates</b> One Indiabulls Centre 1403, Tower 2, B Wing 841 Senapati Bapat Marg	<b>AZB &amp; Partners</b> Plot No. A8 Sector 4 Noida

<b>Telephone:</b> +91 (22) 6639 6880 <b>Facsimile:</b> +91 (22) 6639 6888	Lower Parel Mumbai 400 013 <b>Telephone:</b> +91 (22) 4302 8000 <b>Facsimile:</b> +91 (22) 4302 8001	Uttar Pradesh 201 301 <b>Telephone:</b> +91 (120) 417 9999 <b>Facsimile:</b> +91 (120) 417 9900
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#### Legal Counsel to the Managers as to international law

##### **Latham & Watkins LLP**

9 Raffles Place

#42-02 Republic Plaza

Singapore 048619

**Telephone:** (+ 65) 6536 1161

**Facsimile:** (+ 65) 6536 1171

#### Registrar to the Issue

##### **Karvy Computershare Private Limited**

Karvy Selenium Tower B, Plot 31-32

Gachibowli, Financial District, Nanakramguda

Hyderabad 500 032

Telangana, India

**Telephone:** +91 (40) 6716 2222

**Facsimile:** +91 (40) 2300 1153

**Toll free number:** 1800 3454 001

**Email:** einward.ris@karvy.com

**Investor grievance ID:** nsl ipo@karvy.com

**Website:** www.karisma.karvy.com

**Contact Person:** Mr. Rakesh Santhalia

**SEBI Registration Number:** INR000000221

#### Escrow Collection Banks

[•]

#### Refund Bank(s)

[•]

#### Public Issue Account Banks

[•]

#### Statutory Auditor to our Company

##### **B S R & Associates LLP**

Chartered Accountants

ICAI Firm's Registration Number: 116231W /W-100024 8-2-618/2

8-2-618/2, Reliance Humsafar

4th Floor, Road No.11

Banjara Hills

Hyderabad 500 034

**Telephone:** +91 (40) 3046 5000

**Facsimile:** +91 (40) 3046 5299

**E-mail:** smahalingam@bsraffiliates.com

**LLP Registration Number:** AAB-8182

#### Bankers to our Company

##### **Axis Bank Limited**

Corporate Banking Branch

6-3-879/B, First Floor, G. Pulla Reddy Building

Green Lands, Begumpet, Hyderabad – 500 016

##### **Canara Bank**

Prime Corporate Branch

Shankaranarayana Building,

25, MG Road, Bengaluru 560 001

<p>Telangana  <b>Contact person:</b> Assistant Vice President  <b>Telephone:</b> +91 (40) 2325 5388 / 5309  <b>Facsimile:</b> +91 (40) 2325 5301  <b>E-mail:</b> sridhar.devulapally@axisbank.com / bl.sailaja@axisbank.com</p>	<p>Karnataka  <b>Contact person:</b> The Chief Manager  <b>Telephone:</b> +91 (80) 2559 9259 / 2558 2613  <b>Facsimile:</b> +91 (80) 2559 9108  <b>E-mail:</b> cb2636@canarabank.com</p>
<p><b>Indian Overseas Bank</b>  Rashtrapathi Road Branch  1<sup>st</sup> Floor, Kasuva Complex  Rashtrapathi Road, Secunderabad 500 003  Telangana  <b>Contact person:</b> Assistant General Manager  <b>Telephone:</b> +91 (40) 2346 8827 / 28  <b>Facsimile:</b> +91 (40) 2346 8828  <b>E-mail:</b> iob0432@iob.in</p>	<p><b>South Indian Bank</b>  Corporate Branch, Hyderabad  6-3-1085/D/G1, Dega Towers  Somajiguda, Hyderabad 500 082  Telangana  <b>Contact person:</b> Assistant General Manager  <b>Telephone:</b> +91 (40) 2341 2722  <b>Facsimile:</b> +91 (40) 2341 2722  <b>E-mail:</b> br0722@sib.co.in</p>

### Self Certified Syndicate Banks

The list of banks which are registered with the SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services in relation to ASBA, including blocking of an ASBA Account in accordance with the ICDR Regulations, is available on <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries> and updated from time to time, or at such other website as may be prescribed by SEBI from time to time. For details of the Designated Branches which shall collect Bid cum Application Forms from the ASBA Bidders, please refer to the above mentioned link.

Further, the branches of the SCSBs where the Syndicate at the Specified Locations could submit the Bid cum Application Form is provided on the website of SEBI at [www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognized-Intermediaries](http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognized-Intermediaries) and updated from time to time or at such other website as may be prescribed by SEBI from time to time.

### Registered Brokers

Bidders can submit Bid cum Application Forms in the Issue to Registered Brokers at the Broker Centres. The list of Registered Brokers is available on the websites of the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com). For further details, see “Issue Procedure” on page 633 of this Draft Red Herring Prospectus.

### Statement of Responsibilities of the Managers

The responsibilities and co-ordination by the Managers for various activities in the Issue are as follows:

Activity	Responsibility	Co-ordination
Capital structuring with the relative components and formalities such as type of instruments, etc.	Axis, IDFC, JM, JPM	Axis
Due diligence of the Company's operations/management/ business plans/legal, etc. Drafting and design of offer documents. The Book Running Lead Managers shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, Registrar of Companies and SEBI including finalisation of the Prospectus and filing with the RoC.	Axis, IDFC, JM, JPM	Axis
Drafting and approval of statutory advertisements.	Axis, IDFC, JM, JPM	IDFC
Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertisement, brochure, etc.	Axis, IDFC, JM, JPM	JPM

<b>Activity</b>	<b>Responsibility</b>	<b>Co-ordination</b>
Appointment of Registrar, Bankers to the Offer, Printers, Advertising Agency, any other intermediary.	Axis, IDFC, JM, JPM	JM
Preparation of road show marketing presentation and FAQs	Axis, IDFC, JM, JPM	JPM
International Institutional Marketing of the Offering, which will cover, inter alia, <ul style="list-style-type: none"> <li>Finalizing the list and division of investors for one to one meetings; and</li> <li>Finalizing road show schedule and investor meeting schedules</li> </ul>	Axis, IDFC, JM, JPM	JPM
Domestic Institutional Marketing of the Offering, which will cover, inter alia, <ul style="list-style-type: none"> <li>Finalizing the list and division of investors for one to one meetings; and</li> <li>Finalizing road show schedule and investor meeting schedules</li> </ul>	Axis, IDFC, JM, JPM	Axis
Retail and Non-Institutional marketing strategy which will cover, inter alia: <ul style="list-style-type: none"> <li>Formulating marketing strategies, preparation of publicity budget; Finalising media, marketing and public relations strategy including list of frequently asked questions at road shows;</li> <li>Finalising centers for holding conferences for brokers, etc.;</li> <li>Finalising collection centers and arranging for selection of underwriters and underwriting agreement; and</li> <li>Follow-up on distribution of publicity and offer material including form, Prospectus and deciding on the quantum of the offer material</li> </ul>	Axis, IDFC, JM, JPM	JM
Coordination with stock exchanges for book building software, bidding terminals and mock trading	Axis, IDFC, JM, JPM	IDFC
Finalizing of Offer Price	Axis, IDFC, JM, JPM	JPM
Post bidding activities including management of Escrow Accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs and Banks, intimation of allocation and dispatch of refund to Bidders, etc. The post offer activities of the offer will involve essential follow up steps, which include finalization of trading and dealing instruments and dispatch of certificates and demat delivery of shares, with the various agencies connected with the work such as Registrar to the Offer, Banker to the Offer and the bank handling refund business. The Book Running Lead Managers shall be responsible for ensuring that these agencies fulfill their functions and enable them to discharge the responsibility through suitable agreements with the Company. The post offer LM shall also coordinate the Anchor Issue and finalisation of underwriting agreement.	Axis, IDFC, JM, JPM	JM
Payment of the applicable Securities Transaction Tax on sale of unlisted equity shares by the Selling Shareholders included in the Offer to the Government and filing of the STT return by the prescribed due date as per Chapter VII of Finance (No. 2) Act, 2004.	Axis, IDFC, JM, JPM	JM

### **Monitoring Agency**

In terms of Regulation 16(1) of the ICDR Regulations, we are not required to appoint a monitoring agency for the purposes of this Issue as the Fresh Issue size shall not exceed ₹ 5,000 million.

### **Experts**

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

Our Company has received written consent from its Auditor, namely, BSR & Associates LLP, Chartered Accountants, to include its name as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as “Expert” as defined under Section 2(38) of the Companies Act, 2013 in respect

of the reports of the Auditor on the Restated Standalone Financial Information and on the Restated Consolidated Financial Information, both dated March 16, 2015, respectively included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Further, Laxminiwas & Co. has consented to the inclusion of the statement of tax benefits dated March 26, 2015 and to be named as an “Expert” under Section 2(38) of the Companies Act, 2013, pursuant to their letter dated April 18, 2015 in respect of the statement of tax benefits dated March 26, 2015.

Further CARE has pursuant to its letter dated April 8, 2015 consented to the disclosure of portions of and information derived from the report titled “Report on Indian Seeds Industry” dated April 3, 2015 in this Draft Red Herring Prospectus and to be named as an “Expert” under Section 2(38) of the Companies Act, 2013.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

### **Project Appraisal**

None of the objects of the Fresh Issue for which the Net Proceeds will be utilised have been appraised by any agency.

### **Credit Rating**

As this is an offer of equity shares, credit rating is not required.

### **Trustees**

As this is an offer of equity shares, the appointment of trustees is not required.

### **Book Building Process**

“Book building” refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms within the Price Band. The Price Band and the minimum Bid Lot will be decided by the Company, Blackstone and the Promoter Selling Shareholder, in consultation with the Managers, and advertised at least five Working Days prior to the Bid/Issue Opening Date. The Issue Price shall be determined by our Company, Blackstone and the Promoter Selling Shareholder, in consultation with the Managers, after the Bid/Issue Closing Date. The principal parties involved in the Book Building Process are:

- (1) our Company;
- (2) the Selling Shareholders;
- (3) the Managers;
- (4) Syndicate Members;
- (5) Registrar to the Issue;
- (6) Escrow Collection Banks, Refund Banks and Public Issue Account Banks;
- (7) SCSBs; and
- (8) Registered Brokers.

In terms of Rule 19(2)(b)(iii) of the SCRR, this is an Issue for at least 10% of the post-Issue capital. The Issue is being made through the Book Building Process, in reliance of Regulation 26(2) of the ICDR Regulations, wherein at least 75% of the Issue shall be Allotted on a proportionate basis to QIBs. Our Company, Blackstone and the Promoter Selling Shareholder may, in consultation with the Managers, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis at the Anchor Investor Allocation Price, out of which at least one-third shall be reserved for domestic Mutual Funds only subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. For further details, see “*Issue Procedure*” on page 633 of this Draft Red Herring Prospectus. An Anchor Investor shall make a minimum Bid of such number of Equity Shares that the Bid Amount is at least ₹ 100 million. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Category.

Such number of Equity Shares representing 5% of the Net QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Category shall be available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. If at least 75% of the Issue cannot be Allotted to QIBs, all the application monies shall be refunded forthwith.

Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Issue shall be available for allocation to Retail Individual Investors, in accordance with the ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Under-subscription in the Retail Category or the Non-Institutional Category, if any, 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 Managers and the Designated Stock Exchange.

**In accordance with the ICDR Regulations, QIBs Bidding in the Net QIB Category and Non-Institutional Investors bidding in the Non-Institutional Category are not allowed to withdraw or lower the size of their Bid(s) (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage and Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Retail Individual Investors can revise their Bids during the Bid/Issue Period and withdraw their Bids until finalisation of the Basis of Allotment. Further, allocation to QIBs in the Net QIB Category will be on a proportionate basis and allocation to the Anchor Investors will be on a discretionary basis.** For further details, see “*Issue Structure*” and “*Issue Procedure*” on pages 628 and 633 of this Draft Red Herring Prospectus, respectively.

Our Company and the Promoter Selling Shareholder will comply with the ICDR Regulations and any other ancillary directions issued by the SEBI for the Issue. Blackstone specifically confirms that it will comply with the ICDR Regulations and any other ancillary directions issued by SEBI, as applicable to it in relation to the Blackstone Offered Shares. Our Company and the Selling Shareholders have appointed the Managers to manage the Issue and procure subscriptions to the Issue.

**The Book Building Process is subject to change. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.**

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

- Check eligibility for making a Bid. For further details, see “*Issue Procedure*” on page 633 of this Draft Red Herring Prospectus.
- Ensure that you have an active demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure that the Bid cum Application Form is duly completed as per the instructions given in the Red Herring Prospectus and in the respective forms;
- Except for bids on behalf of the Central or State Governments and the officials appointed by the courts and by investors residing in the State of Sikkim, for Bids of all values ensure that you have mentioned your



PAN allotted under the I.T. Act in the Bid cum Application Form (see “*Issue Procedure*” on page 633 of this Draft Red Herring Prospectus). The exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants’ verifying the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims;

- Ensure the correctness of your demographic details such as the address, the bank account details for printing on refund orders and occupation (“**Demographic Details**”), given in the Bid cum Application Form, with the details recorded with your Depository Participant;
- Ensure the correctness of your PAN, DP ID and Client ID given in the Bid cum Application Form. Based on these parameters, the Registrar will obtain details of the Bidders from the Depositories including the Bidder’s name, bank account number etc.
- Bids by ASBA Bidders will have to be submitted to the Designated Branches or the Syndicate in the Specified Locations or the Registered Brokers at the Broker Centres in physical form. It may also be submitted in electronic form to the Designated Branches of the SCSBs only. ASBA Bidders should ensure that their bank accounts have adequate credit balance at the time of submission to the SCSB to ensure that Bid cum Application Form submitted by the ASBA Bidders is not rejected. Ensure that the SCSB where ASBA Accounts (as specified in the Bid cum Application Form) are maintained has named at least one branch at the Specified Location or the Broker Centre for the members of the Syndicate or the Registered Broker, respectively, to deposit Bid cum Application Forms;
- Bids by non-ASBA Bidder, will have to be submitted to the Syndicate (or their authorised agents) at the Syndicate Locations or the Registered Brokers at the Broker Centres; and
- Bids by QIBs, including Anchor Investors, will have to be submitted to the Managers or their affiliates.

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

*(Investors should note that the following is solely for the purpose of illustration and is not specific to the Issue. It also excludes bidding by Anchor Investors or under the ASBA process.)*

Bidders can Bid at any price within the Price Band. For instance, assuming a price band of ₹ 20 to ₹ 24 per share, an offer size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centres during the bidding period. The illustrative book as shown below indicates the demand for the shares of the issuer company at various prices and is collated from bids from various investors.

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

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to offer the desired number of shares is the price at which the book cuts off, i.e. ₹ 22 in the above example. The issuer and the selling shareholders, in consultation with the Managers, will finalise the Issue Price at or below such cut-off, i.e. at or below ₹ 22. All bids at or above the offer price and cut-off price are valid bids and are considered for allocation in the respective categories.

#### **Allotment to Retail Individual Investors and Minimum Bid Lots**

In the event, the Bids received from Retail Individual Investors exceeds [●] Equity Shares, then the maximum number of Retail Individual Investors who can be Allotted the minimum Bid Lot will be computed by dividing

the total number of the Equity Shares available for Allotment to Retail Individual Investors by the minimum Bid Lot (“**Maximum RII Allottees**”). The Allotment to Retail Individual Investors will then be made in the following manner:

1. In the event the number of Retail Individual Investors who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) Retail Individual Investors shall be Allotted the minimum Bid Lot; and (ii) the balance Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the Retail Individual Investors who have received Allotment as per (i) above for less than the Equity Share Bid by them (i.e. who have Bid for more than the minimum Bid Lot).
2. In the event the number of Retail Individual Investors who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the Retail Individual Investors (in that category) who will then be Allotted minimum Bid Lot shall be determined on draw of lots basis.

For details, see the section titled “*Issue Procedure*” on page 633 of this Draft Red Herring Prospectus.

### Issue Programme

ISSUE OPENS ON	[●]*
ISSUE FOR QIBS CLOSING ON	[●]**
ISSUE FOR RETAIL AND NON-INSTITUTIONAL INVESTORS CLOSING ON	[●]*
FINALISATION OF BASIS OF ALLOTMENT	[●]
INITIATION OF REFUNDS	[●]
CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS	[●]
COMMENCEMENT OF TRADING	[●]

\* Our Company, Blackstone and the Promoter Selling Shareholder in consultation with the Managers, may consider participation by Anchor Investors in accordance with the ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.

\*\* Our Company, Blackstone and the Promoter Selling Shareholder in consultation with the Managers, may decide to close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the ICDR Regulations.

**This timetable, other than Bid/Issue Opening Date and the Bid/Issue Closing Date, is indicative in nature and does not constitute any obligation or liability on our Company, the Selling Shareholders or the members of the Syndicate. While our Company shall ensure that listing and trading of our Equity Shares on the Stock Exchanges commences within 12 Working Days of the Bid/Issue Closing Date, the timetable may be subject to change for various reasons, including extension of the Issue Period by our Company, Blackstone and the Promoter Selling Shareholder, revision of the Price Band or any delays in receipt of final listing and trading approvals from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges in accordance with applicable law.**

Except in relation to Bids received from Anchor Investors, the Bids and any revision in Bids shall be accepted only between **10.00 a.m. and 5.00 p.m. IST** during the Issue Period, except on the Bid/Issue Closing Date, as mentioned above at the Syndicate Bidding Centres mentioned on the Bid cum Application Form, or, the Designated Branches (in case of Bids submitted by the ASBA Bidders) or the members of the Syndicate at the Specified Locations or by the Registered Brokers at the Broker Centres.

On the Bid/Issue Closing Date, the Bids and any revision in the Bids, shall be accepted only between **10.00 a.m. and 3.00 p.m. IST** and uploaded until (i) 4.00 p.m. IST, in case of Bids by QIBs (Bidding under the Net QIB Category) and Non-Institutional Investors, or such extended time as permitted by the Stock Exchanges, and (ii) 5.00 p.m. IST in case of Bids by Retail Individual Investors, or such extended time as permitted by the Stock Exchanges. It is clarified that Bids not uploaded would be rejected.

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 1.00 p.m. (IST) on the Bid/Issue Closing Date. 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 offerings, some Bids may not get uploaded

due to lack of sufficient time. Investors please note that as per letter no. List/smd/sm/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by the BSE and the NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and holidays as declared by the Stock Exchanges. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on Working Day. Bids by ASBA Bidders shall be uploaded in the electronic system to be provided by the Stock Exchanges either by (i) a Syndicate/Sub Syndicate, (ii) an SCSB, or (iii) Registered Brokers. Neither the Company, Blackstone, the Promoter Selling Shareholder nor any Syndicate/Sub Syndicate is liable for any failure in downloading the Bids due to faults in any software/hardware system or otherwise. None amongst our Company, the Selling Shareholders or members of the Syndicate shall be liable for any failure in uploading Bids due to faults in any software and/or hardware system or otherwise.

On the Bid/Issue Closing Date, extension of time may be granted by the Stock Exchanges only for uploading the Bids received by Retail Individual Investors after taking into account the total number of Bids received up to the closure of time period for acceptance of Bid cum Application Forms as stated herein and reported by the Managers to the Stock Exchange within half an hour of such closure.

The Price Band will be decided by our Company, Blackstone and the Promoter Selling Shareholder, in consultation with the Managers. The announcement of the Price Band shall also be made available on the websites of the Managers and at the terminals of the Syndicate.

Our Company, Blackstone and the Promoter Selling Shareholder, in consultation with the Managers, reserve the right to revise the Price Band during the 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 disclosed at least five days prior to the Bid/Issue Opening Date and the Cap Price will be revised accordingly.

In case of revision of the Price Band, the Bid/Issue Period will be extended for a minimum of 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 BSE and the NSE, by issuing a press release and also by indicating the changes on the web site of the Managers and at the terminals of the Syndicate.

### **Underwriting Agreement**

After the determination of the Issue Price and allocation of the Equity Shares, but prior to filing of the Prospectus with the RoC, our Company, Blackstone and the Promoter Selling Shareholder intend to enter into the Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

*(This portion has been intentionally left blank and will be completed before filing of the Prospectus with the RoC.)*

<b>Details of the Underwriters</b>	<b>Indicated Number of Equity Shares to be Underwritten</b>	<b>Amount Underwritten (In ₹ million)</b>
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]
Total	[●]	[●]

*The above-mentioned amount is indicative and will be finalised after determination of the Issue Price and finalization of the 'Basis of Allotment'.*

In the opinion of our Board (based on a certificate given by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges. Our Board, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in the proportion of their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors procured by them in accordance with the Underwriting Agreement.

Axis Bank Limited, an affiliate of one of our Underwriters, Axis Capital Limited, had, along with three other lenders, entered into a ₹ 4,400 million working capital consortium agreement dated July 2, 2014 with our Company, pursuant to which Axis Bank Limited loaned our Company ₹ 1,000 million. Our Company intends to utilise ₹ [●] from the Net Proceeds to repay some or all of the outstanding principal amount under the working capital consortium agreement. For further details on the working capital consortium agreement, see the section titled “*Financial Indebtedness – Working Capital Facilities – Axis Bank Limited, Canara Bank, Indian Overseas Bank and South Indian Bank (as the Consortium)*” on page 426 of this Draft Red Herring Prospectus.

The underwriting arrangements mentioned above shall not apply to the applications by the ASBA Bidders in the Issue, except for ASBA Bids procured by any member of the Syndicate, or to Bids submitted to the Registered Brokers.

## CAPITAL STRUCTURE

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

(In ₹)

	Aggregate nominal value	Aggregate value at Issue Price
<b>A) AUTHORISED SHARE CAPITAL <sup>(a)</sup></b>		
250,000,000 Equity Shares	2,500,000,000	
1,000,000 Preference Shares	1,000,000,000	
<b>Total</b>	<b>3,500,000,000</b>	
<b>B) ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL BEFORE THE ISSUE</b>		
96,499,716 Equity Shares	964,997,160	
<b>C) PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>		
Up to [●] Equity Shares	[●]	[●]
<i>Of which:</i>		
Fresh Issue of [●] Equity Shares <sup>(b)</sup>	[●]	[●]
Offer for Sale of up to 11,869,466 Equity Shares <sup>(c)</sup>	[●]	[●]
<b>D) PRESENT ISSUE</b>		
[●] Equity Shares	[●]	[●]
<i>Of which</i>		
QIB Category of at least [●] Equity Shares	[●]	[●]
<i>Of which</i>		
- Available for allocation to Mutual Funds only	[●]	[●]
- Balance for all QIBs including Mutual Funds	[●]	[●]
Non Institutional Category of not more than [●] Equity Shares	[●]	[●]
Retail Category of not more than [●] Equity Shares	[●]	[●]
<b>D) ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE</b>		
[●] Equity Shares	[●]	
<b>E) SECURITIES PREMIUM ACCOUNT</b>		
Before the Issue	Nil	
After the Issue	[●]	

(a) Details of changes in our Company's authorised share capital since incorporation:

S No.	Date of AGM/ EGM resolution	Change in authorised share capital
1.	May 10, 2010	Increase of authorised share capital from ₹ 500,000 divided into 50,000 Equity Shares to ₹ 100,000,000 divided into 10,000,000 Equity Shares.
2.	February 15, 2011	Increase of authorised share capital from ₹ 100,000,000 divided into 10,000,000 Equity Shares to ₹ 2,600,000,000 divided into 10,000,000 Equity Shares and 2,500,000 Preference Shares.
3.	July 23, 2012	Increase of authorised share capital from ₹ 2,600,000,000 divided into 10,000,000 Equity Shares and 2,500,000 Preference Shares to ₹ 3,400,000,000 divided into 90,000,000 Equity Shares and 2,500,000 Preference Shares.
4.	January 16, 2013	Increase of authorised share capital from ₹ 3,400,000,000 divided into 90,000,000 Equity Shares and 2,500,000 Preference Shares to ₹ 3,500,000,000 divided into 100,000,000 Equity Shares and 2,500,000 Preference Shares.
5.	March 28, 2015	Reclassification of authorised share capital from ₹ 3,500,000,000 divided into 100,000,000 Equity Shares and 2,500,000 Preference shares to ₹ 3,500,000,000 divided into 250,000,000 Equity Shares and 1,000,000 Preference Shares.

(b) The Fresh Issue has been authorized by the Board of Directors pursuant to a resolution passed on March 16, 2015 and by the shareholders of the Company pursuant to a special resolution dated March 28, 2015 under Section 62(1)(c) of the Companies Act.

Further, our Board has by way of resolution dated March 16, 2015 approved the offer for sale of up to 11,869,466 Equity Shares by the Selling Shareholders of which up to 9,891,221 Equity Shares are being offered by the Promoter Selling Shareholder and up to 1,978,245 Equity Shares are being offered by Blackstone, respectively by way of the Offer for Sale pursuant to the Issue.

Blackstone specifically confirms that its board of directors has authorised the offer, sale and transfer of the Blackstone Offered Shares by way of an offer for sale pursuant to the Issue by way of a board resolution dated April 3, 2015.

The Promoter Selling Shareholder has consented to the inclusion of his component of the Offer for Sale pursuant to the letter dated March 16, 2015.

The Promoter Selling Shareholder confirms that the Equity Shares being offered in the Issue by him have been held by him for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus with SEBI and, to the extent that the Equity Shares being offered by him in the Offer for Sale have resulted from a bonus issue, the bonus issue has been of Equity Shares held for a period of at least one year prior to the filing of this Draft Red Herring Prospectus and issued out of free reserves and share premium existing in the books of account as at the end of the financial year preceding the financial year in which this Draft Red Herring Prospectus is filed with the SEBI and such Equity Shares are not being issued by utilization of revaluation reserves or unrealized profits of our Company, and are eligible for being offered for sale in the Offer for Sale, in terms of Regulation 26(6) of the ICDR Regulations.

Blackstone specifically confirms that the Blackstone Offered Shares have been held by it for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus with SEBI, including the Equity Shares received pursuant to conversion of any convertible instruments held by Blackstone in accordance with Regulation 26(6) of the ICDR Regulations and, to the extent that the Blackstone Offered Shares have resulted from a bonus issue, the bonus issue has been of Equity Shares held for a period of at least one year prior to the filing of this Draft Red Herring Prospectus and issued out of free reserves and share premium existing in the books of account as at the end of the financial year preceding the financial year in which this Draft Red Herring Prospectus is filed with the SEBI and such Equity Shares are not being issued by utilization of revaluation reserves or unrealized profits of our Company, and are eligible for being offered for sale in the Offer for Sale, in terms of Regulation 26(6) of the ICDR Regulations.

Further, the IPO Committee has approved this Draft Red Herring Prospectus pursuant to its resolution dated April 22, 2015.

- (c) Our Company, Blackstone and the Promoter Selling Shareholder, in consultation with the Managers, may allocate up to 60% of the QIB Category, consisting of [●] Equity Shares, to Anchor Investors on a discretionary basis in accordance with the ICDR Regulations. One third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In case of under-subscription in the Anchor Investor Portion, the remaining Equity Shares will be added back to the Net QIB Category. For more information, see “*Issue Procedure*” on page 633 of this Draft Red Herring Prospectus.

## **Notes to the Capital Structure**

### **1. Share Capital History**

#### **(a) *History of share capital of our Company***

The following table sets forth the history of the Equity Share capital of our Company:

Date of allotment/transaction	Number of Equity Shares	Face value (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reasons for allotment	Cumulative number of Equity Shares	Cumulative paid up Equity Share capital (₹)
March 19, 2008	50,000	10	10	Cash	Subscription to Memorandum <sup>(1)</sup>	50,000	500,000
June 16, 2010	4,000,222	10	-	Other than cash	Allotment pursuant to the Scheme of Arrangement <sup>(2)</sup>	4,050,222	40,502,220
December 28, 2010	5,700,000	10	10	Cash	Preferential allotment <sup>(3)</sup>	9,750,222	97,502,220
February 9, 2011	10	10	850	Cash	Preferential allotment pursuant to the Blackstone Investment Agreement <sup>(4)</sup>	9,750,232	97,502,320
August 10, 2012	78,001,856	10	-	Other than cash	Bonus issue in the ratio of 1:8 <sup>(5)</sup>	87,752,088	877,520,880
January 21, 2013	8,522,430	10	264.01 <sup>(6)</sup>	Cash	Preferential allotment pursuant to the Blackstone Investment Agreement on conversion of 2,250,000 Preference Shares <sup>(7)</sup>	96,274,518	962,745,180
May 27, 2013	(1,587,901)	10	-	Cash	Buyback of Equity Shares from existing shareholders <sup>(8)</sup>	94,686,617	946,866,170
January 2, 2014	1,813,099	10	137.89 <sup>(9)</sup>	Cash	Preferential allotment pursuant to the Blackstone Investment Agreement on conversion of 250,000 Preference Shares <sup>(7)</sup>	96,499,716	964,997,160

(1) Subscription to Memorandum of Association by Mr. Mandava Prabhakara Rao (24,975), Mrs. Mandava Asha Priya (24,975), Mr. Nelluri Bapuji (10), Mr. Savaram Sai Subbarao (10), Mr. Aala Veera Venkata Siva Prasad (10), Mr. Yasangi Madhu Babu (10), and Mr. Gowrneni Seshu Kumar (10), being the original subscribers to the Memorandum of Association.

(2) Pursuant to a scheme of arrangement sanctioned by the High Court of Delhi through its order dated May 13, 2010, the seeds business of Nuziveedu Seeds Private Limited (now known as NSL Renewable Power Private Limited) was transferred to our Company with effect from the appointed date, i.e., April 1, 2010. In furtherance of the scheme of arrangement, an aggregate of 4,000,222 Equity Shares were allotted to Mr. Mandava Prabhakara Rao (3,225,970), Mrs. Mandava Asha Priya (746,670), Mr. M. Srinivasa Rao (240), and Mr. M. Venkatram Chowdary (27,342), the then existing shareholders of Nuziveedu Seeds Private Limited (now known as NSL Renewable Power Private Limited) in the ratio of one Equity Share for every five equity shares of Nuziveedu Seeds Private Limited (now known as NSL Renewable Power Private Limited) held as on the record date. For details of Equity Shares allotted pursuant to the scheme of arrangement, see “– Notes to Capital Structure – Details of Equity Shares issued pursuant to the scheme of arrangement” below. For further details of the scheme of arrangement, see “History and Certain Corporate Matters - Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets – Scheme of arrangement between our Company, Nuziveedu Seeds Private Limited (presently known as NSL Renewable Power Private Limited) (“Transferor Company”), Mandava Holdings Private Limited, NSL Properties Private Limited, NSL

SEZ (Chennai) Private Limited, Ascendant Estates Private Limited and their respective shareholders and creditors.” on page 226 of this Draft Red Herring Prospectus.

- (3) Preferential allotment to Mandava Holdings Private Limited.
- (4) Preferential allotment to Blackstone.
- (5) Pursuant to the approval of the shareholders granted at its annual general meeting held on July 23, 2012, 78,001,856 Equity Shares were allotted by way of a bonus issue to the existing shareholders of the Company in the proportion of eight Equity Shares for every one fully paid-up Equity Share held on July 20, 2012. The bonus Equity Shares were issued by capitalisation of the free reserves and surplus lying to the credit of the Company as on March 31, 2012 to the following persons: Mr. Mandava Prabhakara Rao (22,107,960), Mrs. Mandava Asha Priya (6,173,160), Mr. M Venkat Ram Chowdary (218,736), Mandava Holdings Private Limited (45,600,000), Mr. M. Srinivasa Rao (1,920), Portrait Properties Private Limited (2,340,000), Gooddeal Developers Private Limited (1,560,000), Blackstone (80).
- (6) 2,250,000 Preference Shares allotted to Blackstone were converted to 8,522,430 Equity Shares on January 21, 2013 in terms of the Blackstone Investment Agreement. On account of the above, at the time of issue of Equity Shares on account of conversion of the Preference Shares, the aggregate amount considered for the conversion was ₹ 2,250 million. On account of the above, the issue price of Equity Shares on account of conversion of preference shares has been treated as ₹ 264.01.
- (7) Preferential allotment to Blackstone.
- (8) Pursuant to the approval of the shareholders granted at the general meeting held on May 8, 2013, 1,587,901 Equity Shares were bought back by the Company at a price of ₹ 529 per Equity Share from the then existing shareholders of the Company who participated in the buy back.
- (9) 250,000 Preference Shares allotted to Blackstone were converted to 1,813,099 Equity Shares on January 2, 2014 in terms of the Blackstone Investment Agreement. On account of the above, at the time of issue of Equity Shares on account of conversion of the Preference Shares, the aggregate amount considered for the conversion was ₹ 250 million. On account of the above, the issue price of Equity Shares on account of conversion of preference shares has been treated as ₹ 137.89.

The following table sets forth the history of the preference share capital of our Company:

Date of transaction	Number of preference shares	Face value (₹)	Issue price per preference share (₹)	Nature of consideration	Reasons for allotment	Cumulative number of preference shares	Cumulative paid-up preference share capital (₹)
February 18, 2011	2,500,000	1,000	1,000	Cash	Preferential allotment <sup>(1)</sup>	2,500,000	2,500,000,000
January 21, 2013	(2,250,000)	1,000	-	-	Conversion of Preference Shares <sup>(2)</sup>	250,000	250,000,000
January 2, 2014	(250,000)	1,000	-	-	Conversion of Preference Shares <sup>(3)</sup>	-	-

<sup>(1)</sup> In terms of the Blackstone Investment Agreement, 2,500,000 Preference Shares were allotted to Blackstone. For further details of the Blackstone Investment Agreement, see “History and Certain Corporate Matters – Material Agreements” on page 228 of this Draft Red Herring Prospectus.

<sup>(2)</sup> In terms of the Blackstone Investment Agreement and pursuant to the resolution of the shareholders dated January 16, 2013, 2,250,000 Preference Shares were converted into 8,522,430 Equity Shares.

<sup>(3)</sup> In terms of the Blackstone Investment Agreement and pursuant to the resolution of the shareholders dated January 2, 2014, 250,000 Preference Shares were converted into 1,813,099 Equity Shares.

As on the date of this Draft Red Herring Prospectus, our Company does not have any outstanding preference shares.

**(b) Equity Shares issued for consideration other than cash**

Date of allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons for allotment	Allottees	Benefit accrued to the Company
June 16, 2010	4,000,222	10	-	Allotment pursuant to the	To the existing	Transfer of the seeds business from



Date of allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons for allotment	Allottees	Benefit accrued to the Company
				scheme of arrangement <sup>(1)</sup> .	shareholders of Nuziveedu Seeds Private Limited (now known as NSL Renewable Power Private Limited)	Nuziveedu Seeds Private Limited (now known as NSL Renewable Power Private Limited) to our Company.
August 10, 2012	78,001,856	10	-	Bonus issue in the ratio of 1:8 <sup>(2)</sup>	To the existing shareholders of the Company	-

<sup>(1)</sup> Pursuant to a scheme of arrangement sanctioned by the High Court of Delhi through its order dated May 13, 2010, the seeds business of Nuziveedu Seeds Private Limited (now known as NSL Renewable Power Private Limited) was transferred to our Company with effect from the appointed date, that is, April 1, 2010. In furtherance of the scheme of arrangement, an aggregate of 4,000,222 Equity Shares were allotted to the then existing shareholders of Nuziveedu Seeds Private Limited (now known as NSL Renewable Power Private Limited) in the ratio of one Equity Share for every five equity shares of Nuziveedu Seeds Private Limited (now known as NSL Renewable Power Private Limited) held as on April 1, 2010. For details of Equity Shares allotted pursuant to the scheme of arrangement, see “– Notes to Capital Structure – Details of Equity Shares issued pursuant to the scheme of arrangement” below. For further details of the scheme of arrangement, see “History and Certain Corporate Matters - Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets – Scheme of arrangement between our Company, Nuziveedu Seeds Private Limited (presently known as NSL Renewable Power Private Limited) (“Transferor Company”), Mandava Holdings Private Limited, NSL Properties Private Limited, NSL SEZ (Chennai) Private Limited, Ascendant Estates Private Limited and their respective shareholders and creditors.” on page 226 of this Draft Red Herring Prospectus.

<sup>(2)</sup> Pursuant to the approval of the shareholders granted at its annual general meeting held on July 23, 2012, 78,001,856 Equity Shares were allotted by way of a bonus issue to the existing shareholders of the Company in the proportion of eight Equity Shares for every one fully paid-up Equity Share held on July 20, 2012. The bonus Equity Shares were issued by capitalisation of the free reserves and surplus lying to the credit of the Company as on March 31, 2012.

## 2. Details of Equity Shares issued pursuant to the scheme of arrangement

In terms of the scheme of arrangement sanctioned by the High Court of Delhi through its order dated May 13, 2010 for the transfer of the seeds business of Nuziveedu Seeds Private Limited (now known as NSL Renewable Power Private Limited) to our Company, on June 16, 2010, our Company allotted an aggregate of 4,000,222 Equity Shares to the then existing equity shareholders of Nuziveedu Seeds Private Limited (now known as NSL Renewable Power Private Limited).

For further details of the scheme of arrangement, see “History and Certain Corporate Matters - Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets – Scheme of arrangement between our Company, Nuziveedu Seeds Private Limited (presently known as NSL Renewable Power Private Limited) (“Transferor Company”), Mandava Holdings Private Limited, NSL Properties Private Limited, NSL SEZ (Chennai) Private Limited, Ascendant Estates Private Limited and their respective shareholders and creditors.” on page 226 of this Draft Red Herring Prospectus.

## 3. History of Build up, Contribution and Lock-in of Promoters’ Shareholding

### a) Build up of Promoters’ shareholding in our Company

Details of the build up of the equity shareholding of our Promoters in our Company are as follows:

Name of the Promoter	Date of allotment/ transfer and when the Equity Shares were made fully paid up	Number of Equity Shares*	Face value (₹)	Issue/ Acquisition/Sale Price per Equity Share (₹)	% of pre-Issue Capital	% of post-Issue Capital	Nature of consideration	Nature of Transaction	Source of funds
<b>Mandava Prabhakara Rao#</b>	March 19, 2008	24,975	10	10	0.03	[●]	Cash	Allotment to subscribers to Memorandum of Association	Own funds
	June 16, 2010	3,225,970	10	-	3.34	[●]	Other cash than	Pursuant to scheme of arrangement*	N.A.
	March 28 2011	10	10	10	Negligible	[●]	Cash	Purchase of 10 Equity Shares from Mr. A.V.V. Siva Prasad.	Own funds
	March 28 2011	10	10	10	Negligible	[●]	Cash	Purchase of 10 Equity Shares from Mr. G. Seshu Kumar.	Own funds
	March 28 2011	10	10	10	Negligible	[●]	Cash	Purchase of 10 Equity Shares from Mr. Y. Madhu Babu.	Own funds
	March 28 2011	10	10	10	Negligible	[●]	Cash	Purchase of 10 Equity Shares from Mr. N. Bapuji.	Own funds
	March 28 2011	10	10	10	Negligible	[●]	Cash	Purchase of 10 Equity Shares from Mr. S Sai Subbarao.	Own funds
	March 27, 2012	(487,500)	10	83	(0.51)%	[●]	Cash	Sale of 292,500 Equity Shares to Portrait Properties Private Limited and 195,000 Equity Shares to Gooddeal Developers Private Limited.	N.A.
	August 10, 2012	22,107,960	10	-	22.91%	[●]	Other cash than	Bonus issue in the ratio of 1:8**	N.A.
	October 11, 2013	(10)	10	-	Negligible	[●]	Other cash than	Gift/Transfer of 10 Equity Shares to Mrs. Bollineni Aishwarya	N.A.
<b>Total</b>		<b>24,871,445</b>			<b>25.77</b>				
<b>Mandava Holdings Private Limited</b>	December 28, 2010	5,700,000	10	10	5.91%	[●]	Cash	Preferential allotment	Internal accruals
	August 10, 2012	45,600,000	10	-	47.25 %	[●]	Other cash than	Bonus issue in the ratio of 1:8**	N.A.
	September 26, 2013	2,632,500	10	515.89##	2.73%	[●]	Other cash than	Transfer of Equity Shares from Portrait Properties Private Limited***	N.A.

Name of the Promoter	Date of allotment/ transfer and when the Equity Shares were made fully paid up	Number of Equity Shares*	Face value (₹)	Issue/ Acquisition/Sale Price per Equity Share (₹)	% of pre-Issue Capital	% of post-Issue Capital	Nature of consideration	Nature of Transaction	Source of funds
	September 26, 2013	307,665	10	515.89 <sup>##</sup>	0.32%	[●]	Other cash	than Transfer of Equity Shares from Gooddeal Developers Private Limited***	N.A
<b>Total</b>		<b>54,240,165</b>			<b>56.21</b>				
<b>Total Promoter Holding</b>		<b>79,111,610</b>							

# Certain Equity Shares held by Mr. Mandava Prabhakara Rao are subject to certain call and put options pursuant to the Vantage Call Option Agreement and the Blackstone Investment Agreement. These options will either be exercised prior to the Red Herring Prospectus or cease to exist. For further details of these options, please see “History and Certain Corporate Matters – Material Agreements” on page 228 of this Draft Red Herring Prospectus.

\* Pursuant to a scheme of arrangement sanctioned by the High Court of Delhi through its order dated May 13, 2010, the seeds business of Nuziveedu Seeds Private Limited (now known as NSL Renewable Power Private Limited) was transferred to our Company with effect from the appointed date, that is, April 1, 2010. In furtherance of the scheme of arrangement, an aggregate of 4,000,222 Equity Shares were allotted to the then existing shareholders of Nuziveedu Seeds Private Limited (now known as NSL Renewable Power Private Limited) in the ratio of one Equity Share for every five equity shares of Nuziveedu Seeds Private Limited (now known as NSL Renewable Power Private Limited) held as on April 1, 2010. For details of Equity Shares allotted pursuant to the scheme of arrangement, see “– Notes to Capital Structure – Details of Equity Shares issued pursuant to the scheme of arrangement” below. For further details of the scheme of arrangement, see “History and Certain Corporate Matters - Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets – Scheme of arrangement between our Company, Nuziveedu Seeds Private Limited (presently known as NSL Renewable Power Private Limited) (“Transferor Company”), Mandava Holdings Private Limited, NSL Properties Private Limited, NSL SEZ (Chennai) Private Limited, Ascendant Estates Private Limited and their respective shareholders and creditors.” on page 226 of this Draft Red Herring Prospectus.

\*\* Pursuant to the approval of the shareholders granted at its annual general meeting held on July 23, 2012, 78,001,856 Equity Shares were allotted by way of a bonus issue to the existing shareholders of the Company in the proportion of eight Equity Shares for every one fully paid-up Equity Share held on July 20, 2012. The bonus Equity Shares were issued by capitalisation of the free reserves and surplus lying to the credit of the Company as on March 31, 2012.

\*\*\* Pursuant to a scheme of amalgamation sanctioned by the High Court of Andhra Pradesh through its order dated June 13, 2013, Gooddeal Developers Private Limited and Portrait Properties Private Limited were merged with and into Mandava Holdings Private Limited with effect from the appointed date of, January 1, 2013. In furtherance of the scheme of amalgamation, 2,632,500 Equity Shares held by Portrait Properties Private Limited and 307,665 Equity Shares held by Gooddeal Developers Private Limited were transferred to the transferee company, Mandava Holdings Private Limited.

## Pursuant to the scheme of amalgamation between Mandava Holdings Private Limited, Gooddeal Developers Private Limited and Portrait Properties Private Limited sanctioned by the High Court of Andhra Pradesh through its order dated June 13, 2013, the transfer of Equity Shares held by Gooddeal Developers Private Limited and Portrait Properties Private Limited to Mandava Holdings Private Limited, were accounted at fair value, as prescribed by the scheme of amalgamation.

Note: Except for 28,116,762 Equity Shares representing 29.14% of the issued and paid-up capital of the Company, pledged and/or encumbered by our Promoters with Axis Trustee Services Limited in connection with the bonds issued and loans taken by our corporate Promoter and for loans availed from IFCI Limited, none of the Equity Shares held by our Promoters are pledged or otherwise encumbered.

Pursuant to one of the agreements executed by our Promoters in connection with the pledge of the Equity Shares, upon the occurrence of certain default events, such pledged shares are required to be sold. Axis Capital Limited, one of the Managers to the Issue has been appointed as the sale arranger for the sale of such pledged shares. In terms of such arrangement, Axis Capital Limited is required to use its reasonable efforts to procure a purchaser for the sale of the pledged shares, failing which, Axis Capital Limited is obliged to purchase or fund the purchase of the pledged shares in accordance with the terms of the arrangement entered into in this regard.

For details relating to the cost of acquisition of Equity Shares by the above shareholders, see “*Risk Factors – Prominent Notes*” on page 75 of this Draft Red Herring Prospectus.

**b) Shareholding of our Promoters, directors of our Promoters and Promoter Group**

Details of the Equity Shares held by our Promoters, directors of our corporate Promoter and members of the Promoter Group are as follows:

S No.	Name of shareholder	Pre-Issue		Post-Issue	
		Number of Equity Shares	%	Number of Equity Shares	%
Promoters					
1.	Mandava Prabhakara Rao*	24,871,445	25.77	[●]	[●]
2.	Mandava Holding Private Limited	54,240,165	56.21	[●]	[●]
Promoter Group					
3.	Mandava Asha Priya*	6,944,805	7.20	[●]	[●]
4.	M Venkat Ram Chowdary	246,078	0.26	[●]	[●]
5.	M Srinivasa Rao	2,160	Negligible	[●]	[●]
6.	Bollineni Aishwarya	10	Negligible	[●]	[●]

\* Mr. Mandava Prabhakara Rao and Mrs. Mandava Asha Priya are also directors on the board of Mandava Holdings Private Limited, our corporate Promoter.

**c) The details of the shareholding of the Selling Shareholders are as follows:**

S No.	Name of shareholder	Pre-Issue		Post-Issue	
		Number of Equity Shares	%	Number of Equity Shares	%
1.	Mandava Prabhakara Rao	24,871,445	25.77	[●]	[●]
2.	Blackstone	10,195,053	10.56	[●]	[●]

**d) Details of Promoters’ contribution locked-in for three years**

Pursuant to Regulation 36(a) of the ICDR Regulations, an aggregate of 20% of the fully diluted post-Issue capital of our Company held by our Promoters shall be considered as the minimum promoters’ contribution and locked-in for a period of three years from the date of Allotment (“**Promoters’ Contribution**”).

The lock-in of the Promoters’ Contribution would be created as per applicable laws and procedures and details of the same shall also be provided to the Stock Exchanges before the listing of the Equity Shares.

Our Promoters, Mr. Mandava Prabhakara Rao and Mandava Holdings Private Limited have consented to the inclusion of such number of Equity Shares held by them, in aggregate, as may constitute 20% of the fully diluted post-Issue Equity Share capital of our Company as Promoters’ Contribution and have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters’ Contribution from the date of filing of this Draft Red Herring Prospectus, until the commencement of the lock-in period specified above, or for such other time as required under ICDR Regulations. Details of the Promoters’ Contribution are as provided below:

Name of the Promoter	Number of Equity Shares locked-in	Date of allotment/transfer <sup>#</sup>	Face value (₹)	Issue/ Acquisition price per Equity Share (₹)	Nature of transaction	Source of funds	% of the fully diluted pre-Issue Capital
Mr. Mandava Prabhakara Rao	[●]	[●]	10	[●]	[●]	[●]	[●]

Name of the Promoter	Number of Equity Shares locked-in	Date of allotment/transfer <sup>#</sup>	Face value (₹)	Issue/ Acquisition price per Equity Shares (₹)	Nature of transaction	Source of funds	% of the fully diluted pre-Issue Capital
<b>Sub-total (A)</b>	[●]						[●]
Mandava Holdings Private Limited	[●]	[●]	10	[●]	[●]	[●]	[●]
<b>Sub-total (B)</b>	[●]						[●]
<b>Total (A+B)</b>	[●]						[●]

<sup>#</sup> Equity Shares were fully paid up on the date of allotment.

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

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters' Contribution under Regulation 33 of the ICDR Regulations. In this computation, as per Regulation 33 of the ICDR Regulations, our Company confirms that the Equity Shares which are being locked-in do not, and shall not, consist of:

- (i) Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets or bonus shares out of revaluation reserves or unrealised profits of our Company or bonus shares issued against Equity Shares which are otherwise ineligible for computation of Promoters' Contribution;
- (ii) Equity Shares acquired during the preceding one year, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue; and
- (iii) Equity Shares held by the Promoters that are subject to any pledge.

Further, our Company has not been formed by the conversion of a partnership firm into a company and thus, no Equity Shares have been issued to our Promoters upon conversion of a partnership firm. Further, all the Equity Shares held by the Promoters and the members of the Promoter Group are held in dematerialized form.

#### 4. Details of Equity Share Capital locked-in for one year

Except for (a) the Promoters' Contribution which shall be locked in as above; (b) the Equity Shares which will be transferred as part of the Offer for Sale, and (c) [●] Equity Shares held by Blackstone, under the FVCI route, the entire pre-Issue capital of the Company shall be locked in for a period of one year from the date of Allotment.

#### 5. Other requirements in respect of lock-in

In terms of Regulation 39 of the ICDR Regulations, Equity Shares held by the Promoters and subjected to lock-in requirements, may be pledged with a scheduled commercial bank or public financial institution as collateral if the loan has been granted by such bank or institution subject to the following conditions:

- (a) if the Equity Shares are locked-in for three years as part of minimum promoter's contribution, the loan has been granted for the purpose of financing one or more of the objects of the Issue and the pledge of the Equity Shares is one of the terms of the sanction of the loan; or

- (b) if the Equity Shares are locked-in for one year in terms of Regulation 36(b) of the ICDR Regulations and the pledge of the Equity Shares is one of the terms of the sanction of the loan.

Further, in terms of Regulation 40 of the ICDR Regulations, Equity Shares held by the Promoters may be transferred to and among the Promoters and or members of the Promoter Group or a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of the transferee for the remaining period and compliance with provisions of the Takeover Regulations. The Equity Shares held by persons other than the Promoters prior to the Issue, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock-in in the hands of the transferee and compliance with the provisions of the Takeover Regulations.

The Equity Shares which are subject to lock-in shall carry the inscription 'non-transferable' and the non-transferability details shall be informed to the depositories. The details of lock-in shall also be provided to the Stock Exchanges, where the shares are to be listed, before the listing of the Equity Shares.

## 6. Lock-in of Equity Shares allotted to Anchor Investors

Further, Equity Shares Allotted to Anchor Investors, in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

## 7. Our shareholding pattern

The table below represents the equity shareholding pattern of our Company before the Issue and as adjusted for the Issue:

Category of shareholder	Pre-Issue							Post-Issue						
	Number of share holders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered		Number of share holders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B +C)	Number of shares	As a % of the total number of shares				As a % of (A+B )	As a % of (A+ B+C )	Number of shares	As a % of the total number of shares
Shareholding of Promoters and Promoter Group														
Indian														
Individuals/ Hindu Undivided Family	5	32,064,498	32,064,498	33.23	33.23	6,944,805	7.20	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Central Government/ State Government( s)	-	-	-	-	-	-	-	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Bodies Corporate	1	54,240,165	54,240,165	56.21	56.21	28,116,762	29.14	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Financial Institutions/ banks	-	-	-	-	-	-	-	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Any other (specify)	-	-	-	-	-	-	-	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Sub- Total (A)(I)	6	86,304,663	86,304,663	89.44	89.44	3,5061,567	36.33	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Foreign														

Category of shareholder	Pre-Issue							Post-Issue						
	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered		Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of the total number of shares				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of the total number of shares
Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Bodies Corporate	-	-	-	-	-	-	-	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Institutions	-	-	-	-	-	-	-	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Qualified Foreign Investor	-	-	-	-	-	-	-	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Any other (specify)	-	-	-	-	-	-	-	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Sub-Total (A)(2)	-	-	-	-	-	-	-	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Total Shareholding of Promoters and Promoter Group (A)= (A)(1)+(A)(2)	6	86,304,663	86,304,663	89.44	89.44	35,061,567	36.33	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Public shareholding														
Institutions														

Category of shareholder	Pre-Issue							Post-Issue						
	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered		Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of the total number of shares				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of the total number of shares
Mutual Funds/ UTI	-	-	-	-	-	-	-	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Financial Institutions/ Banks	-	-	-	-	-	-	-	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Central Government/ State Government(s)	-	-	-	-	-	-	-	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Foreign Portfolio Investors	-	-	-	-	-	-	-	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Foreign Venture Capital Investors	1	10,195,053	10	10.56	10.56	-	-	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Venture Capital Fund	-	-	-	-	-	-	-	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Insurance Companies	-	-	-	-	-	-	-	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Any other	-	-	-	-	-	-	-	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Sub-Total (B)(1)</b>	1	10,195,053	10	10.56	10.56	-	-	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Non-institutions</b>														
Bodies Corporate	-	-	-	-	-	-	-	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Individuals -														



Category of shareholder	Pre-Issue								Post-Issue					
	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered		Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of the total number of shares				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of the total number of shares
i. Individual shareholders holding nominal share capital up to ₹ 100,000	-	-	-	-	-	-	-	[•]	[•]	[•]	[•]	[•]	[•]	[•]
ii. Individual shareholders holding nominal share capital in excess of ₹ 100,000	-	-	-	-	-	-	-	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Qualified Foreign Investor	-	-	-	-	-	-	-	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Any other (Trusts)	-	-	-	-	-	-	-	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Foreign bodies corporate														
Sub-Total (B)(2)	-	-	-	-	-	-	-	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Total public shareholding (B)=(B)(1)+(B)(2)	1	10,195,053	10	10.56	10.56	-	-	[•]	[•]	[•]	[•]	[•]	[•]	[•]
TOTAL (A)+(B)	7	96,499,716	86,304,673	100.00	100.00	35,061,567	36.33	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Shares held by Custodians and against which Depository Receipts have been issued (C)	-	-	-	-	-	-	-	[•]	[•]	[•]	[•]	[•]	[•]	[•]
GRAND TOTAL (A)+(B)+(C)	7	96,499,716	86,304,673	100.00	100.00	35,061,567	36.33	[•]	[•]	[•]	[•]	[•]	[•]	[•]

Our Company will file the shareholding pattern, in the form prescribed under Clause 35 of the Listing Agreement, one day prior to the listing of the Equity Shares. The shareholding pattern will be provided to the Stock Exchanges for uploading on the website of Stock Exchanges before the commencement of trading of the Equity Shares.

8. Details of members of the public holding more than 1% of the pre-Issue equity share capital of our

Company as on the date of this Draft Red Herring Prospectus is as follows:

Sr. No.	Name of the shareholder	Number of Equity Shares held pre-Issue	% of total pre-Issue capital	Number of Equity Shares held post-Issue	% of total post-Issue capital
1.	Blackstone	10,195,053	10.56	[●]	[●]
	<b>TOTAL</b>	<b>10,195,053</b>	<b>10.56</b>	<b>[●]</b>	<b>[●]</b>

#### 9. Shareholding of our Directors and/or Key Management Personnel

Except as set forth below, none of our Directors or Key Management Personnel holds any Equity Shares as on the date of this Draft Red Herring Prospectus:

S. No.	Name of shareholder	Number of Equity Shares held	Pre Issue %	Post Issue %
1.	Mr. Mandava Prabhakara Rao	24,871,445	25.77	[●]
2.	Mrs. Mandava Asha Priya	6,944,805	7.20	[●]
	<b>Total</b>	<b>31,816,250</b>	<b>32.97</b>	<b>[●]</b>

10. As on the date of this Draft Red Herring Prospectus, our Company has seven shareholders.

#### 11. Top shareholders

(a) Our top Equity Shareholders and the number of Equity Shares held by them, as on the date of this Draft Red Herring Prospectus are as follows:

S. No.	Shareholder	Pre-Issue		Post-Issue	
		Number of Equity Shares	Percentage (%)	Number of Equity Shares	Percentage (%)
1.	Mandava Holdings Private Limited	54,240,165	56.21	[●]	[●]
2.	Mr. Mandava Prabhakara Rao	24,871,445	25.77	[●]	[●]
3.	Mrs. Mandava Asha Priya	6,944,805	7.20	[●]	[●]
4.	Blackstone	10,195,053	10.56	[●]	[●]
5.	M Venkat Ram Chowdary	246,078	0.26	[●]	[●]
6.	M Srinivasa Rao	2,160	Negligible	[●]	[●]
7.	Bollineni Aishwarya	10	Negligible	[●]	[●]
	<b>Total</b>	<b>96,499,716</b>	<b>100.00</b>	<b>[●]</b>	<b>[●]</b>

(b) Our top Equity Shareholders and the number of Equity Shares held by them ten days prior to filing of this Draft Red Herring Prospectus were as follows:

S. No.	Shareholder	Number of Equity Shares	Percentage of pre-Issue capital (%)
1.	Mandava Holdings Private Limited	54,240,165	56.21
2.	Mr. Mandava Prabhakara Rao	24,871,445	25.77
3.	Mrs. Mandava Asha Priya	6,944,805	7.20
4.	Blackstone	10,195,053	10.56
5.	M Venkat Ram Chowdary	246,078	0.26
6.	M Srinivasa Rao	2,160	Negligible
7.	Bollineni Aishwarya	10	Negligible
	<b>Total</b>	<b>96,499,716</b>	<b>100.00</b>

(c) Our top ten Equity Shareholders two years prior to the date of filing of this Draft Red Herring Prospectus were as follows:

S. No.	Shareholder	Number of Equity Shares	Percentage of pre-Issue capital (%)
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S. No.	Shareholder	Number of Equity Shares	Percentage of pre-Issue capital (%)
<b>Equity Shares</b>			
1.	Mandava Holdings Private Limited	51,300,000	53.29
2.	Mr. Mandava Prabhakara Rao	24,871,455	25.83
3.	Mrs. Mandava Asha Priya	6,944,805	7.21
4.	Blackstone	8,522,520	8.85
5.	Portrait Properties Private Limited	2,632,500	2.73
6.	Gooddeal Developers Private Limited	1,755,000	1.82
7.	M Venkat Ram Chowdary	246,078	0.26
8.	M Srinivasa Rao	2,160	Negligible
	<b>Total</b>	<b>96,274,518</b>	<b>100.00</b>
<b>Preference Shares</b>			
1.	Blackstone	250,000	100.00
	<b>Total</b>	<b>250,000</b>	<b>100.00</b>

12. Except as disclosed below, there has been no sale, purchase or subscription of our Company's securities by our Promoters, Promoter Group and our Directors within three years immediately preceding the date of this Draft Red Herring Prospectus, which in aggregate is equal to or greater than 1% of the pre-Issue equity share capital:

Sl. No.	Name	Date	Number of Equity Shares	Percentage of pre-Issue capital	Nature of transaction
<b>Promoters</b>					
1.	Mandava Prabhakara Rao#	August 10, 2012	22,107,960	22.91	Bonus issue in the ratio of 1:8*
2.	Mandava Holdings Private Limited	August 10, 2012	45,600,000	47.25	Bonus issue in the ratio of 1:8*
3.		September 26, 2013	2,632,500	2.73	Transfer of Equity Shares from Portrait Properties Private Limited**
<b>Promoter Group</b>					
4.	Mandava Asha Priya#	August 10, 2012	6,173,160	6.40	Bonus issue in the ratio of 1:8*
5.	Gooddeal Developers Private Limited	May 27, 2013	(1,447,335)	1.50	Pursuant to buyback of Equity Shares by our Company in furtherance of the approval of the shareholders granted at the general meeting held on May 8, 2013.
6.	Portrait Properties Private Limited	September 26, 2013	(2,632,500)	2.73	Transfer of Equity Shares to Mandava Holdings Private Limited**

# Mr. Mandava Prabhakara Rao and Mrs. Mandava Asha Priya are also our Directors.

\* Pursuant to the approval of the shareholders granted at its annual general meeting held on July 23, 2012, 78,001,856 Equity Shares were allotted by way of a bonus issue to the existing shareholders of the Company in the proportion of eight Equity Shares for every one fully paid-up Equity Share held on July 20, 2012. The bonus Equity Shares were issued by capitalisation of the free reserves and surplus lying to the credit of the Company as on March 31, 2012.

\*\* Pursuant to a scheme of amalgamation sanctioned by the High Court of Andhra Pradesh through its order dated June 13, 2013, Gooddeal Developers Private Limited and Portrait Properties Private Limited were merged with and into Mandava Holdings Private Limited with effect from the appointed date of January 1,

*2013. In furtherance of the scheme of amalgamation, 2,632,500 Equity Shares held by Portrait Properties Private Limited and 307,665 Equity Shares held by Gooddeal Developers Private Limited were transferred to the transferee company, Mandava Holdings Private Limited.*

**13. Employee stock option plans**

As on the date of this Draft Red Herring Prospectus, our Company does not have any employee stock option scheme or plan.

14. Except as disclosed in “– Notes to Capital Structure – History of share capital of our Company” above, in the last two years preceding the date of filing of this Draft Red Herring Prospectus, our Company has not issued any Equity Shares.

15. Our Company, our Directors and the Managers have not entered into any buy-back and/or standby and/or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.

16. Over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalising the Basis of Allotment.

17. As on the date of filing of this Draft Red Herring Prospectus, the Managers or their respective associates do not hold any Equity Shares in the Company.

18. No person connected with the Issue, including, but not limited to, the Managers, the members of the Syndicate, our Company, the Directors, the Promoters, members of our Promoter Group and Group Companies, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.

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

20. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing this Draft Red Herring Prospectus.

21. Except as disclosed in the section titled “History & Certain Corporate Matters” beginning on page 222 of this Draft Red Herring Prospectus, as on the date of this Draft Red Herring Prospectus, there are no outstanding convertible securities or any other right which would entitle any person any option to receive Equity Shares.

22. There will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of the Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges.

23. None of our Promoters, the directors of our corporate Promoter, the members of our Promoter Group, our Directors, or their immediate relatives have purchased or sold any securities of our Company, during a period of six months preceding the date of filing this Draft Red Herring Prospectus with SEBI.

24. None of our Promoters, the directors of our corporate Promoter, the members of our Promoter Group, our Directors, or their immediate relatives have purchased or sold any securities of the Subsidiaries, during a period of six months preceding the date of filing this Draft Red Herring Prospectus with SEBI.

25. During the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus, no financing arrangements existed whereby our Promoters, directors of our corporate Promoter, members of our Promoter Group, our Directors and their relatives may have financed the purchase of Equity Shares by any other person.

26. Except to the extent of the Equity Shares offered by the Promoter Selling Shareholder for sale in the Offer for Sale, our Promoters, members of our Promoter Group and Group Companies will not participate in the Issue.
27. In terms of Rule 19(2)(b)(iii) of the SCRR read with Regulation 41 of the ICDR Regulations, this is an offer for at least 10% of the post-Issue capital. The Issue is being made through the Book Building Process, in reliance of Regulation 26(2) of the ICDR Regulations, wherein at least 75% of the Issue shall be Allotted on a proportionate basis to QIBs. Provided that our Company, Blackstone and the Promoter Selling Shareholder in consultation with the Managers, may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis out of which one third shall be reserved for domestic Mutual Funds only subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Category. 5% of the Net QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Category shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. If at least 75% of the Issue cannot be Allotted to QIBs, all the application monies will be refunded forthwith. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non Institutional Investors and not more than 10% of the Issue shall be available for allocation, in accordance with the ICDR Regulations, to Retail Individual Investors, subject to valid Bids being received at or above the Issue Price.
28. A Bidder cannot make a Bid for more than the number of Equity Shares offered through the Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of Bidder. For further details see "*Issue Procedure*" on page 633 of this Draft Red Herring Prospectus.
29. Our Company presently does not intend or propose to alter the capital structure from the date of filing of the Draft Red Herring Prospectus, for a period of six months from the Bid/Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or issue of bonus or rights or further public issue of specified securities or qualified institutions placement or otherwise. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures.
30. Except as disclosed in this Draft Red Herring Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act 1956.
31. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Category and Retail Category would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the Managers and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Category will not be allowed to be met with spill-over from any other category or combination of categories.
32. The Equity Shares Allotted pursuant to the Issue shall be fully paid-up at the time of Allotment.
33. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
34. Our Company shall ensure that any transaction in the Equity Shares by the Promoters and the Promoter Group during the period between the date of registering the Red Herring Prospectus with the RoC and the date of closure of the Issue shall be reported to the Stock Exchanges within 24 hours of such transaction.

## OBJECTS OF THE ISSUE

The Issue comprises a Fresh Issue of [●] Equity Shares by our Company, aggregating to ₹ 1,250 million and an Offer for Sale of up to 11,869,466 Equity Shares by the Selling Shareholders aggregating up to ₹ [●] million.

### Proceeds of the Offer for Sale

Our Company will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Net Proceeds.

### Utilisation of Issue Proceeds

The details of the proceeds of the Issue are summarized below:

(₹ in millions)		
S. No.	Particulars	Amounts
1)	Issue Proceeds*	[●]
2)	(Less) Issue related expenses**	[●]
3)	(Less) Proceeds of the Offer for Sale*	[●]
4)	Net Proceeds*	[●]

\* To be finalised upon determination of Issue Price.

# All expenses in relation to the Issue will be shared amongst the Company and the Selling Shareholders, as mutually agreed in writing, in accordance with applicable law.

### Objects of the Fresh Issue

The funds which are being raised through the Fresh Issue, after deducting the Issue related expenses to the extent payable by our Company (“**Net Proceeds**”), are estimated to be approximately to ₹ [●] million.

Our Company intends to utilize the Net Proceeds for the following objects:

(₹ in million)		
S. No.	Particulars	Amount
1.	Repayment, in full or part, of certain borrowings availed by our Company	[●]*
2.	General corporate purposes	[●]*
<b>Total</b>		<b>[●]*</b>

\* To be finalised upon determination of Issue Price.

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

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

### Utilization of Net Proceeds, deployment and means of finance

The total fund requirements for each of the objects of the Fresh Issue and details of utilization of the Net Proceeds are as follows:

(₹ in millions)			
Sr. No.	Particulars	Total estimated cost	Amount proposed to be deployed from Net Proceeds
1.	Repayment of certain borrowings availed	[●]	[●]

Sr. No.	Particulars	Total estimated cost	Amount proposed to be deployed from Net Proceeds
	by our Company*		
2.	General corporate purposes**	[●]	[●]
	<b>Total</b>	<b>[●]</b>	<b>[●]</b>

\*Repayable on demand.

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

We expect to deploy the Net Proceeds towards the objects set out above upon successful completion of the Issue, which is expected to be on or prior to FY 2017.

We may have to revise our expenditure and fund requirements as a result of variations in cost estimates on account of a variety of factors such as changes in our financial condition, business or strategy, as well as external factors which may not be in our control and may entail rescheduling and/or revising the planned expenditure and funding requirement at the discretion of our management, subject to compliance with applicable law. In case of any surplus after utilization of the Net Proceeds for the stated objects, we may use such surplus towards general corporate purposes.

In case of variations in the actual utilisation of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised by way of the Fresh Issue. If surplus funds are unavailable, the required financing will be done through internal accruals and/or cash flows from our operations and debt. In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the objects of the Fresh Issue, we may explore a range of options including utilising our internal accruals and/or seeking additional debt from existing and/or future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls.

The above fund requirements are based on internal management estimates, amounts outstanding under certain borrowings availed by our Company, interest rates and other charges, and the financing and other agreements entered into by our Company, which are subject to change in the future and have not been appraised by any bank or financial institution or any other independent agency. These are based on current conditions and are subject to revisions in light of changes in external circumstances or costs, or our financial condition, business or strategy. For further details of factors that may affect these estimates, see section titled “*Risk Factors*” on page 27 of this Draft Red Herring Prospectus.

As the entire requirement of funds for the objects of the Fresh Issue are proposed to be met from the Net Proceeds, we confirm that there is no requirement to make firm arrangements of finance towards at least 75% of the stated means of finance through verifiable means, excluding the amount to be raised through the Fresh Issue.

## Details of the Objects

### 1. Repayment, in full or part, of certain borrowings availed by our Company

We avail majority of our fund based and non-fund based facilities in the ordinary course of business from various banks and financial institutions. For further details of the loans availed by our Company, please see the section titled “*Financial Indebtedness*” at page 392 of this Draft Red Herring Prospectus.

As of February 28, 2015, our Company had total outstanding secured borrowings amounting to ₹ 4,399.55 million. Upon receipt of the Net Proceeds consequent to completion of the Issue, we propose to utilize ₹ [●] million from the Net Proceeds towards the repayment, in full or in part, of certain borrowings availed by our Company from a consortium of lenders comprising Canara Bank, Axis Bank, South Indian Bank, and Indian Overseas Bank. Axis Bank is an affiliate of one of our Underwriters, Axis Capital Limited, and our Company may utilise a portion of the Net Proceeds to repay some or all of the outstanding principal amount owed to Axis Bank. As of February 28, 2015, the amounts outstanding with respect to these loans from Canara Bank, Axis Bank, South Indian Bank, and Indian Overseas Bank were ₹ 1,987.87 million, ₹ 737.93 million, ₹ 499.77

million, and ₹ 892.44 million respectively, of which, ₹ [●] million from the Net Proceeds will be utilised towards payment, in full or in part, of some or all of these loans. Such repayment, in full or in part, of some or all of these loans, will be at the sole discretion of our Company and the selection and extent of loans proposed to be repaid, in full or part, from our Company's borrowings provided above is and will also be based on various factors including, (i) any conditions attached to the loans restricting our ability to repay the loans and time taken to fulfil such requirements, (ii) provisions of any law, rules, regulations governing our borrowings, and (iii) other commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding, the remaining tenor of the loans and applicable law governing our borrowings.

The following table sets out details of the borrowings availed by our Company, which may be repaid in full or in part from the Net Proceeds:

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015
1.	<p><b>Axis Bank Limited, Canara Bank, Indian Overseas Bank and South Indian Bank</b> (as the <b>Consortium</b>)</p> <p><b>Loan Documents</b></p> <ol style="list-style-type: none"> <li>Working capital consortium agreement dated July 2, 2014;</li> <li>Security trustee agreement dated July 2, 2014;</li> <li>Deed of hypothecation in favour of Axis Trustee Services Limited (the "<b>Security Trustee</b>") dated July 2, 2014;</li> <li>Counter guarantee (in favour of Security trustee) dated July 2, 2014;</li> <li>Inter-se agreement among the participating banks of the consortium and the Security Trustee, dated July 2, 2014;</li> <li>Personal guarantee of Mr. Mandava Prabhakara Rao dated July 2, 2014;</li> <li>Personal guarantee of Mrs. Mandava Asha Priya dated July 2, 2014; and</li> <li>Declaration and undertaking in the matter of deposit of mortgage deeds, dated September 11, 2014.</li> </ol>	<p>Cash credit facilities, letter of credit facilities, and bank guarantee facilities, aggregating to ₹4,400 million, divided as follows:</p> <p>Axis Bank: cash credit facility of ₹1000 million; Canara Bank (the "<b>Lead Bank</b>") : cash credit facility of ₹2000 million; Indian Overseas Bank: cash credit facility of ₹900 million; and South Indian Bank: cash credit facility of ₹500 million</p>	₹4,118.01 million
1A.	<p><b>Canara Bank</b></p> <p><b>Loan documents:</b></p> <ol style="list-style-type: none"> <li>Sanction letter dated September 25, 2013;</li> <li>Common hypothecation agreement dated September 26, 2013;</li> <li>Guarantee cover letter and</li> </ol>	Cash credit facility of ₹ 2000 million	₹1987.87 million



S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015
	<p>Agreement of Guarantee executed by Mrs. Mandava Asha Priya, dated September 26, 2013; and</p> <p>4. Guarantee cover letter and Agreement of Guarantee executed by Mr. Mandava Prabhakara Rao, dated September 26, 2013.</p>		
1B.	<p><b>Axis Bank Limited</b></p> <p><b>Loan document</b></p> <ol style="list-style-type: none"> <li>1. Letter of arrangement for cash credit advances dated November 20, 2010;</li> <li>2. Sanction letter dated October 15, 2013;</li> <li>3. Sanction letter dated November 25, 2014; and</li> <li>4. Letter modifying sanction terms, dated June 21, 2014.</li> </ol>	<p><b>A.</b> Working capital facility of ₹ 1000 million</p> <p><b>B.</b> Bank guarantee of ₹ 50 million (a sub-limit of the cash credit facility)</p> <p><b>C.</b> Letter of credit (inland/import) (a sub-limit of the cash credit facility)</p>	₹737.93 million
1C.	<p><b>Indian Overseas Bank</b></p> <p><b>Loan documents:</b></p> <ol style="list-style-type: none"> <li>1. Credit sanction advice dated March 2, 2010; and</li> <li>2. Credit sanction advice dated December 3, 2013</li> </ol>	Cash credit facility of ₹ 900 million*	₹892.44 million
1D.	<p><b>South Indian Bank Limited</b></p> <p>Loan documents:</p> <ol style="list-style-type: none"> <li>1. Sanction letter dated August 17, 2013;</li> <li>2. Credit facility agreement dated August 21, 2013;</li> <li>3. Deed of hypothecation dated August 21, 2013;</li> <li>4. Earmarking agreement dated August 21, 2013;</li> <li>5. Personal guarantee of Mr. Mandava Prabhakara Rao dated August 21, 2013;</li> <li>6. Personal guarantee of Mrs. Mandava Asha Priya, dated August 21, 2013</li> </ol>	Cash credit open loan of up to ₹500 million	₹499.77 million

*\*Pursuant to credit sanction advice dated March 2, 2010, and credit sanction advice dated December 3, 2013, Indian Overseas Bank sanctioned a cash credit facility of ₹1000 million to our Company, which was reduced to ₹900 million by a working capital consortium agreement dated July 2, 2014.*

M/s N S G S & Associates, Chartered Accountants, pursuant to their certificate dated April 17, 2015 have certified that the above loans have been used for the purposes for which they have been granted by the relevant lenders. Further, none of these loans have been utilised for any payments to, or any repayment/refinancing of, any loans obtained for the Promoter Group and/or Group Companies.

Given the nature of these borrowings and the terms of repayment, the aggregate outstanding loan amounts may vary from time to time. In addition to the above, our Company may, from time to time, enter into further financing arrangements and draw down funds thereunder, or draw down further funds under the existing financing arrangements. In such cases or in case any of the above loans are repaid or further drawn-down, our Company may utilize this component of the Net Proceeds towards repayment of such additional indebtedness. The Net Proceeds for the above stated object may also be utilised for the repayment and/or pre-payment of any such further borrowings and refinancing.

## **2. General Corporate Purpose**

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

Our management will have flexibility in applying ₹ [●] million of the Net Proceeds towards general corporate purposes, including (i) repayment of loans (ii) brand building and other marketing efforts; (iii) acquiring fixed assets including land, building, furniture and fixtures; (iv) meeting any expense of our Company, including salaries and wages, rent, administration, insurance, repairs and maintenance, payment of taxes and duties; (v) meeting expenses incurred towards any strategic initiatives, partnerships, tie-ups, joint ventures, acquisitions, etc.; (vi) meeting expenses incurred in the ordinary course of business and towards any exigencies; and (vii) any other purpose as may be approved by our Board, subject to compliance with the necessary provisions of the Companies Act.

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

### **Issue related expenses**

The total expenses of the Issue are estimated to be approximately ₹ [●] million. The expenses of the Issue include, among others, underwriting and lead management fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. All expenses in relation to the Issue will be shared amongst the Company and the Selling Shareholders, as mutually agreed in writing, in accordance with applicable law.

The estimated Issue expenses are as follows:

<b>Activity</b>	<b>Total estimated Amount*</b>	<b>Percentage of Issue Expenses*</b>	<b>Percentage of Issue Size*</b>
Lead management fees, underwriting commission, brokerage and selling commission (including commissions to SCSBs for ASBA Applications and commissions to Non-Syndicate Registered Brokers)	[●]	[●]	[●]
Fees paid to the bankers to the Issue, processing fees to the SCSBs for processing Application Forms procured by the Syndicate at Syndicate ASBA	[●]	[●]	[●]

Activity	Total estimated Amount*	Percentage of Issue Expenses*	Percentage of Issue Size*
Centres or Non-Syndicate Registered Brokers and submitted to the SCSBs#			
Registrar fee and other related fees (postage of refunds etc.)	[•]	[•]	[•]
Advertising and marketing expenses, printing, stationery and distribution expenses	[•]	[•]	[•]
Other expenses (SEBI Filing fees, legal and auditor fees, stock exchanges' processing and listing fees, book-building fees, depository's charges etc.)	[•]	[•]	[•]
<b>Total</b>	<b>[•]</b>	<b>[•]</b>	<b>[•]</b>

\* To be incorporated after finalization of the Issue Price

# The SCSBs would be entitled to a processing fees of ₹[•] per Bid cum Application Form, for processing the Bid cum Application Forms procured by the members of the Syndicate or the Registered Brokers and submitted to the SCSBs.

### Interim Use of Net Proceeds

Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility in deploying the Net Proceeds. Pending utilization for the purposes described above, we intend to temporarily invest the Net Proceeds in interest bearing liquid instruments, including money market mutual funds and deposits with banks for the necessary duration, as may be approved by our Board. Our Company shall not use the Net Proceeds for (i) buying, trading or otherwise dealing in equity shares of any other listed company or for investment in the equity market; and/or (ii) providing inter corporate deposits to any related parties.

### Bridge Financing Facilities

We have currently not raised any bridge loan as on the date of this Draft Red Herring Prospectus, which is proposed to be repaid from the Net Proceeds. However, depending on business requirements, we may consider raising bridge financing facilities, pending receipt of the Net Proceeds.

### Monitoring of Utilization of Funds

In terms of Regulation 16 of the ICDR Regulations, there is no requirement for a monitoring agency as the size of the Fresh Issue is less than ₹ 5,000 million. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds. We will disclose the utilization of the Net Proceeds, including interim use, under a separate head specifying the purpose for which such proceeds have been utilized along with details, if any in relation to all the Net Proceeds that have not been utilised thereby also indicating investments, if any, of such unutilized Net Proceeds in our Balance Sheet for the relevant financial years subsequent to the successful completion of the Issue.

Pursuant to Clause 49 of the Listing Agreement, our Company shall on a quarterly basis disclose to the Audit Committee, the uses and applications of the Net Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and the Prospectus, and place it before the Audit Committee. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement will be certified by the statutory auditors of our Company.

In accordance with Clause 43A of the Listing Agreement, our Company shall furnish to the Stock Exchanges on a quarterly basis a statement including material deviations, if any, in the utilisation of the proceeds of the Fresh Issue for the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results after placing the same before the Audit Committee. In the event of any deviation in the use of Net Proceeds from the objects of the Fresh Issue as stated above, our Company shall intimate the same to the Stock Exchanges without delay.

Any such change / deviation in the use of proceeds from the objects stated in this Draft Red Herring Prospectus, if any, shall be made as per the applicable laws and regulations.

#### **Other Confirmations**

One of our Promoters, Mr. Mandava Prabhakara Rao, will receive a portion of the proceeds of the Offer for Sale, net of his respective share of Issue Expenses, as a Selling Shareholder, in proportion to the Equity Shares being offered by him in the Offer for Sale by way of the Issue. There are no existing or anticipated transactions in relation to the utilization of Net Proceeds with any of our Promoters, Promoter Group, Directors, Key Managerial Personnel or Group Companies and no part of the Net Proceeds is intended to be paid by our Company as consideration to any of our Promoters, Promoter Group, Directors, Key Managerial Personnel or Group Companies, and our Promoters, Promoter Group, Directors, Key Managerial Personnel and Group Companies do not have any existing or anticipated interest in the objects of the Fresh Issue set out above in this section.

#### **Variation in Objects of the Fresh Issue**

In accordance with Section 27 of the Companies Act, 2013, the Company shall not vary the objects of the Fresh Issue without the Company being authorised to do so by the shareholders by way of a special resolution. In addition, the notice issued to the shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act, 2013. Pursuant to the Companies Act, 2013, the Promoters or controlling shareholders will be required to provide an exit offer to the shareholders who do not agree to such proposal to vary the objects referred to in the Prospectus at such exit price and in such manner and upon such conditions as may be prescribed by SEBI.

## BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company, Blackstone and the Promoter Selling Shareholder, in consultation with the Managers on the basis of assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares is ₹ 10 each and the Issue Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer to the sections “Business”, “Risk Factors” and “Financial Statements” on pages 184, 27 and F-1 of this Draft Red Herring Prospectus, respectively, to have an informed view before making an investment decision.

### Qualitative Factors

We are a technology driven seeds company that develops, produces, processes and sells seeds for a range of field crops and vegetables. We believe the following are our competitive strengths:

- Largest private sector seeds company in India with sustained market leadership in cotton seeds;
- One of the leaders in paddy and maize seeds with a rapidly growing field crop and vegetable product brand portfolio;
- Large germplasm bank and strong research and development;
- High quality product portfolio with strong brands established across various geographies through research and development and active life cycle management;
- Pan-India infrastructure for seed production and processing and large scale of operations;
- Robust supply chain management and extensive storage, sales, distribution and marketing network; and
- Strong Promoter background and experienced management team.

For further details, please see “Business” and “Risk Factors” beginning on pages 184 and 27 of this Draft Red Herring Prospectus, respectively.

### Quantitative factors

Information presented in this section is derived from the Restated Financial Information prepared in accordance with Companies Act and the ICDR Regulations. Some of the quantitative factors, which form the basis for computing the Issue Price, are as follows:

#### 1. Basic Earnings Per Share (EPS) & Diluted Earnings Per Share (EPS)

##### a. As per our Restated Consolidated Financial Information

Financial Period	Basic EPS (₹)	Diluted EPS (₹)	Weight
Financial Year 2012	6.74	6.74	1
Financial Year 2013	15.08	14.86	2
Financial Year 2014	15.73	15.59	3
<b>Weighted average</b>	<b>14.02</b>	<b>13.87</b>	
Nine month period ended December 31, 2014*	20.77	20.77	

\*Not annualized

##### b. As per our Restated Standalone Financial Information

Financial Period	Basic EPS	Diluted EPS	Weight
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	(₹)	(₹)	
Financial Year 2012	5.13	5.13	1
Financial Year 2013	14.42	14.25	2
Financial Year 2014	18.35	18.18	3
<b>Weighted average</b>	<b>14.84</b>	<b>14.70</b>	
Nine month period ended December 31, 2014*	19.37	19.37	

\*Not annualized

Notes:

- The figures disclosed above are based on the Restated Financial Information of the Company.
- The face value of each Equity Share is ₹10.
- Earnings Per Share has been calculated in accordance with Accounting Standard 20 - Earnings Per Share issued by the Institute of Chartered Accountants of India.

## 2. Price Earning (P/E) Ratio in relation to the Price Band of ₹[●] to [●] per Equity Share of ₹10 each

S. No.	Particulars	P/E at the lower end of Price band (no. of times)	P/E at the higher end of Price band (no. of times)
1.	Based on basic EPS as per the Restated Consolidated Financial Information	[●]	[●]
2.	Based on basic EPS as per the Restated Standalone Financial Information	[●]	[●]
3.	Based on diluted EPS as per the Restated Consolidated Financial Information	[●]	[●]
4.	Based on diluted EPS as per the Restated Standalone Financial Information	[●]	[●]

## 3. Return on Net Worth (RONW)\*

### a. As per the Restated Consolidated Financial Information

Financial Period	Consolidated (%)	Weight
Financial Year 2012	20.64%	1
Financial Year 2013	38.32%	2
Financial Year 2014	128.09%	3
<b>Weighted average</b>	<b>80.26%</b>	
Nine month period ended December 31, 2014**	63.00%	

\* Net Profit after tax, as restated / Net worth, as restated, at the end of the period/year

\*\* Not annualized

### b. As per the Restated Standalone Financial Information

Financial Period	Standalone (%)	Weight
Financial Year 2012	17.03%	1
Financial Year 2013	37.97%	2
Financial Year 2013	134.65%	3
<b>Weighted average</b>	<b>82.82%</b>	
Nine month period ended December 31, 2014**	58.87%	

\* Net Profit after tax, as restated / Net worth, as restated, at the end of the period/year

\*\* Not annualized

## 4. Minimum Return on Net Worth after Issue to maintain Pre-Issue Basic EPS for Financial Year 2013-14:

Particulars	Restated Standalone (%)	Restated Consolidated (%)
At the Floor Price	[●]	[●]
At the Cap Price	[●]	[●]

## 5. Minimum Return on Net Worth after Issue to maintain Pre-Issue Diluted EPS for Financial Year 2013-

14:

Particulars	Restated Standalone (%)	Restated Consolidated (%)
At the Floor Price	[●]	[●]
At the Cap Price	[●]	[●]

#### 6. Net Asset Value per Equity Share

Period	Restated Standalone (₹)	Restated Consolidated (₹)
Financial Year ended March 31, 2012	84.62	95.16
Financial Year ended March 31, 2013	35.28	36.55
Financial Year ended March 31, 2014	13.54	12.20
Nine month period ended December 31, 2014	32.91	32.98
NAV after the Issue (at Issue Price)	[●]	[●]
Issue Price*	[●]	[●]

\*Issue Price per Equity Share will be determined on conclusion of the Book Building Process.

Net Asset Value per Equity Share =  $\frac{\text{Net worth, as restated, excluding preference share capital at the end of the period/year}}{\text{Number of equity shares outstanding at the end of the period/year}}$

#### 7. Comparison with listed industry peers

Following is the comparison with our peer group that has been determined on the basis of listed public companies comparable in size to our Company or whose business portfolio is comparable with that of our business:

Name of Company	Standalone / Consolidated	Face Value (₹ Per share)	Revenue from operations (₹ in million)	EPS (₹)		NAV (₹ per share)	P/E	RONW (%)
				Basic	Diluted			
Nuziveedu Seeds Limited	Standalone <sup>(1)</sup>	10.00	11,868.31	18.35	18.18	13.54	NA	134.65%
	Consolidated <sup>(2)</sup>		11,966.12	15.73	15.59	12.20		128.09%
Peer Group								
Kaveri Seed Company Limited <sup>(3)</sup>	Standalone	2.00	10,024.14	30.63	30.56	75.52	32.95	40.56%
	Consolidated		10,111.05	30.40	30.33	74.99	33.20	40.53%
Monsanto India Limited <sup>(3)</sup>	Standalone	10.00	5,818.40	71.20	71.20	199.56	39.80	35.67%
Bayer Cropscience Limited <sup>(3)</sup>	Standalone	10.00	32,452.00	75.14	71.20	475.79	46.69	8.68%

(1) For the year ended March 31, 2014, based on Restated Standalone Financial Information.

(2) For the year ended March 31, 2014, based on Restated Consolidated Financial Information.

(3) For the year ended March 31, 2014, based on Annual Reports of the respective peers for Financial Year 2013-2014.

Notes:

- Net Worth includes Share Capital and Reserves & Surplus.
- Net Income indicates the reported Net Profit after Minority Interests and Extraordinary Items, as applicable.
- Return on Net Worth is calculated as Net Income (as defined above) / Closing Networth (as defined above).
- NAV per share is calculated as Net Worth / Shares Outstanding (both as on March 31, 2014).
- P/E is calculated as Closing Share Price of respective companies on BSE as on April 07, 2015 / EPS (Diluted)

Based on the above peer group information (excluding Nuziveedu Seeds Limited), the average P/E ratio on unconsolidated basis is 39.81; average unconsolidated EPS is ₹ 58.99; average of the unconsolidated Return on Net Worth is 28.31%; and average unconsolidated NAV per share is ₹ 250.29.

The Issue Price of ₹ [●] has been determined by our Company, Blackstone and the Promoter Selling Shareholder, in consultation with the Managers on the basis of assessment of demand from investors for the Equity Shares through the Book Building Process. Our Company and the Managers believe that the Issue Price of ₹ [●] is justified in view of the above qualitative and quantitative parameters. Investors should read the above mentioned information along with the sections titled “Risk Factors”, “Business” and “Financial Statements” beginning on pages 27, 184 and F-1 of this Draft Red Herring Prospectus respectively, to have a more informed

view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in “*Risk Factors*” and you may lose all or part of your investments.



## STATEMENT OF TAX BENEFITS

To  
The Board of Directors  
Nuziveedu Seeds Limited  
Survey No. 69, Kandlakoya,  
Gundlapochampally Village,  
Medchal Mandal, Ranga Reddy District,  
Secunderabad – 501 401

### **Sub: Statement of Possible Direct Tax Benefits in connection with proposed issue by Nuziveedu Seeds Limited ('the Company')**

We report that the enclosed statement states the possible direct tax [ viz. Indian Income Tax Act, 1961 and Wealth Tax Act, 1957 (which is proposed to be abolished by Finance Bill, 2015)] benefits available to the Company and to its shareholders under the current direct tax laws referred to above, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive these direct tax benefits is dependent upon their fulfilling such conditions.

The possible direct tax benefits discussed in the enclosed annexure are not exhaustive. This statement is only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. Neither are we suggesting nor are we advising the investor to invest money based on this statement.

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

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

The contents of the enclosed statement are based on the representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

This statement is intended solely for information and for inclusion in the Offer Document in connection with the proposed Issue of the Company and is not to be used, circulated or referred to for any other purpose without our prior written consent.

*Our views are based on the existing provisions of law **referred to earlier** and its interpretation, which are subject to change from time to time. No assurance is given that the revenue authorities/courts will concur with the views expressed **in this Tax Benefit Statement**. We do not assume responsibility to update the views consequent to such changes.*

*The views are exclusively for the use of Nuziveedu Seeds Limited and shall not, without our prior written consent, be disclosed to any other person, except to the extent disclosure is otherwise permitted by the terms of our engagement.*

*Disclosure of all or any part of this Tax Benefit Statement to any other person is on the basis that, to the fullest extent permitted by law, M/s Laxminiwas & Co nor any partner of the firm accepts any duty of care or liability of any kind to the recipient, and any reliance on it is at the recipient's own risk.*

for M/s Laxminiwas & Co.,  
Chartered Accountants

Firm Registration No.011168S

Vijay Singh  
Membership No.221671

Place: Hyderabad  
Date:26th March 2015

## *Annexure*

### **Statement of Possible Direct Tax Benefits available to Nuziveedu Seeds Limited and to its shareholders**

#### **Under the Income Tax Act, 1961 (“the Act”)**

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

- The Company will be entitled to claim exemption for agricultural income under section 10(1) of the Act subject to the fulfillment of the conditions mentioned therein.

##### **General tax benefits available to the Company**

#### **1. Dividends**

- As per section 10(34) of the Act, any income by way of dividends referred to in section 115-O received on the shares of any domestic company is exempt from tax in the hands of the recipient Company. Such dividend is to be excluded while computing Minimum Alternate Tax (‘MAT’) liability.
- Further, in the context of the dividend payable by the Company to its shareholders, by virtue of section 115-O, the Company would be liable to pay Dividend Distribution Tax (‘DDT’) @ 15% (plus applicable surcharge and cess) on the grossed up amount of dividend to be paid. In calculating the amount of dividend on which DDT is payable, dividend shall be reduced by dividend received from its subsidiary, subject to fulfillment of certain conditions.
- As per section 115BBD of the Act, dividend income received by an Indian company from a specified foreign company i.e. in which the Indian company holds twenty-six per cent or more in nominal value of the equity share capital, will be taxable @ 15% on gross basis (plus applicable surcharge and cess).

#### **2. Buy back of shares**

- As per section 115QA of the Act, the Company will be liable to tax on the distributed income at the rate of 20% plus applicable surcharge and education cess and secondary and higher education cess of 2% and 1% respectively. The term, distributed income has been defined to mean, the difference between the consideration paid on buy back of shares as reduced by the amount which was received for issue of such shares.

#### **3. Exemption under Section 10(35) of the Act**

- As per section 10(35) of the Act, the following income will be exempt in the hands of the Company:
  - a. Income received in respect of the units of a Mutual Fund specified under Section 10(23D) of the Act;
  - b. Income received in respect of units from the Administrator of the specified undertaking; or
  - c. Income received in respect of units from the specified companySuch income is to be excluded while computing MAT liability.

However, this exemption does not apply to any income arising from transfer of units of the Administrator of the specified undertaking or of the specified Company or of a mutual fund, as the case may be.

#### **4. Capital Gains**

#### **4.1 Categorization of capital assets**

- Capital assets are categorized into two types based on the period of holding:
  - Short-term capital assets; and
  - Long-term capital assets.
- A capital asset being a security (other than a unit) listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of an equity oriented fund or a zero coupon bond, held by an assessee for 12 months or less is termed as a short-term capital asset. Gains arising from the transfer of the above mentioned capital assets are called short-term capital gains ('STCG'). In respect of any other capital assets, STCG means capital gains arising from the transfer of an asset, held by an assessee for 36 months or less.
- Any capital asset which is not a short-term capital asset is termed as a long-term capital asset. Capital gains arising from the transfer of such capital assets are termed as long term capital gains ('LTCG').

#### **4.2 Taxability of capital gains**

- LTCG arising on transfer of equity shares of a company or units of an equity oriented fund (as defined in Explanation to section 10(38) of the Act viz. a fund which has been set up under a scheme of a mutual fund specified under Section 10(23D) of the Act) or a unit of a business trust is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to securities transaction tax (STT) and subject to conditions specified in that section.
- Income by way of LTCG exempt under Section 10(38) of the Act is to be taken into account while determining book profits in accordance with provisions of Section 115JB of the Act.
- As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration. Further, expenditure incurred wholly and exclusively with the transfer is also deductible.
- As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits or at the rate of 10% without indexation benefits whichever is lower.
- As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented fund (as defined in Explanation to section 10(38) of the Act viz. a fund which has been set up under a scheme of a mutual fund specified under Section 10(23D) of the Act) or a unit of a business trust are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.
- STCG arising on transfer of equity shares of a company or a unit of an equity oriented fund or a unit of a business trust not chargeable to STT, is taxable at the applicable tax rate.
- The tax rates mentioned above stands increased by surcharge, payable at the rate of 10% where the taxable income of a domestic company exceeds INR 100 million and by 5% where the taxable income of a domestic company exceeds INR 10 million but is less than INR 100 million. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of taxpayers.

#### **4.3 Carry forward of losses**

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

#### **4.4 Exemption of capital gains from income tax**

- Under Section 54EC of the Act, capital gain arising from transfer of long-term capital assets [other than those exempt u/s 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gains are invested within a period of six months from the date of transfer, in bonds redeemable after three years and issued by:
  - National Highway Authority of India (NHAI) constituted under Section 3 of National Highway Authority of India Act, 1988; and
  - Rural Electrification Corporation Limited (REC), a company formed and registered under the Companies Act, 1956.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long-term asset cannot exceed INR 5,000,000 per assessee during the financial year in which the original asset(s) are transferred and in the subsequent financial year.
- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer/ conversion.
- As per provision of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

#### **5. Securities Transaction Tax ('STT')**

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

#### **6. Business Income**

- In terms of section 32 of the Act, the Company is entitled to claim deduction for depreciation at the rates prescribed under the Income-tax Rules, 1962, subject to certain conditions. Unabsorbed depreciation, if any, for any assessment year can be carried forward indefinitely and shall be added to the allowance for depreciation for the subsequent assessment years as per section 32(2) of the Act and shall be set-off against business loss subject to provisions of section 72(2) and 73(3) of the Act.
- In terms of section 35D of the Act, the Company will be entitled to a deduction equal to one-fifth of the preliminary expenditure of the nature specified in the said section by way of amortization over a period of five successive years, subject to stipulated limits.

- Any loss incurred by the Company under the head Profit and Gains from Business or Profession, can be set off against any other income (other than speculation income) of the same year.
- As per section 72 of the Act, any business loss can be carried forward upto eight assessment years immediately succeeding the assessment year for which the loss was first computed. The brought forward business loss can be set off only against future business income (other than speculation income).
- As per section 115JAA(1A) of the Act, credit is allowed in respect of any MAT paid under section 115JB of the Act for any assessment year commencing on or after 1st day of April 2006. Tax credit to be allowed shall be the difference between MAT paid and the tax computed as per the normal provisions of the Act for that assessment year. The MAT credit is allowed to be set-off in the subsequent years to the extent of difference between MAT payable and the tax payable as per the normal provisions of the Act for that assessment year.
- The MAT credit is allowed to be carried forward for 10 assessment years immediately succeeding the assessment year in which tax credit becomes allowable.
- The Company is entitled to a deduction under section 80G of the Act either for whole of the sum paid as donation to specified funds or institution or 50% of sums paid, subject to limits and conditions as provided in section 80G of the Act.

#### **General tax benefits available to resident shareholders**

- The tax benefits / implications referred to in paragraphs 4 and 5 under the heading 'General tax benefits to the Company' will equally apply to the resident shareholders.
- As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received on the shares of a domestic Company is exempt from tax.
- As per section 10(34A) of the Act, any income arising to a shareholder on account of buy back of shares (not being shares listed on a recognized stock exchange in India) referred in section 115QA is exempt from tax.
- The capital gains chargeable to tax shall be increased by surcharge, payable at the rate of 10% where the taxable income, of a shareholder being an individual, exceeds INR 10 million.
- As per provisions of Section 54F of the Act, LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a one residential house, or for construction of one residential house within three years from the date of transfer and subject to conditions and to the extent specified therein.
- As per provisions of Section 56(2)(vii), (viiA) of the Act and subject to exception provided in respective proviso therein, where an individual or HUF, a firm or company (not being a company in which public are substantially interested) receives shares and securities without consideration or for a consideration which is less than the aggregate fair market value of the shares and securities by an amount exceeding fifty thousand rupees, the excess of fair market value of such shares and securities over the said consideration is chargeable to tax under the head 'income from other sources'.

#### **General tax benefits available to Non-Resident Shareholders (Other than FIIs)**

- The tax benefits/ implications referred to in paragraphs 4 and 5 under the heading 'General tax benefits to the Company' will equally apply to the Non-Resident Shareholders.
- As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received on the

shares of a domestic Company is exempt from tax.

- As per the first proviso to section 48 of the Act, the capital gains arising from the transfer of a capital asset being shares or debentures in an Indian company, shall be computed by converting the cost of acquisition, expenditure incurred wholly and exclusively in connection with such transfer and the full value of consideration into the same foreign currency as was initially utilised in the purchase of the shares and the capital gains so computed shall be reconverted into Indian currency. Further, in such case the benefit of indexation as provided in second proviso to Section 48 is not available to non- resident shareholders.
- In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the non-resident is considered resident in terms of such Tax Treaty. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the non-resident.
- As per section 90(4) of the Act, an assessee being a non-resident, shall not be entitled to claim relief under section 90(2) of the Act, unless a certificate of his being a resident in any country outside India, is obtained by him from the government of that country or any specified territory. As per section 90(5) of the Act, the non-resident shall be required to provide such other information, as has been notified.

#### **Special tax benefits available to Non-Resident Indians**

- As per section 115C(e) of the Act, the term ‘non-resident Indian’ means an individual, being a citizen of India or a person of Indian origin who is not a resident. A person shall be deemed to be of Indian origin if he, or either of his parents or any of his grand-parents, was born in undivided India.
- As per section 115E of the Act, in the case of a shareholder being a non-resident Indian, and subscribing to the shares of the Company in convertible foreign exchange, in accordance with and subject to the prescribed conditions, long term capital gains arising on transfer of the shares of the Company [in cases not covered under section 10(38) of the Act] will be subject to tax @ 10% (plus applicable surcharge and cess), without any indexation benefit.
- As per section 115F of the Act and subject to the conditions specified therein, in the case of a shareholder being a non-resident Indian, gains arising on transfer of long term capital asset being shares of the Company, which were acquired, or purchased with or subscribed to in, convertible foreign exchange, will not be chargeable to tax if the entire net consideration received on such transfer is invested within six months in any specified asset or savings certificates referred to in section 10(4B) of the Act. Shareholders in this category can consider the conditions so stated in section 115F of the Act and examine the availability of the benefit based on their individual tax position.
- As per provisions of Section 115G of the Act, where the total income of a NRI consists only of investment income / LTCG from such foreign exchange asset / specified asset and tax thereon has been deducted at source in accordance with the Act, the NRI is not required to file a return of income.
- As per provisions of Section 115H of the Act, where a person who is a NRI in any previous year, becomes assessable as a resident in India in respect of the total income of any subsequent year, he/ she may furnish a declaration in writing to the assessing officer, along with his/ her return of income under Section 139 of the Act for the assessment year in which he/ she is first assessable as a resident, to the effect that the provisions of the Chapter XII-A shall continue to apply to him/ her in relation to investment income derived from the specified assets for that year and subsequent years until such assets are transferred or converted into money.
- As per provisions of Section 115-I of the Act, a NRI can opt not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing return of income for that assessment year under Section 139 of the Act, declaring therein that the provisions of the chapter shall not apply for that assessment year. In such a situation, the other provisions of the Act shall be applicable while determining

the taxable income and tax liability arising thereon.

**Special Tax Benefits available to Foreign Institutional Investors ('FIIs') / Foreign Portfolio Investors ('FPIs')**

- As per provisions of Section 115AD of the Act, capital gains arising from transfer of securities is taxable as follows:

Nature of income	Rate of tax (%)
LTCG on sale of equity shares not subjected to STT	10
STCG on sale of equity shares subjected to STT	15
STCG on sale of equity shares not subjected to STT	30

The tax rates mentioned above would have to be increased by applicable surcharge and cess.

Further, for the purposes of Section 115AD, FPIs would get similar treatment as available to FIIs.

- As per section 196D(2) of the Act, no deduction of tax at source will be made in respect of income by way of capital gain arising from the transfer of securities referred to in section 115AD.
- In case of long term capital gains, (in cases not covered under section 10(38) of the Act), the tax is levied on the capital gains computed without considering the cost indexation and without considering foreign exchange fluctuation.

**General Tax Benefits available to Foreign Institutional Investors ('FIIs') / Foreign Portfolio Investors ('FPIs')**

- The tax benefits/ implications under section 10(38), section 54EC and section 111A referred to under the heading 'General tax benefits to the Company' will equally apply to FIIs/ FPIs.
- Further, the tax benefits/ implications referred to in points 4 and 5 under the heading 'General tax benefits to Non-Resident Shareholders (Other than FIIs)' will also equally apply to FIIs/ FPIs.
- As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received on the shares of a domestic Company is exempt from tax.

**Special tax benefits available to Mutual Funds**

- As per section 10(23D) of the Act, any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made thereunder, Mutual Funds set up by public sector banks or public financial institutions and Mutual Funds authorised by the Reserve Bank of India will be exempt from income tax, subject to such conditions as the Central Government may, by notification in the Official Gazette, specify in this behalf.

**Under the Wealth Tax Act, 1957**

- Wealth Tax Act, 1957 has been proposed to be abolished. As per the Finance Bill, 2015 it has been proposed to replace the wealth tax with an additional surcharge of 2% on persons with a taxable income of 1 crore or above.

**Notes:**



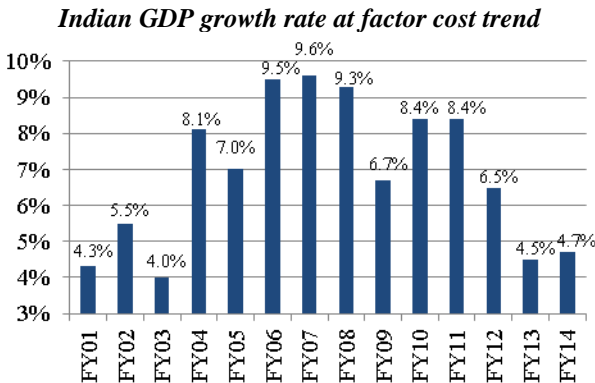
1. *The above statement of Possible Direct Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.*
2. *This statement does not discuss any tax consequences in the country outside India of an investment in the Equity Shares. The subscribers of the Equity Shares in the country other than India are urged to consult their own professional advisers regarding possible income tax consequences that apply to them.*
3. *This statement of possible direct tax benefits enumerated above is as per the Act as amended by the Finance Act and do not include the proposals of Finance Bill, 2015 until incorporated in Finance Act 2015. The above statement of possible Direct -tax Benefits sets out the possible tax benefits available to the company and its shareholders under the current tax laws presently in force in India. Several of these benefits available are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws*
4. *In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the applicable DTAA, if any, between India and the country in which the non-resident has fiscal domicile.*

## INDUSTRY

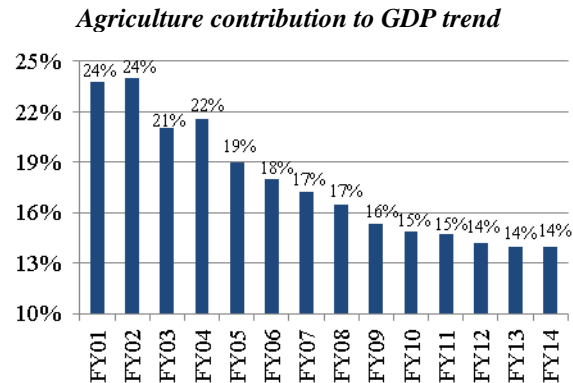
The information in this section is derived from the “Report on Indian Seeds Industry”, April 3, 2015 by Credit Analysis & Research Ltd. (the “CARE April 2015 Report”). We commissioned the CARE April 2015 Report for the purposes of confirming our understanding of the industry in connection with the Issue. Neither we, nor any of the Managers, nor any other person connected with the Issue has verified the information in the CARE April 2015 Report. CARE Research, a division of Credit Analysis & Research Limited (“CARE”), has advised that while it has taken utmost care to ensure accuracy and objectivity while preparing the CARE April 2015 Report, it does not guarantee the accuracy or completeness of the CARE April 2015 Report or the information therein and is not responsible for any errors or omissions in analysis/inferences/views or for results obtained from the use of information contained in the CARE April 2015 Report and especially states that CARE (including all divisions) has no financial liability whatsoever to the user of the CARE April 2015 Report. Further, the CARE April 2015 Report is not a recommendation to invest / disinvest in any company covered in the report. CARE Research operates independently of the ratings division and the CARE April 2015 Report does not contain any confidential information obtained by the ratings division, which they may have obtained in the regular course of business. The opinion expressed in the CARE April 2015 Report cannot be compared to the rating assigned to the Company within this industry by the ratings division. For purposes of this section, references to “FY” are to the fiscal year ended March 31, unless indicated otherwise.

### Overview of the Indian economy

The Indian economy has been one of the fastest growing economies in the world. India’s economic growth is backed by strong economic fundamentals that have helped maintain a high growth trajectory with gross domestic product (“GDP”) growth averaging over 6.50% over the five years between FY09-FY14. However, in recent years the Indian economy has been adversely affected by some spill-over effects of the global economic slowdown, coupled with domestic pressures. During FY14, the Indian economy registered a growth rate of 4.7% as against 4.5% during FY13.



Source: CARE April 2015 Report



Source: CARE April 2015 Report

After China, India has the second largest population in the world and it is the third largest producer of grains in the world after China and the US. The agriculture and allied sectors accounted for 14% of India’s GDP in FY14. While the contribution of the agriculture sector to India’s GDP has steadily declined due to the high growth in manufacturing and services sector, it still plays a significant role for the Indian economy because approximately 55% of the population is dependent upon the agriculture sector.

### Overview of global agriculture

According to the US Department of Agriculture (“USDA”) estimates, global grain stock-to-use ratio is expected to be 20.8% in FY15, which is relatively in-line with the 15-year historical average levels of 21.1%. The world grain demand grew at a compounded annual growth rate (“CAGR”) of 1.86% during FY01-15 on account of

increasing population, rising per capita income in developing countries and use of grains for industrial purpose. Despite marginal increase in acreage (+0.37%), global grain supply also grew at a CAGR of 1.86% during FY01-15 and this was due to significant improvement in yield (from 2.83 metric tons per hectare (“**MT/ha**”) in FY98 to 3.53 MT/ha in FY15) caused by increased use of better agriculture inputs and improved farm practices. While the use of agricultural inputs like seeds, nutrients (fertilizer, manures, micronutrients), water, pesticides (insecticides and fungicides), herbicides and farm machinery, has increased the global productivity of agriculture, seeds are the basic and most critical input for sustainable agriculture. To a large extent, a crop’s response to all other agricultural inputs will depend on the quality of seeds. It is estimated that the direct contribution of the quality of the seed alone to total crop production is about 15–20% (depending upon the type of crop) and this contribution can be raised to up to 45% with efficient management of other agricultural inputs.

According to USDA estimates, global cotton stock-to-use ratio is expected to reach a record 93.7% in FY15, well above the 15-year average of 58.3%. This is on account of a sharp improvement in cotton productivity on the back of higher adoption of Bt. cotton by the major producing countries and a slowdown in demand in the key consuming regions (such as China and Brazil) due to weakening global economy.

Over the medium-term, cotton prices are expected to be supported by expectation of partial recovery in consumption, particularly from major importing countries in FY16. According to the International Cotton Advisory Committee, it is expected that higher Chinese imports (+27% year on year (“**y-o-y**”)) will increase the world cotton trade by 4% y-o-y to 7.9 MT in FY16.

### Overview of Indian agriculture

According to Food Agriculture Organization (“**FAO**”), 11% of world’s arable land is in India which makes it the country with the second largest amount of arable land, the US has the largest amount of arable land. However, India’s arable land accounts for only 4.0% of the world’s agricultural area on account of low cropping intensity. On a global scale, despite the fact that India has been a small net exporter of agricultural products, it maintains its standing in the global agricultural market because it caters for the domestic demand from its large population.

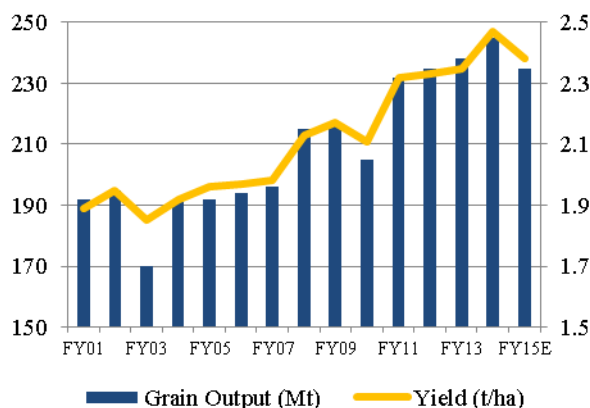
### *India’s agriculture position in global market for key crops*

Crop	Area (mn ha)	Yield (MT/ha) -FY15 Production			Demand (Mt)	Export % of global trade	Stock-to-use		India’s position  Comment
		India	World	(Mt)			FY15	15-year avg	
Rice	43.5	3.52	4.41	102.0	99.0	20.4%	17.0	19.7	2nd largest producer and exporter
Wheat	30.6	3.13	3.25	95.9	94.0	2.2%	17.3	17.2	2nd largest producer
Cotton	12.7	0.52	0.76	30.5	24.0	13.8%	50.0	36.0	Largest producer and 2nd largest exporter
Soybean	11.0	0.95	2.66	10.5	10.3	0.1%	6.2	5.7	5th largest producer
Corn	9.0	2.44	5.56	22.0	20.0	2.2%	4.7	4.1	6th largest producer and 5th largest exporter
Millet	8.8	1.08	0.87	9.5	9.7	0%	2.7	4	Largest producer
Sorghum	5.5	0.91	1.56	5.0	4.9	0.5%	3.0	2.4	3rd largest producer

**Source: CARE April 2015 Report**

Despite a marginal decline in acreage (-0.26%), Indian grain output rose at a CAGR of 1.43% during FY00-15 on account of improving agriculture productivity. However, India's agriculture productivity is significantly below that of the other major worldwide grain producing regions due to lower consumption of high quality seeds, fertilizers, pesticides, lower farm mechanisation, weak credit facilities, shortage of water and energy and certain other factors.

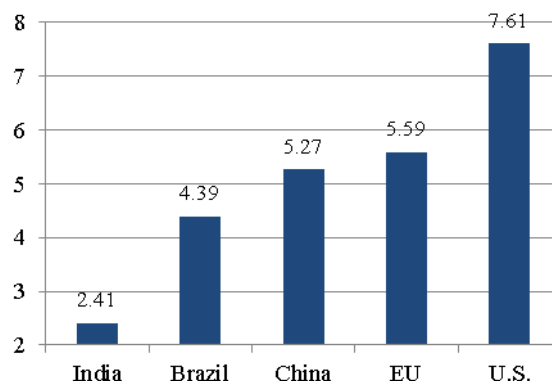
**Indian grain output rose 1.4% per year over FY00-15**



Source: CARE April 2015 Report

\*Yield unit is in MMt/ha (million metric tons per hectare)

**Yield\* in major grain producing regions – FY15**



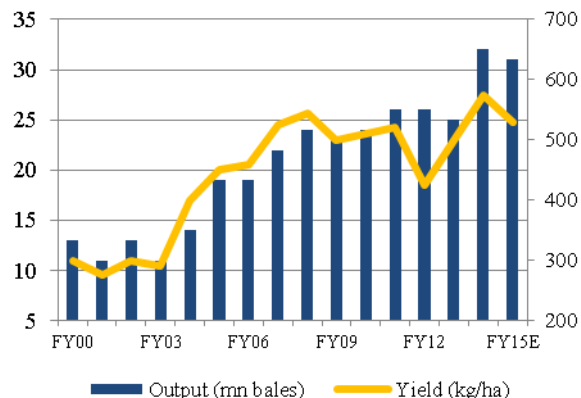
Source: CARE April 2015 Report

India is the second largest producer of fruits and vegetables in the world after China. It is the largest producer of ginger and okra amongst vegetables and ranks second in the world in production of potatoes, onions, cauliflowers, brinjal, cabbages. Amongst fruits, the country ranks first in production of bananas, papayas, mangoes, and acid limes.

Indian cotton output grew at a CAGR of 6.3% during FY00-15 on account of increased acreage (+2.48%) and improvement in crop yield. Yield increased from 302 kilograms per hectare ("**kg/ha**") in FY00 to 523kg/ha in FY15 due to increased adoption of Bt. cotton hybrid seeds from nil in FY02 to more than 95% in FY15. Consequently, India became the largest producer and the second largest exporter of cotton in the world from being the second largest importer in FY02.

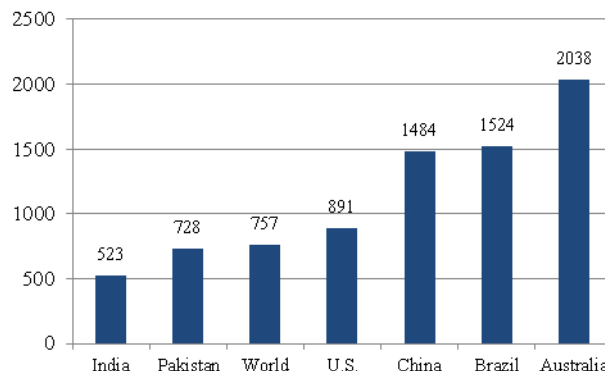
Despite the significant increase in cotton yields, the overall productivity in India is still below the global average, which presents the opportunity to improve yields by using (i) modern crop management techniques such as high density planting ("**HDP**"), (ii) better hybrids, and (iii) new transgenic traits. Indian seed companies are currently working on initiatives to further capture this opportunity.

**Indian cotton output rose 6.3% per year during FY00-15**



Source: CARE April 2015 Report  
\*Yield unit is in kg/ha

**Yield\* in major grain producing regions – FY15**



Source: CARE April 2015 Report

Cotton acreage in India has grown at a CAGR of 4.74% between FY04 and FY15 to reach 12.5 million ha. This growth has been driven by the higher profitability of cotton production for farmers relative to other crops, which in turn has been driven by increased use of Bt. cotton hybrids. Maharashtra is the largest cotton-growing state in India, accounting for 34% of crop acreage, followed by Gujarat (23%), Andhra Pradesh (18%).

**State cotton acreage in India (million hectares)**

STATE	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	\$ share- FY14	CAGR
Maharashtra	2.8	2.8	2.9	3.1	3.2	3.1	3.5	3.9	4.1	4.1	3.9	34%	3.4%
Gujarat	1.6	1.9	1.9	2.4	2.4	2.4	2.6	2.6	3.0	2.5	2.7	23%	5.4%
Andhra Pradesh*	0.8	1.2	1.0	1.0	1.1	1.4	1.5	1.8	1.9	2.4	2.1	18%	10.1%
Madhya Pradesh	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.7	0.7	0.6	0.6	5%	0.0%
Karnataka	0.3	0.5	0.4	0.4	0.4	0.4	0.5	0.5	0.6	0.5	0.6	5%	7.2%
Haryana	0.5	0.6	0.6	0.5	0.5	0.5	0.5	0.5	0.6	0.6	0.6	5%	1.8%
Punjab	0.5	0.5	0.6	0.6	0.6	0.5	0.5	0.5	0.6	0.5	0.5	5%	0.0%
Total acreage	7.6	8.8	8.7	9.1	9.4	9.4	10.3	11.1	12.2	11.9	11.5	100%	4.2%

Source: CARE April 2015 Report

\* Andhra Pradesh includes Telengana, which was separated from Andhra Pradesh in June 2014. For FY15, cotton planting in Telengana is estimated to be 1.7 million ha and in Andhra Pradesh at 0.7 million ha

The below table indicates the cost of cultivation per hectare for the top six seed consuming crops in India. The costs of cultivation differs significantly region-wise so in order to offer a useful comparison, the table below compares the main crop grown by each of the major crop growing states: Maharashtra (“MH”) as for cotton, Uttar Pradesh (“UP”) for wheat, West Bengal (“WB”) for rice, Gujarat (“Guj”) for groundnut, Karnataka (“KT”) for corn and Madhya Pradesh (“MP”) for soybean.

**Cost of cultivation for key crops in India – FY12**

	Cotton (MH)	Wheat (UP)	Rice (WB)	Groundnut (Guj)	Corn (KT)	Soybean (MP)
Human Labour	33%	20%	47%	26%	29%	22%
Animal Labour	10%	1%	4%	7%	6%	3%
Machine Labour	4%	12%	5%	9%	12%	14%

Seeds	6%	5%	3%	19%	6%	11%
Fertilizers and Manures	11%	9%	8%	7%	13%	7%
Pesticides	4%	0%	1%	3%	0%	6%
Irrigation	3%	10%	4%	2%	1%	0%
Interest on working capital	2%	1%	2%	2%	2%	2%
Miscellaneous	0%	0%	0%	0%	0%	0%
Fixed costs	28%	42%	26%	24%	32%	36%
Total costs (Rs per hectare)	61,907	42,384	49,143	42,837	36,272	22,561

**Source: CARE April 2015 Report**

As evident from the table above, seeds form a small proportion of the total input costs for cotton, rice, wheat and corn.

## Key factors affecting demand for agricultural inputs in India

### Grain demand

Grain demand in India as well as globally has increased in the past few years due to rising population and per capita income, increasing world per capita consumption of animal products, rising energy prices and growing global biofuel production. Rising grain demand coupled with slower growth in agricultural productivity has accelerated the demand for agricultural inputs such as seeds, irrigation/water, nutrients (fertilizers, micronutrients, manures), pesticides, herbicides, labour (manual and machine), and credit and management.

### Farm income

Demand for agricultural inputs is directly related to farm income, which is mainly influenced by government-determined Minimum Support Prices (“MSP”) for major crops and the prices of essential inputs (such as subsidized fertilizers and power) and labour costs. According to the CARE April 2015 Report, farmers’ income from key crops (namely, wheat, rice, corn, soybean, cotton) has increased in the past few years due to a significant increase in MSP compared to a smaller increase in agricultural input prices.

### MSP for key crops in India (Rs/t)

Crop	FY10	FY11	FY12	FY13	FY14	FY15	CAGR FY10-15
Rice	9,500	10,000	10,800	12,500	13,100	13,600	7.4%
Wheat	11,000	11,200	12,850	13,500	14,000	14,500	5.7%
Corn	8,400	8,800	9,800	11,750	13,100	13,100	9.3%
Cotton	25,000	25,000	28,000	36,000	37,000	37,500	8.4%
Soybean	13,500	14,000	16,500	22,000	25,000	25,000	13.1%

Source: CARE April 2015 Report

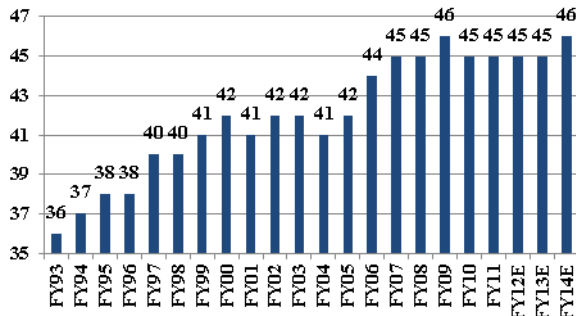
The government has identified certain public and private hybrids and varieties in various crops as industry benchmarks for fixation of MSP. For example, in cotton, varieties and hybrids with high yields and superior fibre quality like MCU-5 (33 fibre length/micronaire 3-3.5), Bunny [29.5-30.5 mm fibre length (2.5% span)/micronaire of 3.5-4.3], Surabhi (33 fibre length/3.6-3.8 micronaire), are considered as industry benchmarks hybrids and have been notified as the official classes of cotton for price fixation at a national level.

Under the price support policy, MSPs are set annually for basic staples to protect producers from sharp price falls, to stabilise prices and to ensure adequate food stocks for public distribution. In the past, guaranteed prices have been below the prevailing market prices in the international market. At the same time, subsidies on farm inputs such as fertilisers, electrical power and irrigation water are also being provided by the Indian government.

### Favourable weather conditions and irrigation facilities

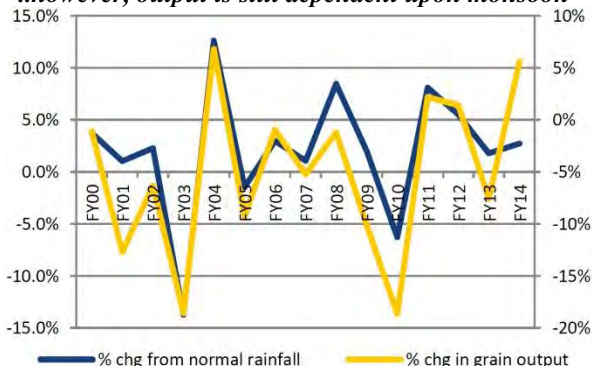
The demand for agricultural inputs will depend on the area under cultivation and the availability of water supply. In the past few years, grain acreage under irrigation has increased from 36% in FY93 to around 46% in FY14. Despite an improvement in irrigation facilities, India’s agriculture is still dependent upon monsoon rainfall as the majority of the area used for cultivation is dry land which does not receive enough rainfall. In addition, water use efficiencies in both irrigated and dry land areas are low.

*Grain area under irrigation (%) rose sharply..*



Source: CARE April 2015 Report

*..however, output is still dependent upon monsoon*

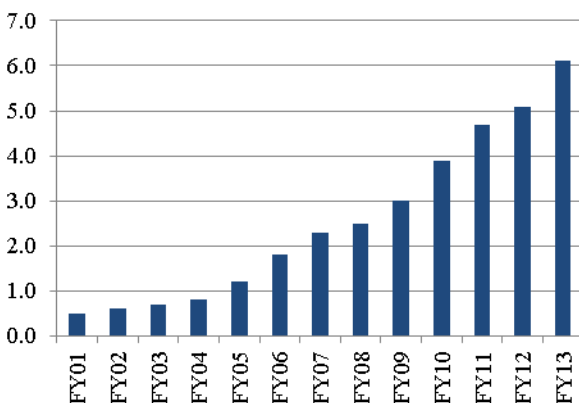


Source: CARE April 2015 Report

### Availability of credit

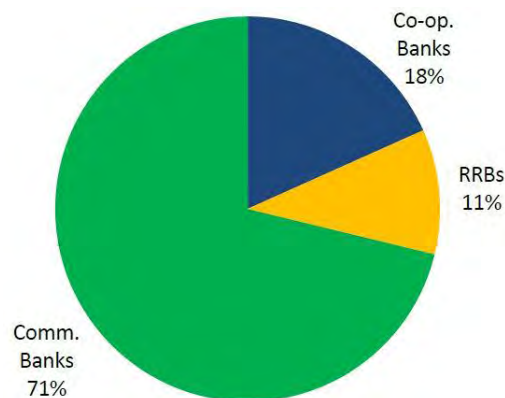
The availability of cheap credit to farmers is one of the important drivers for demand of agricultural inputs. Institutional credit which is available to the agricultural sector increased at a rate of 21.9% CAGR over FY00-13 on the back of an increased push by the Indian government to provide direct lending to farmers at a cheaper rate of interest. The Indian government has also provided incentives to farmers in the form of subsidised interest rates and additional subventions to regular borrowers.

*Flow of institutional credit to agri sector (₹ in trillions)*



Source: CARE April 2015 Report

*Share of institutional credit providers – FY13*



Source: CARE April 2015 Report

### Evolution of the Indian seed industry

During the early 1930s, commercial seed firms began to use public research on hybridisation and other innovations to improve growth in the production of corn and other seeds. The introduction of intellectual property rights (“IPR”) in the 1970s, such as plant breeders’ rights and patents, promised to increase returns from investments in research and development (“R&D”) related to plant breeding. During the 1980s, agro-chemical companies in the US and Europe invested substantially in genomics, genetic modification (“GM”) and other new technologies. A wave of strategic mergers and acquisitions vertically integrated the collection of genetic resources for plants, or “germplasm”, and GM or biotech assets. As a result, the share of the top nine seed companies in the global seed market increased from 12.7% in 1985 to 34.0% in 2009.

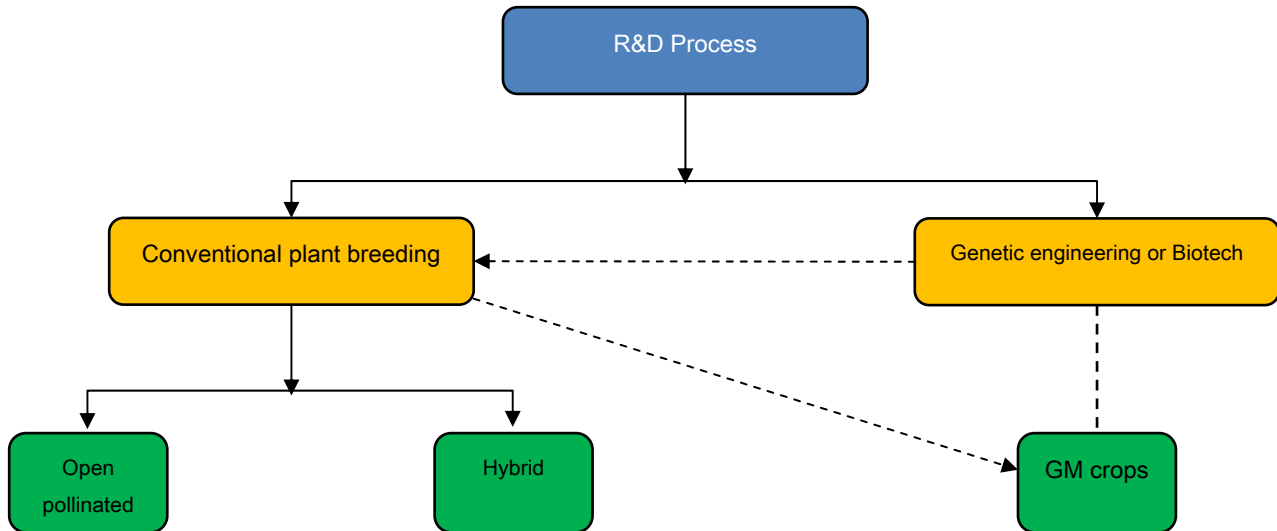
Source: US based Commission of Genetic Modification (“COGEM”).



## Production process

Varieties and hybrids are produced primarily through two processes: a) conventional plant breeding, which is the primary tool for crop improvement, and b) use of genetic engineering or biotech or GM crops, which provide methods and tools for shortening the breeding process or to introduce new traits in crops.

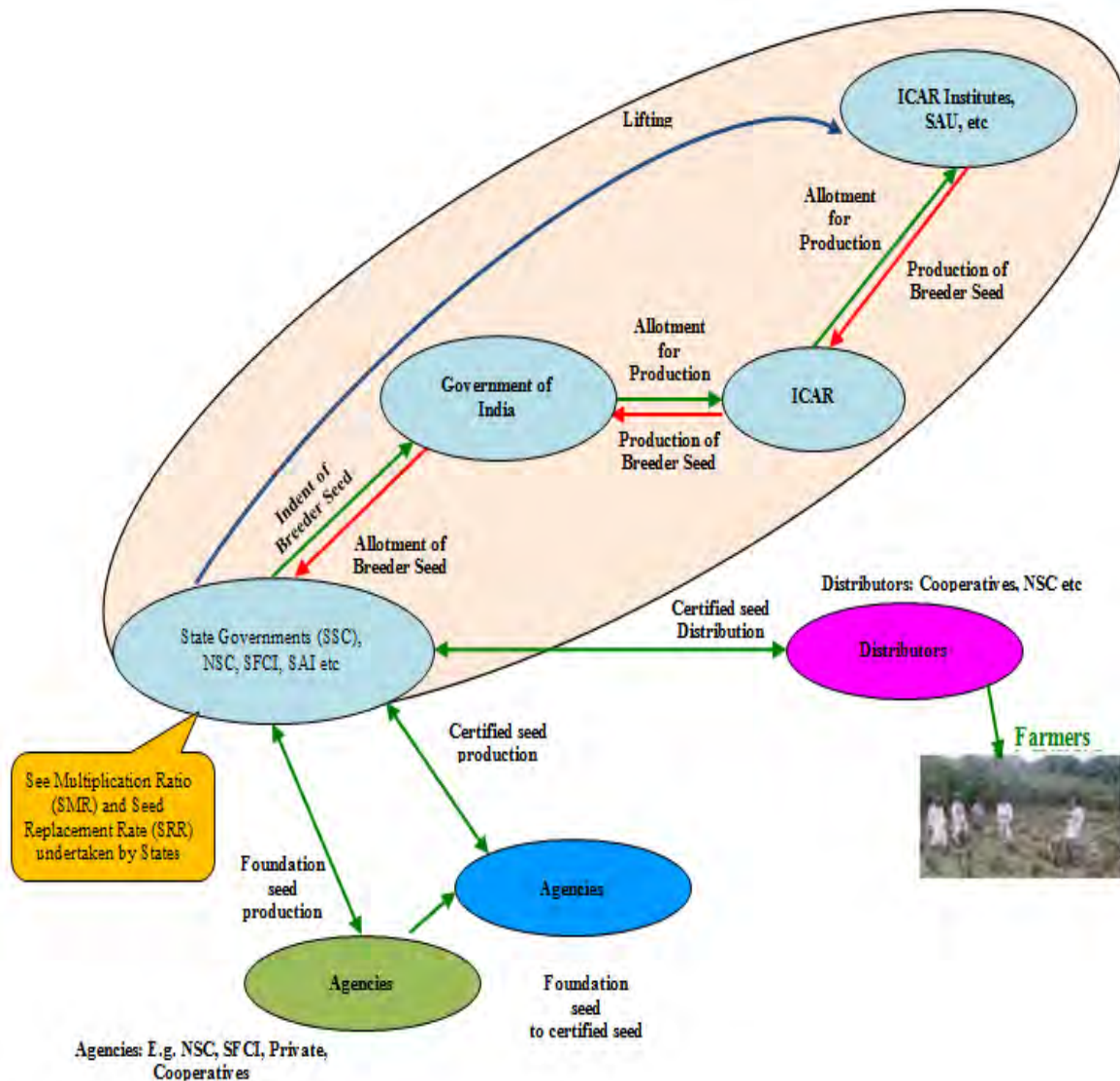
### Seeds are generated through two main R&D processes



Source: CARE April 2015 Report

**Conventional plant breeding:** Under the conventional plant breeding techniques, crop plants can be artificially mated or cross-pollinated to improve the characteristics of the offspring plant. Desirable characteristics from different parent plants can be combined by plant breeding so that such characteristics are present in the offspring. This processing typically improves the productivity and quality of the offspring crops. The end result of plant breeding is either an open-pollinated variety (“**OPV**”) or a first filial generation (“**F1**”) hybrid variety.

## A typical supply chain of seed industry in India



Source: CARE April 2015 Report

**Note:** While public sector seed companies source germplasm from government appointed organisations, most of the private sector seed companies develop their own germplasm.

### Seed production process:

**OPV:** OPV seeds are produced by crossing selected parental lines that can be genetically similar. The Indian seed industry adheres to three generation systems of seed multiplication, namely, breeder, foundation and certified seeds. The generation system of seed multiplication provides adequate safeguards for quality assurance in the seed multiplication chain and maintains the purity of the variety as it flows from the breeder to the farmer in the form of certified/quality seed.

**Breeder seed:** the breeder seed is the progeny of the nucleus seed and is produced by the originating breeder or by a sponsored breeder. The production of breeder seeds is the mandate of Indian Council of Agricultural Research (“ICAR”) and is being undertaken with the help of ICAR research institutions, national research

centres, state agricultural universities, state seeds corporations, and others. The genetic purity of breeder seed crop should be maintained at 100%. The details of actual production of breeder seeds by different centres is provided to the Department of Agriculture and Cooperation (“**DAC**”) by ICAR. On receipt of information from ICAR, the available breeder seed is allocated to various seed indenters in an equitable manner. The breeder seed produced is lifted directly by the Director of Agriculture or by foundation seed producing agencies. Once the breeder seed is ready for commercial release, the seed notification process typically takes one year to pass certain quality and performance assessments, conducted by the ICAR on field trials.

**Foundation seed:** Foundation seeds are the progeny of breeder seeds or are from the foundation seed which can be clearly traced to the breeder seed. Foundation seeds are produced by public sector seed companies (such as the State Farm Corporation of India, the National Seed Corporation and the State Seed Corporation) under the technical control of qualified plant breeders or technical officers. Its production is supervised and approved by a certification agency appointed by the government. The genetic purity of the foundation seed should be maintained at 99.5%.

**Certified/quality seed:** Certified/quality seed is the progeny of foundation seed and its production is supervised and approved by the certification agency. Certified seeds are normally produced by the State and National Seeds Corporation and private seed companies on the farms of progressive growers. This is the commercial seed which is available to farmers and its genetic purity should be 98% for most field crops, 95% for hybrids and 90% for cotton hybrids.

**Hybrid:** A hybrid is produced by the cross pollination of unlike parents of the same crop species. Pollen from the male parent (pollen parent) is made to pollinate, fertilize and set seeds in female (seed parent) to produce F1 hybrid seeds, which are then sold to the farmers. The F1 hybrid seed possesses hereditary characteristics determined by the selected genetics of the parent lines and also typically contains enhanced performance characteristics superior to its parent lines.

#### Advantages of OPV and hybrid seeds

Features	OPV	Hybrid
<b>Characteristics</b>	Seed characteristics are retained when multiplied	Seed characteristics are improved when multiplied in terms of generation of higher yields, stronger resistance to pests and diseases, and shorter time to maturity
<b>Emergency operations</b>	Performs well during emergency operations as farmers can save the seed from the harvest to plant during the next season	Do not perform well when farm saved hybrid seeds are used during emergency operation due to degeneration of uniformity, lower yield potential and poor crop quality. Thus, hybrid seeds must be repurchased every year
<b>Participation</b>	Public sector companies are dominant in OP seeds	Private players have dominated the hybrid seed segment

Source: CARE April 2015 Report

#### Genetic engineering or biotech or GM crops

Biotechnology tools (e.g. genetic engineering) can be used to manipulate the genetic material of an organism. GM crops are crops which have had their genes modified using genetic engineering techniques. Genetic engineering is often used in conventional seed breeding to develop new hybrids or OPVs. If a trait (such as Bt. trait) is developed by genetic engineering, the trait has to be incorporated through conventional breeding into the new hybrids/OPVs. The ability to manipulate individual genes and to transfer genes between species that would not readily interbreed is what distinguishes genetic engineering from traditional plant breeding. R&D plays a very important role in genetic engineering.

Genetic engineering techniques are only used when all other techniques have been exhausted but also when: 1) the trait to be introduced is not present in the germplasm of the crop; 2) the trait is very difficult to improve by conventional breeding methods; and 3) it may take a very long time to introduce or improve such trait in the crop through conventional breeding methods.

## **India**

In the Indian context, Bt. cotton is the only GM crop released on a commercial scale for the benefits of Indian farmers, however, there are several other GM crops that are in the R&D pipeline and some of them are at the advanced stages of the approval process and awaiting final approval from the Genetic Engineering Approval Committee (“GEAC”). Besides an initial approval from GEAC, it is mandatory for the seed companies to obtain a No Objection Certificate (“NOC”) from the relevant state government in order to conduct field trials of GM crops on university farms.

### **Regulatory status of pending biotech/GM crop projects in India**

As of October 2013, 79 applications covering 10 other crops, namely, rice, castor, corn, wheat, sugarcane, brinjal, potato, chickpea, mustard and sorghum were made by various domestic seed producers for approval with GEAC of the Ministry of Environment and Forests (“MOEF”). Out of the 79 applications, 24 were awaiting receipt of a NOC from the relevant state government and the remaining 55 are yet to be considered by the GEAC.

In 2013 and 2014, a few state governments (such as Maharashtra, Punjab and Haryana) gave NOCs to conduct field test on five crops namely the Bt. Roundup Ready Flex Cotton, brinjal, corn, rice, chickpea. Roundup Ready Flex provides specific tolerance to the herbicide Glyphosate. According to the International Service for The Acquisition of Agri-Biotech Applications (“ISAAA”), two GM crops are at penultimate stage of environmental release and commercial approvals, namely, Bt./HT cotton and Bt./HT corn.

### **Key considerations for development of seed industry**

**Role of R&D and intellectual property rights:** Increasing investment in R&D, introduction of IPR in plant breeding and biotechnology were major drivers of structural change in the global seed industry.

The seed industry involves significant R&D for development of seeds with improved genetic traits, which are developed over generations before being commercially released. Accordingly, companies are required to invest heavily in R&D in order to produce seeds with improved traits and remain competitive. Both seed companies with end to end capabilities from R&D to commercial production to marketing and distribution, and companies which only perform a single function such as trading, marketing or distribution exist in India.

R&D spending in the seed industry can be broadly categorized in two types a) development of superior variety or a hybrid through plant breeding and b) technology development for delivery of traits. Generally, international players (such as Bayer, Syngenta, Monsanto, BASF, Dupont and Dow) are involved in development of technologies for delivery of new traits as it requires heavy spending on R&D and involves long gestation periods. However, both domestic and international seed producers are involved in large scale plant breeding programs on proprietary germplasm to develop improved hybrids (such as hybrids which lead to improvement in product yields and quality and may also be resistant to pests, and have drought tolerance) and varieties. For example, in India, Bt. cotton trait was initially developed by Monsanto and was then licensed to more than 40 domestic seed companies until FY13. Domestic seed companies have developed superior cotton hybrids through plant breeding with plants which have the Bt. gene licensed from Monsanto. Domestic companies have used their R&D on plant breeding to release more than 1,000 varieties of improved Bt. cotton hybrids over the last 12 years. According to industry sources, it typically takes approximately 72 to 84 months from the time of collection and evaluation of the germplasm to the launch of a new seed product (hybrid or open pollinated varieties) in the market.

**Product life cycle (“PLC”):** The PLC of a seed is dependent upon the strength of the hybrid and the rate of innovation. Rapid product innovation leads to a shrinking PLC. A particular hybrid variety might achieve high sales and better margins in the introductory and growth period but sales start declining during its maturity phase. At some point during the PLC, the diminished sales cannot support the costs of production and the product is completely removed from the market. According to COGEM, there is significant variation in the observed PLCs of individual hybrids. For many hybrids the transition from introduction to growth, maturity and decline is gradual while for others it is abrupt or non-uniform. The typical life cycle of a seed product is, approximately, a 10-15 year cycle. This breaks down into (i) four years to develop test and commercialize the product, (ii) three years of ramp up, (iii) four years of the product’s growth phase, during which the seed products supply high volumes and margins, and (iv) two-three years of maturity, during which crop volumes stabilize and decline, however, margins remain high.

**Long production period:** Seeds are grown through agricultural operations rather than manufactured. Accordingly, large seed crops are generally produced locally in order to replicate local growing conditions and to facilitate transport. Seed production takes place in three stages in India: preparation of breeder seeds, which is followed by multiplication into sufficient levels of foundation seeds, which are then used to produce certified seeds. Given that each processing stage requires a growing season, seed production requires long lead times. Hence, correct estimation of future seed demand is important as it will enable producers to accurately plan their supply.

**Barriers to entry and key success factors:** In order to develop products in the seed industry, companies need access to a diverse germplasm bank and adequate capital to develop products over long periods of time. The development of a diverse germplasm bank requires the accumulation of hereditary materials over a period of years both by collection from various sources and also by internally generating genetic diversity. Germplasm is scarce, expensive and must be refined to properly serve different markets. Furthermore, development cycles can last 5 to 12 years prior to achieving the launch of a commercially viable product. Seed companies invest a considerable amount of capital in R&D to maintain a complete product pipeline suitable for diverse agro-climatic conditions. Success in the seeds industry requires wide distribution networks to capture demand from various states and regions, building established brands and achieving economies of scale.

**Working capital:** In contrast, sales typically take place a few weeks before the sowing season. Consequently, a seed producer needs to have good storage facilities so as to meet demand during the peak season period, which may lead to a requirement of higher working capital. Long production periods and the extremely short sales periods expose companies to liquidity management problems if sales do not take place as projected and may lead to higher inventories.

**Contract farming:** Seed firms with a marketable seed product typically contract out the production and multiplication processes to independent farmers, farmers’ associations, and private firms. The duration of contract farming arrangements usually spans for one crop season (Rabi or Kharif). The R&D department of the company provides the foundation seed (parent seed stock produced from the original seed developed by plant breeders) for large-scale production/multiplication purposes. The foundation seed is the progeny of breeder seed and the certified/truthfully labelled seed is the progeny of a foundation seed.

The production of certified/truthfully labelled seeds through contract growers is closely managed by seed firms to ensure that the desirable plant characteristics are carried through to subsequent generations and to prevent genetic contamination, disease or pest infestation, or other types of problems that could affect product quality. Contract growers are carefully selected by seed firms and are provided with technical assistance and supervision. Seed firms closely control and monitor all stages of seed production, from seedbed preparation and planting densities to the timing of input application to harvesting and transporting the produce to the processing plants.

**Seed conditioning:** Once harvested, the seeds are conditioned for sale to farmers. The conditioning process typically includes drying, cleaning and sorting, treating with insecticides and fungicides, and packaging. Such processes are generally performed at centralized processing facilities.

**Quality control:** Seed quality assurance is a critical component of the supply chain of the seed business. Production of improved seeds of highest genetic and physical purity of both varieties and hybrids is a prerequisite for meeting the need of the growing consumer demand for quality seed products. This is also the key driver for the improvement of seed replacement rates in varietal crops. Varietal purity can mean checking whether a variety is, for example, completely of the F1 variety it is claimed to be, or whether a conventional variety is contaminated by GM seeds or vice versa. Varietal testing can be performed through various methods such as morphological methods, bioassays, protein-based methods such as enzyme-linked immunosorbent assays for cotton, isozyme analysis for corn, and electrophoresis and DNA-based methods for chillies, tomatoes and cucumbers.

The Seeds Act, 1966 (the “**Seeds Act**”) and applicable rules provide minimum prescribed standards of physical purity, and the enforcement of the Seeds Act helps to ensure that these quality standards are met.

Most private and public sector seed companies have developed their quality control systems based on national standards in India. Some companies comply with both national and international standards. The International Seed Testing Association (“**ISTA**”) is the international body which provides for global seed certification and quality assurance standards. The ISTA develops international standards for seed sampling and testing, accredits laboratories, promotes research, provides international seed analysis certificates and training, and disseminates knowledge in seed science and technology. ISTA accreditation provides an international quality benchmark and a laboratory with such accreditation will be recognised as competent to carry out seed testing procedures in accordance with the 'ISTA International Rules for Seed Testing'. Currently, there are five ISTA accredited private sector labs in India (these are numbered 1-5 in the list below), and one public sector ISTA accredited lab (number 6 in the list below):

1. Bejo Sheetal Seeds Private Ltd, Maharashtra
2. Maharashtra Hybrid Seeds Company Ltd, Maharashtra
3. Namdhari Seeds Private Ltd, Karnataka
4. Nuziveedu Seeds Limited, Telangana
5. Indo-American Hybrid Seeds, Karnataka
6. Seed Testing Laboratory, Department of Seed Certification, Tamilnadu

In September 2014, the Organisation for Economic Co-operation and Development (in collaboration with Government of India) published a handbook in India specifying the standards of seed certification which are in-line with the international standards.

Seeds are subject to inspection under various government programmes to ensure that the final product meets certain quality standards. This inspection may include tests for purity, germination, presence of noxious weed seeds and moisture content. Seed certification is a legally sanctioned system in India for quality control of seed multiplication and production. Agencies which are notified under section 8 of the Seeds Act are authorized to certify seeds. Seed certification is achieved by following the six broad steps listed below:

Verification of seed source, class and other requirements used for raising the seed crop;  
Receipt and scrutiny of application;  
Inspection of the seed crop in the field to verify its conformity to the prescribed field standards;  
Supervision at post-harvest stages including processing and packing;  
Drawing of samples and arranging for analysis to verify conformity to the seed standards; and  
Grant of certificate, issue of certification tags, labelling and sealing.

Under the Seeds Act, seed certification is voluntary and most of large seed companies prefer to self-certify. Where a company has certified its own seeds, such seeds will be labelled as “truthfully labelled” and are perceived to be of higher quality because the company will have had to meet certain standards of quality control and assurance mechanisms before self-certifying.

**Marketing and distribution:** Private seed companies generally rely on dealers or will sell directly to farmers. Apart from dealers or self-selling points, both private and public seed corporations supply seeds to farmers through many channels such as cooperatives and societies such as KRIBHCO, IFFCO. Marketing and

distribution channels are generally localized. Local distribution is typically run by independent agents, such as farmer-dealers, farmers' associations, company salesmen and private wholesalers and retailers. Many companies also license or outsource marketing and distribution to private firms and individuals in order to improve access to local markets. Different distribution channels are used in different regions and markets and marketing and distribution typically accounts for approximately 6-8% of the total cost of production.

### Benefits of quality seeds

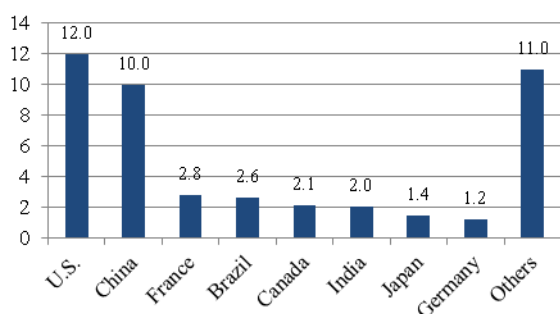
1. **Yield enhancement:** According to the Ministry of Agriculture, seed quality is estimated to account for 20-25% of productivity. It is, therefore, important that quality seeds are made available to farmers.
2. **Savings from lower pesticide consumption:** GM seeds with resistance to biotic stresses (insects and diseases) are available with different traits such as insecticide and disease resistance or both, which enables reduction in pesticide consumption. For example, according to ISAAA, cotton insecticides as a percentage of the total insecticides consumed in India has fallen from 46% in 2001 to 26% in 2006 and then further declined to 20% in 2011 due to increased adoption of Bt. cotton seeds. In addition to biotic stresses like insect resistance, certain traits which confer tolerance to herbicides make the GM plant survive in the field while all other weeds are eliminated. Therefore, plants which have tolerance to herbicides will have less competition from weeds for natural resources as herbicides can be used without harming crop yields. Farmers can also make savings and benefit from using seeds which have been genetically modified to have more than one trait, for example, insect resistance and herbicide tolerance.
3. **Others traits:** Varieties and hybrids are also available with traits like abiotic stress tolerance (such as tolerance of drought and salinity stress), post-harvest traits (softness or hardness, increased shelf life **and** delayed ripening), and improved protein and vitamin content.

However, since Fiscal 2002 GM cotton hybrid seeds with the *Bacillus thuringiensis* (Bt.) traits have been introduced in India and in Fiscal 2013, 93.0% of India's cotton acreage was based on GM cotton hybrid seeds with the Bt.-1 trait or its advanced versions. At present, cotton is the only commercialised GM crop in India.

### Overview of Indian seeds market

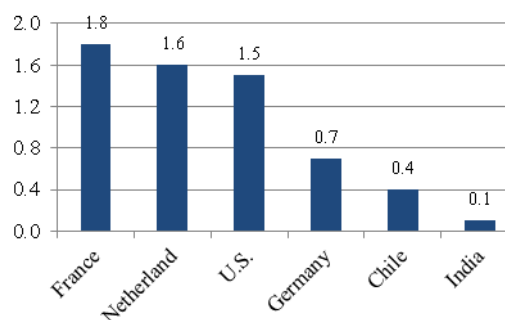
India has the sixth largest seed market in the world, accounting for 4.5% of the global seed market after the US (27%), China (22%), France (6%), Brazil (6%) and Canada (5%). In terms of global trade, Indian seed demand is mainly met by domestic seed producers.

*Country-wise seed market size in USD bn – CY 2012*



Source: CARE April 2015 Report

*Major seed exporting countries in USD bn – CY2012*



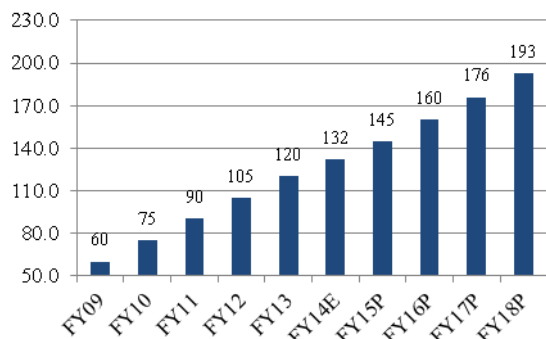
Source: CARE April 2015 Report

### Size and growth of Indian seed market:

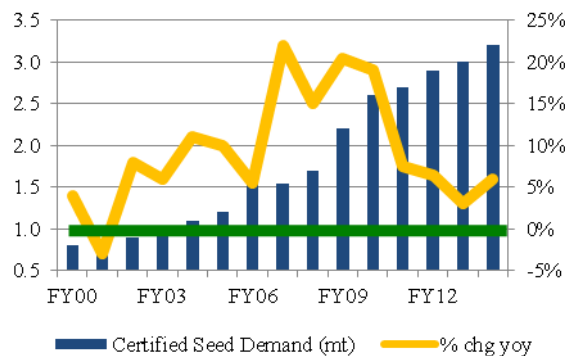
According to the CARE April 2015 Report, the market size in value terms of the organised seed sector in India is estimated to have grown at a CAGR of 17% from ₹60 billion in FY09 to ₹132 billion in FY14. In volume

terms, it has grown at a rate of 6.8% CAGR during FY09-14. Branded seeds possess high genetic and physical purity, high germination percentages and high uniformity and stability in expression of various traits/characteristics, which has resulted in improvement in agriculture productivity and profitability for farmers. This trend is further reflected in the increase in seed replacement rates in all major crops, which is the key demand driver for the growth of the Indian seed industry in the future.

**Indian seed market size (₹ in billions)**



**Seed demand (volume) trend in India**



Source: CARE April 2015 Report

\*Yield unit is in kg/ha

Source: CARE April 2015 Report

#### Indian Seed Market – Segment Profile

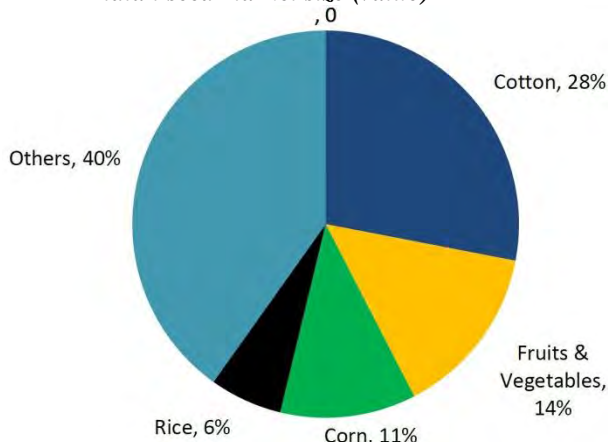
Type	Size (FY14) Rs. bn	% of total market value	Characteristics	Replacement Rate	Leading Players	R&D Intensity
Varietal	10	7%	Open-pollinated seeds which are saved over years for their desirable traits	20-80%	Small regional players and govt. agencies	Low
Hybrid	85	65%	Produced by artificially cross pollinating plants; offer better characteristics over the parents	100%	Nuziveedu Seeds, Mahyco, Rasi, Bayer, Pioneer, Syngenta, Kaveri, etc	Medium
Genetically Modified Crops (Mostly Hybrids)	37	28%	Seeds whose genetic material has been altered using genetic engineering techniques	100%	Nuziveedu Seeds, Mahyco, Rasi, Pioneer, Syngenta	High

Source: CARE April 2015 Report

According to the CARE April 2015 Report, the value of the Indian seed industry is estimated to be around ₹132 billion in FY14. The top four crops account for around 60% of the total seed industry. Across the crops, cotton is the main seed crop in India, accounting for roughly 28% of market size in FY14, followed by vegetables (14%), corn (11%), rice (6%) and others account for the remaining. Cotton accounts for a large percentage of seed market in India despite accounting for only 0.7% of total volume due to the higher unit value of Bt. cotton hybrids. The other major seed consuming crops include sunflower, sorghum and millets. In terms of volume, wheat and rice account for around 60% of the seed industry.

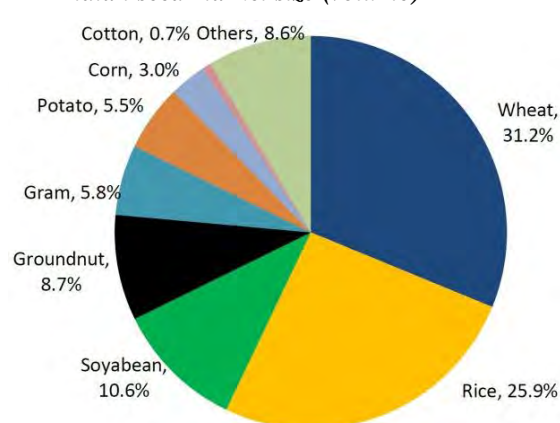


**Indian seed market size (value) – FY 14**



Source: CARE April 2015 Report

**Indian seed market size (volume) – FY 14**



Source: CARE April 2015 Report

### Indian Seed Market – Crop Profile

Type	Size (FY14) ₹ in billions	% of total seed business	Hybridization	Replacement Rate
Cotton	37	28%	95%	100%
Fruits & Vegetables	19	14%	15-90%	100% (Hybrid)
Corn	15	11%	>60%	60% (OPV) 100% (Hybrid)
Rice	8	6%	~5%	40% (OPV) 100% (Hybrid)
Others	53	40%	Varies	Varies

Source: CARE April 2015 Report

As evident from above table, the level of adoption of hybrid seeds in crops like corn and rice is low, which presents opportunities for Indian seeds companies to enter into these markets.

The global seed industry is quite concentrated, with the top three seed companies accounting for around 50% of the global seed market in 2014. However, the Indian market is highly fragmented in comparison. Nuziveedu Seeds is the largest private sector seed company in India in terms of revenue, accounting for approximately 8.4%, 7.2% and 7.7% of domestic seed market size during FY12, FY13 and FY14, respectively.

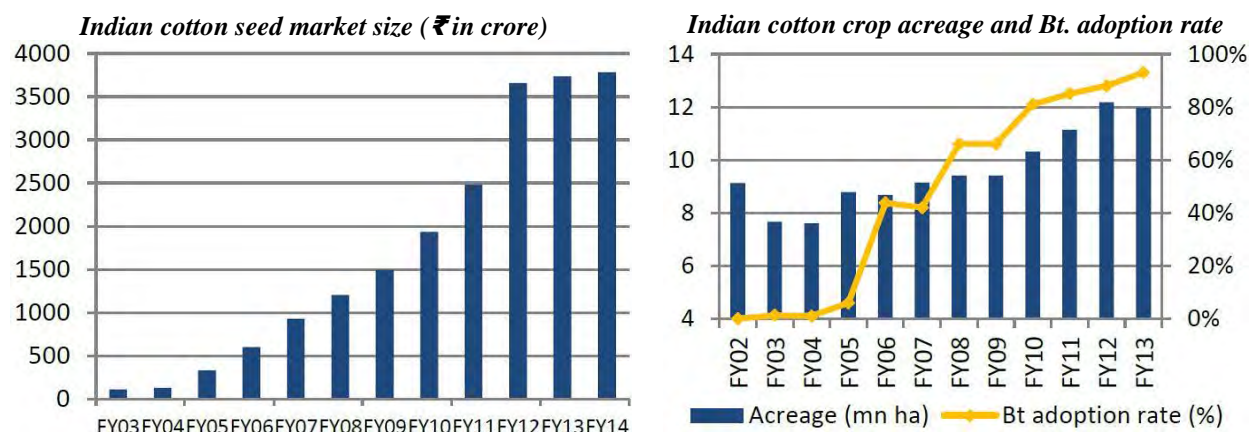
### Operating revenues of major private sector seed companies (only seed division) In India (Rs cr)

Company	FY10	FY11	FY12	FY13	FY14
Nuziveedu Seeds	557	733	910	1,002	1,186
Kaveri Seeds	162	213	349	686	971
PHI Seeds	367	434	535	574	795
Mahyco	455	516	524	461	641
Rasi Seeds	420	469	399	394	NA
Bayer	259	327	362	407	453
Monsanto	272	269	267	298	366

Source: CARE April 2015 Report

### Cotton

After the introduction of Bt. cotton hybrids in FY02, India went from being the second largest importer of cotton in FY02 to the second largest exporter of cotton in the world in FY14. According to the CARE April 2015 Report, the Indian Bt. cotton seed industry market size has grown from ₹11 billion in FY03 to around ₹378 billion in FY14 on account of increased adoption of Bt. cotton from 1% in FY03 to 93% in FY13.



Source: CARE April 2015 Report

Source: CARE April 2015 Report

#### Bt. cotton adoption trend from FY02-13 in India and major cotton producing states

States	Acreage						Adoption rate						
	% share (FY13)	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13
Maharashtra	35%	1%	1%	7%	21%	64%	90%	98%	100%	100%	100%	97%	93%
Gujarat	21%	1%	2%	7%	8%	25%	38%	56%	71%	68%	73%	68%	85%
Andhra Pradesh	20%	1%	1%	9%	24%	80%	100%	100%	75%	100%	100%	100%	88%
Northern Region	13%	0%	0%	0%	4%	13%	46%	58%	97%	79%	99%	83%	88%
Madhya Pradesh	5%	0%	2%	14%	25%	50%	78%	98%	99%	100%	98%	86%	100%
Karnataka	4%	1%	1%	6%	6%	21%	38%	60%	67%	81%	100%	94%	100%
Tamil Nadu	1%	1%	8%	5%	21%	32%	70%	91%	100%	100%	100%	100%	100%
Others	1%	0%	0%	0%	0%	6%	7%	7%	10%	11%	100%	81%	86%
Total	100%	0%	1%	1%	6%	44%	42%	66%	66%	81%	85%	88%	93%

Source: CARE April 2015 Report

\*Northern Region includes Punjab, Haryana and Rajasthan

According to the CARE April 2015 Report, although cotton has high hybrid seed penetration, the cotton seed market is likely to grow due to stable long term demand of cotton, high profitability for farmers and adoption of new crop management techniques.

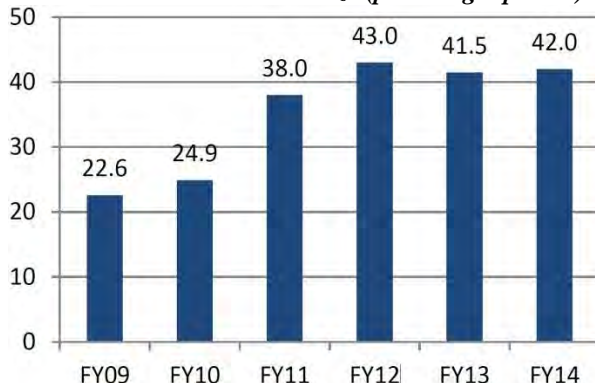
The product life cycle for Bt.1 cotton is estimated to be 10 years since the launch of the product in 2002 in India (introduction stage - 2002, growth stage – 2003-2005, maturity stage – 2006-2007, declining stage – 2007-

2011). Bt 2 cotton hybrid was launched in 2005 and gradually replaced the market of Bt.1 cotton hybrid due to superior attribute of Bt 2 over Bt.1.

### Competitive matrix for seed players in cotton

Indian cotton seed demand is estimated to be around 40 mn packet (450 gm) in FY14 and it is completely dominated by the private sector. The top seven companies account for roughly 75% of the domestic seed business. In terms of volume, Nuziveedu Seeds is the largest private sector cotton seed producer in India, accounting for approximately 21% of total cotton seed industry business in FY14. Companies producing Bt. cotton seeds are located in Andhra Pradesh and Maharashtra.

**Indian cotton seed market size (per 450 gm packet)**



Source: CARE April 2015 Report

**Indian cotton crop acreage and Bt. adoption rate**



Source: CARE April 2015 Report

Since the first year of commercialization of Bt. cotton in 2002, the GEAC of the MOEF have approved six events of Bt. cotton. However, the event introduced by Monsanto continued to dominate the domestic cotton seed market whereas the adoption of Bt. hybrids containing other events were negligible. Further, the number of commercially released Bt. cotton hybrids increased from 3 hybrids by a single company in FY03 to 1,097 hybrids by 44 companies in FY13. Given below is the number of Bt. cotton hybrids released by GEAC since introduction of Bt. cotton in India until May 2012.

Company	Approximate No. of Bt Hybrids released /Approved by GEAC*	%
Nuziveedu Seeds	217	22
Amar Biotech	50	5.1
Rasi Seeds	48	4.9
Vibha Seeds	40	4.1
JK Agri Genetics	39	4
Bioseed Research	37	3.8
Mahyco Seeds	36	3.7
Ankur Seeds	36	3.7
Seed Works	35	3.6
Bayer	30	3.1
Krishidhan Seeds	28	2.9
Tulasi Seeds	24	2.5
Monsanto	22	2.3
Kaveri Seeds	16	1.6

The sustainability of the business of seed producers is dependent upon existing product profile, depth in R&D and technological capabilities to manage product life cycles. According to the CARE April 2015 Report, Nuziveedu Seeds' R&D strengths in plant breeding has enabled it to maintain its position as one of the market leaders in the cotton seed market since 1995.

### Dominant Bt cotton hybrids of different seed companies in major cotton producing states

Company	Maharashtra	AP & Telangana	Gujarat	Punjab, Haryana	Rajasthan	Madhya Pradesh	Karnataka
Nuziveedu Seeds	Mallika, Bhakti, Malini, Sona, Balwan, Flux	Bhakti, Mallika, Puja	Uttam, Mallika, Suraksha	Raghav, 9013, Balwan	Bunny, Suraksha	Mallika, Bhakti, Denim	Mallika, Malini, Bhakti, Azura
Ajit Seeds	Ajeeth-155, Ajeet-199	Ajeeth-155	Ajeeth-155, Ajeet-199	NA	Ajeet-155	Ajeet-155	Ajeet-155
Kaveri Seeds	Jadu, ATM	Jadu, ATM, Jackpot	NA	NA	NA	Jadu	Jadu, ATM
Rasi Seeds	RCH-2, RCH-659	RCH-659	RCH-2	RCH-650, RCH-653	RCH-134	RCH-2, RCH-659	NA
Bioseed	Yuva	Yuva, Bindaas	Yuva	6588, 6488,	NA	NA	Yuva
Mahyco Seeds	Dr. Brent, MRC 7351	Dr. Brent, 7351	NA	NA	NA	NA	7351
Ankur Seeds	Ankur-3028, Ankur-Jai,	NA	Ankur-3028, Ankur-Jai	Ankur-3028	NA	Ankur-Jai	NA

Source: CARE April 2015 Report

### Key concerns of cotton seed industry

**Cotton supply demand fundamental:** Given the record global stock-to-use ratio of cotton in FY14, cotton prices are expected to remain weak in the near-term and this may negatively impact the domestic cotton seed demand in the near-future. Despite expectation of weak cotton prices in the near-term, cotton planting in India is expected to increase by 7.9% y-o-y in FY15 because cotton offers farmers a number of advantages. For example, cotton can be grown with low inputs and ease of maintenance of cultivation, it is suitable for rainfed conditions, it yields through 3-4 pickings because of rejuvenation, and it can be easily stored for sale in future seasons in order to obtain better prices.

**High adoption rate:** Bt. cotton adoption rate has increased from 1% in FY02 to 95% in FY11, indicating that the Bt. cotton seed industry entered into maturity phase. Though there may not be significant increase in the acreage of hybrid cotton, new product development (such as herbicide tolerant Bt. cotton and seeds that can produce plant types suitable for HDP) is expected to increase the market value.

**Price control:** Unlike for other seeds, the government has been controlling the prices of cotton seed and has maintained the prices at ₹930 per 450 grams packet for the last three years.

### Historical trends in Bt. cotton pricing

	FY06		FY07		FY08		FY09		FY10		FY11		FY12	
	North	South	North	South	North	South	North	South	North	South	North	South	North	South
Cotton BG I	Not there	1,818	1,278	750	750	750	750	650 **	750	650	750	650	825	830
Cotton BG II	Not there	Not there	Not there	Not there	925	925	925	750	925	750	925	750	1000	930

Source: CARE April 2015 Report

\*In FY09, State of Gujarat reduced the price to Rs 650 per packet which was followed by other Central and Southern States from the same year

## **Future growth opportunities for Indian cotton seed industry**

### ***New product developments***

According to a survey conducted by the Indian Society for Cotton Improvement, farmers were convinced of the potential of biotechnology to make available important traits. In the survey, pest and disease resistance (81%) followed by weed management (71%), drought resistance (56%), reduced fertilizer (34%) were the most preferred traits in cotton by farmers across different states. According to ISAAA, Bt./HT (herbicide tolerant) cotton for weed management is at the advanced stages of obtaining approvals for release. Bt./HT cotton hybrid has passed the Review Committee on GM crops and is awaiting final approval from GEAC. It has a trait of herbicide tolerance which enables crops with tolerance to survive, while weeds perish, thereby negating chances of damage to crop due to use of herbicide and also reducing labour cost.

### ***Increase in high density planting***

India is the largest producer of cotton in the world, but the cotton productivity in the country (at 523 kg/ha) is observed to be significantly lower than the world average level of 757 kg/ha. Some of the reasons for this are the lack of suitable plant types for high-density planting and that the practice of HDP is not being followed (i.e. planting more plants per acre by reducing the space between the rows and within the rows to boost the output). High density cotton planting would lead to higher demand for cotton seeds as farmers would use more cotton seed per acre. A research study of HDP in India indicates that while the cost of cultivation of cotton increases by 25-29%, there is a resultant increase of 50-60% in yield of crop. Further, it also helps in controlling the labour cost, which account for around one-third of total cost of cotton cultivation.

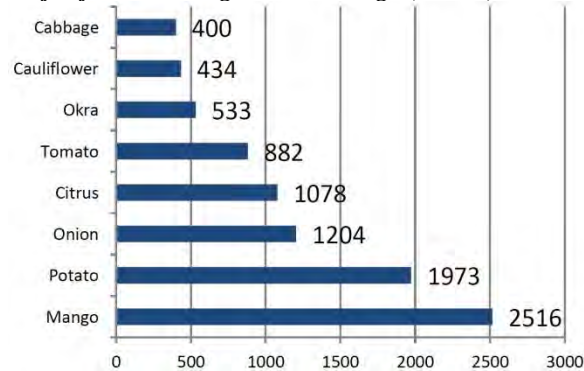
HDP is an improved crop management approach, which can be successful only if suitable plant types are bred for it. Plants suitable for HDP have an erect and open architecture representing phenotypic traits like determinate growth, less monopodial branches, more sympodial growth along with well distributed bolls with big size and fibre quality. Only such plant types will enable increase in plant population under narrow spacing from 15000 plants/ha to 30000 plants/ha and also provide high productivity gains to Indian farmers. Plants suitable for HDP will also be amenable to mechanization in terms of mechanized sowing and harvesting cotton, if the plants are also bred for uniform opening of bolls at one time. Hand picked cotton contains high levels of contamination of leaf and vegetation materials accumulated due to admixtures and storage. As a result, hand picked cotton is traded internationally at a discount. Machine picked cotton, also has contamination of leaf and vegetation materials, however, it undergoes standardised cleaning procedures and is traded internationally at a premium. For example, cotton produced in both the USA and Australia is 100% machine picked and achieves premium prices in the export market.

## **Future growth of the Indian Seed Industry will also be driven by:**

### ***Vegetables and fruits***

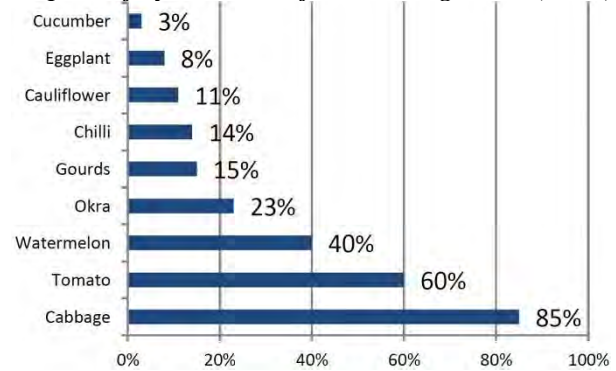
Vegetables and fruits account for around 5% of total crop acreage in India. According to industry sources, the Indian fruits and vegetable seed market is estimated to be around ₹20 billion in FY14 and growing at a rate of 10-15% per year due to rising demand on the back of improvement in dietary habits. Further, India needs to rely on import of fruits and vegetable seed from other countries as the domestic seed producers are not able to meet the entire domestic demand. The public sector share of this segment has significantly reduced and currently it is mainly dominated by the private sector varieties and hybrids. However, the private firms concentrate on selective vegetables (such as tomato, cabbage, brinjal, chilli, and okra) where the seed production of OPVs and hybrids is comparatively easy and more profitable.

**Major fruits and vegetables acreage (mn ha) – FY14**



Source: CARE April 2015 Report

**Adoption of hybrid seed in fruits and vegetables (FY10)**

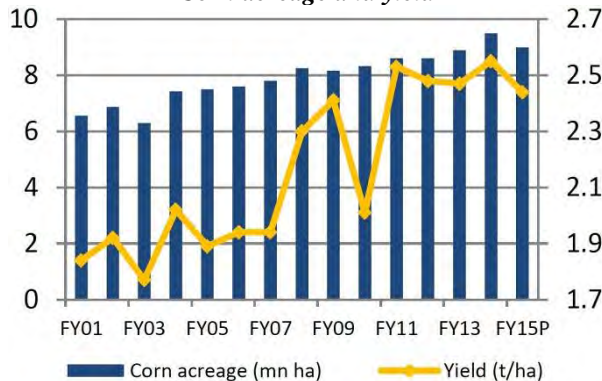


Source: CARE April 2015 Report

## Corn

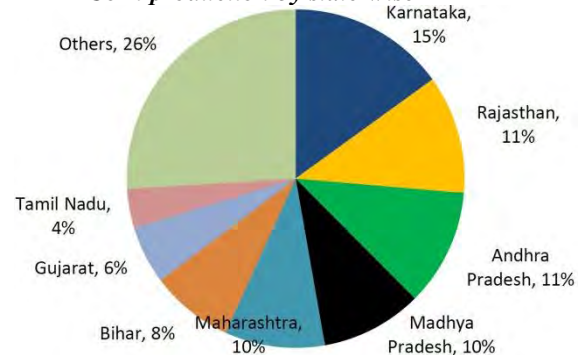
Corn is the largest seed consuming grain crop in India, with an estimated size of ₹15.0 billion in FY14. According to the CARE April 2015 Report, the adoption rate of hybrid seed in corn segment in India is around 60% in FY14. Across state-wise, Bihar and Tamil Nadu has the penetration level of 100%, followed by Karnataka (at 75% level), Andhra Pradesh (72%), Maharashtra (66%). According to CARE April 2015 Report, the leading players in domestic hybrid corn seed segment are Pioneer Hybrid, Monsanto, Nuziveedu, Syngenta and Kaveri.

**Corn acreage and yield**



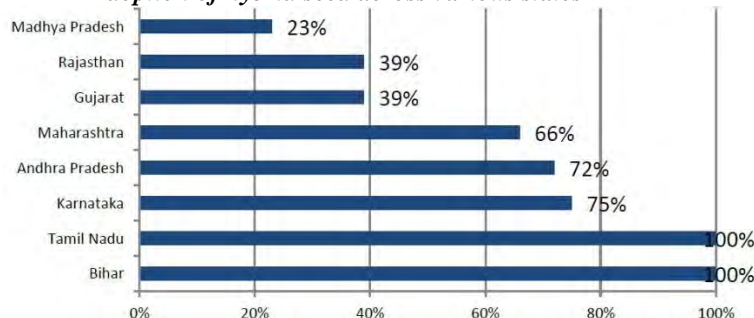
Source: CARE April 2015 Report

**Corn production by state-wise – FY14**



Source: CARE April 2015 Report

**Adoption of hybrid seed across various states – FY14**



Source: CARE April 2015 Report

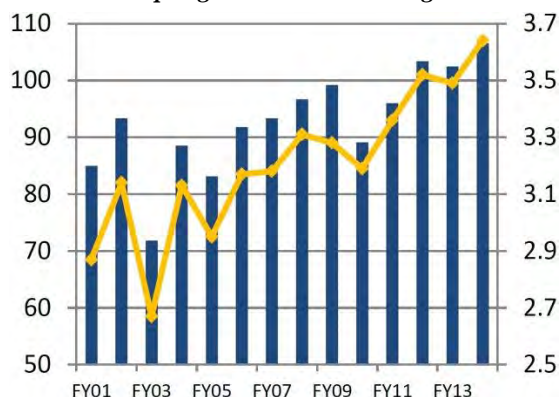


Going ahead, the corn hybrid seed industry is expected to grow at 10-15% due to a) increase in corn acreage as corn demand for poultry feed is rising, b) increasing penetration of hybrid seed, and c) shift in hybrid from double-cross to single-cross hybrid. Further, Bt. corn is at an advanced stage of getting environmental release and commercial approvals from GEAC. Some companies have applied for approval for commercial release of Bt. corn corp.

### Rice (paddy)

Rice is the staple food of more than 60% of Indian population. Rice output has increased at a CAGR of 1.3% per year during FY01-15 whereas the crop acreage has remained almost stagnant. In order to meet the domestic demand of the increasing population over the medium-term, there is an urgent need to improve the crop yield by adopting hybrid technology in rice cultivation. Due to significantly higher penetration of hybrid rice, China is able to produce 40% more rice than India with less than two-thirds of the area under rice cultivation as compared to the area used by India. The penetration rate of hybrid rice seed in India is estimated to be around 5% as compared to more than 50% in China.

**India's rice output grew at 1.44% during FY09-14...**



Source: CARE April 2015 Report

**...due to increasing penetration of hybrid rice seed**



Source: CARE April 2015 Report

Although hybrid rice was introduced in 1990s, the adoption is still very low at 5% compared to China's 50%. Some of the reasons for limitations in the development of highly heterotic rice hybrids which have better grain and cooking quality are i) low heterosis in Indian hybrids for the tropical region compared to temperate region hybrids of China, ii) limited effectiveness of methodology of rice hybridization in India in terms of costs and time, and iii) narrow genetic base of germplasm or low genetic diversity of breeding material.

In-line with the slow adoption of hybrid rice and dominance of varietal rice in Indian market, domestic seed companies have been focusing efforts on breeding better varietal rice types. This strategy of focusing on varietal rice, which is largely the purview of public sector institutions also aligns with consumer demand in terms of the increase in seed replacement rate and preference for quality products with high genetic and physical purity for protection against yield and quality risks.

### Others

In addition to the major crop segments mentioned above (i.e. cotton, corn and rice ) which create high demands for seeds, other important field crops are also important include wheat, bajra, jowar, sunflower, safflower, red gram, blackgram, soybean, sesamum, bengal gram, green gram and forage crops like sudan grass and sweet sorghum.

### Key drivers for growth of Indian seed industry

#### *Increase in seed replacement rate for varietal crops*

Low seed replacement rate is a major factor affecting crop yields in India. Because farmers have the tendency to use seed harvested from the previous crop, saved and stored on the farm for use in next season, the seed replacement rates are very low in India. However, there has been an increase in seed replacement rates in India for open pollinated varieties, on account of farmers' desire to achieve consistency in their agricultural yields from season to season. Farmers can achieve such consistency through the use of commercially available hybrid or open pollinated seeds over farm- saved seeds because commercially available seeds must meet legally enforced minimum standards of genetic uniformity, and thereby are likely to deliver desirable traits, such as high yield, pest or disease tolerance or drought resistance, in a more reliable manner than farm-saved seeds, where such characteristics are subject to dissipation from one generation to the next.

For most self-pollinated crops, use of farm saved seeds does not reduce the performance and productivity when used in the next few seasons, however in certain cross-pollinated crops, productivity is reduced. In the case of hybrids, which are the product of crossing 100%, seed replacement is required to ensure performance and productivity measured as hybrid vigour or heterosis. The government plans to enhance the crop productivity by increasing the seed replacement rate, which will help in expanding the use of quality seeds in the coming years. According to the CARE April 2015 Report, seed replacement rate has improved for all key seed consuming crops.

#### ***Seed replacement rate trend for varieties seed of selective crops in India***

Year	Wheat	Rice	Corn	Soybean	Groundnut
FY01	13%	19%	21%	12%	5%
FY02	13%	19%	21%	12%	6%
FY03	13%	19%	24%	16%	11%
FY04	16%	16%	32%	27%	7%
FY05	18%	21%	35%	29%	7%
FY06	22%	22%	44%	28%	10%
FY07	25%	26%	44%	33%	14%
FY08	27%	30%	48%	35%	17%
FY09	32%	34%	47%	39%	23%
FY10	33%	37%	54%	36%	25%
FY11	33%	40%	57%	53%	23%

**Source: CARE April 2015 Report**

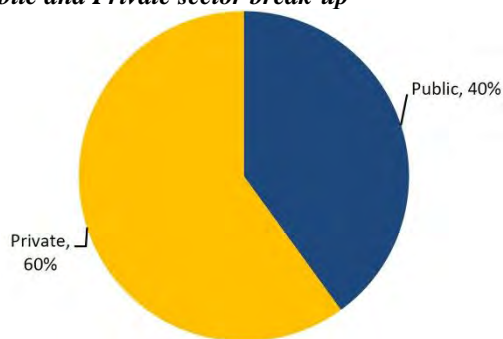
**Note:** seed replacement rate differs for different types of seeds (variety or hybrid) used by farmers. Seed replacement rate for variety seed is found to be in the range of 20-50% for various crops whereas seed replacement rate for hybrid seed is 100% (i.e. hybrid seed need to be completely replaced each year). In case of cotton, more than 95% of the crop output is based on hybrid seed in India at present.

#### ***Increasing role of private seed producers in India***

With the liberalization of the seed trade in 1988 and increasing protection given under PPVFR Act in 2001, the share of private companies in this industry has significantly increased over the past 2 decades. This is also due to the capability of private firms in a) in germplasm management, b) higher spending on marketing and advertisements, c) increased spending on R&D to develop new technologies, and d) utilization of provisions under PPVFR Act in 2001 for IPR protection. The main focus of private seed companies has been on the high value low volume hybrid seeds (such as cotton, corn, sunflower, vegetables and horticulture) whereas public sector seed companies have dominated in the low value high volume seeds (such as wheat, rice, pulses, and oilseeds). For example, cotton is the main seed crop in India, accounting for roughly 26% of market size in FY14, but it accounts for only 0.7% of total domestic certified seed market in terms of volume.

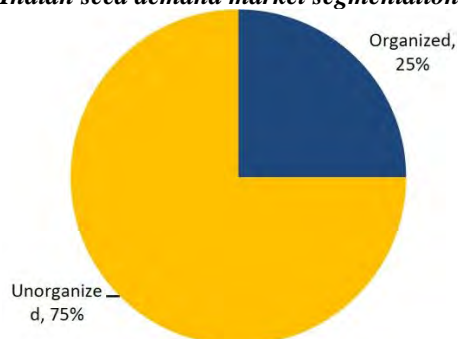


#### ***Public and Private sector break-up***



**Source: CARE April 2015 Report**

#### ***Indian seed demand market segmentation***



**Source: CARE April 2015 Report**

Despite the increasing presence of private seed players, the organised sector still accounts for around 25% of total domestic seed demand. Low penetration of organised players indicates huge growth potential for domestic seed players in India.

**Note:** The organised sector comprises of distribution of certified and truthful labelled seeds (i.e. includes both public and private sector companies) while the unorganised sector mainly comprises of farm- saved seeds and counterfeit, cloned or passed-off seeds.

#### ***Increasing demand for grains, vegetables and fruits***

The demand for grain, vegetables and fruits in India as well as globally has increased in the past few years due to a) rising population, b) increasing per capita income, and c) increasing grain crops used for industrial and animal feed purpose. Rising grain demand coupled with slower growth in agricultural productivity has accelerated the demand for agricultural inputs such as seeds, fertilizers, manures and pesticides.

#### ***Increasing penetration of hybrid seed/GM crops due to development of new technologies***

The penetration of hybrid seed/GM crops has improved in the past few years due to development of new varieties of hybrid seed/GM trait, which has resulted in improvement in crop productivity and farm income. At present, cotton, bajra and vegetable crops have a high penetration level of hybrids with cotton having high penetration of both GM traits and hybrids. However, the penetration level of hybrid seed is quite low for major grain crops, indicating huge growth opportunity for domestic seed producers in India. For example, the penetration level of hybrid seeds in rice crops is estimated to be around 5% in India as compared to more than 50% in China.

#### ***Indian seed industry demand trend by major-grain crop wise (Mt)***

Crops	FY10	FY11	FY12	FY13E	FY14E
Cotton	0.024	0.023	0.025	0.026	0.027
Rice	0.61	0.69	0.70	0.72	0.74
Corn	0.08	0.09	0.09	0.09	0.10
Soybean	0.28	0.26	0.37	0.39	0.41
Total	2.57	2.77	2.95	3.00	3.17

**Source: CARE April 2015 Report**

#### ***Favourable government policy***

The government has taken several steps in the past to encourage and promote the role of private seed companies for production of quality seeds. These measures include the following:

1. Liberalization of Seed Trade in 1988 and introduction of PPVFR Act, 2001, to promote plant breeders' rights.
2. Exemption for seed companies from payment of income tax payment (as it falls under agricultural income, but not exempt on income from trading/investing activities), excise duty and VAT.
3. Per section 35 of IT Act, a weighted deduction of, 200% of the expenditure on R&D is available to seed companies with R&D centres recognized by the Department of Scientific and Industrial Research, Ministry of Science and Technology.
4. Soft credit terms and duty free import of equipment for R&D and processing.
5. Back-ended subsidies to private companies for the creation of seed infrastructure like seed processing and seed storage facilities under the central scheme of Development and Strengthening of Infrastructure Facilities for Production and Distribution of Quality Seeds.
6. FDI is allowed up to 100% under the automatic route in the development and production of seeds and planting material, subject to certain conditions.

### Regulatory scenario

The Seeds Act provides the legislative framework for the regulation of quality control of seeds sold in India.

### Evolution of Indian seed industry and major regulatory changes

Phases	Regulations/Policy	Comment
Green Revolution Period (FY60-88)	Seed Act, 1966 Essential Commodities Act, 1956 Seed Rules, 1968 Patents Act, 1970 National Commission on Agriculture's Seed Group, 1972 National Seed Program (1977-1991) in three phases Seed Control Order, 1983 Environmental Protection Act, 1986	Public sector companies play a major role R&D in public domain Restrictions on germplasm exchange, foreign ownership, etc.
Hybrid period (FY88-00)	New Seed Policy, 1988	FDI allowed and encouraged Rising private sector investment and share Introduction of hybrid seed varieties Imports of improved varieties and breeding lines liberalized
Biotech period (Post FY00)	Protection of Plant Varieties and Farmers' Rights Act, 2001 National Seeds Policy, 2002 Biological Diversity Act, 2002 National Seed Plan, 2005 OECD scheme, 2008	Entry of MNCs into domestic seed sector Introduction of biotech seed varieties Increased private investment into R&D Improvement in seed replacement rate

Source: CARE April 2015 Report

**Protection of Plant Varieties and Farmers' Rights Act, 2001:** The government enacted the Protection of Plant Varieties and Farmers' Rights Act, 2001 ("PPVFR") to protect plant breeders' rights.

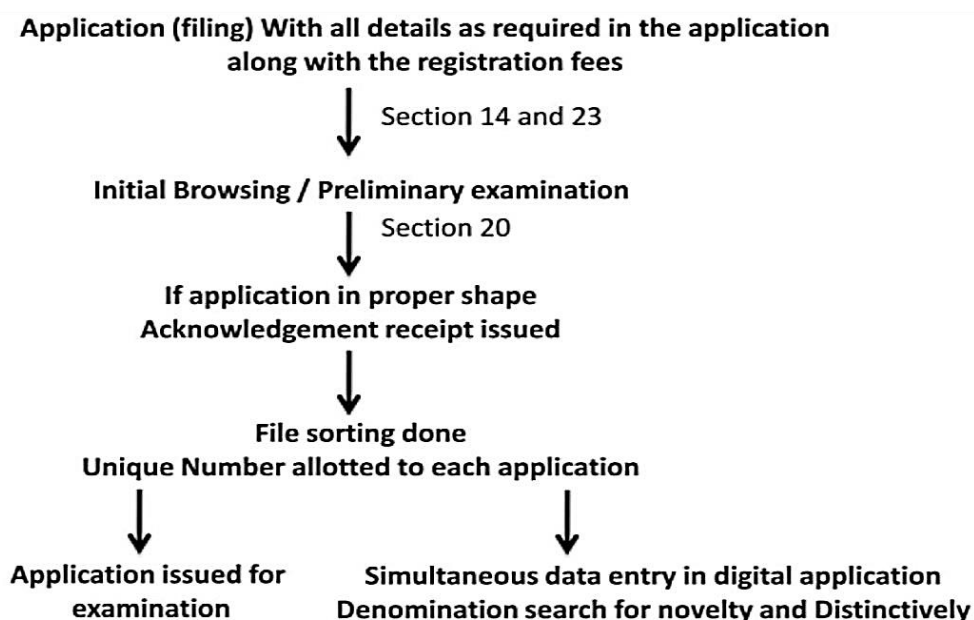
The certificate of registration issued by the PPVFR will be valid for a period of 9 years in the case of trees and vines and for a period of 6 years in the case of other crops. The total period of approval for a variety cannot

exceed 18 years for trees and vines and 15 years for extant varieties and for other crops notified under the Seeds Act.

### Application for registration

Any person specified in section 16 of the PPVFRA may make an application to the Registrar for registration of any variety (new, extant or farmers).

### Application procedures for registration of plant varieties



Source: CARE April 2015 Report

**Seed price control:** Seed prices are normally determined by natural market forces (i.e. demand and supply) in India. However, a few state governments have intervened in the past to control the Bt. cotton seed prices. For example, the governments of major cotton producing states in India ordered all seed companies to lower their prices of Bt. cotton seed to ₹ 750 per packet of seed in FY07, down from ₹ 1,600-1,800 per packet in FY06. The Bt. cotton prices have remained unchanged at ₹930 per 450 gram packet for the last three years.

### Historical trends in Bt Cotton picking

	FY06		FY07		FY08		FY09		FY10		FY11		FY12	
	North	South	North	South	North	South	North	South	North	South	North	South	North	South
Cotton BG I	Not there	1,818	1,278	750	750	750	750	650 **	750	650	750	650	825	830
Cotton BG II	Not there	Not there	Not there	Not there	925	925	925	750	925	750	925	750	1000	930

Source: CARE April 2015 Report

\* In FY09, the state of Gujarat reduced the price to ₹ 650 per packet which was followed by other Central and Southern States from the same year

## BUSINESS

*Certain information in this section (as indicated) is derived from the “Report on Indian Seeds Industry”, April 3, 2015 by Credit Analysis & Research Ltd. (the “CARE April 2015 Report”). We commissioned the CARE April 2015 Report for the purposes of confirming our understanding of the industry in connection with the Issue. Neither we, nor any of the Managers, nor any other person connected with the Issue has verified the information in the CARE April 2015 Report. CARE Research, a division of Credit Analysis & Research Limited (“CARE”), has advised that while it has taken utmost care to ensure accuracy and objectivity while preparing the CARE April 2015 Report, it does not guarantee the accuracy or completeness of the CARE April 2015 Report or the information therein and is not responsible for any errors or omissions in analysis/inferences/views or for results obtained from the use of information contained in the CARE April 2015 Report and especially states that CARE (including all divisions) has no financial liability whatsoever to the user of the CARE April 2015 Report. Further, the CARE April 2015 Report is not a recommendation to invest / disinvest in any company covered in the report. CARE Research operates independently of the ratings division and the CARE April 2015 Report does not contain any confidential information obtained by the ratings division, which they may have obtained in the regular course of business. The opinion expressed in the CARE April 2015 Report cannot be compared to the rating assigned to the Company within this industry by the ratings division. Unless otherwise stated, references in this section to the “Company” are to Nuziveedu Seeds Limited, or NSL, and references to “we”, “our” or “us” are to the Company, its Subsidiaries and its Associates. Unless otherwise stated, all figures provided in this section are on a consolidated basis.*

## OVERVIEW

We are a technology driven seeds company that develops, produces, processes and sells seeds for a range of field crops and vegetables and, through predecessor entities, have more than 30 years of experience in the Indian seeds industry. According to the CARE April 2015 Report, we were the largest private sector seeds company in India in terms of revenue in Fiscal 2012, Fiscal 2013 and Fiscal 2014. We, or our predecessor entities, have also been consistently ranked as one of the top 10 biotech companies by revenue in India by the Biospectrum-ABLE Indian biotech industry survey from Fiscal 2008 to Fiscal 2013, the date of the most recent survey. We integrate traditional breeding techniques with biotechnology tools and seek to produce hybrid and open pollinated variety crop and vegetable seeds that deliver higher yields, enhanced product quality and higher levels of pest and disease tolerance over naturally occurring varieties. Our seeds are suitable for varying agro-climatic conditions, such as water availability, crop duration and soil attributes, across different geographic regions in India.

We produced, as of December 31, 2014, seeds for 27 different field crops and vegetables and have operations in 19 states across India. According to the CARE April 2015 Report, we were the largest private sector producer of cotton seeds in India in volume terms in Fiscal 2014. The sale of cotton seeds contributes the majority of our revenue from operations, contributing 66.58% and 69.73% of our revenue from operations in Fiscal 2014 and the nine months ended December 31, 2014, respectively. We were the largest private sector producer, in terms of volume, of cotton seeds in India, with approximately 21.00% of the Indian cotton seed market in Fiscal 2014, and have been one of the market leaders in cotton seeds since 1995. (Source: CARE April 2015 Report) Our other significant products are open pollinated variety and hybrid seeds for paddy and hybrid seeds for maize. Our product portfolio includes field crop seeds for wheat, sorghum and pearl millet, and vegetable seeds for okra, tomato, chilli, cucumber, cabbage, cauliflower and watermelon.

Our research and development activities include conventional breeding programmes and the use of innovative biotechnology tools, which we believe have driven the development of our diverse repository of germplasm, which has enabled us to develop an extensive portfolio of products and helped us to gain greater market share across various product categories and regions across the country. In Fiscal 2014 and the nine months ended December 31, 2014, our Company incurred ₹262.60 million and ₹200.81 million, respectively, in research and development expenses. We believe that we possess one of the largest germplasm banks among private sector seed companies in India, which strengthens our breeding programmes, provides a platform for our research and development efforts and has helped us to accelerate the development of and regularly introduce new products that are suitable for different agro-climatic conditions and geographical regions in India. We also engage in research activities through arrangements entered into with various international and Indian research institutions.

As of December 31, 2014, our Company had filed a total of 635 applications for its products to be registered and protected under the PPV & FR Act, and had received 33 certificates of registration pursuant to such applications. 392 of our Company's applications are in the testing stage, the final stage prior to certification. Through our research, we have successfully developed and commercialised several hybrid seed products for cotton, such as *Mallika* and *Bunny*, which we believe met with commercial success because of their superior quality and yields relative to other cotton seed products at the time of their launch into the market.

As of May 2012, we had developed and received approvals from the Genetic Engineering Appraisal Committee of India ("**GEAC**") for the highest number of Bt. cotton hybrids granted to any entity. (*Source: CARE April 2015 Report*) As of the date of this Draft Red Herring Prospectus, 23 varieties of our products, including cotton, paddy, maize and sweet corn, have also been notified by the Government of India, pursuant to Section 5 of the Seeds Act 1966, for having passed certain quality and performance assessments conducted by the Indian Council of Agricultural Research ("**Notified**"), and a further 2 of our products have been recommended by the Varietal Identification Committee for Notification. Our Notified seed products have also been included, among a total of 109 seed varieties from India (as of September 2014), in the list of seed products considered eligible for varietal certification by the Organisation for Economic Co-operation and Development ("**OECD**") ("**OECD Certification**"). OECD Certification recognises a seed product's adherence to international standards of quality, as prescribed by the OECD. As of September 2014, only 7 cotton products from both the private and public sector had been Notified by the Government of India and included in the list of products eligible for OECD Certification. Our products, *Bunny* and *Mallika*, comprised 2 of the 7 Notified cotton products which are included in the list of products eligible for OECD Certification. Furthermore, our cotton hybrid seed product, *Bunny*, has high yields and fibre quality and, according to the CARE April 2015 Report, is considered an industry benchmark.

We have entered into a non-exclusive technology sub-licence agreement with Mahyco Monsanto Biotech (India) Limited ("**MMBL**") in 2004 to sub-licence Bt. traits for our hybrid cotton seeds and to use the related *Bollgard* trademark. Our initial sub-licence agreement expired in February 2014. However, MMBL had extended the validity of our sub-licence agreement from time to time, with our mutual consent, until March 31, 2015. We signed new sub-licence agreements with MMBL on March 10, 2015 (the "**Sub-licence Agreements**"), which are effective from April 1, 2015 for an initial term of five years and are renewable for an additional period of three years by our and MMBL's mutual agreement. We have integrated the Bt. trait into our key hybrid cotton seed products such as *Mallika*, *Raghav*, *Bhakti*, *Suraksha*, *Uttam*, *Flux*, *Ganesh*, *Denim*, *Ambuja* and *Malini*, which we believe have been commercially successful in the cotton-growing regions of India.

We are also one of the leading private sector seeds companies in India for open pollinated paddy, hybrid paddy and hybrid maize. (*Source: CARE April 2015 Report*) In Fiscal 2014 and the nine months ended December 31, 2014, sales of paddy seeds contributed 9.95% and 10.20%, respectively, and sales of maize seeds contributed 14.35% and 11.33%, respectively, of our revenue from operations. Our key hybrid maize seed products include *Bond*, *Dragon*, *Sunny*, *Suvarna*, and *Sandhya*; our key open pollinated paddy seed products include *Moti*, *Kanak*, *Saurabh*, *Sonal*, and *Suma*; and our key hybrid paddy seed products include *Badshah*, *Karishma*, *Champion* and *Raja*.

The sales of seeds for field crops other than cotton, paddy and maize, such as wheat, pearl millet, sunflower, sorghum, fodder sorghum, mustard, castor and sweet corn, and vegetables such as okra, tomato, chillies, and cucumbers presently constitute the remaining portion of our business. Since Fiscal 2010, we have registered significant growth in our sales of vegetable seeds and seeds of field crops other than cotton. The contribution of our revenue from operations excluding cotton sales to our revenue from operations has increased from 17.85% in Fiscal 2011 to 33.42% in Fiscal 2014.

In Fiscal 2014, we produced 89,602 MT of raw seeds, comprising 75 cotton hybrids and 149 open pollinated varieties and hybrids of vegetables and field crops other than cotton, and in the nine months ended December 31, 2014, we produced 80,596 MT of raw seeds, comprising 37 cotton hybrids and 124 open pollinated varieties and hybrids of vegetables and field crops other than cotton. As of December 31, 2014, we had access to farmland in 11 states in India, primarily through contractual arrangements with over 70,000 Seed Growing Farmers. As of December 31, 2014, we operated 14 processing facilities in six states in India with a combined processing capacity of 150 MT per hour and an aggregate ambient storage capacity of 845,130 square feet

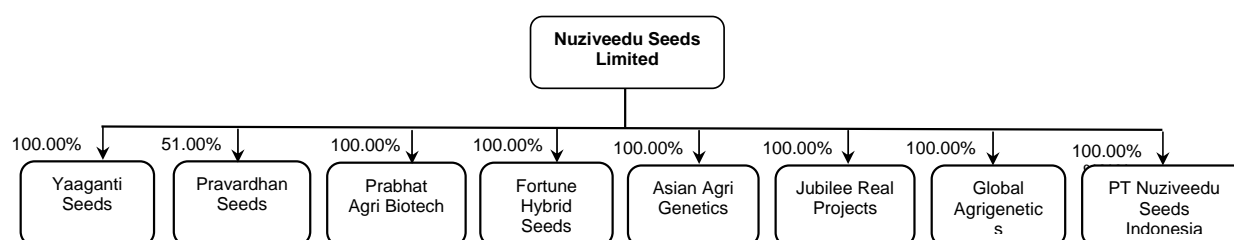
(which can store 84,513 MT of seeds). In addition, we had access to temperature-controlled, or conditioned, storage facilities to store seeds that have a short shelf life, with capacity to store 33,700 MT of seeds. We also operated six specialised maize cob-drying units with an aggregate capacity of 4,306 MT per batch.

Our extensive sales, distribution and marketing network comprised, as of December 31, 2014, nine regional offices, one head office and approximately 2,400 distributors. Our 36 strategically located distribution and storage facilities (including conditioned storage facilities), which include seven carrying and forwarding agent warehouses, help us meet the varying requirements of our customers in 19 states in India. In addition, our marketing arrangements with certain agricultural input companies such as Krishak Bharati Cooperative Limited (“**Kribhco**”) and Tata Chemicals Limited (“**Tata Chemicals**”) provide us access to their distribution facilities and network.

Our revenue from operations increased from ₹11,735.26 million in Fiscal 2013 to ₹11,966.12 million in Fiscal 2014 and was ₹12,549.45 million for the nine months ended December 31, 2014. Our profit after tax increased from ₹1,444.28 million in Fiscal 2013 to ₹1,508.63 million in Fiscal 2014 and was ₹2,004.81 million for the nine months ended December 31, 2014.

### ***Our Corporate Structure***

Set out below is our corporate structure indicating our Company and Subsidiaries as of the date of this Draft Red Herring Prospectus.



For further details, see the sections titled “*History & Certain Corporate Matters*” and “*Financial Statements*” on pages 222 and F-1, respectively.

## **OUR COMPETITIVE STRENGTHS**

### ***Largest private sector seeds company in India with sustained market leadership in cotton seeds***

According to the CARE April 2015 Report, we were the largest private sector seeds company in India in terms of revenue in Fiscal 2012, Fiscal 2013 and Fiscal 2014, and contributed approximately 8.40%, 7.20% and 7.70%, respectively, of the domestic seed market size. We, or our predecessor entities, have also been consistently ranked as one of the top 10 biotech companies by revenue in India by the Biospectrum-ABLE Indian biotech industry survey from Fiscal 2008 to Fiscal 2013, the date of the most recent survey. According to the CARE April 2015 Report, cotton seeds comprised approximately 28.00% of the overall seed market in India in Fiscal 2014 by revenue. We are the largest private sector producer, in terms of volume, of cotton seeds in India, with approximately 21.00% of the Indian cotton seed market in Fiscal 2014, and have been one of the market leaders in cotton seeds since 1995. (Source: CARE April 2015 Report)

The sale of cotton seeds continues to contribute the majority of our revenue from operations. We believe that we occupy a leading position in terms of revenue in the key markets of the state of Maharashtra and the states of Telangana (which was formed in Fiscal 2014) and Andhra Pradesh taken together, which, according to the CARE April 2015 Report, comprised 35.00% and 20.00%, respectively, of the total cotton crop acreage in India in Fiscal 2013. Our revenue from the sale of cotton seeds in Maharashtra and Telangana and Andhra Pradesh taken together, contributed 24.02% and 21.30%, respectively, of our revenue from operations in Fiscal 2014 and 25.63% and 21.39%, respectively, of our revenue from operations in the nine months ended December 31, 2014.

We believe our cotton product portfolio and our products' acceptance by farmers have led to our sustained leadership position in cotton seeds. We believe that our leadership position has been bolstered by our presence within each of the nine major cotton-growing states in India (Maharashtra, Gujarat, Andhra Pradesh, Madhya Pradesh, Karnataka, Tamil Nadu, Punjab, Haryana and Rajasthan), and by the range of our hybrid seed products, which includes hybrids suited for each region. We believe that our sustained leadership has improved our visibility with distributors and farmers and enhances their trust in the quality of our products. This allows us to promote our new products to our distributors and farmers more effectively. We have entered into Sub-licence Agreements with MMBL to sub-license the Bt. trait for cotton and the related *Bollgard* trademark. Our Sub-licence Agreements are effective from April 1, 2015 for an initial term of five years and are renewable for an additional period of three years by our and MMBL's mutual agreement. Through our use of conventional breeding techniques to develop seeds with desirable qualities, such as improved yield and better produce quality, and our integration of the Bt. trait, we have developed our key hybrid cotton seed products, such as *Mallika*, *Raghav*, *Bhakti*, *Suraksha*, *Uttam*, *Flux*, *Ganesh*, *Denim*, *Ambuja* and *Malini*, which we believe have been commercially successful in the cotton-growing regions of India. As of May 2012, our Company had developed and received approvals from the GEAC to commercialise 217 cotton hybrid seed products.

We have also developed a new range of cotton hybrid seeds which are specifically suitable for high density planting ("HDP") crop management systems and for mechanised harvesting. HDP involves the optimisation of crop planting geometry and spacing, so as to achieve improved agronomic efficiency and yields. Mechanised harvesting involves the use of specialised machines to harvest cotton as opposed to the traditional labour intensive methods of harvest. We believe that our HDP-suitable and mechanised harvesting-suitable hybrid seeds allow us to take advantage of the growing market trend towards adoption of these practices.

#### ***One of the leaders in paddy and maize seeds with a rapidly growing field crop and vegetable product brand portfolio***

In addition to being the largest private sector company producing cotton seeds in India in volume terms, we are also one of the market leaders for open pollinated paddy seeds, and are one of the leading private sector seeds companies in India for hybrid paddy and one of the leaders in the domestic hybrid maize seed segment. (*Source: CARE April 2015 Report*) Our key hybrid maize seed product brands include *Bond*, *Dragon*, *Sunny*, *Suvarna*, and *Sandhya*; our key hybrid paddy seed product brands include *Badshah*, *Karishma*, *Champion* and *Raja*; and our key open pollinated paddy seed product brands include *Moti*, *Kanak*, *Saurabh*, *Sonal*, and *Suma*. Our total revenue from the sale of maize and paddy seeds was ₹291.43 million and ₹458.22 million, respectively, in Fiscal 2011, as compared to ₹1,717.62 million and ₹1,190.72 million, respectively, in Fiscal 2014, representing compounded annual growth rates of 80.63% and 37.48%, respectively, between Fiscal 2011 and Fiscal 2014. Our revenues from the sale of maize seeds and paddy seeds, which accounted for 3.87% and 6.09%, respectively, of our revenue from operations in Fiscal 2011, had increased to 14.35% and 9.95%, respectively, of our revenue from operations in Fiscal 2014.

We also produce seeds for other field crops such as mustard, wheat, sunflower, sorghum and fodder sorghum, and for vegetables such as okra, chillies, tomatoes and cucumbers. As of December 31, 2014, our product portfolio comprised 161 product brands across 27 types of field crops and vegetables. As a testament to the quality and commercial success of our growing portfolio of product brands, a number of our seed products have been Notified by the Government of India. The Notification process typically requires seed products to pass certain performance and quality tests and can take up to one year. (*Source: CARE April 2015 Report*) Our NPH-924-1 hybrid paddy seed is the first hybrid paddy seed, from the public or private sector, to have been Notified for the *boro* season in the states of West Bengal and Assam. Our sweet corn hybrid seed, *Mishti*, is the first sweet corn hybrid seed developed by a private sector company to be Notified.

#### ***Large germplasm bank and strong research and development***

We believe that we possess one of the largest germplasm banks among private sector seeds companies in India. We have spent over two decades developing our germplasm bank and as of February 2015 we had more than 23,000 germplasm lines. Our diverse germplasm bank across various field crops and vegetables provides us with flexibility for our breeding programmes and the ability to diversify our product pipeline. The germplasm

diversity of our repository also helps us accelerate the development of products that are suitable for different agro-climatic conditions and geographical regions to meet the demands of various markets. A substantial portion of our germplasm is the product of our own research and development efforts. Based on the products developed from our diversified germplasm, our Company had filed a total of 635 applications for the registration of product lines, including hybrids, parents and varieties, under the PPV & FR Act, as of December 31, 2014. In addition, as of May 2012, our Company had developed and received approvals from the GEAC for 217 cotton hybrids, which represented 22.00% of the total number of approvals granted by the GEAC as of May 2012. (Source: CARE April 2015 Report) This is the highest proportion of GEAC approvals received by any company. The second highest proportion of GEAC approvals received by a company was only 5.10% of the total approvals as of the same date. (Source: CARE April 2015 Report) GEAC approvals are only granted upon its satisfaction that the seed in question has passed certain product assessments and tests.

Further, according to the CARE April 2015 Report, in Fiscal 2013, 93.00% of the cotton grown in India included Bt. traits and, in the same period, there were more than 40 sub-licensees of MMBL's Bt. cotton technology in India. As a result, although we believe Bt. traits are a key characteristic of commercially successful cotton seed products, we also believe that the high quality of our products and the large germplasm bank we possess are our principal differentiating factors which allow us to enjoy a leadership position in hybrid cotton seeds. We believe that a germplasm repository as extensive as ours is difficult and expensive to replicate, obtain regulatory approvals for and to commercialise. As a result, we believe that the resources and time required to develop a large germplasm bank acts as a barrier to entry for potential new entrants into the market.

In Fiscal 2014 and the nine months ended December 31, 2014, our Company incurred ₹262.60 million and ₹200.81 million, respectively, in research and development expenses, representing 2.19% and 1.60% of our revenue from operations in Fiscal 2014 and the nine months ended December 31, 2014, respectively. As of December 31, 2014, our research facilities were spread over 732.43 acres of land and we had a dedicated research team comprising 193 persons, including 17 research scientists with doctorate degrees. Our research facilities are equipped with modern equipment and facilities. The Department of Scientific and Industrial Research ("DSIR") has recognised certain of our facilities as "in-house research and development units". Such recognition by the DSIR is necessary for our seed products to be Notified by the Government of India. Our research and development team has also been awarded with certificates of appreciation by the Indian Council of Agricultural Research for our outstanding contributions to maize improvement for the years 2013 and 2014. We also engage in research activities through arrangements entered into with various international and Indian research partners. These arrangements supplement our in-house research capabilities for the development and collection of germplasm, product development, evaluation and testing.

***High quality product portfolio with strong brands established across various geographies through research and development and active life cycle management***

We believe that the seeds we produce are of high quality and produce crops which perform well across various agro-climatic zones and which possess characteristics such as higher yield and better pest and disease tolerance. We believe that our brands and those of our marketing partners are well recognised by farmers and that the positive reputation of these brands in the market provides us with a strong platform to maintain and increase our revenues. We also believe that this enables us to receive advance orders from our distributors along with payments in certain states in India, which helps us manage our working capital requirements and provides us with an early indication of the demand for our products.

We believe that our ability to understand the evolving needs of farmers in India distinguishes us from other seed companies and provides us with a strong platform to develop new, innovative products and to grow our market share. Through our network of research and development centres established across various agro-climatic regions in India, we are able to develop our understanding of farmers' specific requirements and to develop products to suit those requirements. This has enabled us to grow from operating in two states in India as of Fiscal 1995 to 19 states across the country, as of the date of this Draft Red Herring Prospectus. We place particular emphasis on the cost effective integration of biotechnology tools with conventional breeding activities. We have also utilised other research and development techniques such as molecular marker-based selection and double haploidy to reduce overall breeding cycles in our open pollinated varieties and hybrids. We believe this has allowed us to create differentiated products for our customers.



Examples of our research and development resulting in new products include our successful commercialisation of several hybrid cotton seed brands such as *Mallika* and *Bunny*, which we believe exhibited increased tolerance against diseases and certain sucking pests and resulted in comparatively higher yields and product quality than other cotton seed products of the time. *Bunny*, was Notified in the year 2001, and *Mallika* was Notified in 2003. As of the date of this Draft Red Herring Prospectus, the Government of India has Notified 23 of our seed products for field crops such as paddy, maize, sorghum and pearl millet, and a further 2 of our products have also been recommended by the Varietal Identification Committee for Notification. In addition, we have developed products for specific agro-climatic conditions. For example, our *Raghav* cotton seeds were specifically developed to suit states in northern India, such as Punjab, Haryana and Rajasthan, while our *Bhakti* cotton seeds were developed to suit states in southern and central India, such as Madhya Pradesh, Maharashtra, Gujarat, Andhra Pradesh, Telangana and Karnataka.

We believe that another key factor in maintaining our high-quality product portfolio is our active life cycle management. The typical life cycle of a seed product is, approximately, a 10-15 year cycle. This breaks down into (i) four years to develop test and commercialize the product, (ii) three years of ramp up, (iii) four years of the product's growth phase, during which the seed products are supplied at high volumes and margins, and (iv) two-three years of maturity, during which volumes stabilize and decline, however, margins remain high. (Source: CARE April 2015 Report) We actively manage the life cycle of our products by closely monitoring our products' performance in the field, changing consumer preferences and the products released by our competitors. We have, in the past, successfully managed product transitions as our products reached the end of their life cycle. For example, as *Bunny* neared the end of its product life cycle, we successfully improved *Mallika* to meet changing market requirements, and successfully maintained our leadership position in the cotton seeds market. We believe that we are currently in the process of managing *Mallika*'s life cycle maturity through the introduction of other key brands such as *Bhakti*, *Balwan*, *Suraksha* and *Malini*, which address current consumer preferences more effectively than *Mallika*. We believe that effective product life cycle management ensures that our Company can continue to grow and safely navigate the transition from older to newer products in our portfolio.

#### ***Pan-India infrastructure for seed production and processing and large scale of operations***

We have extensive seed production, processing, and storage facilities throughout 17 states in India. These facilities provide us with an integrated system which allows us to effectively manage and monitor the quality of our seed products. Our production centres manage the production of our seeds by Seed Growing Farmers, and our processing facilities thereafter process these seeds into saleable seed products and store our seed products. Our research and production facilities also allow us to subject our seeds to rigorous quality assessment and testing processes throughout the various stages of production, processing and storage, and to ensure the consistency and quality of our seeds before they are packed for sale. Our emphasis on quality assurance of our seeds is reflected in our processes and standards. Our seed testing laboratory in Kompally, Telangana, is one of only six laboratories in India to have been accredited by the International Seed Testing Association ("ISTA") for conformance to international standards of seed testing. We believe this demonstrates our adherence to global standards in seed testing and the high quality of our output products.

We believe we maintain a robust and reliable infrastructure for producing seeds. As of December 31, 2014, we had a number of production centres located in 12 states across India to provide Seed Growing Farmers with the required raw materials and equipment to produce our seeds. Through our production centres, we are also able to closely manage and monitor Seed Growing Farmers' activities through all stages of seed production. As of December 31, 2014, primarily through contractual arrangements with over 70,000 selected Seed Growing Farmers, we had access to farmland and other production related services. In Fiscal 2014, we produced 89,602 MT of raw seeds, comprising 75 cotton hybrids and 149 open pollinated varieties and hybrids of field crops other than cotton and vegetables, and in the nine months ended December 31, 2014, we produced 80,596 MT of raw seeds, comprising 37 cotton hybrids and 124 open pollinated varieties and hybrids of field crops other than cotton and vegetables.

As of December 31, 2014, we operated 14 processing facilities in six states across India with a combined processing capacity of 150 MT per hour for various seed types, and an aggregate ambient storage capacity of 845,130 square feet. In Fiscal 2014 and the nine months ended December 31, 2014, our average aggregate

capacity utilisation of our processing facilities was 53.03% and 65.65%, respectively. Our existing processing facilities thus have the additional capacity to increase our seed product output, if required, to respond to any future changes in market demand.

Our large scale of our operations, our extensive pan-India infrastructure and facilities and our high production and processing volumes allow us to benefit from significant economies of scale, such as cost efficiencies including reduced logistical costs and production and processing costs per product.

### ***Robust supply chain management and extensive storage, sales, distribution and marketing network***

Supply chain logistics in the agricultural sector are highly complex because of the seasonal nature of demand. We try to ensure that our seeds are available in the market on a timely basis to meet agricultural demand. We have developed production and processing facilities in various parts of the country to decentralise our supply chain and thereby meet requirements locally and more efficiently. Our key production centres are located in Uttar Pradesh, Uttarakhand, Gujarat, Telangana, Andhra Pradesh, Tamil Nadu, Madhya Pradesh, Karnataka, Odisha, and Maharashtra, and processing facilities in Andhra Pradesh, Odisha, Uttarakhand, Gujarat, Maharashtra, and Telangana.

Our decentralised, pan-India supply chain allows us to effectively manage our inventory and provides us with flexibility and access to a number of production, processing and storage facilities. Our products are supplied to points of sale in different markets from our network of strategically located storage facilities, which include an aggregate ambient storage capacity at our processing facilities of 854,930 square feet for seeds and conditioned storage facilities with an aggregate capacity to store 33,700 MT of seeds, across 17 states in India. As a result, we believe that our large-scale distribution network allows us to provide seeds in more locations across India with less lead times than producers with less geographically extensive distribution networks. In addition, as one of India's largest seed companies, our experience with handling large sales volumes on an annual basis have helped us to further strengthen our capabilities in supply chain and distribution network coordination.

We use information technology and communication applications to further improve operational efficiencies in our business. For example, our SAP-based enterprise resource planning system ("ERP") integrates barcode tracking to monitor the movement of our products and sales returns for better inventory management. We are also piloting the use of mobile applications in managing our inventory and logistics, supply chain and sales and distribution operations, as well as in our farm advisory services.

As of December 31, 2014, our marketing team comprised more than 900 personnel, and conducted educational programmes for farmers on new agronomic and field management practices and technologies. For example, we provide automatic alerts via mobile text message service to growers to ensure the timely completion of agronomic practices and to dispense agriculture-related advice. We believe that these programmes have contributed to higher yields, and have also provided us with opportunities to promote our products to farmers. We believe that the additional services that we provide to farmers, aside from the sale of seeds help to reinforce our positive relationship with both our farmer customers and our Seed Growing Farmers.

As of December 31, 2014 we had an extensive storage, sales, distribution and marketing network that included nine regional offices, one head office, seven carrying and forwarding agent warehouses and approximately 2,400 distributors. Our 36 strategically located distribution and storage facilities, which include warehouses, carrying and forwarding agent warehouses and processing facilities, also help us to meet the requirements of our customers in 19 states in India. In addition, our marketing arrangements with certain agricultural input companies such as Kribhco and Tata Chemicals provide us access to their distribution facilities and network.

### ***Strong Promoter background and experienced management team***

Our senior management has deep domain knowledge, skill and experience in operating and managing agricultural input businesses in general and in particular, the business of production, marketing and distribution of seeds.

- Mandava Prabhakara Rao, who is our Chairman and Managing Director and is one of our Promoters, has over 30 years of experience in our business and has, along with other Promoters, played a key role

in the growth and development of our business. As of the date of this Draft Red Herring Prospectus, Mr. Prabhakara Rao is also the President of the National Seed Association of India, and the President of the Andhra Chambers of Commerce and Industry Federation.

- Dr. Puligundla Sateesh Kumar, who is a full-time director, has over 30 years of experience in agricultural research and the seed business, and has been associated with us for more than 22 years. Dr. Kumar has extensive experience in the field of agri-genetics and biotechnology and has been frequently published in scientific journals.
- Our Head of Supply Chain Management, D. V. Ranga Rao, has over 32 years of agricultural experience. Aside from his 22 years of industry experience, Mr. Ranga Rao was also involved with International Crops Research Institute for the Semi-Arid Tropics (“ICRISAT”) for approximately 10 years. ICRISAT is a non-profit, non-political organisation that conducts agricultural research for development in Asia and sub-Saharan Africa.
- Further, our Board comprises industry experts, banking experts, management professionals and experienced investors that seek to develop good corporate governance and effective internal controls.
- Our middle management team has played a key role in the development of our standard operating procedures and maintaining employee relations and stable supply chain relationships.

We believe that the experience of our management team and its in-depth understanding of the agricultural input industry and the market for seeds in India will enable us to continue to take advantage of both current and future market opportunities. For further details, see the section titled “*Our Management*” on page 243.

## **OUR BUSINESS STRATEGY**

Our vision is to be India’s most preferred seed brand for all the field crop and vegetable seeds we produce. Our key strategies are set out below.

### ***Investments in research and development activities focused on new technologies and in human resources***

Our Company’s research and development expenses have increased at a compounded annual growth rate of 6.13% from ₹219.70 million in Fiscal 2011 to ₹262.60 million in Fiscal 2014. We believe that research and development has been a key component of our performance over the last five years and we believe it will be a significant contributor to our business growth in the future.

We believe that our success is dependent on our continued investment in and focus on research and development. Our strategy involves retaining and growing our market share by continuing to develop high-quality, proprietary hybrids for the key markets in which we operate and to actively pursue the development of new technologies through our research and development efforts. We integrate conventional breeding programmes with modern biotechnologies to reduce breeding cycles and develop seeds with better resistance to biotic and abiotic stresses, nutritional quality and yield. We renewed our Sub-licence Agreements with MMBL in March 2015 to sub-license the Bt. trait for our hybrid cotton seeds and to use the related *Bollgard* trademark. Our Sub-licence Agreements are effective from April 1, 2015 for an initial term of five years and are renewable for an additional period of three years by our and MMBL’s mutual agreement. In addition, we aim to continue to expand our research capability through continued arrangements with national and international research institutions, state agricultural universities and government sponsored organisations in India. We will also seek to explore opportunities for sharing germplasm and breeding capabilities in various crops, accessing new or established germplasm and technologies which we currently do not possess, and conducting joint research and development in the areas of biotechnology, crop transformation and transgenic research by entering into arrangements with other organisations.

Since 2005, we have been developing hybrid cotton seeds which are suitable for HDP crop management systems and mechanised planting and harvesting, which, according to the CARE April 2015 Report, is expected to be a growth driver for the cotton seed market in India. In 2012, our first generation of HDP-suitable hybrid seeds were implemented in the cotton yield enhancement programme, administered by the Public Private Partnership for Integrated Agriculture Development Project, and led by the Government of Maharashtra. Our HDP-suitable hybrid cotton seeds, *Bhakti*, *Bhadra*, *Malini* and *Sona* have successfully demonstrated an increase in yield of up to 50.00% under the HDP system as compared to traditionally-spaced seed planting systems.

(Source: FICCI Report: Evaluation of the PPPIAD Project on Cotton) We launched our HDP-suitable cotton hybrid seeds, *Bhakti* and *Puja*, in 2012 and 2014, respectively, and have also launched other HDP-suitable cotton hybrid seed products, such as *Raja*. We believe that our HDP-suitable hybrid seeds will help cotton farmers to improve their yield and agronomic efficiency, and will form part of our continuing strategy to grow our market share by developing new agronomic techniques. We have also been developing new technologies and planting techniques to enable the mechanised planting and harvesting of cotton crops. For example, the use of precision pneumatic planters to plant seeds to ensure uniform spacing and to attain the desired plant spacing density for HDP, illustrates our application of new technologies to allow farmers to use machines to plant and harvest cotton crops in a larger area. Furthermore, machine-harvested cotton, after undergoing certain cleaning procedures, exhibit reduced contamination and can be sold in the international seed market at a higher price than non-machine-harvested cotton. (Source: CARE April 2015 Report) As the traditional methods of harvesting cotton are labour intensive, our technologies allow farmers to overcome problems of labour scarcity and to improve their operational efficiency, which could improve profitability for farmers.

Our investment in our human resources has also been a key component of our performance over the last five years. Our expenditure on employee benefit expenses has increased at a compounded annual growth rate of 26.66% from ₹369.98 million in Fiscal 2011 to ₹751.84 million in Fiscal 2014. We believe such investments will be significant contributors to our business growth in the future.

### ***Strengthen our leadership position in cotton seeds***

Our strategy is to regularly develop new products to respond to changing market demands, through systematic breeding and product development. We intend to strengthen our market leading position in cotton seeds by growing our market share with our newly launched products such as *Bhakti*, *Raja*, *Puja*, *Balwan* and *Suraksha*. For this purpose, we intend to:

- Accelerate the commercialisation process for new hybrids that are currently in our pipeline, including seeds that are suited to HDP and mechanised harvesting.
- Expand our marketing operations and distribution network in other cotton-producing states such as Gujarat, Punjab, Haryana, Rajasthan and Madhya Pradesh where we have traditionally recorded lower sales than in the states of Telangana, Andhra Pradesh and Maharashtra.
- Develop and promote our advanced crop management systems such as HDP, and sell our seed products which are suitable for HDP and mechanised harvesting.

For further details, see the section titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations—Capital Expenditure*” on page 464. We believe that an increase in our production capacity will improve our economies of scale and will enable us to compete more effectively.

### ***Increase our sales volume and market share in vegetables and field crops other than cotton***

While we expect seeds for cotton to remain our key product in the foreseeable future, we intend to increase our production and sales volume and market share in other crops.

The Indian market for certain vegetable seeds such as okra, tomato and chilli seeds and field crops other than cotton such as paddy and maize, show potential for expansion as the use of hybrid seeds has not yet fully penetrated these markets. A practice amongst farmers in the Indian market is to save and reuse seeds harvested from a previous crop (“**farm-saved seeds**”), rather than purchase new seeds for the subsequent crop, thus reducing the seed replacement rate in these crops. We believe that the seed markets for crops with significant reliance on farm-saved seeds, and thus low seed replacement rates, have potential for expansion and present an opportunity for us to grow our volumes and market share. The following table sets out the market penetration of hybrid and open pollinated seeds in the Indian seed market for paddy and maize.

Crop	Hybrid	Open Pollinated Varieties	Farm-saved
Paddy	5%	38%	57%
Maize	60%	23%	17%

*Source: CARE April 2015 Report*

We believe that the markets for hybrid and open pollinated variety seeds for crops such as paddy and maize present significant growth potential for us and we plan to focus on expanding our production and marketing of seeds for these crops. In particular, we plan to focus on developing open pollinated variety seeds for crops such as paddy which have seen increasing seed replacement rates. Our strategy is to regularly develop new products to respond to changing market demands, through systematic breeding and product development. We have developed and introduced new open pollinated varieties for paddy, such as *Suma Gold*, *Kanak Plus* and *Jordar* and new hybrids for paddy, such as *Badshah*, and new hybrids for maize, such as *Dragon*, *Marshall* and *Bond*. In Fiscal 2011, the contribution of maize and paddy to our revenue from operations was 3.87% and 6.09%, respectively, as compared to 14.35% and 9.95%, respectively, in Fiscal 2014. We have also developed certain hybrid seeds for vegetables such as tomatoes, chillies, bajra, cabbage, cauliflower okra and cucumbers, which we believe offer relatively higher margins for farmers than field crops. We intend to continue to produce these high quality products in large volumes to increase our market share for these products, and consequently, their contribution to our revenue from operations.

We have also created two separate specialised marketing teams that focus on marketing our seeds for vegetables and our field crops other than cotton. Our other strategies to increase our market share for field crops other than cotton include increasing expenditure on research and development for such crops, increased brand building exercises, greater collaboration with governmental agencies for farmer education programmes and strategic alliances with other seeds companies. We may also consider selective acquisitions to increase our market share of field crops other than cotton.

Our vegetable seed sales have grown at a compounded annual growth rate of 18.20% from ₹200.78 million in Fiscal 2011 to ₹331.55 million in Fiscal 2014. While okra contributed more than 50.00% of our revenue from the sale of vegetable seeds in Fiscal 2014, other significant contributors in Fiscal 2014 included tomato (11.00% of revenue from the sale of vegetable seeds) and chillies (9.00% of revenue from the sale of vegetable seeds). We believe that our growth stems from our research and development efforts and our introduction of new, high quality products. One of our okra hybrids, one tomato hybrids and one of our bottle gourd hybrids have been have been Notified by Government of India in January 2015. We intend to continue to focus on our vegetable seeds product pipeline to contribute to our future growth.

#### ***Expand our customer base and distribution network in India***

We believe that our success depends on our ability to understand the changing preferences and circumstances of farmers, who are our end consumers and developing new products to suit their preferences and requirements. We intend to continue to develop new varieties and hybrids of seeds which address these changing requirements.

The southern, central and northern regions of India contributed substantially all of our revenue from operations in Fiscal 2014 and the nine months ended December 31, 2014, respectively. Our strategy is to expand our distribution network and thereby the reach of our products to other regions of India, which we believe present significant growth potential. We intend to establish new storage and conditioned storage facilities to support our expanded distribution network and recruit additional sales and marketing personnel to expand our marketing operations in these regions. We also intend to enter into marketing arrangements with other seed companies in these areas to utilise their sales and distribution channels.

#### ***Pursue growth through selective acquisitions and strategic initiatives in India and other Asian countries***

We have in the past undertaken acquisitions to pursue growth. From Fiscal 2011 to Fiscal 2013 we acquired Yaaganti Seeds, Pravardhan Seeds, Prabhat Agri Biotech, Fortune Hybrid Seeds, Asian Agri Genetics and Jubilee Real Projects which have helped us expand our germplasm bank, product offerings, processing facilities, research and development infrastructure, customer base and sales and distribution network. In particular, the acquisition of Yaaganti Seeds provided us access to established hybrid products for maize, which in turn increased our presence in the market for maize seeds. Although we have not identified specific targets as of the date of this Draft Red Herring Prospectus, we may, as a part of our growth strategy, undertake further

acquisitions, domestically and overseas. We evaluate acquisition opportunities relating to companies and assets in India and overseas that could grow our business, diversify our existing product offerings, enhance our geographical reach and sales and distribution networks, establish new relationships or enable us to acquire technical expertise. We will also continue to seek to acquire, invest in or form joint ventures or strategic alliances with companies in India and overseas that provide proprietary and innovative products or other advantages to our business. We consider our key international markets to be locations where the demand for seed products and agro-climatic conditions are similar to those in India. We believe that markets in certain countries in Asia, particularly in South and Southeast Asia, as well as certain countries in Africa, present attractive opportunities for us. We established our wholly owned subsidiary, PT Nuziveedu Indonesia in 2014 to commence seed operations in Indonesia. Due to Indonesian regulations governing foreign participation in the seeds business, we are currently seeking out a majority joint venture partner prior to commencing our business. We are currently testing, and in some cases have begun to commercialise, some of our products in markets in Pakistan, Bangladesh, Indonesia, Thailand and Vietnam as well as certain African nations such as Tanzania, Senegal, Mali and Burkina Faso. We may also explore relationships for distribution and marketing of our products in these markets.

### ***Pursue brand building exercises and other marketing programmes***

While our product brands are important, we intend to continue to develop our corporate brand to enhance our brand recognition and improve cross-selling opportunities for products in our portfolio. Our current brand building strategy is a result of the findings of a branding consultancy firm that we engaged in Fiscal 2012. Our strategy relies on increasing the focus on our corporate brand as well as standardizing product designs across our product range to provide greater visual uniformity and improve our corporate brand recall. According to the CARE April 2015 Report, our product brands such as *Bhakti*, *Balwan*, *Puja*, *Denim*, *Flux*, *Azura*, *Mallika*, *Uttam* and *Raghav* are the amongst the dominant products in the regions in which they are sold. We also believe that these brands provide us with a strong platform to maintain and increase our revenues. For example, we believe that the familiarity of our end consumers with, and their loyalty to, brands of our cotton products and our corporate brands could in turn enable us to increase our revenues from non-cotton products, as these same cotton farmers may also grow other crops for which we produce seeds.

Further, we intend to actively promote and market our products as suitable for mechanisation and new agronomic concepts such as HDP. We are currently, and have in the past, been part of certain strategic public-private partnership arrangements with state governments such as the Governments of Maharashtra and Uttar Pradesh, pursuant to which we have conducted educational programmes for cotton, paddy and maize farmers in these states. We believe that these programmes have provided us with opportunities to enable farmers to improve their profitability and spread awareness about new agronomic concepts, which we believe may lead to further growth in demand for our seed products. We intend to continue organising such programmes.

## **OUR OPERATIONS**

### **Our Products**

We develop, produce, process and sell seeds for field crops such as cotton, paddy, maize, sorghum, pearl millet, wheat, sunflower, mustard, fodder sorghum, castor and sweet corn, and vegetables such as tomato, chillies, okra and cucumber.

### ***Seed Production Volumes***

Our seed production in Fiscal 2014 was 89,602 MT of raw seeds for 75 cotton hybrids and 149 open pollinated varieties and hybrids of field crops other than cotton and vegetables, and in the nine months ended December 31, 2014, we produced 80,596 MT of raw seeds for 37 cotton hybrids and 124 open pollinated varieties and hybrids of field crops other than cotton and vegetables. For both Fiscal 2014 and the nine months ended December 31, 2014, cotton, paddy and maize were the most significant contributors to our total revenue. Set out below are certain details in relation to our seed production in Fiscal 2013, Fiscal 2014 and the nine months ended December 31, 2014.

Particulars	Fiscal 2013	Fiscal 2014	Nine months ended December 31, 2014
<b>Number of Products</b>			
Number of Types of Field Crops and Vegetables Produced	25	24	27
Number of Types of Seed Products Produced	327	224	161
<b>Quantity of Seeds Sold</b>			
Quantity of Cotton Seeds Sold (million packets)	10.18	9.05	9.92
Quantity of Paddy Seeds Sold (MT)	10,289	15,356	13,633
Quantity of Maize Seeds Sold (MT)	8,697	12,307	9,304
<b>Total Quantity of Raw Seeds Produced (MT)</b>	59,846	89,602	80,596
<b>Value of Seeds Sold</b>			
Value of Cotton Seeds Sold (₹ in millions)	8,858.25	7,967.14	8,750.63
Value of Paddy Seeds Sold (₹ in millions)	730.09	1,190.72	1,280.48
Value of Maize Seeds Sold (₹ in millions)	1,149.64	1,717.62	1,421.97
Value of Vegetable Seeds Sold (₹ in millions)	255.51	331.55	220.31

### ***Our Key Cotton, Paddy and Maize Products***

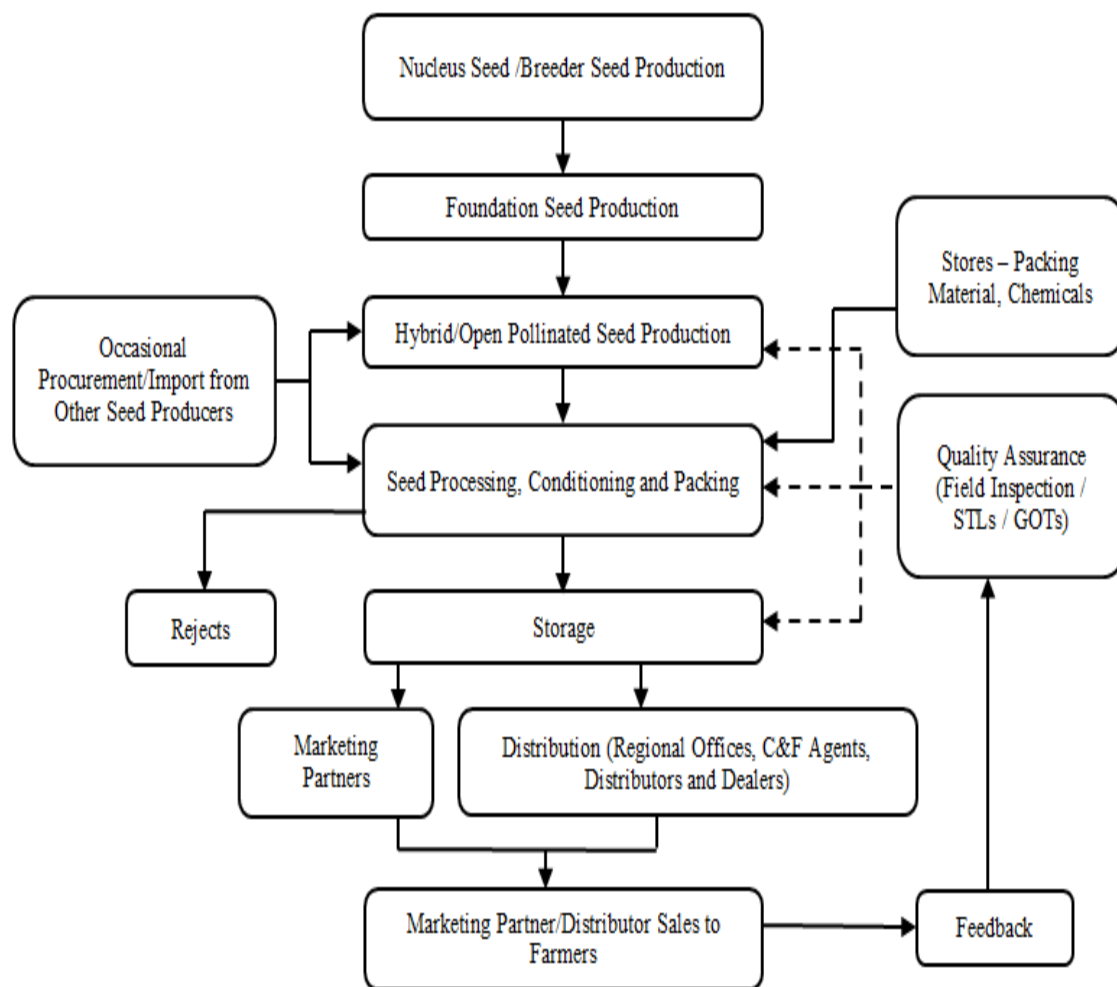
We rely on our product brands to sell our products in addition to the corporate brand owned by us. We believe that our product brands are well recognised by farmers and that the positive reputation of these brands in the market provides us with a strong platform to maintain and increase our revenues. The other key corporate brands owned by us include *Prabhat Seeds*, *Pravardhan Seeds*, *Laxmi Seeds*, *Fortune Hybrid Seeds* and *Asian Agri Genetics*.

Our key cotton product brands include *Mallika*, *Raghav*, *Bhakti*, *Uttam*, *Flux*, *Ganesh*, *Denim*, *Ambuja*, *Azura*, *Suraksha* and *Malini*; our key open pollinated paddy product brands include *Moti*, *Kanak*, *Saurabh*, *Sonal*, and *Suma*; our key hybrid paddy seed product brands include *Badshah*, *Karishma*, *Champion* and *Raja*; and our key hybrid maize seed product brands include *Bond*, *Dragon*, *Sunny*, *Suvarna*, and *Sandhya*.

### **BUSINESS PROCESS**

We determine our production requirements based on existing inventory levels and the estimated demand for our products, which our marketing department assesses primarily on the basis of factors such as the advance orders we receive from our customers, customer feedback and analysis of market developments and general economic conditions.

The key phases of the process before the final product is ready to be sold in the market include procurement of nucleus seed from breeders, production of foundation seed, multiplication or large-scale field production of seeds, processing, conditioning, quality control, packing and storage. Set out below is a graphical representation of our business process from the procurement of breeder seeds to marketing our products.



## Research and Development

We focus our research and development efforts on developing new products as well as addressing gaps in technology by integrating traditional breeding techniques and modern technology. The emphasis of our breeding programmes is on higher yields, enhanced product quality, insect and disease tolerance, drought tolerance and expedient product development. In Fiscal 2012, Fiscal 2013, Fiscal 2014 and the nine months ended December 31, 2014, our Company incurred ₹248.96 million, ₹276.68 million, ₹262.60 million and ₹200.81 million, respectively, on research and development which accounted for 2.35%, 2.36%, 2.19% and 1.60% of our revenue from operations in those periods, respectively.

### Research Objectives and Functions

The following are the key objectives of our research and development efforts:

- To collect, maintain and develop a diverse pool of germplasm to serve as a foundation to our breeding program.
- To conceptualise, plan, design, develop and implement product development and crop management technologies and programmes in line with farmers' and market's requirements.



- To develop open pollinated varieties and hybrids with high yields, resistance to biotic stresses, such as pests and diseases, and abiotic stresses, such as drought, and salinity, and which produce the quality of crop as desired by the market.

The following are the key functions of our research and development activities:

*Germplasm collection:* We consider this the main activity in our seed research and development process. For further details, see “—*Germplasm Collection and Germplasm Bank*” on page 197 below.

*Application of biotechnology and use of molecular marker technologies:* We seek to accelerate the development of new or improved hybrids and open pollinated varieties of seeds by introducing genetic traits directly into an identified germplasm through the use of biotechnology in addition to conducting cross breeding over multiple generations. We use marker assisted selection for this purpose, which entails using DNA based molecular markers for more precise plant breeding where the gene and the markers for a specific trait are known or can be predicted in order to expedite the launch of products in the market. In the past, we have used this technology to introduce genes such as bacterial blight and blast resistance and enhancing cooking quality in paddy; disease resistance in vegetables and maize; improvement of fibre qualities and disease resistance in cotton; and bio-fortification in maize and paddy. In addition, we perform trait purity analysis of our cotton hybrids. We also use molecular and other biological markers as tools for purity analysis of our other crops such as paddy and maize.

### ***Germplasm Collection and Germplasm Bank***

We collect germplasm material from various sources, including from farmers and research institutions, and catalogue them on the basis of their unique traits. We store these germplasm lines in our germplasm bank under controlled environmental conditions. Access to our germplasm bank is restricted to certain authorised persons. We sow the germplasm lines, evaluate them for various traits and record the relevant data. Subsequently, we group the germplasm lines according to the traits that may be useful for breeding to develop new hybrids and open pollinated varieties.

As of February 2015, our germplasm bank comprised more than 23,000 germplasm lines for different crops such as paddy, cotton, wheat, mustard, pearl millet, maize, sorghum, sunflower, castor and sweet corn and vegetables. We seek to continue to develop an extensive germplasm bank for different traits.

We undertake research projects for different crops based on factors related to their technical and commercial viability. The project objectives and milestones are determined based on factors such as market potential, value proposition, cost and strategic fit. We initiate line development programmes using germplasm and breeding lines which we consider promising. We design programmes to combine different germplasm lines according to our research objectives and develop new hybrids or open pollinated varieties accordingly.

### ***Technology Licence Arrangements with MMBL***

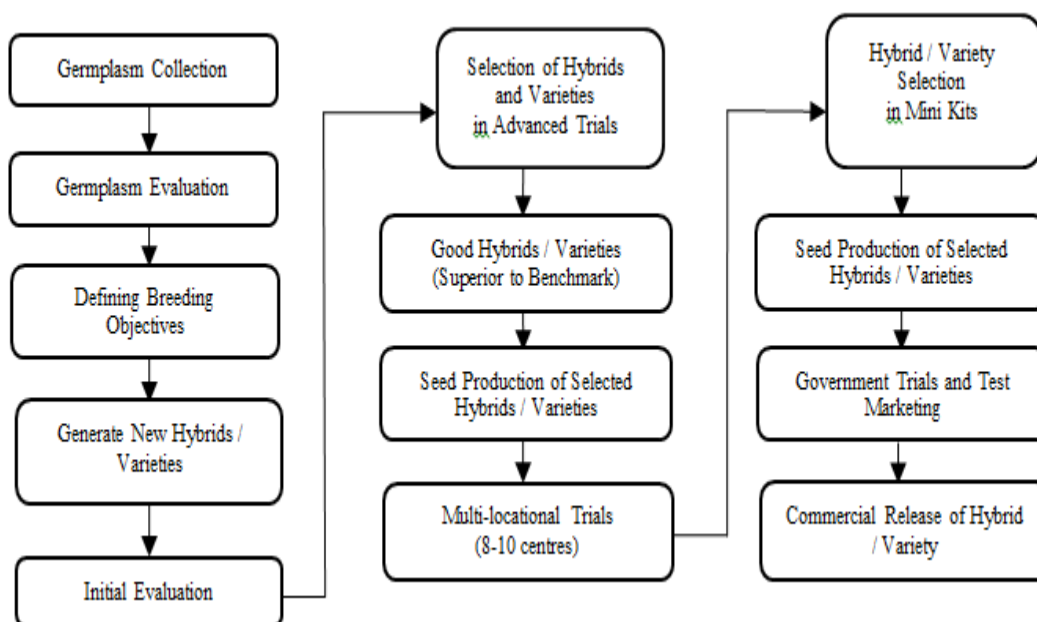
We entered into a technology sub-licence agreement with MMBL on February 21, 2004, pursuant to which we were granted a non-exclusive and non-transferable sub-licence for a period of 10 years for use of Bt. traits for our hybrid cotton seeds. Our initial sub-licence agreement expired in February 2014. However, MMBL had extended the validity of our sub-licence agreement from time to time, with our mutual consent, until March 31, 2015. We signed new Sub-licence Agreements with MMBL on March 10, 2015, which are effective from April 1, 2015 for an initial term of five years and are renewable for an additional period of three years by our and MMBL’s mutual agreement. The Sub-licence Agreements provide us the licence to test, produce and sell in India the F1 hybrid cotton seed with the Bt. trait sub-licensed from MMBL. We have integrated the Bt. trait, into our key hybrid cotton seed products such as *Mallika*, *Raghav*, *Bhakti*, *Suraksha*, *Uttam*, *Flux*, *Ganesh*, *Denim*, *Ambuja* and *Malini*, which we believe have been commercially successful in cotton-growing regions of India. Under the terms of the Sub-licence Agreements, genetic modification of the hybrid seeds using the Bt. trait is subject to certain conditions specified therein. As consideration for grant of the sub-licence, we have paid MMBL a fixed initial fee of ₹5.0 million and are required to pay a trait fee on every packet of cotton seeds sold by us in accordance with the provisions of the Sub-licence Agreements. This trait fee is calculated on the basis

of factors such as the maximum retail price of the cotton seeds sold, net sales (i.e., gross sales net of any returns or samples) and the state in which the seed is sold.

Further, we entered into a trait introgression research agreement (the “**Trait Agreement**”) on February 2, 2011 with Monsanto Holdings Private Limited (“**Monsanto Holdings**”) and MMBL, pursuant to which Monsanto Holdings agreed, upon payment of an agreed fee, to introduce the *Roundup Ready™ Flex* trait developed by it into our cotton parent lines. The Trait Agreement, however, does not allow us to commercialise any products developed that involve this technology and is subject to MMBL’s consent and a definitive agreement for grant of such a licence. As of the date of this Draft Red Herring Prospectus, MMBL has not granted any consent and no definitive agreement has been entered into for commercial use of the *Roundup Ready Flex* trait and related technology. We are also permitted to use Monsanto Inc.’s trademark *Bollgard II* pursuant to a trademark sub-licence agreement with MMBL executed on March 10, 2015 (the “**Trademark Sub-licence Agreement**”). This Trademark Sub-licence Agreement and the Trait Agreement are co-extensive with the Sub-licence Agreements and will terminate automatically on the latter’s termination. For further details, see the section titled “*History & Certain Corporate Matters*” on page 232.

### **Research and Development Process**

Development of seeds for new hybrid and open pollinated varieties typically takes approximately 72 to 84 months (*Source: CARE April 2015 Report*) from the time of collection of the germplasm to the launch of a new seed product in the market. Set out below is a graphical representation of our research and development process.



### **Research Arrangements**

We have entered into arrangements with several governmental research organisations, state agricultural universities and international research institutions for germplasm collection and development, testing of new hybrid seeds and for research activities in the areas of plant breeding, biotechnology and other molecular tools in order to accelerate the process of development of new products. We also contribute our new open pollinated varieties and hybrids to these organisations for their research trials. Some of the key organisations with which we had in the past or currently have entered into such arrangements are set out below.

#### **International Institutions**

Experimental Center for Innovative Technologies in Agriculture – Vietnam
International Rice Research Institute – Philippines
The Asia and Pacific Seed Association – Thailand
International Center for Genetic Engineering and Biotechnology and the Department of Biotechnology, Ministry of Science and Technology- India
International Crop Research Institute for the Semi-Arid Tropics
International Maize and Wheat Improvement Center (CIMMYT)
<b>National Institutes</b>
Indian Council of Agricultural Research
IIT- Kharagpur
National Botanical Research Institute
National Research Centre on Plant Biotechnology

### ***Research Facilities and Infrastructure***

We have breeding programmes for development of new hybrids and open pollinated varieties for all our key field crops and vegetables, with the required facilities for pathological and entomological work. Our research and development facilities include biotechnology laboratories and facilities for multi-location trials (“**MLTs**”). As of December 31, 2014, these facilities are spread over 732.43 acres of land. Set out below are the locations of our research facilities.

<b>State</b>	<b>Location</b>
Andhra Pradesh	Guntur, Challapalli, Siripuram, Ankireddypalem, Gurajala, Dronadula, Mudinepalli, Ravulapalem, Tukkuluru, Kurnool, Sri Rangaraja Puram
Telangana	Kallakal, Dabilpur, Kandlakoya, Muneerabad, Bandamailaram, Dhulapally, Ghanpur, Nuthankal, Parigi, Railapur, Toopran, Adilabad, Khammam, Mahaboobnagar, Nalgonda, Warangal
Chattisgarh	Durg
Gujarat	Aravalli, Bhavnagar, Jhamnagar, Kheda, Rajkot, Sabarkanta, Surendranagar, Vadodara
Haryana	Gurgaon, Sonapat,
Himachal Pradesh	Kullu
Karnataka	Bangalore, Dharwad, Belagaum, Bellary, Haveri, Raichur, Yadagir
Madhya Pradesh	Khargone, Ratlam, Dhar
Maharashtra	Akola, Aurangabad, Pune
Odisha	Puri
Punjab	Bathinda, Fazilka, Barnala, Gurdaspur
Rajasthan	Jaipur, Alwar, Kota
Tamil Nadu	Attur, Perambadur
West Bengal	Kolkata

As of December 31, 2014, we owned 68.04 acres of this land and we had leasehold rights for the remaining 664.39 acres.

Our research activities are supported by high-quality infrastructure and equipment, which include containment green house facilities, tissue culture and transformation systems, electrophoresis equipment for DNA and protein analysis, ELISA readers, gene gun, facilities for molecular-breeding, DNA fingerprinting and molecular-markers such as AFLP and SSRs. We analyse the genetic purity of seeds in our biotech laboratories. We subject all the cotton hybrid lots to trait purity analysis, which is referred to commonly as the ELISA test. We use isozyme analysis for maize and electrophoresis and DNA markers for chillies, tomato and cucumber, all of which are methods used in the industry for varietal testing.

Through our research, we have in the past successfully developed and commercialised several hybrid seed products for cotton, such as *Mallika* and *Bunny*, which we believe produced cotton plants with increased tolerance against bollworms and other pests and had comparatively better yields and product quality at the time of their commercialisation. As part of our project with the Government of Maharashtra for the strategic public private partnership, we also developed and released, in 2012, hybrid cotton seeds, such as *Bhakti*, *Malini*, *Sona* and *Bhadra*, which are suitable for HDP, and which had been demonstrated to increase farmers' yields by up to 50%. We believe we are a first mover in developing cotton seeds suitable for HDP.

### ***Multi Location Trials or MLTs***

Before commercially launching any newly developed product, we evaluate the product across different agro-climatic conditions in our MLT facilities at over 50 locations in India across 10 states, and where possible, benchmark them against the products of our competitors. We formulate various trials and distribute the trial kits of the new products to different centres. Our research scientists at these centres record observations on these trials. Cross-functional teams specifically constituted for different crops with representatives from the production, marketing, research and product evaluation departments visit the trial centres to select superior products. We take a final decision in relation to selection of a product for further testing or launch based on the results compiled at the end of a crop season.

We subject the products that perform well in our MLTs to further tests as part of the trials conducted by the All India Coordinated Research Project (the “AICRP”) of ICAR. We multiply the foundation seeds of parental lines of certain promising products while they are in the final stage of testing. In addition to basic seed multiplication, our research and development team occasionally undertakes large scale production of select products.

### ***High Density Planting and Mechanised Harvesting***

We believe that there is potential for improving cotton productivity in India, and that high density planting (“HDP”) is an important strategy achieving such improvement. According to the CARE April 2015 Report, India is the largest producer of cotton, but its productivity per hectare is substantially less than the average of major cotton producing countries such as Brazil, China and the USA.

HDP is an important initiative that we have been developing since 2005, for the improvement of yields in cotton. We have been working in public-private partnerships with the state governments of Maharashtra and Uttar Pradesh on large scale programs, to implement and test the commercial feasibility of HDP practices for cotton in Maharashtra, and to undertake activities such as field demonstrations and training programmes for maize and paddy in Uttar Pradesh. The main aim of HDP is to efficiently utilise land acreage available to establish planting densities of 30,000 plants per hectare, as compared to the traditional spacing of 15,000 plants per hectare, thereby improving yield by up to 60%. (*Source: CARE April 2015 Report*) However, only certain cotton plant types, such as those that are compact, are suitable for HDP. We believe that our breeding efforts to generate hybrids for HDP since 2005 have been successful and our new generation hybrids *Bhakti* and *Raja* are among our key HDP products. We believe that demand for Bt. cotton hybrids bred for HDP will increase in the future.

In addition, as traditional methods of harvesting cotton are labour intensive, and with increasing shortages of farm labour in rural India and escalating overall costs of cultivation and harvesting, we believe that farmers will increasingly adopt mechanised cotton harvesting. HDP cotton and hybrids that have synchronous boll maturity traits are important pre-requisites for mechanised cotton harvesting operations. Synchronous boll maturity refers to the trait of a cotton plant's bolls maturing at the same time, such that harvesting operations need not be repeated as many times because the cotton plants will mature simultaneously. Our research and development programme has successfully delivered hybrids, such as *Raja*, which we believe have been successfully tested for mechanised harvesting. Machine-harvested cotton, after undergoing certain cleaning procedures, have reduced contamination and can be sold in the international seed market at a higher price than non-machine-harvested cotton, and may thus increase profitability for farmers. (*Source: CARE April 2015 Report*) We have been actively conducting various integrated HDP and mechanisation pilots programs to deliver improved products and profitability to farmers.

## Production of Seeds

### Seed Production Cycle

Other than the phase where the raw seeds are grown, the production cycle for each of our products is similar. The table below sets out details of the periods during the year when seeds for certain key field crops and vegetables are grown and sold.

Crops	Seed Production Cycle*		Sales Period*
	Sowing Period	Harvesting Period	
Cotton	April – May	January – February	April – August
Open Pollinated Paddy ( <i>kharif</i> )	May – June	October – November	May – June, December – January
Hybrid and Open Pollinated Paddy ( <i>rabi</i> )	November – December	April – May	May – July
Maize ( <i>kharif</i> )	May – June	September – October	December – February
Maize ( <i>rabi</i> )	November – December	March – April	November – December
Sorghum ( <i>rabi</i> )	September – October	January – February	May – July
Pearl millet ( <i>kharif</i> )	May – June	September – October	February – March
Pearl millet ( <i>rabi</i> )	December – January	March – April	May – June
Sunflower ( <i>rabi</i> )	November – December	March – April	May – June, October – December, January – February
Sweet corn ( <i>kharif</i> )	May – June	September – October	Throughout the year
Sweet corn ( <i>rabi</i> )	October - November	February - March	Throughout the year
Castor ( <i>kharif</i> )	May – June	November	May – July
Wheat ( <i>rabi</i> )	November – December	April – May	October – December
Chilli ( <i>kharif</i> )	May – June	January – February	March – July
Okra ( <i>kharif</i> )	May – June	October – December	January – April
Okra ( <i>rabi</i> )	December – January	April – May	October – December
Tomato ( <i>rabi</i> )	September – October	February – March	July – September
Brinjal ( <i>rabi</i> )	September – October	March – April	July – September

\*While the seed production cycle remains common for each crop, the commercial production cycles of crops may differ based on preferences of the farmers in a given region for a particular crop season. The sales period for seeds is determined accordingly

### Foundation Seeds

The breeders of a hybrid or open pollinated variety produce nucleus seeds, which represent the genetically pure version of the hybrid or open pollinated variety. The nucleus seed is used by the breeder or by our production team to produce breeder seeds. The foundation seed is produced using the breeder seed, through various methods depending on whether the plant is open pollinated or a hybrid.

### Large-scale Production

We have entered into agreements with certain universities to procure and supply breeder seeds to our production team for large-scale seed production of foundation seeds of the products that we intend to sell. We supply these foundation seeds to Seed Growing Farmers to carry out large-scale production of seeds to be sold, by entering into contractual arrangements with such Seed Growing Farmers. Under these contractual arrangements our Company retains ownership of the entire crop but also bears the entire production risk of a failed crop, while we compensate the farmer for his services in producing such seeds. During large-scale production, we monitor the crops under field conditions and have the farmers carry out all the required steps until maturity to produce the seeds to be sold at the desired levels of quality. We allocate separate production codes for particular parental lines in order to protect the related know-how and change these codes every crop season. We choose the location for production of the seeds to be sold based on the agro-climatic conditions required for different crops, availability of skilled labour and other related infrastructure. We have a number of production centres located in 12 states which oversee the production of our seeds by Seed Growing Farmers. The table below lists the states in which we produce seeds and the types of seeds produced in each state as of December 31, 2014.

S. No	State	Seeds Produced
1.	Andhra Pradesh	Cotton, maize, sorghum, pearl millet, sweet corn, fodder sorghum and sunflower
2.	Chhattishgarh	Paddy
3.	Gujarat	Cotton, paddy, wheat, castor, mustard and vegetables
4.	Karnataka	Sweet corn, vegetables and sunflower
5.	Maharashtra	Cotton, wheat, vegetables and red-gram
6.	Madhya Pradesh	Cotton and wheat
7.	Odisha	Paddy
8.	Rajasthan	Vegetables
9.	Tamil Nadu	Cotton and vegetables
10.	Telangana	Cotton, maize, paddy, pearl millet and fodder sorghum
11.	Uttar Pradesh	Paddy
12.	Uttarakhand	Paddy, wheat and mustard

#### ***Contractual Arrangements with Seed Growing Farmers***

We produce our seeds with the assistance of Seed Growing Farmers who we believe have the relevant experience and suitable farmland for our production operations. We enter into seasonal contractual arrangements with selected third-party Seed Growing Farmers, which provide for the use of their farmland as well as various production related services. Even though we enter into seasonal contracts for this purpose, we have long term relationships with several Seed Growing Farmers. These third-party Seed Growing Farmers provide us with use of their farmland and help us grow and produce our seeds on their farmland.

Our contractual arrangements with the Seed Growing Farmers entitle us to closely monitor and manage all stages of seed production, from planting to harvest. We conduct frequent field inspections in order to achieve the desired quality of the seeds. We are thus able to ensure throughout the production process that our seeds achieve the desired quality standards and that the risks related to loss of our proprietary hybrids and open pollinated varieties, genetic contamination, disease or pest infestation, or other types of problems that could affect the quality of our seeds, are mitigated. Pursuant to our contractual arrangements, we retain ownership of the crop grown by the Seed Growing Farmers.

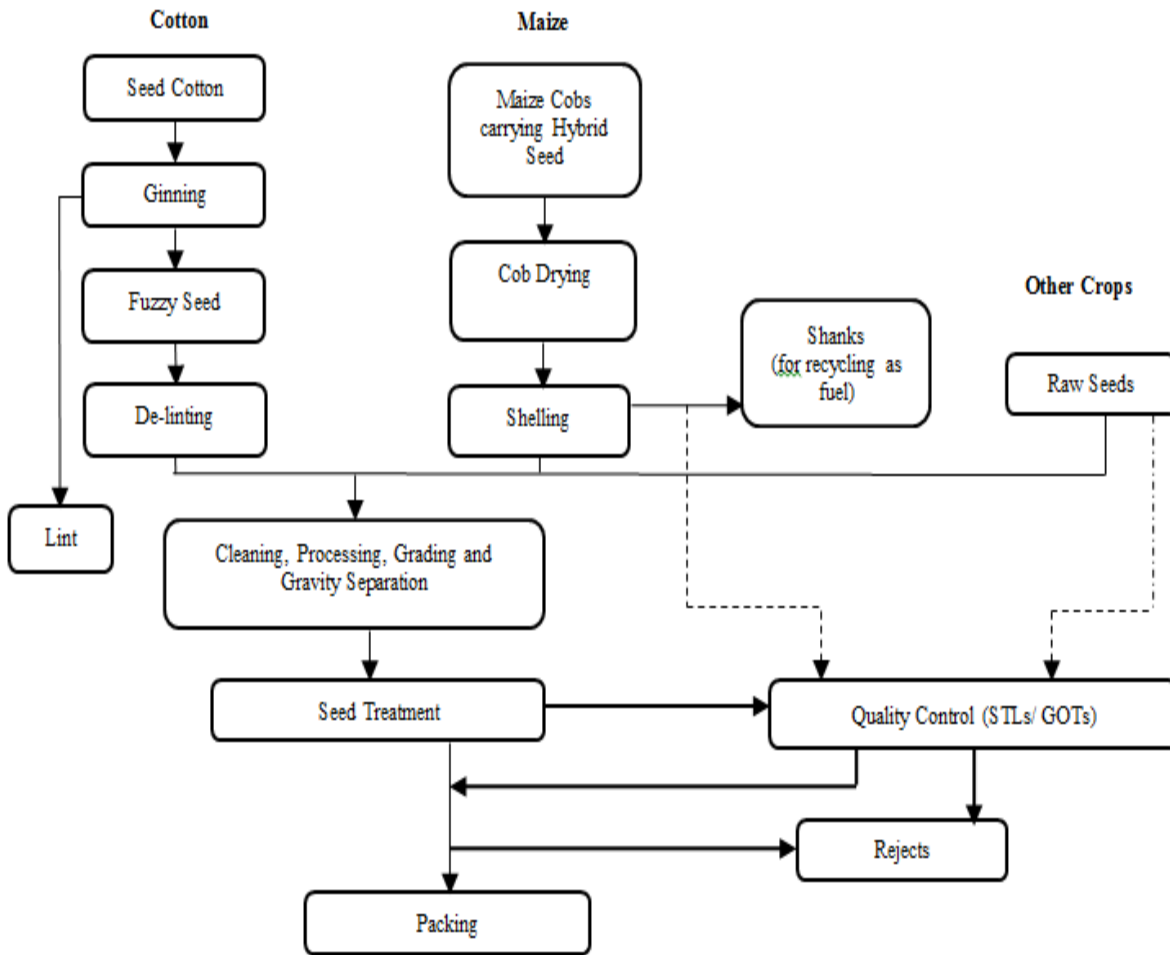
We agree to a payment schedule at the time of organising seed production based on factors such as the best estimate of cost of cultivation, achievement of the desired quality standards and the expected yield. We typically pay Seed Growing Farmers on the basis of the area of land cultivated, which is a fixed amount irrespective of the actual produce provided to us, in addition to the payment of service charges (which is intended to cover all expenses incurred as well). The Seed Growing Farmers are required to deliver the product to us in accordance with agreed timelines. We test the product's adherence to both our and statutorily-prescribed minimum quality standards. In the event of a crop failure due to any reason, we are obliged to pay a mutually agreed compensation to the Seed Growing Farmer to cover all costs incurred to raise the crop, including service

charges and minimum payments of compensation for the usage of their land. As of December 31, 2014, ₹806.61 million was outstanding as advances to the Seed Growing Farmers.

### **Seed Processing and Conditioning**

Once produced, we bring the seeds to our processing facilities. We process and condition the seeds to enhance their physical parameters. Seed processing involves multiple steps, which vary with each crop. We process the seeds based on physical characteristics such as size, length, weight, shape, surface texture, colour and absorption capabilities and remove the seeds which do not meet the required parameters at this stage. We reduce the moisture content of seeds to certain optimum levels to facilitate their storage. The seeds are thereafter processed through a grader and a cleaner as part of the conditioning and pre-cleaning treatment. The technical processes applied to our seeds after that include drying, cleaning, scalping, de-bearding, hulling and shelling.

We use certain technologies such as chemical treatment and seed coating with polymers that enhance seed protection and lead to faster germination of seeds and healthy seedling development. The active ingredients used by us for coating are fungicides and insecticides, in combination with certain colour agents which help in identification of the treated seeds. We believe that we are one of the few companies in India to use equipment such as gas based de-linting facilities for cotton crops, cotton cleaning and sorting machines, needle separators, form-fill-seal machines for cotton and other crops, and batch-treating machines for uniform treatment of the seeds to ensure standardised levels of quality across the seeds. We also use a maize cob dryer to reduce the moisture in our maize seeds and a sheller to remove maize seeds from their cob without losing the seeds' germination potential and vigour. Set out below is a graphical representation of our seed processing and conditioning activity for cotton, maize and other crops.



### Seed Processing and Conditioning Facilities

As of December 31, 2014, we had 16 processing and storage facilities with conditioned storage capacity of up to 33,700 MT and seed processing capacity of 150 MT per hour, located in the states of Andhra Pradesh, Telangana, Maharashtra, Uttarakhand, Gujarat, Uttar Pradesh and Odisha. In Fiscal 2014 and the nine months ended December 31, 2014, our average aggregate capacity utilisation of our processing facilities was 53.03% and 65.65%, respectively. The table below sets out certain details with respect to our seed processing facilities as of December 31, 2014.

S. No	Location	Processing Capacity (MT/hour)	Ambient Storage (square feet)	Conditioned Storage (MT)
1.	Kompally, Telangana	13	31,000	6,000
2.	Kothur, Telangana	37	136,000	21,400
3.	Vijairai, Andhra Pradesh	16	61,050	2,700
4.	Karimnagar, Telangana	20	67,000	-
5.	Bargarh, Odisha	10	88,000	-
6.	Idar, Gujarat	10	72,000	-
7.	Rudrapur, Uttarakhand	4	42,000	-
8.	Aurangabad, Maharashtra*	9	243,240	-
9.	Nandigaon, Telangana	5	60,000	-



S. No	Location	Processing Capacity (MT/hour)	Ambient Storage (square feet)	Conditioned Storage (MT)
10.	Kalakal, Telangana	6	7,000	-
11.	Kondrupadu, Andhra Pradesh*	9	17,840	-
12.	Akola, Maharashtra	2	10,000	-
13.	Gadchiroli, Maharashtra**	-	9,800	-
14.	Gundlapochampally, Telangana	6	8,000	-
15.	Tukkuluru, Andhra Pradesh	3	2,000	-
<b>Processing Facilities Under Construction</b>				
1.	Lucknow, Uttar Pradesh***	-	-	3,600
	<b>TOTAL</b>	<b>150</b>	<b>854,930</b>	<b>33,700</b>

\* The facility at Aurangabad is an integrated processing facility which we also use for de-linting and for packing of seeds. We also use our processing facility at Kondrupadu for de-linting.

\*\* The facility at Gadchiroli, Maharashtra is, as of the date of this Draft Red Herring Prospectus, only being used as a storage facility, and no processing activities are carried out at this facility.

\*\*\* The facility at Lucknow, Uttar Pradesh is, as of the date of this Draft Red Herring Prospectus, still under construction. However, the conditioned storage facilities at this facility have been constructed.

We also operate specialised maize cob-drying units at Kothur (Telangana), Vijairai (Andhra Pradesh) and Gundlapochampally (Telangana) which, as of December 31, 2014, had the aggregate capacity to dry 4,306 MT cobs per batch to improve the germination, vigour and viability of maize seeds by reducing their moisture content.

### Quality Control

We seek to ensure that our seeds meet the required quality parameters such as germination, genetic purity, physical purity and vigour, produce the expected yields and maximise profitability for farmers, who are the end consumers of our products. We adhere to our pre-determined quality assurance standards during production and at our processing facilities that we believe are in compliance with the statutorily prescribed standards. During production, quality assurance teams inspect the seed crops independently at the key stages of the hybridisation process, in addition to regular inspections by our production team. After the seed lots reach our processing facilities, we draw out samples and send to our seed testing laboratories (“STLs”) and grow-out test (“GOT”) centres in order to conduct GOTs and other tests for quality.

### Seed Testing Laboratories

We verify quality parameters of seeds such as physical appearance, moisture, physical purity, germination, vigour, seed-transmitted diseases and other distinguishable features at our STLs. We code approximately 5.00% of the seed lots received and test them at different labs. Thereafter, we decode the samples and compare them to ensure the correctness of the results. We simultaneously test the seeds at the fields for germination through plantations. We test each seed lot at least three times in order to avoid any errors. We analyse and store the data from these tests.

Spread over 4,550 square feet of aggregate built-up space, we have two STLs at Kompally (Telangana) and one STL each at Kothur (Telangana) and Aurangabad (Maharashtra). As of March 1, 2015, one of our STLs at Kompally (Telangana) was one of only six laboratories in India that has been accredited by the International Seed Testing Association (“ISTA”). ISTA accreditation indicates our STL’s ability to meet internationally agreed standards on seed testing and purity, which we believe assists us in producing seeds that meet high quality standards. In Fiscal 2014 and the nine months ended December 31, 2014, we tested 264,487 and 159,643 crop samples, respectively, at our STLs for germination, physical purity and other attributes. We conducted trait purity tests for 50,263 lots and 23,322 lots in Fiscal 2014 and the nine months ended December 31, 2014, respectively, at our research and development facility at Kandlakoya.

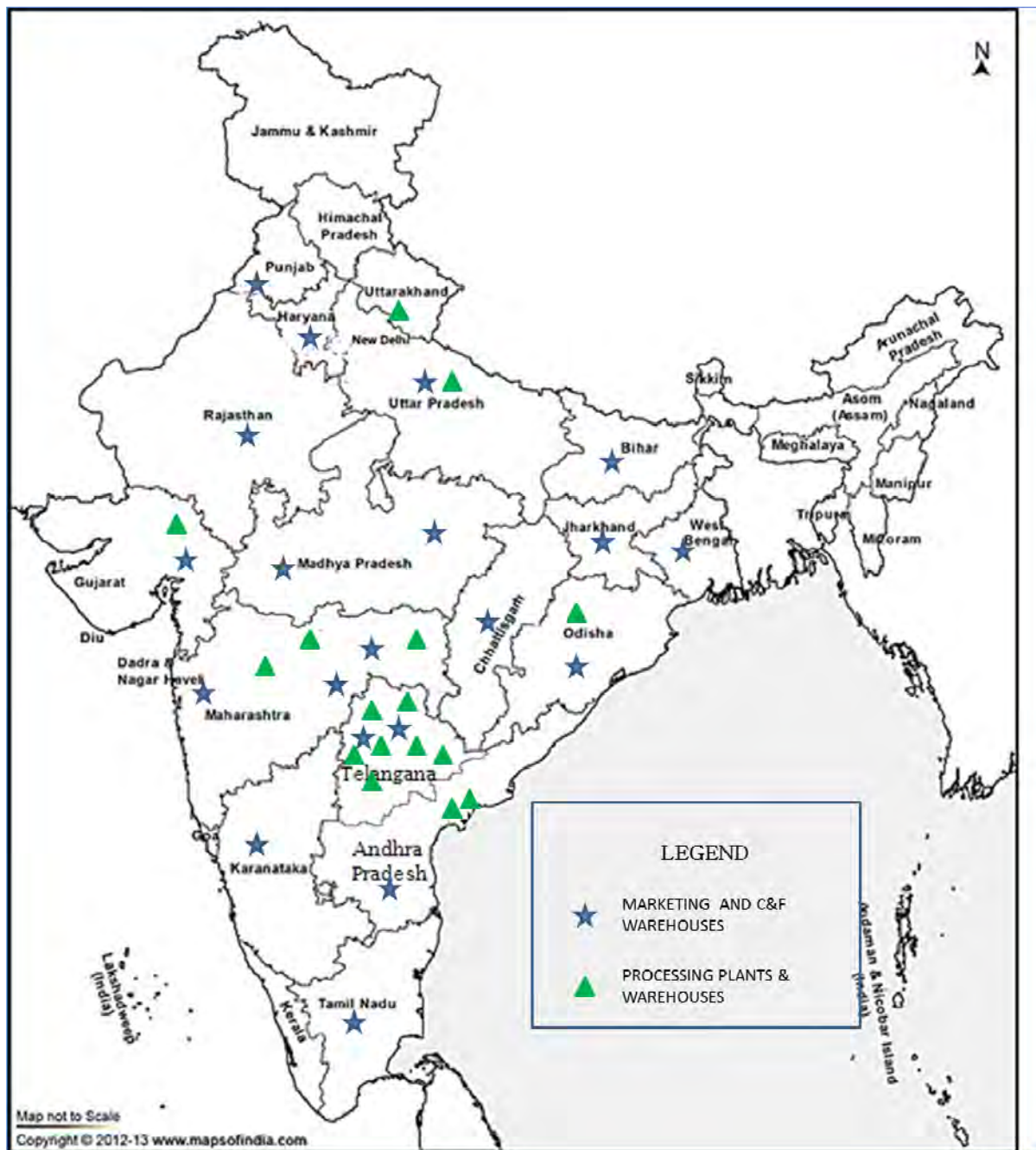
### ***GOT Centres and GOT Farms***

In addition to field-testing and evaluation, we conduct GOTs to determine the genetic purity of the seeds. At the GOT centres, we code the samples received and send them to the GOT farms for planting a minimum of 400 plants which we evaluate after a period of 60 to 80 days. We approve only those lots that record genetic purity that meets the minimum prescribed standards. Our production team supervises the GOTs.

In Fiscal 2014 and the nine months ended December 31, 2014, we conducted GOTs for 76,473 samples and 26,420 samples, respectively, at our GOT centres. We conduct GOTs for all the seed lots of hybrid cotton, hybrid paddy, hybrid sunflower and for open pollinated and hybrid vegetables. We conduct GOTs for 20.00% of the seed lots for all other field crops.

### **Supply Chain Management**

A strong supply chain management system is essential for us to ensure timely availability of our products to meet the demand for our products, which in turn requires quick turnaround time and high level of coordination between our production and storage facilities and our distributors. Our supply chain management system closely monitors and manages our operational processes, transportation and logistics and the storage space at our facilities in order to optimise our inventory position, reduce costs and to enhance our flexibility to adapt to changing patterns in consumer behaviour and demand for our products. We have invested in decentralising our supply chain to allow us to efficiently cater to regional and local markets through the timely supply of seed. As a result, our production centres, processing facilities, ambient and conditioned warehouses are located in different regions of India to enable us to optimise our logistics and distribution costs. Set out below is a graphical representation of our processing facilities and storage facilities.



## Distribution Network

We try to ensure that our seeds are available in the market on a timely basis to meet agricultural demand. As of December 31, 2014, we had an extensive sales and distribution network comprised of processing facilities, warehouses and carrying and forwarding agent warehouses that were present in 36 strategic locations in 17 states in India, nine regional offices, one head office and approximately 2,400 distributors. Our distribution and storage facilities in different parts of India support our sales network.

## Storage

### *Seed Distribution and Storage Facilities*

To facilitate timely distribution of seeds, our Company maintains seed distribution and storage facilities at 36 strategic locations, including seven carrying and forwarding agent warehouses, which help us meet the requirements of our customers in 19 states in India. Some of these facilities are located within our processing and conditioning facilities. We maintain additional stocks at these storage facilities to meet unexpected shortages in production or unexpected increases in demand. We also utilise our storage facilities to absorb excess production due to improved agricultural performance during a particular crop season. Set out below are details of these facilities as of December 31, 2014.

#### *Warehouses*

Sl. No.	State	Warehouse Locations	Warehouse Space (in sq.ft.)
1.	Maharashtra	Yeotmal	9,200
2.	Maharashtra	Nanded	6,000
3.	Maharashtra	Pune	2,000
4.	Madhya Pradesh	Indore	7,997
5.	Madhya Pradesh	Jabalpur	4,292
6.	Gujarat	Ahmadabad	6,500
7.	Telangana	Moulali	3,711
8.	Andhra Pradesh	Adilabad	4,000
9.	Andhra Pradesh	Kurnool	3,000
10.	Karnataka	Davanagere	4,550
11.	Haryana	Hissar	3,748
12.	Rajasthan	Jaipur	2,600
13.	Uttar Pradesh	Lucknow	4,000
	<b>TOTAL</b>		<b>61,598</b>

#### *Carrying and Forwarding Agent Warehouses*

Sl. No.	State	Location	Warehouse Space (in sq.ft.)
1.	Tamil Nadu*	Coimbatore	4,500
2.	Punjab*	Bhatinda	2,500
3.	Bihar	Patna	6,000
4.	Jharkhand*	Ranchi	1,625
5.	West Bengal	Kolkata	2,300
6.	Chattisgarh*	Raipur	3,000
7.	Odisha	Bhubaneswar	500
	<b>TOTAL</b>		<b>20,425</b>

\* Our agreements with the carrying and forwarding agents at these locations have expired on March 31, 2015, and are in the process of being renewed.

#### *Ambient Storage at Processing Facilities*

Additionally, we also have an aggregate ambient storage capacity of 854,930 square feet for seeds at our processing facilities. For further details, see “—Seed Processing and Conditioning—Seed Processing and Conditioning Facilities” on page 204 above.

#### *Conditioned Seed Storage Facilities*

Effective storage facilities are required to ensure that the seed quality does not diminish during storage. Our conditioned storage facilities ensure that our seeds are stored for long periods without loss of viability or vigour, at temperatures of approximately 15° C (with a variance of 1%) and at relative humidity levels of approximately

40% (with a variance of 3%), maintained constantly by using air conditioning and dehumidification equipment. These storage facilities are fully supported by power back-ups. Set out below are details of conditioned storage space that we had access to as of December 31, 2014.

S. No.	Location	Conditioned Storage (MT)
1.	Kompally, Telangana*	6,000
2.	Kothur, Telangana	21,400
3.	Vijairai, Andhra Pradesh	2,700
4.	Lucknow, Uttar Pradesh	3,600
	<b>TOTAL</b>	<b>33,700</b>

\* We have an exclusive right until April 1, 2019 to use and operate this facility which is owned by Mandava Cold Storage Private Limited, a Group Company. The agreement also provides an option to renew subject to mutual agreement in this regard.

We are currently constructing conditioned storage facilities with capacity of up to 2,700 MT in Aurangabad, Maharashtra. For further details, see the section titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations—Capital Expenditure*” on page 464.

Storage of seeds under suitable conditions may not be possible at all times and by every distributor and seeds are susceptible to damage and insect infestation if not sold within the stipulated period. In order to address this concern of our customers, we make efforts to take back unsold seeds as early as possible, after inspection in accordance with our internal policy, and transfer all the good seeds to our conditioned storage facilities. In order to maintain quality standards, the unsold seeds are tested and validated for germination, moisture and other physical properties before distributing them again in the market during the following season.

## Packaging

We presently own 22 completely automated packing lines and 37 semi-automated packing lines with an aggregate output capacity of 786 and 396 packets of cotton and maize per minute respectively. Our purchase department is responsible for the procurement of packaging materials which is based on estimates provided by our marketing team. We design and label packets in accordance with the applicable guidelines, including those prescribed under the Seeds Act, 1966, the Legal Metrology Act, 2009 and the rules framed thereunder.

We have standardised packaging design across our various products and implemented barcodes on the packages for improved product traceability. As a result, our products utilise a uniform design including colour and logo, which enhances the prominence of our Company’s brand on the package.

## Marketing

Our sales and marketing team comprised more than 900 personnel as of December 31, 2014, and constituted approximately 51.00% of our total workforce as of that date. Our marketing team is organised into three specialised groups that focus their efforts on sales and marketing for different types of crops – cotton, other field crops and vegetables. Each of these groups functions independently and is led by separate team leaders.

### *Extension Services or Educational Programmes for Farmers*

Our marketing team conducts educational programmes for farmers prior to, and after, each crop sowing season in India and spreads awareness about new agronomic practices and technologies. Our marketing representatives are fluent in local languages and familiar with local practices and customs, which enable them to understand and communicate effectively with our end consumers. We believe that our awareness campaigns about agronomic concepts such as HDP and optimisation of seed rate (i.e., the amount of seeds required for farming per hectare) have been popular with farmers and have contributed to higher yields. Such programmes provide our marketing team with opportunities to build relationships with farmers as well as promote our products.

We entered into a strategic public private partnership in 2012, 2013 and 2014 with the Government of Maharashtra pursuant to which we supplied cotton seeds to farmers at reasonable costs and conducted educational programmes on new agronomic practices to increase productivity for farmers working on approximately 10,000 acres, 20,000 acres and 25,000 acres, respectively, of farmland in Maharashtra. In addition, we provided forward market linkages to these farmers to help them sell their products. We believe that these initiatives will allow farmers the flexibility to sell their produce as and when they are able to receive a reasonable price and may also help them obtain financing discounts. We were part of a similar arrangement with the Government of Uttar Pradesh for a project which we commenced in 2012 for paddy and maize. During this period, we conducted similar educational programmes for paddy and maize farmers in 25 districts of Uttar Pradesh.

These extension services also play an important role in product development and help us launch new products in a short time.

### ***Marketing arrangements***

Our marketing partners such as Kribhco and Tata Chemicals have entered into certain arrangements with us to sell our products under their brands. Our marketing agreement with Kribhco provides us the opportunity to market our seeds to farmers through the *Krishak Bharati Sewa Kendra*, the member cooperative societies of Kribhco, which is operational in various states in India, including Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Karnataka, Maharashtra, Madhya Pradesh, Tamil Nadu, West Bengal, Rajasthan, Haryana, Punjab and Uttar Pradesh.

### **Exports and Imports**

We consider our key international markets to be locations where the demand for seed products and agro-climatic conditions are similar to those in India. We believe that markets in certain countries in Asia, particularly in South and Southeast Asia, present attractive opportunities for us and we may consider expanding our operations in these countries. We are currently testing some of our products in markets in Pakistan, Bangladesh, Indonesia, Thailand and Vietnam as well as certain African nations such as Tanzania, Senegal, Mali and Burkina Faso. We are also exploring commercial relationships to market and distribute our products in these markets. We have also received approvals from the ministry of agriculture in the Republic of Indonesia with respect to three of our maize products, *Bond*, *Suwarna* and *Dragon*. As of December 31, 2014, we had export obligations of ₹79.69 million. In Fiscal 2014 and the nine months ended December 31, 2014, we exported seeds aggregating to ₹17.04 million and ₹19.20 million, respectively.

Certain of our vegetable seed products, which we develop through our research and development programmes, are produced overseas and are subsequently imported into India. We also import certain other foreign-produced seed products into India. In Fiscal 2014 and the nine months ended December 31, 2014, we imported seeds aggregating to ₹2.23 million and ₹13.68 million, respectively.

### **Competition**

We compete with other seed companies on the basis of availability of product, product range, product traits, including disease and pest resistance, plant quality and other factors, as well as on the basis of price, reputation, customer service and customer convenience. Competition for qualified agribusiness professional personnel as well as for seed distributors is intense. We also compete with other seed companies for production inputs such as arable land and seed growers.

We compete with other seed companies on the basis of product performance including traits such as yield, product quality, disease and pest resistance, and other factors such as the timely availability of supplies, price, product and geographic range, trade terms, and customer service. Our major competitors include Advanta India Limited, Ajeet Seeds Limited, Ankur Seeds Pvt. Ltd., Bayer CropScience, Kaveri Seeds Company Limited, Monsanto India Limited, Maharashtra Hybrid Seeds Company Limited, PHI Seeds Private Limited, Rasi Seeds (Private) Limited, Seminis Vegetable Seeds (India) Limited, DCM Shriram Industries Ltd. and Syngenta India Limited.

## **Intellectual Property**

We maintain the ownership of, and control the use of, our brands and products by means of intellectual property rights, including, but not limited to, trademarks and registrations under the PPV & FR Act.

### ***Trademarks***

We have obtained registration for certain of our product brands in accordance with the relevant Indian laws and have applied for registration of certain of our corporate logos and the related trademarks, such as “NSL – Growing with Care”. As of December 31, 2014, our Company had obtained registration for 222 trademarks and logos related to our products and brands and awaited registration of another 52 trademarks and logos.

### ***PPV & FR Registrations***

The PPV & FR Act requires registration with an authority (the “**PPV & FR Authority**”) for protection of our legal rights in relation to our products. As of December 31, 2014, our Company had filed a total of 635 applications under the PPV & FR Act, including 294 for cotton, 76 for paddy, 29 for maize, 23 for pearl millet and 8 for sorghum. As of December 31, 2014, our Company had received the following certificates of registration under the PPV & FR Act: 14 for paddy, 12 for pearl millet, 3 for maize, 2 for cotton and 2 for sorghum. 392 of our Company’s applications are in the testing stage, the final stage prior to certification. Pursuant to section 24(5) of the PPV & FR Act, the registrar has the power to issue such directions to protect the interests of a breeder against any abusive act committed by any third party during the period between the filing of the application for registration and the decision taken by the PPV & FR Authority on such application.

For further details relating to trademarks and other intellectual property, see the section titled “*Government and Other Approvals*” on page 581.

## **Information Technology**

We continuously invest in maintaining and updating our information technology infrastructure that helps connect our people, offices and facilities and ensures faster processing of information. We use sophisticated business solutions, such as an SAP based ERP system to manage our supply chain, inventory, sales and logistics. Our ERP system is integrated with barcoding software applications to track our products from our processing facilities to our marketing warehouses, ensuring visibility of product movement across distribution channels. In 2012, we received recognition from CIO.in for our implementation of barcoding technology to improve our operational efficiency. We use advanced IT solutions for managing our production process, research and development activities, customer relationship management, accounting and other integral parts of our business. We also use IT solutions to broadcast customised messages to our customer farmers, distributors and Seed Growing Farmers. We have piloted certain hand held farm management applications for monitoring the seed production process including expected yield and crop management schedules. We use both commercial software packages and custom built software solutions for meeting our business needs and we have an operational disaster recovery centre. Our in-house custom-built IT applications include a seed trials management program, a customised human resources software solution, and mobile applications to support our sales and marketing functions. We also have an IT sub-committee of our Board of Directors. In Fiscal 2014, a comprehensive IT risk assessment was performed and an IT risk mitigation plan was adopted. In 2014, we received the EMC Transformers award in recognition of our use of IT to drive innovation in our organisation.

## **Human Resources**

We had more than 1,800 full-time employees as at December 31, 2014. We, or the Seed Growing Farmers engaged by us, also employ a number of seasonal workers, which varies substantially during the year due to the seasonal nature of our business. We maintain good relationships with our employees. None of our employees are unionised and there have been no instances of any labour unrest, agitation or strike at any of our facilities. We provide our employees with performance-based compensation and our internal policies emphasise training

sessions and continuous learning and development. We also operate a royalty bonus scheme, which provides eligible employees with a financial reward based on the amount of net sales achieved for certain seed products.

## Health, Safety and Environment

As a company operating in the seeds business, we are required to comply with various laws, rules and regulations relating to health, safety and environment. We believe that we are in compliance, in all material respects, with applicable health, safety and environmental regulations. For further details, see the section titled “Government and Other Approvals” on page 581. We operate a safety management system at all our production and processing facilities, make conscious efforts to improve our safety record and have provided personal and other industrial safety equipment to all employees working at our facilities to protect our employees. We have installed the necessary equipment for treatment of effluents generated during our seed production and processing operations and to the extent possible, we minimise the use of harmful insecticides, pesticides and fertilisers during our operations. We take adequate precautions to preserve the environment and protect the safety of our employees whenever any chemicals are used. There are currently no proceedings against us, or any of our Directors, officers or employees, in relation to violation of any environmental regulations. We do not employ child labour at any of our facilities. Further, we have adopted a “zero tolerance for child labour” policy that strongly discourages use of child labour by any of our Seed Growing Farmers and prohibits this under the terms and conditions of our contractual arrangements with them.

## Properties

As on April 15, 2015, our Company’s research and development activities are spread over 688.55 acres across various states in India and our Company undertakes quality control tests such as GOTs over 288.46 acres across various states in India.

The table below sets out certain details of our key properties.

Locations	Principal Business Activity	Nature of interest
Challapalli and Siripuram in Andhra Pradesh, Kallakal in Telangana.	Research and Development	Freehold
Ankireddypalem, Gurajala, Siripuram, Dronadula, Mudinepalli, Ravulapalem, Srungarapuram, Tukkuluru, Duggirala, Kurnool, Anantapur, Ponnurin Andhra Pradesh, Dabilpur, Kandlakoya, Muneerabad, Bandamailaram, Dhulapally, Ghanpur, Nuthankal, Parigi, Railapur, Khammam, Warangal and Toopran in Telangana, Aravalli, Deesa, Bhavnagar, Kheda, Sabarkanta, Surendranagar and Vadodara in Gujarat, Hissar and Sonapat in Haryana, Kullu in Himachal Pradesh, Bengaluru and Raichur in Karnataka, Aurangabad and Pune in Maharashtra, Puri in Odisha, Durg in Chhattisgarh, Jaipur, Kota and Alwar in Rajasthan, Barnala, Bathinda, Fazilka and Nawashahar in Punjab, Khargone in Madhya Pradesh, and Kolkata in West Bengal.*	Research and Development including Multi-location Trials	Leasehold
Renjal in Telangana.	Quality control tests such as GOTs	Freehold
Nuthakki, Padapalem, Perakalapudi, Revendrapadu, Srungarapuram in Andhra Pradesh, C Kurvatti, Gangapur, Hildahalli, Hullatti, Hullatti Tanda, Kudrihal, Maidur, Ranebennur in Karnataka, Gangavalli, Udumbiyam, Gudamalai, Panankadu in Tamilnadu, Keesara and Renjal in Telangana.**	Quality control tests such as GOTs	Leasehold
Kandlakoya in Telangana.	Registered Office	Freehold and Leasehold



Locations	Principal Business Activity	Nature of interest
Vijairai, Tukkuluru and Kondrapadu in Andhra Pradesh, Gadchirowli, Akola and Aurangabad in Maharashtra, Idar in Gujarat, Bargarh in Odisha Kompally, Kothur, Nandigaon, Kallakal, Karimnagar, and Gundlapochampally in Telangana and Rudrapur in Uttarakhand.***	Processing facilities	Freehold and Leasehold
Raipur in Chhattisgarh, Patna in Bihar, Hisar in Haryana, Ranchi in Jharkhand, Devengere in Karnataka, Indore and Jabalpur in Madhya Pradesh, Yeotmal, Nanded, Aurangabad, Pune and Nagpur in Maharashtra, Bargarh in Odisha, Bhatinda in Punjab, Jaipur in Rajasthan, Coimbatore in Tamil Nadu, Adilabad in Andhra Pradesh, Maulali in Telangana, Lucknow in Uttar Pradesh and Kolkata in West Bengal.****	Storage	Leasehold and pursuant to our agreements with C&F agents
Vijairai in Andhra Pradesh, Kompally and Kothur in Telangana, and Lucknow in Uttar Pradesh.***	Conditioned Storage	Freehold and Leasehold

\* For further details, see “—Research Facilities and Infrastructure” on page 199.

\*\* For further details, see “—GOT Centres and GOT Farms” on page 206.

\*\*\* For further details, see “—Seed Processing and Conditioning Facilities” on page 204.

\*\*\*\* For further details, see “—Seed Distribution and Storage Facilities” on page 207.

## Insurance

We generally maintain insurance covering our assets and operations at levels that we believe to be appropriate for our business. The insurance policies we maintain include standard fire and special perils insurance, insurance for damage to seed stocks or burglary, transit insurance, fidelity insurance, insurance for certain electronic equipment and laptops, money in transit or cash in safe insurance, group personal accident insurance and insurance for various vehicles. We also maintain a directors’ and officers’ liability insurance policy as well as machinery breakdown insurance.

## Litigation

For details relating to tax and other legal proceedings involving our Company, our Subsidiaries, our Directors, our Promoters and Group Companies, see the section titled “*Outstanding Litigation and Material Developments*” on page 469.

## Corporate Social Responsibility (“CSR”)

In Fiscal 2014, our CSR activities included participating in a state-sponsored programme to promote HDP cotton farming, supporting various youth associations and social-welfare initiatives to promote education, healthcare and rural area development, and providing solar-powered street lighting, medication and educational resources to various communities.

We also make donations to the Mandava Foundation, a charitable trust set up by our Promoter, Mandava Prabhakara Rao. In Fiscal 2014, the Mandava Foundation’s activities included providing financial support to students from lower economic backgrounds, operating various hospitals and veterinary hospitals, and conducting programs to educate farmers on fodder management.

In Fiscal 2015, our Company constituted a CSR Committee of the board which comprises two of our Independent Directors. The CSR Committee is responsible for formulating our CSR policy. We currently organise awareness campaigns for farmers to educate them about new agronomic practices, irrigation systems and agricultural equipment. We have in the past also sponsored awards for meritorious students and scientists.

## REGULATIONS AND POLICIES IN INDIA

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India which are applicable to our Company and its business. The information detailed in this chapter has been obtained from the websites of the relevant regulators and publications available in the public domain. The regulations set out below are not exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. Taxation statutes such as the Income Tax Act, 1961, Central Sales Tax Act, 1956 and applicable local sales tax statutes and applicable shops and establishments' statutes apply to us as they do to any other Indian company. For details of government approvals obtained by our Company in compliance with these regulations, see "*Government and Other Approvals*" on page 581 of this Draft Red Herring Prospectus. The statements below are based on the current provisions of Indian law, and remain subject to judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

### KEY INDUSTRY REGULATIONS

#### Seed Industry

##### *The Essential Commodities Act, 1955*

The Essential Commodities Act, 1955 (the "**Essential Commodities Act**") provides for the regulation and control of production, supply, distribution and pricing of commodities which are declared as essential, for maintaining or increasing supplies or for securing their equitable distribution and availability at fair prices. Under the Essential Commodities Act, food crops, fruits and vegetables, cattle fodder, raw jute and cotton seeds are categorised as essential commodities. The Seeds Control Order, 1983 (as discussed below) has been notified pursuant to the provisions of the Essential Commodities Act for regulating the distribution of seeds.

##### *The Seeds (Control) Order, 1983*

The Seeds (Control) Order, 1983 (the "**Seeds Control Order**") issued under the Essential Commodities Act requires every person carrying on the business of selling, exporting or importing seeds, including but not limited to, those of a notified kind or variety, to obtain a licence under the Seeds Control Order and to sell, export, or import seeds in compliance with the terms and conditions of such license. Every license granted under this Seeds Control Order is valid for a period of three years unless previously suspended or cancelled.

Person/persons desiring to obtain a licence for selling, exporting or importing of seeds should make an application in duplicate in the prescribed form together with the prescribed fee to the licensing authority. The Seeds Control Order empowers the Central Government to appoint a "controller of seeds" to regulate the sale and distribution of seeds. The controller of seeds is empowered to direct a producer or dealer to sell or distribute any seed in a manner specified by him by an order in writing if he is of the opinion that such a direction is necessary in public interest. Further, the State Government is empowered under the Seeds Control Order to appoint inspectors for securing compliance with the Seeds Control Order.

Pursuant to the Seeds Control (Amendment) Order, 2006, every dealer of seeds in notified kind or variety or other than notified kind or variety of seeds shall ensure that the standards of quality of seeds claimed by him shall conform to the standards prescribed for the notified kind or variety of seeds under Section 6 of the Seeds Act, 1966 (54 of 1966) and any other additional standards relating to size, colour and content of the label as may be specified.

##### *The Seeds Act, 1966*

The Seeds Act, 1966 (the "**Seeds Act**") regulates the quality of certain seeds for sale, and related matters. The Seeds Act provides the Central Government with the power to declare certain kinds or varieties of seeds as a notified kind or variety for the purpose of regulating the quality of any kind or variety of seed to be sold for purposes of agriculture. Further, different kinds of varieties maybe notified for different states or for different

areas thereof. The Seeds Act empowers the Central Government to prescribe (i) minimum limits of germination and purity with respect to any notified kind or variety of seed and (ii) the particulars which the mark or label should contain to indicate that such seed conforms to the minimum limits of germination and purity. No person is permitted to carry on the business of selling, keeping for sale, offering for sale, bartering or otherwise supplying any seed of any notified kind or variety unless (a) such seed is identifiable as to its kind or variety, (b) such seed conforms to the minimum limits of germination and purity as prescribed by the Central Government, and (c) the container of such seed bears in the prescribed manner, the mark or label containing the correct particulars thereof as specified under the Seeds Act and (d) other prescribed requirements are complied with. Further, no person is permitted for the purpose of sowing or planting, exporting or importing (or causing to be exported or imported) any seed of any notified kind or variety unless (a) such seed conforms to the minimum limits of germination and purity as prescribed by the Central Government, and (b) the container of such seed bears in the prescribed manner, the mark or label containing the correct particulars thereof as specified under the provisions of the Seeds Act.

Under the Seeds Act, any person selling, keeping for sale, offering for sale, bartering or otherwise supplying any seed of the notified kind or variety of seeds may apply for certification to the certification agency established by the Central Government or State Government. Further, the State Governments are empowered under the Seeds Act to appoint an inspector designated as a “seed inspector” and define the area within which they shall exercise jurisdiction for the purpose of effective regulation and inspection.

Pursuant to the Seeds (Amendment) Act, 1972, the Central Government was to establish the Central Seed Certification Board, by giving a notification in the Official Gazette, to advise the Central Government and the State Governments on all matters relating to certification and to co-ordinate the functioning of the agencies established under the Seeds Act.

### ***The Seeds Rules, 1968***

The Seeds Rules, 1968 (the “**Seeds Rules**”) contain provisions for the implementation of the provisions of the Seeds Act. The Seeds Rules classify seeds into three classes, namely foundation seeds, registered seeds and certified seeds, and lays down standards for each class. The Seeds Rules define a “certified seed” as a seed that fulfils all requirements for certification under the Seeds Act and the Seeds Rules and on the container of which the certification tag is attached. The container in which the certified seed is sold or supplied must contain a certification tag. Certification tag is to be specified by the certification agency and shall constitute the certificate granted by a certification agency. A “certified seed producer” is defined under the Seeds Rules as a person who grows or distributes certified seed in accordance with the procedure and standards of the certification agency.

Under the Seeds Rules, every label or mark is required to specify among others, (i) the particulars as specified under the Seeds Act, (ii) a correct statement of the net content in terms of weight and expressed in metric system, (iii) the date of testing, and (iv) if the seed has been treated, then a statement indicating that the seed has been treated by a commonly accepted chemical or provide the abbreviated chemical (generic) name of the applied substance and a precautionary statement such as “Do not use for food, feed or oil purposes” if the substance of the chemical used is harmful to human beings or other vertebrate animals or “Poison” displayed prominently in type, size and red if it contains mercurials or similar toxic substances, (v) the name and address of the person who offers for sale, sells or otherwise supplies the seeds and who is responsible for its quality and (vi) the name of the seed as notified under the Seeds Act. It is the responsibility of the person whose name appears on the mark or label on the container to ensure the accuracy of the information required to appear on the mark or label so long as it is in an unopened original container. Procedure for providing seed samples has also been laid down by the Seeds Rules, wherein containers must bear, amongst other things, (i) serial number, (ii) date and place of taking sample, (iii) kind and variety of seed for analysis.

The Seeds Rules prescribes that no person shall sell, keep for sale, offer to sell, barter or otherwise supply any seed of any notified kind or variety, after the date recorded on the container, mark or label. This date shall be the date up to which, the seed is expected to retain the germination, and should not be less than the minimum limits of germination and purity prescribed under the Seeds Act. Further, the Seeds Rules, among others prescribes the following requirements on a person engaged in the business of sale of seeds: (a) such person shall not alter, obliterate or deface any mark or label attached to the container of any seed and (b) such person should

maintain a complete record of each lot of seeds sold for a period of three years, except that any seed sample may be discarded one year after the entire lot represented by such sample has been disposed of.

### ***The Seeds Bill, 2011***

The Seeds Bill, 2011 (“**Draft Seeds Bill**”) was first introduced in 2004 in order to regulate the production, distribution and sale of seeds. It requires every seller of seeds (including farmers) to meet certain minimum standards. The Government had proposed new amendments to the Draft Seeds Bill in April 2010, November 2010 and February 2011. The Draft Seeds Bill seeks to regulate the quality of seeds sold and seeks to replace the Seeds Act. As per the Draft Seeds Bill only those varieties of seeds can be sold for the purpose of sowing or planting by any person, which are registered. However, transgenic varieties of seeds may be registered only after an applicant has obtained clearance under the Environment (Protection) Act, 1986 and the label of a seed container indicates details of the content. Farmers who are merely sowing these seeds and not selling them under a brand name are not required to register the seeds under the Draft Seeds Bill. If a registered variety of seeds fails to perform to the expected standards, the farmer can claim compensation from the producer or dealer, the distributor or vendor. The Draft Seeds Bill provides for the setting up of a compensation committee to hear and decide these cases. It also provides for an appellate mechanism for appeal against the decisions of the compensation committee.

### ***The National Seeds Policy, 2002***

The Seeds Act, the Seeds Rules, through Seeds Control Order and the New Policy on Seeds Development, 1988, (the “**New Policy on Seeds Development**”) formed the basis of promotion and regulation of the seed industry. The creation of a facilitative climate for the growth of a competitive and localised seed industry, encouragement of import of useful germplasm, and boosting of exports are core elements of the agricultural strategy of the new millennium.

The National Seeds Policy, 2002 (“**Seeds Policy**”) lays down the foundation for comprehensive reforms in the seed sector. The main objectives of the National Seed Policy includes the provision of an appropriate climate for the seed industry to utilise available and prospective opportunities, safe guarding of interests of Indian farmers and the conservation of agricultural diversity. The Seeds Policy also provides the parameters for the development of the seed sector in the tenth and subsequent five year plans. The progress of implementation of the Seeds Policy is monitored by a high level review committee.

Key measures resulting from the Seeds Policy include implementation of an effective *sui generis* system for intellectual property protection to stimulate investment in research and development of new plant varieties; establishment of a Plant Varieties and Farmers’ Rights Protection Authority to undertake registration of extant and new plant varieties through the plant varieties registry on the basis of varietal characteristic; and consideration of tax rebate or concessions on the expenditure incurred on in-house research and development of new varieties and other seed related research aspects. Further, in order to develop a competitive seed market, the states are encouraged to remove unnecessary local taxation on sales of seeds.

In order to harmonize New Policy on Seed Development with the Seeds Policy, the Department of Agriculture and Co-operation (MOA) (“**DAC**”) through its circular dated June 27, 2011 approved certain amendments to the New Policy on Seeds Development. As per the circular, the import of seeds for wheat and paddy may also be permitted as per the Plant Quarantine Order, 2003 for a period not exceeding two years by companies which have technical/financial collaboration agreement for production of seeds abroad, provided the foreign supplier agrees to supply parent line seeds or the nucleus or breeder seeds or the technology to the Indian company within a period of two years from the date of import of the first commercial consignment after its import has been recommended by the DAC. Further, a quantity of 16 kilograms of wheat and 5 kilograms of seeds of paddy for sowing would be given to the Indian Council for Agricultural Research (“**ICAR**”) or farms accredited by ICAR, for trial and evaluation. The ICAR is required to intimate the results of sowing the crop for one season to the DAC and on such basis an eligible importer may apply for the bulk import of the wheat or paddy seeds.

### ***The Plant Quarantine (Regulation of Import into India) Order, 2003***

The Plant Quarantine (Regulation of Import into India) Order, 2003 (the “**Plant Quarantine Order**”) was issued under the Destructive Insects and Pests Act, 1914 for the purpose of prohibiting and regulating the import of certain agricultural articles into India. Under the Plant Quarantine Order, no consignment of plant and plant products and other regulated articles will be permitted into India without a valid permit issued in accordance with the Plant Quarantine Order. Further, commercial imports of consignments of seeds of coarse cereals, pulses or oil seeds and fodder seeds and seeds or stock material of fruit plant species of propagation will only be permitted based on the recommendations of the Exim Committee of Agriculture and Cooperation, except certain trial materials. Additionally, no consignment of germplasm, transgenic or genetically modified organisms can be imported for research or testing without a permit issued by the Director, National Bureau of Plant Genetic Resources.

### ***The Andhra Pradesh (Agricultural Produce and live stock) Markets Act, 1966***

The Andhra Pradesh (Agricultural Produce and live stock) Markets Act, 1966 (the “**A.P. Markets Act**”) was enacted to regulate purchase and sale of the agricultural produce, livestock and products of live stock and establishment of markets in the State of Andhra Pradesh. Under the A.P. Markets Act, the State Government is empowered to notify an area where it seeks to regulate the sale and purchase of the agricultural produce, livestock or products of livestock (“**Notified Produce**”). The State Government may, by notification constitute a market committee for every notified area and also prescribe the powers and functions as well as apportionment of assets and liabilities between the different market committees. The market committees are responsible for implementing the A.P. Markets Act and the rules and byelaws as notified by the State Government.

Under the A.P. Markets Act, no person is entitled to within a notified area, set up, establish or use or continue or allowed to be continued, any place for purchase, storage or sale of any Notified Produce except in accordance with a licence granted by the market committee. However, no licence is required to be obtained from the market committee in the event that such person is engaged in the business of purchasing or selling Notified Produce that does not exceed the value prescribed by the market committee.

The person licensed to carry on the business of sale or purchase of Notified Produce in the notified market area is required to pay fees at such rate not exceeding ₹ 2 (as stated in the byelaws) for every ₹ 100 of the aggregate amount as consideration for the sale or purchase of the Notified Produce as the case maybe. The trader in the notified area who is liable to pay fees must submit returns or returns relating to such turnover. The assessing authority appointed will check the returns as to their correctness if the returns are found to be incorrect he may make an assessment by way of best judgement assessment. Any trader who is objecting to the assessment can appeal to the Regional Joint Director of marketing within 30 days from the date on which the order or proceeding was served. Whoever sets up or establishes to sell or purchase any notified produce in the notified area without a valid licence or failed to pay fees shall, on conviction be punished with imprisonment for a term, not be less than six months and which may extend to one year and with fine, which may extend to five thousand rupees, and in the case of a continuing contravention with further fine which may extend to rupees five hundred for every day during which the contravention continues after conviction. The arrears of any fees payable to the Government by the market committee will be recovered in the same manner as arrears of land revenue.

### ***Consumer Protection Act, 1986***

The Consumer Protection Act, 1986 (“**Consumer Protection Act**”) was enacted to provide for better protection of the interests of consumers and for that purpose to make provision for the establishment of consumer councils and other authorities for the settlement of consumers' disputes and for matters connected therewith. The Consumer Protection Act provides relief to consumers in case of defect in goods purchased or deficiency in services availed of. It provides for establishment of certain consumer forums such as the National Commission, State Commissions and District Forums for settlement of consumer related disputes. These forums have both pecuniary and territorial jurisdiction. The consumer forum may grant the following reliefs, namely, removal of defects, replacement of goods, payment of compensation, withdrawal of hazardous goods from sale, etc. Proposed amendments to the Consumer Protection Act aim for more speedy, inexpensive and simple

dispensation of justice as well as the establishment of a Consumer Protection Commission to prevent exploitation of the consumer and violation of their rights.

### ***The Foreign Trade (Regulation and Development) Act, 1992***

The Foreign Trade (Regulation and Development) Act, 1992 (the “**Foreign Trade Act**”), seeks to provide for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from India. Under the Foreign Trade Act, the Central Government may formulate and announce by notification in the Official Gazette, the export and import policy and may also make amendments to such policy. The Central Government is authorised under the Foreign Trade Act to appoint the Director General of Foreign Trade for the purposes of the Foreign Trade Act. Further, as per the Foreign Trade Act, no person shall export or import except without obtaining an importer-exporter code number from the Director General of Foreign Trade or the person authorised by the director general of foreign trade.

### ***The Legal Metrology Act, 2009***

The Standards of Weights and Measures has been repealed and replaced by the Legal Metrology Act, 2009 (the “**Legal Metrology Act**”). The Legal Metrology Act establishes and enforces standards of weights and measures, regulates trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. Using or keeping for use any weight or measure contrary to those specified under the Legal Metrology Act would be an offence, as is tampering or altering weights or measures.

### ***The Legal Metrology (Packaged Commodities) Rules, 2011***

The Legal Metrology (Packaged Commodities) Rules, 2011, framed under section 52(2)(j) and (q) of the Legal Metrology Act came into force on April 1, 2011 (“**Packaged Commodities Rules**”) and have, since, been amended several times, the latest amendment being made on June 6, 2013. Under the Packaged Commodities Rules, every manufacturer or packer or importer of packaged commodities requires to be registered within 90 days of starting business.

## **Intellectual Property Rights**

In India, patents, trade marks and copyrights enjoy protection under both statutory and under common law. The key legislations governing intellectual property in India and which are applicable to the Company are the Patents Act, 1970, Copyright Act, 1957 and the Trade Marks Act, 1999. India is also a party to several international agreements for the protection of intellectual property rights.

### ***The Patents Act, 1970***

The Patents Act, 1970 (“**Patents Act**”), initially allowed only process patents and not product patents and prescribed shorter protection periods and excluded certain areas such as agriculture from its scope of patentability. However, the Patents Act was amended *vide* the Patents (Amendment) Ordinance, 2004 and the Patents (Amendment) Act, 2005 in order to comply with the obligations undertaken by the Government of India pursuant to World Trade Organisation Trade Related Aspects of Intellectual Property Agreement. These amendments introduced the concept of product patents with a protection period of twenty years. Through these amendments, product patents as well as process patents are now permitted, and are now extended to agro-chemicals, food, and biotechnology products including genetically modified organisms, apart from drugs and pharmaceuticals.

### ***Trade Marks Act, 1999***

The Trade Marks Act, 1999 (“**Trademark Act**”) provides for the statutory protection of trade marks and for the prevention of the use of fraudulent marks in India. Certification marks and collective marks can also be registered under the Trademark Act. An application for trade mark registration may be made by any person

claiming to be the proprietor of a trade mark used or proposed to be used by him, who is desirous of registering it.

An application for a trade mark registration may be made for in one or more classes. Once granted, trade mark registration is valid for ten years unless cancelled. If not renewed after ten years, the Registrar of Trade marks may remove the trade mark from the register unless an application for renewal has been submitted in the prescribed manner and the prescribed fee is paid within six months from the expiry of the last registration of the trade mark. The Trade Marks (Amendment) Act, 2010 has been enacted by the GoI to amend the Trademark Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trade mark in other countries, and to empower the Registrar of Trade Marks to do so. It also seeks to simplify the law relating to transfer of ownership of trade marks by assignment or transmission and to bring the law generally in line with international practice.

Any person who infringes a registered trade mark by way of, amongst others, falsifying any trade mark, selling goods or providing services to which a false trade mark or false trade description is applied, or falsely represents a trade mark as registered, is liable to, amongst others, imprisonment for the prescribed term and to pay the prescribed amount of fine as specified under the Trademark Act.

In addition, the Trade Mark Rules, 2002 were brought in to lay down procedures and processes involved in registration, application, certification, renewal etc. The Trade Mark (Amendment) Rules, 2014 have increased the prescribed fees for registrations and certain applications.

### ***The Copyright Act, 1957***

The Copyright Act, 1957 (“**Copyright Act**”) governs copyright protection in India. Under the Copyright Act, subject to certain exceptions, a copyright shall subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings. While copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration constitutes prima facie evidence of the particulars entered therein and may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Copyright protection in literary, dramatic, musical and artistic works, (other than a photograph) published within the lifetime of the author, lasts for a period of sixty years from the beginning of the next calendar year, following the year of demise of the author.

Reproduction of a copyrighted work for sale or hire, issuing of copies to the public, performance or exhibition in public, making a translation of the work, making an adaptation of the work and making a cinematograph film of the work without a license from the owner of the copyright are all acts which expressly amount to an infringement of copyright.

The remedies available to an owner of a copyright in the event of infringement of copyright under the Copyright Act include civil remedies by way of damages and injunctions and proceedings for recovery of possession of all infringing copies. The Copyright Act also provides for criminal remedies including imprisonment of the accused and the imposition of fines and seizure of infringing copies. In addition, the Registrar of Copyright, upon receiving an application from the owner of copyright along with the prescribed fee, is empowered to impose a ban on the import into India, of such copies made out of India, of the work, which if made in India would infringe copyright.

### ***The Protection of Plant Varieties and Farmers’ Rights Act, 2001***

The Protection of Plant Varieties and Farmers’ Rights Act, 2001 (the “**PVP&FR Act**”) provides for the establishment of an effective system for the protection of plant varieties, the rights of farmers and plant breeders and to encourage the development of new varieties of plants. It was considered necessary to recognize and protect the rights of the farmers in respect of their contribution to conserving, improving and making available plant genetic resources for the development of the new plant varieties. Moreover, to accelerate agricultural development, it was considered necessary to protect the plants breeders’ rights and to stimulate investment for research and development of new plant varieties.

A certificate of registration issued under the PVP&FR Act confers an exclusive right on the breeder or his successor, his agent or licensee to produce, sell, market, distribute, import or export the variety. Under the PVP&FR Act, the breeder of any propagating material of a variety registered under the PVP&FR Act is required to disclose to the farmer or the group of farmers or organisation of farmers, the expected performance under the given conditions and if such propagating material fails to provide such performance under the given conditions, the farmer or the group of farmers or the organisation of farmers, may claim compensation in the prescribed manner before the Protection of Plant Variety Authority and the said authority may after providing the breeder an opportunity to file opposition in the prescribed manner and after hearing the parties, may direct the breeder of the variety to pay such compensation as it deems fit, to the farmer or the group of farmers or the organization of farmers, as the case may be.

Such protection is likely to facilitate the growth of the seed industry which will ensure the availability of high quality seeds and planting material to the farmers. India has ratified the Agreement on Trade Related Aspects of the Intellectual Property Rights (“**TRIPS Agreement**”) and as one of the measures to give effect to the TRIPS Agreement, has enacted the PVP&FR Act.

#### ***The Protection of Plant Varieties and Farmers’ Rights Regulations, 2006 and the Protection of Plant Varieties and Farmers’ Rights Rules, 2003***

The Protection of Plant Varieties and Farmers’ Rights Regulations, 2006 (“**PVP Regulations**”) and the Protection of Plant Varieties and Farmers’ Rights Rules, 2003 (“**PVP Rules**”) were passed pursuant to the powers conferred by sub-section (1) of Section 95 and sub-section (1) of Section 96 of the PVP&FR Act respectively. These two rules provide the procedural law for the implementation of the substantive law provided by the PVP Act. The PVP Regulations enumerate the duties of the Registrar with respect to approval, cancellation of a licence for registration of any plant variety recognised under the PVP&FR Act. As per the PVP Regulations, the seeds are to be evaluated as per the standards prescribed under the Seeds Act. Further, under the PVP Rules, the registrar is required to register every extant variety within three years from the date of its notification under the PVP Act, with respect to the genera and species eligible for registration subject to conformity to the criteria of distinctiveness, uniformity, and stability as laid down under the PVP Regulations. The PVP Rules provide a list of particulars relating to the registered plant varieties that are to be registered with the National Register of Plant Varieties.

#### ***The International Treaty on Plant and Genetic Resources for Food and Agriculture***

The International Treaty on Plant and Genetic Resources for Food and Agriculture (“**Treaty for Plant and Genetic Resources**”) was negotiated under the aegis of the Food and Agriculture Organisation of the United Nations Organisation and India is one of the contracting States. The objectives of the Treaty for Plant and Genetic Resources are the conservation and sustainable use of plant genetic resources for food and agriculture and the fair and equitable sharing of the benefits arising out of their use in harmony with the Convention on Biological Diversity. The Treaty for Plant and Genetic Resources requires the contracting countries to take measures to promote the sustainable use of plant genetic resources including plant breeding efforts with the co-operation of the farmers, strengthening research that enhances and conserves biological diversity and reviewing and adjusting strategies regarding variety release and seed distribution. It also recognises farmers' rights to be involved in relevant policy discussions and decision making and to use, save, sell and exchange seeds, subject to national laws.

#### **Environmental Legislations**

The three major statutes in India which seek to regulate and protect the environment against pollution related activities in India are the Water (Prevention and Control of Pollution) Act 1974 (“**Water Act**”), the Air (Prevention and Control of Pollution) Act, 1981 and the Environment Protection Act, 1986 and the rules and regulations thereunder. Pollution Control Boards (“**PCBs**”), which are vested with diverse powers to deal with water and air pollution, have been set up in each state to control and prevent pollution. The PCBs are responsible for setting the standards for the maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking investigations to ensure that industries are functioning in



compliance with the standards prescribed. All industries and factories are required to obtain consent orders from the PCBs, and these orders are required to be renewed annually.

***Rules for the manufacture, use, import, export, and storage of hazardous microorganisms genetically engineered organisms or cells issued by the Ministry of Environment and Forests (under the Environment (Protection) Act, 1986)***

The GEAC is the apex body constituted under the Rules for genetically engineered cells. Its main function is to approve, authorise large scale trials for release of transgenic crops in the environment and permit use of genetically modified organisms for commercial use. The GEAC has, among other things prescribed procedures for the commercial release of cotton hybrids developed through the use of biotechnology.

***Biological Diversity Act, 2002***

The Biological Diversity Act, 2002 (the “**Biodiversity Act**”) was enacted pursuant to India’s obligations under the United Nations’ Convention on Biological Diversity. The Biodiversity Act provides for the establishment of a National Biodiversity Authority and authorities in each of the states. Persons who are not citizens of India are required to take permission of the National Biodiversity Authority before obtaining any biological resource occurring in India or knowledge associated thereto for research or for commercial utilisation or for bio-survey and bio-utilisation. Further, the Biodiversity Act, provides that transfer of material or research occurring in India or obtained from India is prohibited unless the research is collaborative and there are agreements to this effect, and the permission of the National Biodiversity Authority would be required prior to the granting of the intellectual property rights in the event that biological resources from India have been used for development of such intellectual property. It provides for imposition of charges by way of royalty, subject to certain terms and conditions.

**Labour Laws**

Depending on the nature of work and number of workers employed at any workplace, various labour related legislations may apply to us. The following is an indicative list of labour laws applicable to our operations:

- The Employees’ Provident Funds and Miscellaneous Provisions Act, 1952;
- The Industrial Disputes Act, 1947;
- The Employees’ State Insurance Act, 1948;
- The Factories Act, 1948
- The Contract Labour (Regulation and Abolition) Act, 1970
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- The Employee’s Compensation Act, 1923
- The Minimum Wages Act, 1948;
- The Payment of Wages Act, 1936;
- The Payment of Gratuity Act, 1972; and
- The Payment of Bonus Act, 1965.

## HISTORY & CERTAIN CORPORATE MATTERS

### History of our Company

Our Company was originally incorporated as a public limited company with the name 'NSL Seeds Limited' under the Companies Act, 1956 by a certificate of incorporation dated March 19, 2008 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana and received a certificate of commencement of business dated April 9, 2008 from the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, by a fresh certificate of incorporation on conversion to a private limited company, dated June 30, 2008, issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana, the name of our Company was changed to 'NSL Seeds Private Limited'. Pursuant to a scheme of arrangement, approved by the High Court of Delhi vide its order dated May 13, 2010, the entire seed business of NSL Renewable Power Private Limited formerly known as Nuziveedu Seeds Private Limited, was transferred to and vested with our Company. Subsequently by a fresh certificate of incorporation dated September 23, 2010, issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana, the name of our Company was further changed to 'Nuziveedu Seeds Private Limited' with a view to use the trademarks and goodwill of NSL Renewable Power Private Limited formerly known as Nuziveedu Seeds Private Limited. Our Company was converted into a public limited company pursuant to a special resolution passed by the shareholders, at an EGM on September 10, 2012 with the name 'Nuziveedu Seeds Limited' and it received a fresh certificate of incorporation dated September 18, 2012 consequent upon change of name on conversion to a public limited company from the Registrar of Companies, Andhra Pradesh.

For further details of the scheme of arrangement, see “– *Scheme of Arrangement between our Company, the Transferor Company, Mandava Holdings Private Limited, NSL Properties Private Limited, NSL SEZ (Chennai) Private Limited, Ascendant Estates Private Limited and their respective shareholders and creditors.*” below.

Further, pursuant to a scheme of arrangement, approved by the High Court of Telangana and Andhra Pradesh vide its order dated October 21, 2014, the fertiliser undertaking of our Company was transferred to and vested in NSL Fertiliser Ventures Private Limited with effect from July 1, 2013. For further details on the scheme of arrangement, see “– *Scheme of arrangement between our Company, NSL Fertiliser Ventures Private Limited (“NSL Fertiliser”) and their respective shareholders.*” below.

### Changes in the Registered Office of our Company

Change in Address	Date of change	Reason
<u>From:</u> 905, Kanchun Junga Building, Barakhamba Road, Connaught Place, New Delhi 110 001, India	May 9, 2011	Administrative convenience
<u>To:</u> Survey No. 69, Kandlakoya, Gundla Pochampally Village, Medchal Mandal, Ranga Reddy District 501 401, Telangana, India		

### Major events and milestones

The table sets forth some of the major events in the history of our Company:

Year	Particulars
March 2008	Incorporated as NSL Seeds Limited.
December 2008	Share subscription, share purchase cum shareholders agreement for acquisition of 51% of the equity share capital of Yaaganti Seeds Private Limited by NSL Renewable Power Private Limited, formerly known as Nuziveedu Seeds Private

Year	Particulars
	Limited.
June 2010	Transfer of seeds business of NSL Renewable Power Private Limited (formerly known as Nuziveedu Seeds Private Limited) to our Company pursuant to a scheme of arrangement approved by the High Court of Delhi through its order dated May 13, 2010, with effect from the appointed date of April 1, 2010.
December 2010	Allotment of 5,700,000 Equity Shares to Mandava Holdings Private Limited pursuant to which our Company became a subsidiary of Mandava Holdings Private Limited
February 2011	Issuance of Equity Shares of ₹ 8,500 and Preference Shares of ₹ 2,500 million to Blackstone.
May 2011	Registered office of the Company shifted to Andhra Pradesh
March 2012	Asian Agri Genetics Limited became a wholly owned subsidiary of the Company Fortune Hybrid Seeds Limited became a wholly owned subsidiary of the Company Jubilee Real Projects (India) Private Limited became a wholly owned subsidiary of the Company
April 2012	Prabhat Agri Biotech Limited became a wholly owned subsidiary of the Company
September 2012	Company reconverted to a public limited company.
January 2013	Issuance and allotment of 8,522,430 Equity Shares to Blackstone pursuant to conversion of 2,250,000 Preference Shares
May 2013	Buy back of 1,587,901 Equity Shares by the Company
December 2013	Global Agrigenetics India Private Limited became a wholly owned subsidiary of the Company.
January 2014	Issuance and allotment of 1,813,099 Equity Shares to Blackstone pursuant to conversion of 250,000 Preference Shares.
March 2014	Wholly owned subsidiary company, PT Nuziveedu Seeds Indonesia was incorporated in Indonesia.
March 2014	Yaaganti Seeds Private Limited became wholly owned subsidiary of the Company.
November 2014	Sanction of the scheme of arrangement by the High Court of Judicature at Hyderabad for the state of Telangana and the state of Andhra Pradesh pursuant to which, the fertiliser business of our Company was transferred to and vested in NSL Fertiliser Ventures Private Limited with effect from July 1, 2013.

### ***Strikes and lock-outs***

We have not experienced any strikes, lock-outs or instances of labour unrest in the past.

### ***Time / Cost Overrun in setting up projects by our Company***

Our Company has, in the past, experienced instances of time and / or cost overruns in relation to, amongst others, its cob drying plants, processing plants, processing and storage godowns, cold storage units and machinery. These instances of time and / or cost overruns have arisen on account of delays in commissioning of the aforesaid units or on account of escalation of costs in setting up the aforesaid units beyond the estimated costs.

### ***Changes in the activities of our Company***

Apart from the demerger of the fertiliser business of our Company pursuant to the Scheme of Arrangement 2013 (as defined hereinafter) there have been no changes in the activities of our Company during the last five years preceding the date of this Draft Red Herring Prospectus, which may have had a material effect on our profit or loss, including discontinuance of our lines of business, loss of agencies or markets and similar factors. For further details on the demerger of fertiliser business, see “*Scheme of arrangement between our Company, NSL Fertiliser Ventures Private Limited and their respective shareholders*” below.

***Delays or rescheduling of borrowings from financial institutions/banks, conversion of loans into equity by our Company***

In the past there have been delays in complying with certain terms and conditions of our Company's term loans and other credit facilities, for example, amongst other things, delayed payments in installments of term loans and related interest expenses, delays in creation of charges on security. In addition to any defaults that could have been triggered under the relevant facility documentation, certain of these delays have resulted in defaults under other loan documents and penal interest being levied by the relevant lenders on our Company, although these delays have been subsequently waived by all our current lenders. For further details, please see "*Risk Factors - Our Company has failed to comply with certain financial and other covenants and restrictions imposed under the terms of its borrowings in the past, and if such failures were to occur in the future, it could materially and adversely affect our business, results of operations and financial condition*" on page 33 of this Draft Red Herring Prospectus.

***Capital raising (Debt / Equity)***

Except as set out in the section titled "*Capital Structure*" on page 121 of this Draft Red Herring Prospectus, the Company has not raised any capital in the form of Equity Shares. Except for the borrowings availed by our Company, our Company has not raised any capital in the form of debt since its incorporation.

**Awards and Accreditations**

<b>Year</b>	<b>Accreditations</b>
2008	Bio Agri Company of the Year 2008 – award by Spectrum*
2009	Agriculture Leadership Award – awarded by Agriculture today*
2010	Bio Agri Company of the Year 2010 – award by Spectrum
November 2010	Certificate of Excellence presented in recognition of exemplary growth and sustainable success – awarded by The Second Annual Inc. India 500 Awards
November, 2011	High Socio Economic Impact Award by Federation of Indian Chambers of Commerce and Industry
June, 2012	Ranked as the top BioAgri company for the year 2012 as per the Biospectrum-Association of Biotechnology Led Enterprises (ABLE) Survey
September, 2012	Agriculture Leadership Award 2012 – award by Agriculture Today
October 2012	Certificate of Honour for outstanding contribution in the field of public private partnership in the seed industry at the Silver Jubilee International Symposium jointly organised by CCS Haryana Agricultural University, Hisar with Cotton Research and Development Association in collaboration with the Indian Council of Agricultural Research, New Delhi.
February 2014	Plaque of Appreciation in recognition of our Company's contribution that enabled Indian agriculture to strive for ever green revolution for the cause of seed, food, feed, fodder, nutritional and livelihood security in India – given by the Karnataka Agri Professional's Association
March 2013	The Raging Bull Award – awarded at the Blackstone India CEO Conference
February 2014	Bio-Excellence Award 2014 – award by India Bio, Bangalore
April 2014	Certificate of Appreciation for making outstanding contribution in Maize improvement during 2013 – by Directorate of Maize Research, New Delhi
April 2015	Certificate of Appreciation for making outstanding contribution in Maize improvement during 2014 – by Indian Institute of Maize Research, New Delhi

\*Awarded to our predecessor entity Nuziveedu Seeds Limited (known as NSL Renewable Power Private Limited)

**Main objects**

The main objects of our Company as per the Memorandum of Association are:

- (a) To engage in and carry on business in India or elsewhere as producers, growers,

manufacturers, dealers, distributors, stockists, agents, exporters, importers, procurers, developers, rectifiers, consultants, manipulators, preservers, producers, sellers, collaborators, processors, researchers, of all types of certified seeds of all crop varieties under the purview of Seeds Act, 1966 and all other types of quality seeds of crop varieties not covered under Seeds Act, 1966.

- (b) To finance, production, procure, dry, process, test, store and distribute seeds of various crop varieties to farmers on a basis that will sub serve production schemes formulated by the Company.
  - (c) To enter in to contracts with individuals, cooperative and other agencies in growing, processing, drying, procuring, storing, transporting and marketing of certified and other high quality seeds. To make arrangements for supply of all types of breeder's foundation, certified and truthfully labelled seeds to seed growers and farmers.
  - (d) To deal, trade, sale, purchase, install, manage and operate processing plants and seeds storage facilities.
  - (e) To deal in all kinds of agriculture inputs including all kinds of fertilizers, pesticides, insecticides, fungicides, rodenticides, weedicides and all necessary form equipments.
2. To carry on and construct, build, equip, own and maintain business as keepers of cold chains consisting cold storage, storage chambers, ice plants, godowns, ware houses, refrigerators, freezing houses and room coolers, refrigerated containers and cargo vehicles.
  3. To aid, assist, promote, establish, improve, develop, administer, undertake, run, own and / or produce the pilot scale and commercial scale projects/products, using bio-technology, to offer technical know-how, impart training on related items of bio-technology and also to undertake all direct and indirect related activities connected with bio-technology and also to undertake research and development activities in the field of bio-technology.

The main objects and objects incidental and ancillary to the attainment of the main objects as contained in the Memorandum of Association enable our Company to carry on our existing business.

#### Changes in our Memorandum of Association

Since the incorporation of our Company, the following changes have been made to our Memorandum of Association:

Date of amendment	Nature of amendment
June 5, 2008	Our Company was converted from a public limited company to a private limited company, and changed its name from "NSL Seeds Limited" to "NSL Seeds Private Limited".
May 10, 2010	Our Company increased its authorised capital from ₹ 500,000 comprising of 50,000 Equity Shares to ₹ 100,000,000 comprising of 10,000,000 Equity Shares.
September 21, 2010	Our Company changed its name from "NSL Seeds Private Limited" to "Nuziveedu Seeds Private Limited".
December 6, 2010	Our Company shifted its registered office from the National Capital Territory of Delhi and Haryana to Andhra Pradesh.*
February 15, 2011	Our Company increased its authorised share capital from ₹ 100,000,000 comprising of 10,000,000 Equity Shares to ₹ 2,600,000,000 comprising of 10,000,000 Equity Shares and 2,500,000 Preference Shares.
July 23, 2012	Our Company increased its authorised share capital from ₹ 2,600,000,000 divided into 10,000,000 Equity Shares and 2,500,000 Preference Shares to ₹ 3,400,000,000 divided into 90,000,000 Equity Shares and 2,500,000 Preference Shares.

<b>Date of amendment</b>	<b>Nature of amendment</b>
September 10, 2012	Our Company was converted into a public company and changed its name from “Nuziveedu Seeds Private Limited” to “Nuziveedu Seeds Limited”.
January 16, 2013	Our company increased its authorised share capital from ₹ 3,400,000,000 divided into 90,000,000 Equity Shares and 2,500,000 Preference Shares to ₹ 3,500,000,000 divided into 100,000,000 Equity Shares and 2,500,000 Preference Shares.
March 28, 2015	Our Company has reclassified its authorised share capital of the Company as ₹ 3,500,000,000 divided into 250,000,000 Equity Shares of ₹ 10 each and 1,000,000 Preference Shares of ₹ 1,000 each.

*\* Pursuant to the order of the Company Law Board, New Delhi Bench, dated April 20, 2011, the registered office of our Company was shifted to the state of Andhra Pradesh with effect from May 9, 2011.*

#### ***Details regarding acquisition of business/undertakings, mergers, amalgamation and revaluation of assets***

***Scheme of arrangement between our Company, Nuziveedu Seeds Private Limited (presently known as NSL Renewable Power Private Limited) (“Transferor Company”), Mandava Holdings Private Limited, NSL Properties Private Limited, NSL SEZ (Chennai) Private Limited, Ascendant Estates Private Limited and their respective shareholders and creditors.***

By way of orders dated April 22, 2010, and May 13, 2010, and as amended by an order dated December 20, 2013 the High Court of Andhra Pradesh and the High Court of Delhi, respectively, approved a scheme of arrangement (“**Scheme of Arrangement 2010**”) under Sections 391 to 394 of the Companies Act, 1956 for, amongst others, the transfer and demerger of the seeds undertaking of the Transferor Company to our Company with effect from the appointed date that is April 1, 2010. The Scheme of Arrangement 2010 became effective on June 11, 2010, the date of filing of the order of the High Court of Delhi with the Registrar of companies, National Capital Territory of Delhi and Haryana. Pursuant to the Scheme of Arrangement 2010, the Transferor Company’s seeds undertaking was demerged, on a going concern basis at book value, and vested in our Company. Seed undertaking is defined in the Scheme of Arrangement 2010 as the business, activities and operations pertaining to the seed business of the Transferor Company, including all assets, whether movable or immovable, all debts, borrowings or liabilities present or future, all rights, entitlements, permissions, registrations, all employees of the Transferor Company engaged in or in relation to the seed undertaking of the Transferor Company (together “**Seed undertaking**”).

The purpose of the scheme was to reorganise and segregate the various businesses of the Transferor Company to enable specific and distinct focus on each of the businesses and attract different sets of investors and strategic partners.

As consideration for transfer of Seed undertaking by the Transferor Company, on June 16, 2010, our Company issued and allotted an aggregate 4,000,222 Equity Shares to the equity shareholders of the Transferor Company in the ratio of one fully paid-up Equity Share for every five equity shares held by them in the Transferor Company.

For details of the issue of Equity Shares pursuant to the Scheme of Arrangement 2010, see “*Capital Structure – Details of Equity Shares issued pursuant to the scheme of arrangement*” on page 125 of this Draft Red Herring Prospectus

Upon the Scheme of Arrangement 2010 becoming effective, among others:

- a) all assets, rights, title or interest including accretions and appurtenances acquired by the Transferor Company after April 1, 2010 but prior to June 11, 2010 in relation to the Seed Undertaking were transferred to and vested with, our Company without further act or deed;
- b) all consents, permissions, licenses, approvals, certificates, authorities (including for the operation of bank accounts) relating to the seeds business and the rights and benefits thereunder of the Transferor Company stood transferred to our Company;

- c) all debts, liabilities duties and obligations of any kind, nature of description, secured or unsecured, whether provided for or not, whether disclosed or undisclosed, in the books of the Transferor Company, as on April 1, 2010 in relation to the Seed Undertaking were transferred to our Company;
- d) all proceedings pending by or against the Transferor Company in relation to the Seed Undertaking be continued and enforced by or against our Company; and
- e) all contracts, deeds, bonds, agreements, schemes, arrangements, and other instruments including those relating to tenancies, lease, licenses, trademarks, patents, copyrights or other intellectual property rights facilities of every kind in relation to the Seed Undertaking to which the Transferor Company is a party, were transferred to our Company.

For details regarding the accounting treatment in the books of our Company pursuant to Scheme of Arrangement 2010, see “*Financial Statements*” and “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations – Effects of Schemes of Arrangements*” on pages F-1 and 449, respectively, of this Draft Red Herring Prospectus.

Further, pursuant to the Scheme of Arrangement 2010, certain other existing undertakings of the Transferor Company were transferred as follows:

- a) the business, activities and operations pertaining to the real estate and investment undertaking of the Transferor Company including all assets, debts, rights and employees of the Transferor Company engaged in or in relation to the real estate and investment business carried on by the Transferor Company were transferred and vested with Mandava Holdings Private Limited;
- b) the business, activities and operations pertaining to the information technology infrastructure of the Transferor Company including all assets, debts, rights and employees of the Transferor Company engaged in or in relation to the information technology infrastructure of the Transferor Company was transferred and vested with NSL Properties Private Limited;
- c) the business, activities and operations pertaining to the Chennai special economic zone business of the Transferor Company including all assets, debts, rights and employees of the Transferor Company engaged in or in relation to the Chennai special economic zone business of the Transferor Company was transferred to NSL SEZ Chennai Private Limited;
- d) the business, activities and operations pertaining to the Gurgaon special economic zone business of the Transferor Company including all assets, debts, rights and employees of the Transferor Company engaged in or in relation to the Gurgaon special economic zone business of the Transferor Company were transferred to Ascendant Estates Private Limited;
- e) the business, activities and operations pertaining to the real estate undertaking of NSL SEZ Chennai Private Limited including all assets, debts, rights and employees engaged in or in relation to the real estate business carried on by NSL SEZ Chennai Private Limited was transferred and vested with Mandava Holdings Private Limited.

***Scheme of arrangement between our Company, NSL Fertiliser Ventures Private Limited (“NSL Fertiliser”) and their respective shareholders.***

By an order dated October 21, 2014, the High Court of Hyderabad for the state of Telangana and the state of Andhra Pradesh approved a scheme of arrangement (“**Scheme of Arrangement 2013**”) under Sections 391 to 394 read with sections 78, 100 to 103 and other applicable provisions of the Companies Act, 1956 for the transfer and demerger of the fertiliser undertaking from our Company to NSL Fertiliser, with effect from the appointed date that is July 1, 2013. The Scheme of Arrangement 2013 became effective on November 28, 2014, the date of filing of the order of the High Court of Hyderabad with the Registrar of Companies, Andhra Pradesh. Pursuant to the Scheme of Arrangement 2013, our Company’s fertiliser business, including assets and

liabilities among others, relating to manufacturing, refining, urea/ phosphoric acid/ potash/ complex fertilisers within and outside India and also corporate loans, secured or otherwise, or by way of corporate deposits or subscription to appropriate debt instruments, special trade credits, to group companies and any business other than the seeds business (“**Fertiliser Business**”), were transferred by our Company to NSL Fertiliser, with effect from July 1, 2013.

As consideration for the transfer of the Fertiliser Business, NSL Fertiliser issued and allotted 1 fully paid up preference share of ₹ 1 each of NSL Fertiliser to the shareholders of our Company for every Equity Share held by them in our Company as on November 28, 2014, unless otherwise specifically waived by the equity shareholders of our Company, as in accordance with the terms as specified in the Scheme of Arrangement 2013.

Upon the Scheme of Arrangement 2013 being effective, among others:

- (a) all property, of or required for the Fertiliser Business including all current assets, funds, capital work in progress, furniture, fixtures among others, of the our Company were transferred to and vested with, NSL Fertiliser;
- (b) all permits, rights, entitlements, industrial and other licenses including statutory permissions, approvals, consents, agreements, contracts and arrangements, subsidies and concessions in relation to the Fertilizer Business of the our Company were transferred to and vested with, NSL Fertiliser;
- (c) all deposits and balances with the Government, semi-Government, local and other authorities, earnest moneys and/or security deposits paid or received by our Company directly or indirectly in relation to the Fertilizer Business were transferred to and vested with, NSL Fertiliser;
- (d) all records, including files, papers, manuals and other records, engineering and process information whether in physical or electronic form in relation to the Fertilizer Business were transferred to and vested with, NSL Fertiliser;
- (e) all debts, obligations, duties and liabilities including contingent liabilities in relation to the Fertilizer Business were transferred to and vested with NSL Fertiliser;
- (f) all permanent employees in relation to the Fertilizer Business as identified by the Board of Directors of our Company were transferred to and vested with, NSL Fertiliser;
- (c) all proceedings pending by or against our Company in relation to the Fertiliser Business be continued and enforced by or against NSL Fertiliser; and
- (d) the inter corporate loans provided to various companies were transferred to NSL Fertiliser.

For details regarding the accounting treatment in the books of our Company pursuant to the Scheme of Arrangement 2013, see “*Financial Statements*” and “*Management’s Discussion and Analysis of Financial Condition Results of Operations – Effects of Schemes of Arrangements*” on pages F-1 and 449, respectively, of this Draft Red Herring Prospectus.

Our Company has not revalued its assets since its incorporation.

## **Material Agreements**

### **1. *Blackstone Investment Agreement***

Our Company, Mr. Mandava Prabhakara Rao and Mrs. Mandava Asha Priya, (as the “**promoters**”), BLACKSTONE GPV CAPITAL PARTNERS MAURITIUS V-C LTD. (“**Blackstone**”), other members of our promoter group namely, Mr. Mandava Venkatram Chowdary and Mr. M. Srinivas Rao and the other shareholders of the Company, namely, Nelluri Bapuji, Savaram Saisubba Rao, Aala Veera Venkata Sivaprasad, Yasangi Madhu Babu and Gowneni Seshu Kumar (collectively referred to



as **"Shareholders"**), entered into a subscription and shareholders' agreement dated August 18, 2010, (the **"Blackstone Investment Agreement"**). Pursuant to the Blackstone Investment Agreement, Blackstone subscribed for 10 Equity Shares for an aggregate consideration of ₹ 8,500, and 2,500,000 Preference Shares for an aggregate consideration of ₹ 2,500 million.

Pursuant to a deed of adherence dated November 24, 2011, Mandava Holdings Private Limited became a party to the Blackstone Investment Agreement. Further, *inter-alia* the terms of the Blackstone Investment Agreement pertaining to the conversion of Preference Shares held by Blackstone have been amended through a letter of amendment dated June 20, 2012 issued to Blackstone by the promoters and our Company and an amendment and adherence agreement dated January 16, 2013 executed amongst Blackstone, Gooddeal Developers Private Limited, Mr. M. Venkatram Chowdary, Mr. M. Srinivas Rao, Mrs. Mandava Asha Priya, Portrait Properties Private Limited, Mr. Mandava Prabhakara Rao (**"MPR"**) and Mandava Holdings Private Limited (**"MHPL"**) and together with MPR are referred to as the **"Promoters"** and such amendments are together referred to as the **"Amendment and Adherence Agreement"**). In terms of the Amendment and Adherence Agreement, Mandava Prabhakara Rao and Mandava Holdings Private Limited were classified as the **"Promoters"** of our Company for the purposes of the Blackstone Investment Agreement. Further in terms of the Amendment and Adherence Agreement, 2,250,000 Preference Shares held by Blackstone were converted into 8,522,430 Equity Shares on January 21, 2013.

Further, the Blackstone Investment Agreement was further amended by way of an amendment agreement on January 2, 2014 executed amongst Blackstone, Mr. M. Venkatram Chowdary, Mr. M. Srinivas Rao, Mrs. Mandava Asha Priya and the Promoters (**"Second Amendment Agreement"**) pursuant to which:

- a) Blackstone consented to the demerger of the fertiliser undertaking of our Company pursuant to the Scheme of Arrangement 2013;
- b) 250,000 Preference Shares held by Blackstone were converted into 1,813,099 Equity Shares; and
- c) An irrevocable option (**"Put Option"**) was granted to Blackstone by Mr. Mandava Prabhakara Rao, to sell to him, 795,981 Equity Shares, as adjusted for any corporate actions (**"Put Option Shares"**) which may be exercised by Blackstone in one or more tranches, for all or part of the Put Option Shares, within a period of ninety days from April 21, 2015 (**"Put Option Period"**) at a price which shall be computed by multiplying the Price Per Equity Share by the Put Option Shares (specified in the notice for exercising the Put Option) (**"Purchase Price"**). For the purposes of this computation:

**"Company Valuation"** shall mean ₹ 5,000 crores compounded at a growth rate of 14% per annum; and

**"Price Per Equity Share"** shall be computed by dividing the Company Valuation by the number of issued and paid up Equity Shares outstanding at the time of reckoning.

Blackstone enjoys certain rights including but not limited to, right of first offer, tag along right, right to appoint a nominee director, anti-dilution rights, affirmative voting rights and pre-emptive rights, as mentioned in and as per the terms and conditions provided under, the Blackstone Investment Agreement. Such rights of Blackstone will cease to exist upon the commencement of trading and listing of the Equity Shares. However, for as long as Blackstone and its affiliates hold 3% or more of the paid-up share capital of the Company, Blackstone and its affiliates have the right to nominate one Director (**"Investor Director"**) to the Board. The Articles of Association will be amended to reflect this agreement.

## 2. *Vantage call option agreement*

Our Company, Mr. Mandava Prabhakara Rao and Vantage Quest (Mauritius) Limited (“**Vantage**”) have entered into a call option agreement dated November 1, 2010 as amended from time to time (“**Vantage Call Option Agreement**”).

As per the terms of the Vantage Call Option Agreement at any time during the term (as defined herein below), upon the occurrence of the Exercise Trigger Events (as defined herein below), Vantage shall have the right but not the obligation, either by itself or through its affiliates, to purchase and Mr. Mandava Prabhakara Rao and/or his affiliate shall be under an obligation to sell to Vantage or its affiliates, as applicable, on a spot delivery basis, such number of fully paid up Equity Shares, equal to ` 950 million divided by the purchase price per share (the “**Called Shares**”). The purchase price shall be the lower of (a) the lower end of the price band of the issue per share of the Company to be set out in red herring prospectus, as determined by a merchant banker appointed for the initial public offering, or (b) 14 times the PAT of the financial year ending March 31, 2013 as determined by the statutory auditors of our Company divided by the total number of partly or fully paid up outstanding shares of the Company calculated on a fully diluted basis as on the option exercise date (“**Call Option**”).

PAT has been defined under the Vantage Call Option Agreement to mean, for any Financial Year or any other time as may be specified in the Vantage Call Option Agreement, the audited net profit after taxes of the Company, adjusted for any good will amortised during that period and for any extraordinary profits or losses arising out of the operations of the Company and any asset or investment sales of the Company, excluding any income arising from the termination or early closure of a financing or hedging transaction on a consolidated basis, in accordance with GAAP.

Please note, that the financial statements and the method of calculation of PAT, as set out under the Vantage Call Option Agreement differs from financial statements and the method used for calculation of PAT as included in this Draft Red Herring Prospectus.

The trigger events for exercise of the Call Option shall be the earlier of: (i) the receipt of the RHP Intimation Notice (*as defined hereinafter*) by Vantage or (ii) expiry of 5 years and 15 business days from November 24, 2010, (“**Exercise Trigger Events**”).

Vantage and/ or its affiliates can exercise the Call Option in the following manner:

- a) Where the Company is in the process of filing the red herring prospectus for undertaking an initial public offering prior to the expiry of the 5 years and 15 business days from November 24, 2010, Vantage and/ or its affiliates can exercise the Call Option within seven business days from the date of receipt of RHP Intimation Notice (*as defined hereinafter*) from the Company with respect to the filing of the red herring prospectus failing which Vantage shall not be entitled to exercise the Call Option. The Company is required to give a written notification to Vantage at least 15 business days prior to filing the red herring prospectus about its intention of filing the red herring prospectus (“**RHP Intimation Notice**”);
- b) In the event that the Company does not file a red herring prospectus for undertaking an initial public offering prior to the expiry of 5 years and 15 business days from November 24, 2010, then the Call Option can be exercised by Vantage and/ or its affiliates at any time within a period of another 10 business days from the expiry of 5 years and 15 business days from November 24, 2010.

Further Vantage and/ or its affiliates are entitled to exercise the Call Option only as long as it is an affiliate of the Goldman Sachs Group.

#### *Covenants*

In terms of the Vantage Call Option Agreement, our Promoter, Mr. Mandava Prabhakara Rao and our Company are subject to, among others, the following covenants during the term of the Vantage Call Option Agreement:

- a) Mr. Mandava Prabhakara Rao, either directly or through affiliates, will retain control of our Company;
- b) Mr. Mandava Prabhakara Rao, is not entitled to dispose off or create encumbrances on Equity Shares representing more than 51% of the paid-up equity share capital of our Company;
- c) the ratio of our Company's consolidated net indebtedness and EBIDTA shall at all times not exceed 3.00.
- d) the contingent liabilities of our Company should not exceed ₹ 4,000 million;
- e) Mr. Mandava Prabhakara Rao is required to inform Vantage of any sale of shares in the Company in excess of 15% of the outstanding equity share capital of the Company;
- f) our Company is restricted from modifying or amending its memorandum or articles of association which will adversely affect the rights of Vantage under Vantage Call Option Agreement without the prior consent of Vantage.

#### *Term*

The Vantage Call Option Agreement shall be valid for a time period from November 24, 2010 to the earlier of (i) the day on which the sale and purchase of the Called Shares shall occur, provided the completion of all the actions for exercise and settlement of the Call Option have occurred, (ii) Vantage failing to exercise its Call Option, within seven business days of the RHP Intimation Notice, (iii) Vantage failing to exercise the Call Option, prior to the expiry of 5 years and 30 business days from November 24, 2010.

### 3. ***Sub License Agreement with Mahyco Monsanto Biotech (India) Limited***

Our Company had entered into a sub-licensing agreement with Mahyco Monsanto Biotech (India) Limited ("MMBL") on February 21, 2004 and which expired on February 20, 2014. However, MMBL had extended the validity of our sub-licence agreement from time to time, with our mutual consent, until March 31, 2015. We signed new sub-licence agreements with MMBL on March 10, 2015 (the "**Sub-Licence Agreement**"), which are effective from April 1, 2015 for an initial term of five years and are renewable for an additional period of three years by our and MMBL's mutual agreement. According to the terms of the Sub-License Agreement, MMBL has granted to our Company the non-exclusive and non-transferrable sub-licence to use MMBL technology, to develop, test, produce (limited to authorisations as specified under the Sub-License Agreement), and sell genetically modified hybrid cotton planting seed in India in territories approved by the relevant government authorities for an initial non refundable fee of ₹ 5.00 million along with a monthly trait fee calculated on the basis of factors such as net sales of hybrid cotton seed with Bt trait and trait fee mutually agreed based on the MRP of hybrid cotton seed with Bt trait. In accordance with the Sub-License Agreement, the minimum trait fee amount that is payable by our Company is ₹ 163.28 per unit. The trait fee amount payable by our Company can increase based on increase in the minimum retail price ("**MRP**") charged by our Company and as agreed under the Sub-License Agreement. If the MRP charged by our Company increases above a specified amount, our Company is required to pay the applicable trait fee plus an additional amount per unit which is equivalent to 16.6% of the difference between the trait fee amount and the increased MRP per unit. Further, in connection with our sales of Bt cotton seeds, we have received certain material discounts from Mayhco Monsanto on the trait fees payable to it under the Sub-licence Agreement at rates which are agreed between us and Mayhco Monsanto from time to time.

Further, according to the terms of the Sub-License Agreement, the Company is required to obtain the prior written permission of MMBL before commercialising or marketing any new genetically modified hybrid cotton planting seed. Further, our Company is also required to maintain documents and records of origin, source and development of the cotton proprietary germplasm owned or solely controlled by

our Company (and results, wherever applicable) and make such documents available to MMBL for verification and audit.

The Sub-License Agreement is valid for an initial period of five years from April 1, 2015 and can be mutually renewed by the parties for an additional period of 3 years by mutual agreement in writing. The Sub-License Agreement may be terminated by MMBL with immediate effect under certain circumstances, including a proceeding for dissolution or liquidation being filed against our Company or if our Company ceases to carry on business or is unable to pay its debts, in the event of any change in the regulatory framework in India restricting the trait fee payable to it or if there is any breach of the provisions related to payment of fees as per the Sub-License Agreement by our Company.

Further, in the event of change in control (as defined in the Sub-License Agreement), the Sub-License Agreement and all of our Company's rights and licenses thereunder shall automatically terminate, unless written consent is obtained from Mayhco Monsanto prior to such change in control.

4. ***Trait Introgression Research Agreement.***

Our Company had entered into a trait introgression research agreement with Monsanto Holdings Private Limited ("**Monsanto Holdings**") and MMBL on February 2, 2011 ("**Trait Agreement**"). Pursuant to the Trait Agreement, Monsanto Holdings has agreed, on payment of an agreed fee, to introduce the 'roundup ready flex gene' developed by it into our cotton parent lines. The Trait Agreement, however, does not allow us to commercialize any products developed on the basis of this technology and is subject to MMBL's consent and a definitive agreement for grant of such a licence.

The Trait Agreement shall continue to be valid and effective, unless it is terminated or its purpose is completed. Notwithstanding the foregoing, the Trait Agreement shall be valid so long as the Sub License Agreement is in effect and will terminate automatically upon termination. Pursuant to renewal of the Sub License Agreement, the Trait Agreement was also renewed with effect from April 1, 2015, by way of a letter dated March 20, 2015. This Trait Agreement shall terminate upon the occurrence of, amongst others, the following: (a) the defaulting party fails to remedy the breach within 30 days from being notified by the other party; (b) change in control of the promoter shareholding or management of our Company which includes change in ownership of the equity shares or preference shares of our Company; and (c) expiry or termination of the Sub-License Agreement.

The Trait Agreement was amended on June 18, 2014 in order to change the definition of 'services' to include the not just introduction of 'roundup ready flex gene' into our Company's cotton parent lines but also attempt to produce products carrying 'roundup ready flex gene'.

5. ***Trademark Sub-Licensing Agreement***

Our Company had entered into a trademark sublicensing agreement with MMBL on February 21, 2004 and which expired on February 20, 2014. The Sub-License Agreement together with its Exhibits which included the trademark sub-license agreement, was extended by way of letters dated March 4, 2014, May 30, 2014, August 22, 2014, November 4, 2014 and March 5, 2015 up to March 31, 2015, and a fresh trademark sub-license agreement was entered into on March 10, 2015, between MMBL and our Company ("**Trademark Sub-Licensing Agreement**"), pursuant to which our Company has a non-exclusive, non-transferable royalty free license to use the trademark "BOLLGARD II ®". As per the Trademark Sub-Licensing Agreement, our Company is entitled to use the trademark "BOLLGARD II ®" in India (in territories approved by the relevant government authorities), on or in relation to genetically modified hybrid cotton planting seeds that meet all the standards of quality assurance criteria specified under the Sub-License Agreement, solely in connection with the promotion or sale of such genetically modified hybrid cotton planting seeds.

The term of the Trademark Sub-Licensing Agreement is co-extensive with the Sub-License Agreement and shall terminate upon its expiry or termination.

## 6. *Shared Assets and Services Agreement*

Our Company has entered into a shared assets and services agreement with Mandava Holdings Private Limited (“**MHPL**”) dated November 29, 2011 (“**Shared Assets and Services Agreement**”) for the purpose of availing certain identified services including but not limited to financial and accounting, fundraising, tax assessment, XBRL filings, information technology infrastructure management and also share certain identified assets including, central server space, network computers, servers, centralised software licenses, network printers and related equipment owned by MHPL at prices fixed mutually by our Company and MHPL. Further our Company is not entitled to avail the assets and services provided by MHPL, exclusively and such assets and services may be provided to other group companies or third parties, at the discretion of MHPL. The Share Assets and Services Agreement is for an aggregate value of services availed and assets shared from MHPL by our Company for an amount of ₹ 40 million per annum with an annual increment of 20%.

The Shared Assets and Services Agreement is valid for a period of five years commencing from November 14, 2011 up to November 13, 2016 and has been approved by the Ministry of Corporate Affairs, Hyderabad vide a letter dated November 15, 2011.

### **Acquisition of business / undertakings**

#### **1. Acquisition of shares of Yaaganti Seeds Private Limited**

A share subscription, share purchase cum shareholders agreement dated December 3, 2008 (“**Yaaganti Agreement 2008**”) was executed between (i) Nuziveedu Seeds Private Limited (currently known as NSL Renewable Energy Private Limited)), (ii) Yaaganti Seeds Private Limited (“**YSPL**”); and (iii) nine other persons (“**Yaaganti Promoters**”). Pursuant to the terms of the Yaaganti Agreement 2008, our Company subscribed to 279,400 equity shares and further acquired 340,250 equity shares of YSPL which collectively represented 51% of the paid up equity share holding of YSPL for a total consideration of ₹ 126.59 million.

Further, our Company entered into a share purchase agreement with YSPL and certain other shareholders of YSPL on February 28, 2014 (“**Yaaganti Agreement 2014**”) for acquisition of the remaining 595,350 equity shares representing 49% of the issued and paid-up share capital of YSPL from the existing shareholders of YSPL. The total consideration paid for this purchase was ₹ 40 million.

#### **2. Acquisition of shares of Prabhat Agri Biotech Limited**

Our Company had entered into a share purchase agreement with NSL Textiles Limited (“**the Seller**”), Prabhat Industrial Corporation Limited (“**PICL**”) and Prabhat Agri Biotech Limited (“**PABL**”) dated March 10, 2011 (“**PABL SPA 2011**”). Pursuant to the PABL SPA 2011, our Company has purchased 1,642,600 fully paid up equity shares of PABL which were beneficially held by PICL. The aggregate consideration for the sale of the equity shares was ₹ 295.67 million.

Further, our Company had entered into another share purchase agreement dated April 28, 2012 with Mr. Sateesh Kumar Puligundla, Mr. D.V. Ranga Rao, Ms. P. Madhavi, Ms. D. Rajyashree, Ms. D. Padmini, Mr. P. Ramachandra Naidu (together the “**Sellers**”) and PABL for purchase for additional 621,800 equity shares (“**PABL SPA 2012**”) held by the Sellers. The total consideration paid for the purchase of shares of PABL from the Sellers by our Company was ₹ 686.5 million.

### **Business and management**

For details of our Company’s business, products, technology, capacity build-up, marketing, the description of its activities, products, market segment, the growth of our Company, standing of our Company with reference to the prominent competitors with reference to its products, major customers and geographical segment, see section titled “*Business*” on page 184 of this Draft Red Herring Prospectus.

## Holding company

Our corporate Promoter, Mandava Holdings Private Limited, is our holding company. For details in relation to Mandava Holdings Private Limited, see the section titled “*Our Promoters and Group Companies*” on page 267.

## Our shareholders

Our Company has seven shareholders as of the date of this DRHP. For further details regarding our shareholders, see the section titled “*Capital Structure*” on page 121.

## Other details regarding our Company

For details on managerial competence, please refer to the section titled “*Our Management*” beginning on page 243.

As on the date of this Draft Red Herring Prospectus, apart from the disclosures in the section titled “*Outstanding Litigation and Material Developments*” beginning on page 469, there are no injunctions / restraining orders that have been passed against the Company.

## Subsidiaries

As of the date of this Draft Red Herring Prospectus, we have eight Subsidiaries, the details of which are as follows:

### 1. Prabhat Agri Biotech Limited (“PABL”)

#### Corporate Information

PABL was originally incorporated on June 9, 1992 as a private limited company. Subsequently, pursuant to a fresh certificate of incorporation consequent to conversion to a public limited company, dated April 1, 2002, the name of the company was changed to Prabhat Agri Biotech Limited. The registered office of PABL is located at 8-2-277/45, 1<sup>st</sup> floor, UBI Colony, Road no. 3, Banjara Hills, Hyderabad, Telangana – 500 034, India.

#### Nature of Business

PABL was incorporated with the object to carry on business *inter alia* as producers, growers, manufacturers, dealers, distributors, stockists, agents, exporters, importers, developers, consultants, researchers of all types of certified seeds of all crop varieties and to deal, trade, sell, purchase, install, manage and operate processing plants and seeds storage facilities.

#### Capital Structure

The authorised share capital of PABL is ₹ 50,000,000 divided into 5,000,000 equity shares of ₹ 10 each. The paid up share capital of PABL is ₹ 22,644,000.

#### Shareholding

The shareholding pattern of PABL as on the date of this Draft Red Herring Prospectus is as following:

S. No.	Shareholders	No. of equity shares	% shareholding
1.	Nuziveedu Seeds Limited	2,264,394	100.00
2.	Sateesh Kumar Puligundla *	1	0.00
3.	D V Ranga Rao *	1	0.00

4.	K Venkata Rao *	1	0.00
5.	S Raju *	1	0.00
6.	K Sundari*	1	0.00
7.	A V B Sayoji Rao *	1	0.00
<b>Total</b>		<b>2,264,400</b>	<b>100</b>

\*As a nominee of our Company

## 2. Pravardhan Seeds Private Limited (“PSPL”)

### *Corporate Information*

PSPL was originally incorporated on October 22, 2008 as Pravardhan Agritech Private Limited and pursuant to a fresh certificate of incorporation dated March 14, 2009, the name of the company was changed to Pravardhan Seeds Private Limited. The registered office of PSPL is located at 8-2-277/45, Road No.3, UBI Colony, Banjara Hills, Hyderabad 500 038, Telangana, India.

### *Nature of Business*

PSPL was incorporated with the object to carry on among others the business to plant, grow, cultivate, produce, raise, process, store, grind, clean, mix, grade, polish, import, export, buy, sell, warehouse, and to act as agent, broker, stockist, indenter, consignor, or otherwise to deal, trade, sale, purchase, install, manage and operate processing plants and seeds storage facilities in all types of seeds, grains, vegetables, foods, cereals, herbals, flowers, fruits, edibles, non-edibles, commercial and non-commercial crops and to act as orchardists, grazers, nursery men and seed breeders.

### *Capital Structure*

The authorised share capital of PSPL is ₹ 10,000,000 divided into 1,000,000 equity shares of ₹10 each. The paid up share capital of PSPL is ₹ 10,000,000.

### *Shareholding*

The shareholding pattern of PSPL as on the date of this Draft Red Herring Prospectus is as following:

S. No.	Shareholders	No. of equity shares	% shareholding
1.	Nuziveedu Seeds Limited	510,000	51.00
2.	K.Sarojini Devi	149,125	14.91
3.	K.Sitarama Rao	75,750	7.58*
4.	K. Ugandhar Rao	75,750	7.58*
5.	K.Dharma Rao	75,750	7.57
6.	M.Kondaiah	75,750	7.57
7.	D.Nageshwara Rao	37,875	3.79
<b>Total</b>		<b>1,000,000</b>	<b>100</b>

\*Figures have been rounded off.

## 3. Yaaganti Seeds Private Limited (“YSPL”)

### *Corporate Information*

YSPL was incorporated on November 04, 1996 as a private limited company. The registered office of YSPL is Survey No. 95/2, Gundla Pochampally Village, Medchal Mandal, Ranga Reddy District 501 401, Telangana, India.

### *Nature of Business*

YSPL was incorporated with the object to carry on the business of production of quality/ hybrid seeds of all kinds and varieties and other activities incidental thereto like processing grading, clearing, sorting, transportation and distribution on a commercial basis.

#### ***Capital Structure***

The authorised share capital of YSPL is ₹ 14,400,000 divided into 1,440,000 equity shares of ₹ 10 each. The paid up share capital of YSPL is ₹ 12,150,000.

#### ***Shareholding***

The shareholding pattern of YSPL as on the date of this Draft Red Herring Prospectus is as following:

<b>S. No.</b>	<b>Shareholders</b>	<b>No. of equity shares</b>	<b>% shareholding</b>
1.	Nuziveedu Seeds Limited	1,214,999	100.00
2.	AVB Sayaji Rao*	1	0.00
<b>Total</b>		<b>1,215,000</b>	<b>100</b>

\*As a nominee of our Company

#### **4. Jubilee Real Projects (India) Private Limited (“JRPIPL”)**

##### ***Corporate Information***

JRPIPL was incorporated on June 20, 2007 as a private limited company. The registered office of JRPIPL is located at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4<sup>th</sup> Floor, Road No. 12, Banjara Hills, Hyderabad 500 034, Telangana, India.

##### ***Nature of Business***

JRPIPL was incorporated with the object to purchase, sell, develop, take in exchange, or otherwise acquire whether for investment for sale or working in the same any real or personal estate including land, buildings or interest with respect to a property, and design, build, operate, maintain, manage, construct, create, high way road projects, irrigation projects, software technology and entertainment parks among other things.

##### ***Capital Structure***

The authorised share capital of JRPIPL is ₹ 2,500,000 divided into 250,000 equity shares of ₹ 10 each. The paid up share capital of JRPIPL is ₹ 2,000,000.

##### ***Shareholding***

The shareholding pattern of JRPIPL as on the date of this Draft Red Herring Prospectus is as following:

<b>S. No.</b>	<b>Shareholders</b>	<b>No. of equity shares</b>	<b>% shareholding</b>
1.	Nuziveedu Seeds Limited	199,990	100.00
2.	K Ramana Reddy*	10	0.00
<b>Total</b>		<b>200,000</b>	<b>100.00</b>

\*As a nominee of our Company

#### **5. Fortune Hybrid Seeds Limited (“FHSL”)**

##### ***Corporate information***



FHSL was incorporated on February 26, 2004 as a limited company. The registered office of FHSL is located at 3-5-821, 1st Floor, Doshi Square, Hyderguda, Hyderabad, Telangana 500 029, India.

#### ***Nature of Business***

FHSL was incorporated with the object of carrying on the business of agricultural seed production, distribution and marketing and to conduct, modify and organise investigations into seed research, seed production, seed processing and seed packing among other things.

#### ***Capital Structure***

The authorised share capital of FHSL is ₹ 500,000 divided into 50,000 equity shares of ₹ 10 each. The paid up share capital of FHSL is ₹ 500,000.

#### ***Shareholding***

The shareholding pattern of FHSL as on the date of this Draft Red Herring Prospectus is as following:

<b>S. No.</b>	<b>Shareholders</b>	<b>No. of equity shares</b>	<b>% shareholding</b>
1.	Nuziveedu Seeds Limited	49,994	100.00
2.	A. V. V. Siva Prasad*	1	0.00
3.	G Vijaya Kumar*	1	0.00
4.	G Sundari*	1	0.00
5.	Syed Jameel Ahmed*	1	0.00
6.	M Prasad*	1	0.00
7.	D Mahesh*	1	0.00
<b>Total</b>		<b>50,000</b>	<b>100.00</b>

\*As a nominee of our Company

### **6. Asian Agri Genetics Limited (“AAGL”)**

#### ***Corporate Information***

AAGL was incorporated on February 5, 2004 as a public company and received a certificate of commencement of business dated February 17, 2004 issued by the Registrar of Companies, Hyderabad. The registered office of AAGL is located at 3-5-821, 1<sup>st</sup> Floor, Doshi Square Hyderguda Hyderabad 500 029, Telangana, India.

#### ***Nature of Business***

AAGL was incorporated with the object to carry on among others the business as producers, sellers, buyers, growers, manufacturers, dealers, importers, exporters, researchers of all types of agricultural seeds and to deal in all kinds of agriculture inputs and to conduct, modify, promote, organize and support investigations in seed research, seed production, seed processing, seed packing and seed marketing technology.

#### ***Capital Structure***

The authorised share capital of AAGL is ₹ 10,000,000 divided into 1,000,000 equity shares of ₹ 10 each. The paid up share capital of AAGL is ₹ 500,000.

#### ***Shareholding***

The shareholding pattern of AAGL as on the date of this Draft Red Herring Prospectus is as following:

S. No.	Shareholders	No. of equity shares	% shareholding
1.	Nuziveedu Seeds Limited	49,994	100.00
2.	A V V Siva Prasad*	1	0.00
3.	G Vijay Kumar*	1	0.00
4.	G Sundari*	1	0.00
5.	Y Madhu Babu*	1	0.00
6.	M Prasad*	1	0.00
7.	D Mahesh*	1	0.00
<b>Total</b>		<b>50,000</b>	<b>100.00</b>

\* As a nominee of our Company

## 7. Global Agrigenetics (India) Private Limited (“GAIL”)

### Corporate Information

GAIL was incorporated on January 5, 2006. The registered office of GAIL is NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4<sup>th</sup> Floor, Road No 12, Banjara Hills, Hyderabad, Telangana 500 034, India.

### Nature of Business

GAIL was incorporated with the object to carry on among others the business of manufacturers, producers, refiners, formulators, importers, exporters, distributors, dealers, stockists and agents among others of agri-products, micronutrients, pesticides, weedicides and derivatives of all types.

### Capital Structure

The authorised share capital of GAIL is ₹ 10,000,000 divided into 1,000,000 equity shares of ₹ 10 each. The paid up share capital of GAIL is ₹ 10,000.

### Shareholding

The shareholding pattern of GAIL as on the date of this Draft Red Herring Prospectus is as following:

S. No.	Shareholders	No. of equity shares	% shareholding
1.	Nuziveedu Seeds Limited	9,999	100.00
2.	AVB Sayoji Rao*	1	0.00
<b>Total</b>		<b>10,000</b>	<b>100.00</b>

\* As a nominee of our Company.

## 8. PT Nuziveedu Seeds Indonesia (“NSI”)

### Corporate Information

NSI was incorporated on March 5, 2014. The registered office of NSI is Skyline Building 12<sup>th</sup> Floor, Jl.MH.Tharmin No.09, Central Jakarta, DKI.

### Nature of Business

NSI was incorporated with the object of carrying on the business of trading such as distributing and importing goods such as cornseeds, soya and nuts.

### Capital Structure

The authorized capital of NSLSI is Indonesian Rupiah. 3,621,900,000 divided into 300,000 shares, with each share having a nominal value of Rp.12,073.

### ***Shareholding***

The shareholding pattern of NSLSI as on the date of this Draft Red Herring Prospectus is as following:

<b>S. No.</b>	<b>Shareholders</b>	<b>No. of equity shares</b>	<b>% shareholding</b>
1.	Nuziveedu Seed Limited	69,300	99.00
2.	Sateeshkumar Puligundla*	700	1.00
<b>Total</b>		<b>70,000</b>	<b>100.00</b>

\*As a nominee of our Company

### ***Associates***

As on the date of this Draft Red Herring Prospectus, we have two Associates, details of which are as follows:

#### **1. Swarnabharat Bio-Technics Private Limited (“SBPL”)**

##### ***Corporate Information***

SBPL was incorporated on May 17, 2002. The registered office of SBPL is 1406, Babukhan Estate, Basheerbagh, Hyderabad – 500 001.

##### ***Nature of Business***

SBPL was incorporated with the main object of carrying on the business to undertake, conduct, promote and carry on scientific research on commercial lines in life sciences concerning plants (cultivated and wild), animals (mammals, aves, pisces, amphibians, etc) and microbes (insects, fungi, bacteria, virus etc.) with regard to breeding, biotechnology (genetic engineering), pharmacology and related areas of science.

##### ***Capital Structure***

The authorized capital of SBPL is ₹ 5,000,000 divided into 50,000 shares of ₹ 100 each. The paid up share capital of SBPL is ₹ 3,020,000 divided into 30,200 shares of ₹ 100 each.

### ***Shareholding***

The shareholding pattern of SBPL as on the date of this Draft Red Herring Prospectus is as following:

<b>S. No.</b>	<b>Shareholders</b>	<b>No. of equity shares</b>	<b>% shareholding</b>
1.	Vikki’s Agrotech Limited	3,600	11.92
2.	Prabhat Agri Biotech Limited	3,600	11.92
3.	Ganga Kaveri Seeds Private Limited	3,600	11.92
4.	Kaveri Seed Company Limited	3,600	11.92
5.	Pravardhan Seeds Private Limited	3,600	11.92
6.	Xylem Seeds Private Limited	3,600	11.92
7.	Nuziveedu Seeds Limited	3,600	11.92
8.	Nagarjuna Seeds Limited	2,500	8.28
9.	Palmoor Seeds Private Limited	2,500	8.28
<b>Total</b>		<b>30,200</b>	<b>100.00</b>

#### **2. Swadeshi Bio-Technics Limited (“SBL”)**

### ***Corporate Information***

SBL was incorporated on May 15, 2002. The registered office of SBL is 3-5-821, Doshi Square, Hyderguda, Hyderabad - 500 029, Telangana.

### ***Nature of Business***

SBL was incorporated with the main object of carrying on the business to undertake, conduct, promote and carry on scientific research on commercial lines in life sciences concerning plants (cultivated and wild), animals (mammals, aves, pisces, amphibians, etc) and microbes (insects, fungi, bacteria, virus etc.) with regard to breeding, biotechnology (genetic engineering), pharmacology and related areas of science.

### ***Capital Structure***

The authorized capital of SBL is ₹ 10,000,000 divided into 1,000,000 shares of ₹ 10 each. The paid up share capital of SBL is ₹ 560,000 divided into 56,000 shares of ₹ 10 each.

### ***Shareholding***

The shareholding pattern of SBL as on the date of this Draft Red Herring Prospectus is as following:

<b>S. No.</b>	<b>Shareholders</b>	<b>No. of equity shares</b>	<b>% shareholding</b>
1.	Ganaga Kaveri Seeds Private Limited	7,000	12.50
2.	Prabhat Agri Biotech Limited	7,000	12.50
3.	Pravardhan Seeds Private Limited	7,000	12.50
4.	Kaveri Seed Company Limited	7,000	12.50
5.	Vikram Seeds Limited	7,000	12.50
6.	Xylem Seeds Private Limited	7,000	12.50
7.	Nuziveedu Seeds Limited	7,000	12.50
8.	Vikki's Agrotech Limited	7,000	12.50
<b>Total</b>		<b>56,000</b>	<b>100.00</b>

### **Interest in our Company**

As at the date of this Draft Red Herring Prospectus, none of our Subsidiaries or Associates hold Equity Shares in our Company and do not have any interest in our Company's business other than as stated in "*Business*" on page 184 of this Draft Red Herring Prospectus. Furthermore, except as stated in "*Financial Statements*" on page F-1 of this Draft Red Herring Prospectus, which sets out details of transactions with our Subsidiaries or Associates during the last five fiscal years as per the requirements under Accounting Standard 18 "Related Party Disclosures", our Subsidiaries or Associates do not have any interest in our Company's business.

### **Common Pursuits**

Except for PABL, PSPL, YSPL, FHSL, AAGL and NSI, which are engaged in lines of business that are similar and/ or same or synergistic to our Company, there are no common pursuits between our Company and the Subsidiaries or Associates. For risks in relation to potential conflicts of interest, please see "*Risk Factors - There are potential conflicts of interest with our Group Companies and members of our Promoter Group. Furthermore, we have entered into related party transactions and may continue to do so in the future and we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties.*" on page 55 of this Draft Red Herring Prospectus.

### **Strategic and Financial Partners**

As of the date of this Draft Red Herring Prospectus, our Company does not have any strategic or financial

partners.

### Revenue or Profit or Asset Contribution

Except as disclosed below there is no Subsidiary or Associate which has contributed more than 5% of revenue or profits or assets of our Company on a consolidated basis in the last period of audited financials included in this Draft Red Herring Prospectus.

Sr . No	Name of the Subsidiary / JV	Equity Capital (₹ in million, unless stated otherwise)	Total Revenue (₹ in million)	Profit after Tax (₹ in million)	Number of shares and percentage shareholding of the Company	% of Holding including nominee shareholder	Listing Status
1	Pravardhan Seeds Private Limited	10.00	947.91	27.70	547,875	54.79	Unlisted
2	Yaaganti Seeds Private Limited	12.15	723.72	(130.30)	1,215,000	100.00	Unlisted
3	Prabhat Agri Biotech Ltd.	22.64	1110.55	(92.48)	2,264,400	100.00	Unlisted

### Sales or Purchases

Except as disclosed under “*Financial Statements – Annexure XIX – Restated Consolidated Statement of Related Parties and Transactions*” on page F-76 of this Draft Red Herring Prospectus, we have not entered into any transaction with any related parties (as defined under Accounting Standard 18) where such sales or purchases exceed, in the aggregate, 10% of the total sales or purchases of our Company.

### Public issue and rights issue

None of the Subsidiaries or Associates (i) is listed or has been refused listing on any stock exchange in India or (ii) has made any public or rights issue in the last three years or (iii) has become a sick company as specified under SICA or under any equivalent law in any jurisdiction outside India where it is incorporated or (iv) is under winding up proceedings.

### Accumulated Profits or losses

Further, none of our Subsidiaries or Associates has any accumulated profits / losses that have not been accounted for by our Company in the Restated Consolidated Financial Information.

### Guarantees provided by our Promoter Selling Shareholder

As of February 28, 2015, our Promoter Selling Shareholder has provided guarantees solely to lenders aggregating to ₹ 59,650.40 million. These guarantees comprise guarantees aggregating to ₹ 5,486.60 million given to our lenders, as disclosed in the section “*Financial Indebtedness*” on page 392 of this Draft Red Herring Prospectus, and guarantees for borrowings availed by certain of our Group Companies and members of the Promoter Group.

The term of each of these guarantees is co-terminus with the tenure of the relevant guaranteed borrowing and, upon invocation of any such guarantee, in the event of a default by the Promoter Selling Shareholder in satisfying its obligations under such guarantee, in addition to any rights that the lender may have under the facility documentation and under applicable law, the amounts outstanding under such borrowing would need to be repaid by the relevant borrower forthwith.

Our Company does not have any obligations in relation to any guarantee provided by the Promoter Selling Shareholder except for the guarantees provided in relation to borrowings availed by it. For further details in

relation to the guarantees provided by the Promoter Selling Shareholder in relation to borrowings availed by our Company, please see “*Financial Indebtedness*” on page 392 of this Draft Red Herring Prospectus.

## OUR MANAGEMENT

### Board of Directors

Under the Articles of Association, our Company is required to have at least three and not more than 15 Directors. Our Company currently has ten Directors, comprising six Independent Directors, two Executive Directors, and two Non-Executive Directors.

The following table sets forth details regarding the Board of Directors as on the date of this Draft Red Herring Prospectus:

Name, Address, Designation, Occupation, Nationality, Tenure and DIN	Age	Other Directorships
<p><b>Mr. Mandava Prabhakara Rao</b></p> <p><i>Address:</i> Plot No. 543, House No. 8-2-293/82/A543, Road No. 26, Jubilee Hills, Hyderabad – 500 033</p> <p><i>Designation:</i> Chairman and Managing Director</p> <p><i>Occupation:</i> Industrialist</p> <p><i>Nationality:</i> Indian</p> <p><i>Tenure:</i> Five years with effect from July 1, 2010 to June 30, 2015</p> <p><i>DIN:</i> 00009650</p>	56	<p><u>Indian Companies</u></p> <ol style="list-style-type: none"> <li>1. Ceres Mining Private Limited;</li> <li>2. Divyasree NSL Infrastructure Private Limited;</li> <li>3. Golden Tower Infratech Private Limited;</li> <li>4. Mandava Cold Storage Private Limited;</li> <li>5. Mandava Holdings Private Limited;</li> <li>6. Mandava Investments Private Limited</li> <li>7. MAS Fabric Park (India) Private Limited;</li> <li>8. MKP Power Private Limited;</li> <li>9. NSL Cotton Corporation Private Limited;</li> <li>10. NSL Energy Ventures Private Limited;</li> <li>11. NSL Nagapatnam Power And Infratech Limited;</li> <li>12. NSL Power Equipment Trading Private Limited;</li> <li>13. NSL Properties Private Limited;</li> <li>14. NSL Renewable Power Private Limited;</li> <li>15. NSL Sugars Limited;</li> <li>16. NSL Textiles Limited;</li> <li>17. Pravardhan Seeds Private Limited;</li> <li>18. Regen Powertech Private Limited; and</li> <li>19. Splendid Minerals Private Limited.</li> </ol>
<p><b>Mr. Sateeshkumar Puligundla</b></p> <p><i>Address:</i> Plot No. 31, Lake Vali Residential Society, Road No. 11 Opposite Care Hospital Road, Banjara Hill, Hyderabad – 500 034</p> <p><i>Designation:</i> Executive Director</p> <p><i>Occupation:</i> Service</p> <p><i>Nationality:</i> Indian</p> <p><i>Tenure:</i> From September 24, 2012 up to April 30, 2015 – liable to retire by rotation within such term.</p>	57	<p><u>Indian Companies</u></p> <ol style="list-style-type: none"> <li>1. Bio Informatix Private Limited;</li> <li>2. Eco Safe Systems Private Limited;</li> <li>3. Global Agrigenetics India Private Limited;</li> <li>4. NSL Fertilizer Ventures Private Limited;</li> <li>5. Prabhat Agri Biotech Limited;</li> <li>6. Pravardhan Seeds Private Limited;</li> <li>7. Swadeshi Bio-Technics Limited;</li> <li>8. Swarnabharat Bio-Technics Private Limited; and</li> <li>9. Yaaganti Seeds Private Limited.</li> </ol>

Name, Address, Designation, Occupation, Nationality, Tenure and DIN	Age	Other Directorships
<i>DIN:</i> 00023149		
<p><b>Mrs. Mandava Asha Priya</b></p> <p><i>Address:</i> Plot No. 543, House No. 8-2-293//82/A/543, Road No. 26, Jubilee Hills, Hyderabad – 500 033</p> <p><i>Designation:</i> Non-Executive Director</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Tenure:</i> Liable to retire by rotation</p> <p><i>DIN:</i> 01199936</p>	52	<p><u>Indian Companies</u></p> <ol style="list-style-type: none"> <li>1. Mandava Cold Storage Private Limited;</li> <li>2. Mandava Holdings Private Limited;</li> <li>3. Mandava Investments Private Limited;</li> <li>4. MKP Power Private Limited;</li> <li>5. NSL Conventional Power Private Limited;</li> <li>6. NSL Cotton Corporation Private Limited;</li> <li>7. NSL Energy Ventures Private Limited;</li> <li>8. NSL Nagapatnam Power and Infratech Limited;</li> <li>9. NSL Power Equipment Trading Private Limited;</li> <li>10. NSL Properties Private Limited;</li> <li>11. NSL Renewable Power Private Limited;</li> <li>12. NSL Sugars Limited;</li> <li>13. NSL Textiles Limited;</li> <li>14. NSL Wind Power Company (Phoolwadi) Private Limited;</li> <li>15. NSL Wind Power Company (Satara) Private Limited;</li> <li>16. Orbit Wind Energy Private Limited;</li> <li>17. Solar Semiconductor Power Company (India) Private Limited;</li> <li>18. Sree Kamadhenu Aquatech Private Limited;</li> <li>19. Tangnu Romai Power Generation Private Limited; and</li> <li>20. Topnotch Projects Private Limited.</li> </ol>
<p><b>Mr. Richard Blaise Saldanha</b></p> <p><i>Address:</i> 24, Senor valley Road No.13, Jubilee Hills, Hyderabad, Telangana – 500 033</p> <p><i>Designation:</i> Non-Executive Director (Nominee director nominated by BLACKSTONE GPV CAPITAL PARTNERS MAURITIUS V-C LTD.)</p> <p><i>Occupation:</i> Service</p> <p><i>Nationality:</i> Indian</p> <p><i>Tenure:</i> Liable to retire by rotation</p> <p><i>DIN:</i> 00189029</p>	71	<p><u>Indian Companies</u></p> <ol style="list-style-type: none"> <li>1. Entertainment Network (India) Limited;</li> <li>2. Gateway Rail Freight Limited; and</li> <li>3. Gokaldas Exports Limited.</li> </ol> <p><u>Foreign Companies</u></p> <ol style="list-style-type: none"> <li>1. Trans Maldivian Airways</li> </ol>



Name, Address, Designation, Occupation, Nationality, Tenure and DIN	Age	Other Directorships
<p><b>Mr. Pamidi Kotaiah</b></p> <p><i>Address:</i> 102, Pooja Pride, Plot No. 75, Srinagar Colony, Hyderabad – 500 073</p> <p><i>Designation:</i> Independent Director</p> <p><i>Occupation:</i> Development Professional</p> <p><i>Nationality:</i> Indian</p> <p><i>Tenure:</i> Five years with effect from June 23, 2014 to June 22, 2019</p> <p><i>DIN:</i> 00038420</p>	76	<p><u>Indian Companies</u></p> <ol style="list-style-type: none"> <li>1. Blossom Industries Limited;</li> <li>2. Lanco Babandh Power Limited;</li> <li>3. Lanco Kondapalli Power Limited;</li> <li>4. Lanco Thermal Power Limited;</li> <li>5. Lanco Power Limited;</li> <li>6. Mandava Holdings Private Limited;</li> <li>7. NSL Sugars Limited;</li> <li>8. Pridhvi Asset Reconstruction and Securitisation Company Limited;</li> <li>9. Sadhikaratha Foundation; and</li> <li>10. The Andhra Sugars Limited.</li> </ol>
<p><b>Mr. Gopala Krishna Muddusetty</b></p> <p><i>Address:</i> 12-2-823 A/23, Santosh Nagar, Mehdiapatnam, Hyderabad – 500 028</p> <p><i>Designation:</i> Independent Director</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Tenure:</i> Five years with effect from June 23, 2014 to June 22, 2019</p> <p><i>DIN:</i> 00088454</p>	76	<p><u>Indian Companies</u></p> <ol style="list-style-type: none"> <li>1. BGR Energy Systems Limited;</li> <li>2. Goldstone Infratech Limited;</li> <li>3. Jocil Limited;</li> <li>4. Kernex Micro Systems (India)Limited;</li> <li>5. NSL Textiles Limited;</li> <li>6. NSL Renewable Power Private Limited;</li> <li>7. Pitti Laminations Limited;</li> <li>8. Prabhat Agri Biotech Limited; and</li> <li>9. Suven Life Sciences Limited.</li> </ol>
<p><b>Mr. Ashok Kumar Jha</b></p> <p><i>Address:</i> D-6/24, S/F, Road of D-Block, Vasant Vihar, Opposite MCD Park, New Delhi - 110057</p> <p><i>Designation:</i> Independent Director</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Tenure:</i> Five years with effect from June 23, 2014 to June 22, 2019</p> <p><i>DIN:</i> 00170745</p>	67	<p><u>Indian Companies</u></p> <ol style="list-style-type: none"> <li>1. Great Eastern Energy Corporation Limited;</li> <li>2. Minda Corporation Limited;</li> <li>3. Setco Automotive Limited; and</li> <li>4. XPro India Limited.</li> </ol>

Name, Address, Designation, Occupation, Nationality, Tenure and DIN	Age	Other Directorships
<b>Mr. Mandavilli Bhaskara Nageswararao</b>  <i>Address:</i> Flat No. A 906, Purva Heights, 14, Bannerghatta Road, Bilekahalli, Bangalore – 560 076  <i>Designation:</i> Independent Director  <i>Occupation:</i> Business  <i>Nationality:</i> Indian  <i>Tenure:</i> Five years with effect from June 23, 2014 to June 22, 2019  <i>DIN:</i> 00287260	66	<u>Indian Companies</u>  1. Aircel Limited; 2. Apollo Munich Health Insurance Company Limited; 3. Cholamandalam Investment And Finance Company Limited; 4. Crisil Risk And Infrastructure Solutions Limited; 5. E.I.D Parry (India) Limited; 6. Franklin Templeton Asset Management (India) Private Limited; 7. Lanco Amarkantak Power Limited; 8. Mandava Holdings Private Limited; 9. MMTC - Pamp India Private Limited; 10. Taj GVK Hotels And Resorts Limited; and 11. The Ramco Cements Limited;
<b>Mr. Utpal Sengupta</b>  <i>Address:</i> P-411, G-Block Ground Floor, New Alipore, Kolkata - 700053  <i>Designation:</i> Independent Director  <i>Occupation:</i> Consultant  <i>Nationality:</i> Indian  <i>Tenure:</i> Five years with effect from June 23, 2014 to June 22, 2019  <i>DIN:</i> 02577237	65	<u>Indian Companies</u>  1. DIC India Limited; 2. Sri Biotech Laboratories India Limited; and 3. St. Jude India Childcare Centres.
<b>Mr. Dilip Shripad Gokhale</b>  <i>Address:</i> 805, Sindh Society, Aundh, Pune, Maharashtra – 411 007  <i>Designation:</i> Independent Director  <i>Occupation:</i> Business  <i>Nationality:</i> Indian  <i>Tenure:</i> Five years with effect from June	67	<u>Indian Companies</u>  1. Auxilife Scientific Services Private limited.  <u>Foreign Companies</u>  1. Africasia Seed Company Limited; and 2. Arusha Tin Containers Limited.

Name, Address, Designation, Occupation, Nationality, Tenure and DIN	Age	Other Directorships
23, 2014 to June 22, 2019  DIN: 00320061		

Except for Mrs. Mandava Asha Priya, who is the wife of Mr. Mandava Pabhakar Rao, none of our Directors are related to each other.

### Brief profiles of our Directors

**Mr. Mandava Prabhakara Rao**, aged 56, is the Chairman and Managing Director of our Company. He holds a bachelor's degree in Science (Agriculture) and was a top ranker in his master's degree in Science (Agriculture in Agronomy) from Banaras Hindu University. He has been associated with our Company since its incorporation. He was appointed as a Chairman and Managing Director on July 1, 2010. Prior to setting up our Company, he was associated with erstwhile Nuziveedu Seeds Limited (presently NSL Renewable Power Private Limited). The remuneration paid to Mr. Rao for FY 2014 was ₹ 17.46 million. He is a recipient of an award in recognition of the outstanding contribution and achievements in cotton research and development by the Navsari Agricultural University, Navsari and the Indian Society for Cotton Improvement, Mumbai. He is also the president of National Seed Association of India and the Andhra Pradesh Chamber of Commerce.

**Ms. Mandava Asha Priya**, aged 52, is a Non-Executive Director of our Company. She holds a bachelor's degree in Science (Interior Design and Clothing Construction) and a master's degree in Science (Home Science) from Faculty of Science, University of Madras. She has been associated with our Company since its incorporation. The remuneration paid to Ms. Mandava Asha Priya for FY 2014, by way of sitting fees, was ₹ 0.06 million.

**Mr. Sateeshkumar Puligundla**, aged 56, is an Executive Director of our Company. He holds a bachelor's degree in Science (Agriculture) from Andhra Pradesh Agricultural University and has a doctorate degree in Philosophy in the school of Life Sciences from the University of Hyderabad. He has been associated with our Company since its incorporation. He was previously associated with the Department of Plant Science, University of Alberta, Canada. The remuneration paid to Mr. Puligundla for FY 2014 was ₹ 7.36 million. He was felicitated by the Seedsman Association for his outstanding contribution in the field of agriculture.

**Mr. Pamidi Kotaiah**, aged 76, is an Independent Director of our Company. He holds a bachelor's degree and a master's degree in Arts (Honours) and an honorary degree of Doctor of Letters from the Andhra University and was qualified to be an associate of the Indian Institute of Bankers. He was conferred with an honorary fellowship by the Indian Institute of Banking and Finance. He has been associated with our Company as a Director since August 17, 2010. Prior to his association with our Company, he was associated with Food and Agriculture Organisation of the United Nations and the National Bank of Agriculture and Rural Development. Further, he was a consultant to the International Fund for Agricultural Development and the World Bank. The remuneration paid to Mr. Pamidi for FY 2014, by way of sitting fees, was ₹ 0.16 million and by way of commission, was ₹ 1.00 million.

**Mr. Gopala Krishna Muddusetty**, aged 75, is an Independent Director of our Company. He holds a bachelor's degree in Law from Osmania University. He has been associated with our Company as a Director since August 17, 2010. He was associated with the Indian Administrative Services as part of the batch of 1962. He was previously associated with Andhra Pradesh State Financial Corporation, Institute of Public Enterprise, Standing Conference of Public Enterprises (SCOPE), Rural Electrification Corporation Limited, Ministry of Mines, Godavari Fertilizers and Chemicals Limited and Visakhapatnam Steel Plant. The remuneration paid to Mr. Muddusetty for FY 2014, by way of sitting fees was ₹ 0.10 million and by way of commission was ₹ 1.00 million. He is a recipient of the 1971 Census Silver Medal by the Government of India, Ministry of Home

Affairs. He is also a recipient of the Best Corporate Finance Manager award given by the National Foundation of Indian Engineers in the year 1996 and the Industrial Promotion Award 1990, awarded for Managerial Excellence and Contribution to Humanitarian, Social and Cultural Activities and the CITA Quality Achievement Award by the Council for Industrial and Trade Development. He was awarded the Netaji Subhash Chandra Bose National Award for Excellence in the field of Industrial Development by the Jagruthi Kiran Foundation in 2003 and the 1996 Shriram Award for Contribution to Management Thoughts and Practices by the Delhi Management Association. He was also awarded the lifetime achievement award by the Hyderabad Management Association in recognition of his good governance and management.

**Mr. Richard Blaise Saldanha**, aged 71, is the Non-Executive Director (Nominee director nominated by BLACKSTONE GPV CAPITAL PARTNERS MAURITIUS V-C LTD.) of our Company. He holds a bachelor's degree in Engineering (Mechanical) from the College of Engineering, Pune. He has been associated with our Company as a Director since March 29, 2011. He was previously associated with Entertainment Network (India) Limited, the Times of India Group, Blackstone Advisors India Private Limited, Gokuldas Exports Limited, Hindustan Lever Limited, Lipton India Limited, Mahindra & Mahindra Limited, Unilever Peru (Industries Pacocha S.A.) and Siemens India Limited. He is a member of the Court of Governors of the Administrative Staff College of India. The remuneration paid to Mr. Saldanha for FY 2014, by way of commission was ₹ 1.00 million.

**Mr. Ashok Kumar Jha**, aged 67, is an Independent Director of our Company. He holds a master's degree in Agricultural Development Economics from the Australian National University. He was a visiting fellow at the Queen Elizabeth House, University of Oxford in the year 1996-97. He has been associated with our Company as a Director since June 22, 2012. He was associated with the Indian Administrative Services as part of the batch of 1969. He was previously associated with Hyundai Motor India Limited and the Department of Economic Affairs, Ministry of Finance, Government of India. The remuneration paid to Mr. Jha for FY 2014, by way of sitting fees was ₹ 0.14 million and by way of commission was ₹ 1.00 million.

**Mr. Mandavilli Bhaskara Nageswararao**, aged 66, is an Independent Director of our Company. He holds a bachelor's degree in Science (Agriculture) from the Andhra Pradesh Agricultural University and a banking diploma from the Indian Institute of Bankers and a diploma in Computer Studies from the University of Cambridge, international diploma in computer studies from the National Centre of Information Technology, United Kingdom. He has been conferred with an honorary fellowship by the Indian Institute of Banking and Finance in recognition of his invaluable contribution in the field of banking and finance. He is a member of the Singapore Institute of Management and the National Geographic Society. He has been associated with our Company as a Director since June 22, 2012. He has previously held the position of Chairman and Managing Director of the Indian Bank and the Canara Bank. The remuneration paid to Mr. Nageswararao for FY 2014, by way of sitting fees was ₹ 0.12 million and by way of commission was ₹ 1.00 million. He has been awarded the title of Who's Who of the Asian Pacific Rim by Baron's and a Paul Harris Fellowship by the Rotary Foundation of Rotary International.

**Mr. Utpal Sengupta**, aged 65, is an Independent Director of our Company. He holds a bachelor's degree in Technology (Mechanical Engineering) from the Indian Institute of Technology, Kharagpur and a post graduate diploma in Business Administration from the Indian Institute of Management, Ahmedabad. He has been associated with our Company as a Director since June 22, 2012. Prior to his association with our Company, he was associated with ITC Agro Tech Limited, ConAgra Trading and Processing Company (India), Hindustan Lever Limited and Agro Tech Foods Limited. The remuneration paid to Mr. Sengupta for FY 2014, by way of sitting fees was ₹ 0.06 million and by way of commission was ₹ 1.00 million.

**Mr. Dilip Shripad Gokhale**, aged 67, is an Independent Director of our Company. He holds a bachelor's degree in Arts (Economics) from Fergusson College, Poona and a post graduate diploma in Business Administration from the Indian Institute of Management, Ahmedabad. He has been associated with our Company as a Director since November 20, 2012. Prior to his association with our Company, he was associated with Novartis India Limited and Syngenta Seeds AG. The remuneration paid to Mr. Gokhale for FY 2014, by way of sitting fees was ₹ 0.08 million and by way of commission was ₹ 1.00 million.

Except for Mr. Richard Blaise Saldanha, the nominee of Blackstone on our Board, none of our Directors have been appointed pursuant to an arrangement or understanding with our major shareholders.

With respect to our Managing Director and our Executive Director, there is no contingent or deferred payment received for FY 2014.

### **Executive Directors**

**Mr. Mandava Prabhakara Rao**, was appointed as a Director of our Company, on March 19, 2008 and as the Chairman and Managing Director of our Company by a Board resolution dated June 16, 2010 for a period of five years from July 1, 2010 until June 30, 2015. The significant terms of his employment are as below:

1. **Salary:** ₹ 1 million per month (subject to review every year)
2. **Perquisites and Allowances:**
  - a) House rent allowance at the rate of 25% of salary;
  - b) Expenses on utilities: Actual expenses on electricity, gas and water;
  - c) Maintenance expenses such as salary of 2 gardeners, 2 servants, 3 security guards and one cook at his residence;
  - d) Leave travel concession: reimbursement of actual fare for himself and family to travel either in India or abroad by air/ rail once in a year subject to maximum of one months' salary;
  - e) Medical reimbursement: reimbursement of all medical expenses actually incurred for self and family every year.
  - f) Use of Company's car with driver on Company's business, driver's salary, vehicle maintenance repairs and cost of fuel;
  - g) Provision for use of telephone, fax facility and computer facility at the residence besides the facility of a mobile phone (personal long distance calls made shall be billed by the Company to the Managerial Personnel)
  - h) Entrance fees or subscription fees for two clubs; and
  - i) Leave: Leave shall be as per the rules of the Company.
3. **Provident Fund:** Company's contribution to provident fund as per rules of the Company and to the extent these either singly or put together, are not taxable under the Income Tax Act, 1961.
4. **Gratuity:** Gratuity is payable at the rate not exceeding half month's salary for each completed year of service.
5. Commission every year at the rate of 1.5% of net profits (before tax) arrived as per the relevant sections of the Companies Act, 1956 (in addition to the salary).

For FY 2014, Mr. Mandava Prabhakara Rao was paid an aggregate compensation of ₹ 17.46 million.

**Mr. Sateeshkumar Puligundla**, was appointed as the Director of our Company, on September 24, 2012 by a Board resolution dated September 24, 2012 and a shareholders' resolution dated September 24, 2012 and an employment agreement entered into on September 24, 2012 for a period up to April 30, 2015 and was further renewed up to April 30, 2018 by way of a board resolution dated March 16, 2015. The terms of his employment were revised with effect from April 1, 2014. The significant terms of his employment are as below:

1. **Salary:** ₹ 0.34 million per month
2. **Perquisites and Allowances:**
  - a) House rent allowance fixed at ₹ 0.14 million per month;
  - b) Special allowance fixed at ₹ 0.17 million per month;
  - c) Flexible allowances such a residential telephone, education allowance and medical reimbursement fixed at ₹ 3,450 per month;

- d) Provision for Company maintained car with chauffeur;
  - e) Provision for entitlement to stock options as per the scheme;
  - f) Provision for payment of club fees for one club and actual entertainment expenses at the club reasonably incurred in or about the business of the Company.
  - g) Leave: Leave shall be as per the rules of the Company.
3. **Provident Fund:** Company's contribution to provident fund as per rules of the Company and to the extent these either singly or put together, are not taxable under the Income Tax Act, 1961.
4. **Gratuity:** Gratuity is payable after completion of five years amounting to ₹ 0.2 million.

For FY 2014, Mr. Sateeshkumar Puligundla was paid an aggregate compensation of ₹ 7.36 million.

#### **Non-Executive Directors and Independent Directors**

Our Independent Directors are eligible for sitting fees for attending each meeting of the Board or committees thereof. Details of the sitting fees paid by our Company to its Non- Executive Directors in FY 2014 are as follows:

<b>Sr. No</b>	<b>Name of Director</b>	<b>Total amount of sitting fees paid (₹)</b>
1.	Mr. Pamidi Kotaiah	160,000
2.	Mr. Gopala Krishna Muddusetty	100,000
3.	Mr. Ashok Kumar Jha	140,000
4.	Mr. Richard Blaise Saldanha	--
5.	Mr. Mandavilli Bhaskara Nageswararao	120,000
6.	Mr. Dilip Shripad Gokhale	80,000
7.	Mrs. Mandava Asha Priya	60,000
8.	Mr. Utpal Sengupta	60,000

Further, our Independent Directors are entitled to commission within the limits specified under Section 197 of the Companies Act, 2013.

#### **Service contracts**

Our Company has not entered into any service contracts, pursuant to which its officers, including its Directors and Key Management Personnel, are entitled to benefits upon termination of employment.

#### **Bonus or profit-sharing plan of our Directors**

Except for Mr. Mandava Prabhakar Rao, who is entitled to a yearly commission at the rate of 1.5% of net profits (before tax) and the profit related commission payable to our Independent Directors, none of our Directors are a party to any bonus or profit sharing plan by our Company.

#### **Shareholding of our Directors in our Company**

As per our Articles of Association, our Directors are not required to hold any qualification shares. The shareholding of our Directors in our Company, as on the date of this Draft Red Herring Prospectus is set forth below:

<b>Name of the Director</b>	<b>Number of Equity Shares held in our Company</b>
Mr. Mandava Prabhakara Rao	24,871,445
Ms. Mandava Asha Priya	6,944,805

## Shareholding of our Directors in our Subsidiaries and Associates

Except for the equity shares held by Mr. Sateeshkumar Puligundla in PABL and NSI, as a nominee of our Company, none of our Directors hold shares in our Subsidiaries and Associates. For further details, please see section “*History and Certain Corporate Matters – Subsidiaries*” on page 234 of this Draft Red Herring Prospectus.

None of our Directors have been or are directors on the boards of companies whose shares are / were suspended from trading on BSE and/ or NSE for a period beginning from five years prior to the date of this Draft Red Herring Prospectus.

Except as stated below, none of our Directors have been or are directors on the boards of listed companies that have been/ were delisted from stock exchanges in India.

### 1. Mr. Ashok Kumar Jha

Name of the company	:	Xpro India Limited
Listed on	:	Calcutta Stock Exchange Limited
Date of delisting on stock exchanges	:	December 2, 2014
Whether the delisting was compulsory or voluntary delisting	:	Voluntary
Reasons for delisting	:	Due to insignificant trading
Whether the company has been relisted	:	No
Date of relisting, in the event the company is relisted	:	NIL
Name of the stock exchange(s) on which the company was relisted	:	NIL
Term (along with relevant dates) in the above company	:	Appointed on July 26, 2013

Name of the company	:	Setco Automotive Limited
Listed on	:	Ahmedabad Stock Exchange Limited
Date of delisting on stock exchanges	:	October 27, 2008
Whether the delisting was compulsory or voluntary delisting	:	Voluntary
Reasons for delisting	:	Due to insignificant trading
Whether the company has been relisted(Yes/No)	:	No
If yes, date of relisting, in the event the company is relisted	:	NIL
Name of the stock exchange(s) on which the company was relisted	:	NIL
Term (along with relevant dates) in the above company	:	Appointed on January 22, 2010

### 2. Mr. Mandavilli Bhaskara Nageswararao

Name of the company	:	Cholamandalam Investment And Finance Company Limited
Listed on	:	Madras Stock Exchange Limited Limited
Date of delisting on stock exchanges	:	April 17, 2012
Whether the delisting was compulsory or voluntary delisting	:	Voluntary
Reasons for delisting	:	Due to insignificant trading
Whether the company has been relisted	:	No
If yes, date of relisting, in the event the company is relisted	:	NIL
Name of the stock exchange(s) on which the company was relisted	:	NIL
Term (along with relevant dates) in the above company	:	Appointed on July 28, 2010

Name of the company	:	E.I.D Parry (India) Limited
Listed on	:	Madras Stock Exchange Limited
Date of delisting on stock exchanges	:	April 4, 2012
Whether the delisting was compulsory or voluntary delisting	:	Voluntary
Reasons for delisting	:	Due to insignificant trading
Whether the company has been relisted	:	No
If yes, date of relisting, in the event the company is relisted	:	NIL
Name of the stock exchange(s) on which the company was relisted	:	NIL
Term (along with relevant dates) in the above company	:	Appointed on August 1, 2009

Name of the company	:	Electrosteel Castings Limited
Listed on	:	Ahmedabad Stock Exchange Limited
Date of delisting on stock exchanges	:	December 12, 2013
Whether the delisting was compulsory or voluntary	:	Voluntary
Reasons for delisting	:	Due to insignificant trading
Whether the company has been relisted	:	No
If yes, date of relisting, in the event the company is relisted	:	NIL
Name of the stock exchange(s) on which the company was relisted	:	NIL
Term (along with relevant dates) in the above company	:	Appointed on January 22, 2010

Name of the company	:	Electrosteel Castings Limited
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Listed on	:	Madras Stock Exchange Limited
Date of delisting on stock exchanges	:	August 25, 2004
Whether the delisting was compulsory or voluntary	:	Voluntary
Reasons for delisting	:	Due to insignificant trading
Whether the company has been relisted	:	No
If yes, date of relisting,in the event the company is relisted	:	NIL
Name of the stock exchange(s) on which the company was relisted	:	NIL
Term (along with relevant dates) in the above company	:	Appointed on January 22, 2010

Name of the company	:	Electrosteel Castings Limited
Listed on	:	The Delhi Stock Exchange Limited
Date of delisting on stock exchanges	:	September 2, 2004
Whether the delisting was compulsory or voluntary	:	Voluntary
Reasons for delisting	:	Due to insignificant trading
Whether the company has been relisted	:	No
If yes, date of relisting,in the event the company is relisted	:	NIL
Name of the stock exchange(s) on which the company was relisted	:	NIL
Term (along with relevant dates) in the above company	:	Appointed on January 22, 2010

Name of the company	:	Electrosteel Castings Limited
Listed on	:	Calcutta Stock Exchange Limited
Date of delisting on stock exchanges	:	August 10, 2007
Whether the delisting was compulsory or voluntary delisting	:	Voluntary
Reasons for delisting	:	Due to insignificant trading
Whether the company has been relisted	:	No
If yes, date of relisting,in the event the company is relisted	:	NIL
Name of the stock exchange(s) on which the company was relisted	:	NIL
Term (along with relevant dates) in the above company	:	Appointed on January 22, 2010

Name of the company	:	The Ramco Cements Limited
Listed on	:	Erstwhile Hyderabad Stock Exchange

Date of delisting on stock exchanges	:	During 2003-2004
Whether the delisting was compulsory or voluntary	:	Voluntary
Reasons for delisting	:	Due to insignificant trading
Whether the company has been relisted	:	No
If yes, date of relisting, in the event the company is relisted	:	NIL
Name of the stock exchange(s) on which the company was relisted	:	NIL
Term (along with relevant dates) in the above company	:	Appointed on August 5, 2009

Name of the company	:	The Ramco Cements Limited
Listed on	:	Bangalore Stock Exchange Limited
Date of delisting on stock exchanges	:	During 2003-2004
Whether the delisting was compulsory or voluntary	:	Voluntary
Reasons for delisting	:	Due to insignificant trading
Whether the company has been relisted	:	No
If yes, date of relisting, in the event the company is relisted	:	NIL
Name of the stock exchange(s) on which the company was relisted	:	NIL
Term (along with relevant dates) in the above company	:	Appointed on August 5, 2009

Name of the company	:	The Ramco Cements Limited
Listed on	:	Mangalore Stock Exchange
Date of delisting on stock exchanges	:	During 2003-2004
Whether the delisting was compulsory or voluntary delisting	:	Voluntary
Reasons for delisting	:	Due to insignificant trading
Whether the company has been relisted	:	No
If yes, date of relisting, in the event the company is relisted	:	NIL
Name of the stock exchange(s) on which the company was relisted	:	NIL
Term (along with relevant dates) in the above company	:	Appointed on August 5, 2009

Name of the company	:	The Ramco Cements Limited
Listed on	:	Ahmedabad Stock Exchange Limited
Date of delisting on stock exchanges	:	During 2003-2004

Whether the delisting was compulsory or voluntary	:	Voluntary
Reasons for delisting	:	Due to insignificant trading
Whether the company has been relisted	:	No
If yes, date of relisting, in the event the company is relisted	:	NIL
Name of the stock exchange(s) on which the company was relisted	:	NIL
Term (along with relevant dates) in the above company	:	Appointed on August 5, 2009

Name of the company	:	The Ramco Cements Limited
Listed on	:	The Delhi Stock Exchange Limited
Date of delisting on stock exchanges	:	During 2003-2004
Whether the delisting was compulsory or voluntary	:	Voluntary
Reasons for delisting	:	Due to insignificant trading
Whether the company has been relisted	:	No
If yes, date of relisting, in the event the company is relisted	:	NIL
Name of the stock exchange(s) on which the company was relisted	:	NIL
Term (along with relevant dates) in the above company	:	Appointed on August 5, 2009

Name of the company	:	The Ramco Cements Limited
Listed on	:	Calcutta Stock Exchange Limited
Date of delisting on stock exchanges	:	Application in process
Whether the delisting was compulsory or voluntary	:	Voluntary
Reasons for delisting	:	Due to insignificant trading
Whether the company has been relisted	:	No
If yes, date of relisting, in the event the company is relisted	:	NIL
Name of the stock exchange(s) on which the company was relisted	:	NIL
Term (along with relevant dates) in the above company	:	Appointed on August 5, 2009

### 3. Mr. Gopala Krishna Muddusetty

Name of the company	:	Goldstone Infratech Limited
Listed on	:	Ahmedabad Stock Exchange Limited
Date of delisting on stock exchanges	:	January 6, 2010
Whether the delisting was	:	Voluntary

compulsory or voluntary		
Reasons for delisting	:	Voluntary
Whether the company has been relisted	:	No
If yes, date of relisting, in the event the company is relisted	:	NIL
Name of the stock exchange(s) on which the company was relisted		NIL
Term (along with relevant dates) in the above company	:	October 29, 2007

Name of the company	:	Goldstone Infratech Limited
Listed on	:	The Delhi Stock Exchange Limited
Date of delisting on stock exchanges	:	June 10, 2010
Whether the delisting was compulsory or voluntary	:	Voluntary
Reasons for delisting	:	Voluntary
Whether the company has been relisted	:	No
If yes, date of relisting, in the event the company is relisted	:	NIL
Name of the stock exchange(s) on which the company was relisted		NIL
Term (along with relevant dates) in the above company	:	October 29, 2007

Name of the company	:	Goldstone Infratech Limited
Listed on	:	Madras Stock Exchange Limited
Date of delisting on stock exchanges	:	May 28, 2012
Whether the delisting was compulsory or voluntary	:	Voluntary
Reasons for delisting	:	Voluntary
Whether the company has been relisted	:	No
If yes, date of relisting, in the event the company is relisted	:	NIL
Name of the stock exchange(s) on which the company was relisted		NIL
Term (along with relevant dates) in the above company	:	October 29, 2007

### **Borrowing Powers of our Board**

In accordance with the Articles of Association, our Board may, from time to time, at its discretion, by way of a resolution passed at its meeting, raise or borrow or secure the payment of any sum or sums of money for the purposes of our Company. However, if the moneys sought to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) should exceed the aggregate of the paid-up capital of our Company and its free reserves (not being reserves set apart for any specific purpose), our Board is required to obtain the consent of our shareholders by a special resolution prior to undertaking such borrowing.

In this regard, our Company, at an extra-ordinary general meeting held on January 2, 2014 has resolved that pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013, the Board is authorised to borrow moneys for the purpose of our Company (apart from temporary loans obtained from the bankers of our Company in the ordinary course of business) from time to time, upon such terms and conditions and with or without security as the Board of Directors may in its discretion think fit in excess of the aggregate of the paid-up capital of our Company and its free reserves (not being reserves set apart for any specific purpose), provided that the total amount of such borrowings together with the amounts already borrowed and outstanding shall not exceed ₹ 6,500 million.

## **Corporate Governance**

The provisions of the Listing Agreement to be entered into with the Stock Exchanges with respect to corporate governance will be applicable to our Company immediately upon the listing of Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of applicable regulations, specifically the Listing Agreement to be entered into with each of the Stock Exchanges, the Companies Act and the ICDR Regulations, in respect of corporate governance including constitution of the Board and committees of our Board duly constituted by our Board. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, each as required under law.

Our Board of Directors is constituted in compliance with the Companies Act and Clause 49 of the Listing Agreement to be entered into with the Stock Exchanges and in accordance with best practices in corporate governance. The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. Our Company's executive management provides the Board of Directors detailed reports on its performance periodically.

Currently, our Board has ten Directors, of which the Chairman is an Executive Director. In compliance with the requirements of Clause 49 of the Listing Agreement, we have six Independent Directors on the Board, in addition to two Executive Directors, and two other Non-Executive Directors. In compliance with provisions of the Companies Act and the Listing Agreement, at least two-thirds of our Directors, other than our Independent Directors, are liable to retire by rotation.

### **I. Committees of the Board in accordance with the Listing Agreement**

#### **A. Audit Committee**

The members of the Audit Committee are:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Designation</b>	<b>Position in the Committee</b>
1.	Mr. Pamidi Kotaiah	Independent Director	Chairman
2.	Mr. Richard Blaise Saldanha	Nominee Director	Member
3.	Mr. Mandavilli Bhaskara Nageswararao	Independent Director	Member
4.	Mr. Ashok Kumar Jha	Independent Director	Member

The audit committee was re-constituted by a meeting of the Board of Directors held on September 24, 2012 as the Audit Committee. The scope and function of the Audit Committee is in accordance with the Companies Act, 2013, and Clause 49 of the Listing Agreement.

The powers of the Audit Committee include the power to (i) investigate any activity within its terms of reference; (ii) seek any required information from any employee of the Company; (iii) obtain legal or other independent professional advice and secure attendance of outsiders with relevant experience, if the same is

considered necessary; (iv) have full access to information contained in the records of the Company; (v) to call for the comments of the auditors about internal control systems, scope of audit, including their observations; and (vi) form and delegate authority to its sub-committees or to one or more members of the committee.

The duties of the Audit Committee include the following:

- (i) Recommend for appointment, remuneration and terms of appointment of auditors of the company;
- (ii) Review, monitor and evaluate the auditor's qualifications, independence and performance, and effectiveness of the audit process;
- (iii) Review and examine the financial statement or financial result and auditor's report before submission to the board;
- (iv) Overview financial reporting process and disclosure of financial information to ensure that the financial statements/ results are correct, suffice and credible;
- (v) Approval or any subsequent modification of transactions of the Company with related parties;
- (vi) Scrutiny of the inter-corporate loans and investments;
- (vii) Valuation of undertakings or assets of the Company, wherever necessary;
- (viii) Evaluation of internal financial controls and risk management systems;
- (ix) Monitoring the end use of funds raised through public offers and related matters;
- (x) Formulate, establish and implement vigil mechanism for directors and employees to report on genuine concerns and review its functioning;
- (xi) Oversee the vigil mechanism through the committee.

The audit committee of the Board met four times in FY 2014.

#### **B. Nomination and Remuneration Committee**

The members of the Nomination and Remuneration Committee are:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Designation</b>	<b>Position in the Committee</b>
1.	Mr. Gopala Krishna Muddusetty	Independent Director	Chairman
2.	Mr. Mandavilli Bhaskara Nageswararao	Independent Director	Member
3.	Mr. Pamidi Kotaiah	Independent Director	Member
4.	Mr. Ashok Kumar Jha	Independent Director	Member
5.	Mr. Mandava Prabhakara Rao	Managing Director	Member

Pursuant to the requirements of Clause 49 of the Listing Agreement, our Company has constituted the Nomination and Remuneration Committee by a meeting of the Board of Directors, held on December 23, 2013.

The scope of Nomination and Remuneration Committee includes recommending to the Board from time to time the remuneration of Managing Director/ Whole Time Director/ Manager and senior employees.

The scope and terms of reference of our Nomination and Remuneration Committee as per Clause 49 of the Listing Agreement are:

- a) Periodically oversee an evaluation of the Board, and recommend desirable changes in Board size, composition, Committees structure and processes, and other aspects of the Board's functioning;
- b) Recommend new Board members in light of resignation of current members or a planned expansion of the Board;
- c) 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. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report;

- d) Review stockholder proposals relating to Board's composition and recommend an appropriate course of action;
- e) Review key corporate governance processes not specifically assigned to other committees, and recommend changes needed to ensure that the company is at best practice;
- f) formulate criteria for determining qualifications, positive attributes and independence of director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- g) Formulation of criteria for evaluation of Independent Directors and the Board;
- h) Devising a policy on Board diversity;
- i) Review and recommend the compensation and variable pay for Executive Directors to the Board;
- j) Review the Company's ESOP Schemes and recommend changes as necessary;
- k) oversee administration of the ESOP Schemes: Grant Options to eligible employees, in consultation with management; and allot shares when options are exercised; and
- l) Perform other activities related to this Charter as requested by the Board of Directors or to address issues related to any significant subject within its term of reference.

The Nomination and Remuneration Committee met once in FY 2014.

#### **C. Stakeholders' Relationship Committee**

The members of the Stakeholders' Relationship Committee are:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Designation</b>	<b>Position in Committee</b>
1.	Mrs. Mandava Asha Priya	Non-Executive Director	Chairman
2.	Mr. Sateeshkumar Puligundla	Executive Director	Member
3.	Mr. Gopala Krishna Muddusetty	Independent Director	Member

A Shareholders' / Investors' Grievance Committee was constituted by the Board of Directors at their meeting held on June 22, 2012 and was renamed as the Stakeholders Relationship Committee by way of a Board resolution dated March 16, 2015. The terms of reference of the Stakeholders Relationship Committee of our Company include the redressal of shareholders' and investors' complaints.

The Stakeholders' Relationship Committee shall have the authority to supervise and ensure amongst others:

- a) Oversight and review, all matters connected with the transfer of securities of the Company;
- b) Approve issue of duplicate certificates of the Company;
- c) Monitor redressal of investors / shareholder grievances related to transfer of shares, nonreceipt of balance sheet, non-receipt of declared dividend etc., if any;
- d) Oversight of the performance of Registrars and Transfer Agents of the Company;
- e) Recommend methods to upgrade the standard of services to the investors;
- f) Monitor implementation of the Company's Code of Conduct for Prohibition of Insider Trading; and
- g) Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

The Stakeholders' Relationship Committee did not meet in FY 2014.

#### **D. Risk Management Committee**

The Risk Management Committee was constituted by a meeting of our Board of Directors held on March 16, 2015. The Risk Management Committee was constituted to comply with the applicable SEBI regulations and with the corporate governance norms prescribed under Clause 49 of the Listing Agreement.

The primary objective of the Risk Management Committee is to oversee and approve the risk policies and risk associated practices across the Company and its associates.

The members of the Risk Management Committee are:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Designation</b>	<b>Position in Committee</b>
1.	Mr. Mandavilli Bhaskara Nageswararao	Independent Director	Chairman
2.	Mr. Pamidi Kotaiah	Independent Director	Member
3.	Mr. Mandava Prabhakara Rao	Managing Director	Member

The scope of the Risk Management Committee includes:

- (i) review of the strategy for implementing risk management policy;
- (ii) examine the organization structure relating to risk management;
- (iii) value the efficacy of risk management systems – recording and reporting;
- (iv) review all risk treatment methodologies vis a vis compliance with the risk management policy and relevant regulatory guidelines;
- (v) define internal control measures to facilitate a smooth functioning of the risk management systems;
- (vi) ensure periodic review of operations and contingency plans and reporting to Board in order to counter possibilities of adverse factors having a bearing on the risk management systems;
- (vii) frame and devise risk management framework and policy of the Company;
- (viii) Review, assess and recommend for modifications to the Company-wide risk policy and/or associated frameworks, processes and practices from time to time;
- (ix) Review risk reporting process and disclosure of risk information to ensure that the risk statements/results are correct, suffice and credible;
- (x) define significant decisions, transactions, positions, and other items that management should bring to the risk committee's and/or board's attention;
- (xi) continually obtain assurance from the management that all known and emerging risks have been identified and mitigated or managed;
- (xii) review and recommend to the board potential risks involved in any new business plans and processes;
- (xiii) review risk disclosure statements in annual return and any public documents;
- (xiv) review and monitor regulatory and contractual compliances and ligations by and against the Company; and
- (xv) Any other functions as may be laid down by Board from time to time.

## **II. Other Committees of the Board:**

In addition to committees of the Board in accordance with the Listing Agreement mentioned above, the following committees have been constituted by our Board:

- A. Management Committee;
- B. CSR Committee;

In addition to committees of the Board mentioned above, the following sub committees have been constituted by our Board:

- A. Human Resources Sub Committee;
- B. Information Technology Sub Committee;



- C. Macro Economics and Corporate Advocacy Sub Committee;
- D. Marketing and Branding Sub Committee; and
- E. Research and Development Sub Committee.

### Interest of Directors

All Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board of Directors or a Committee thereof as well as to the extent of reimbursement of expenses payable to them under the Articles, and to the extent of remuneration payable to them for services rendered as an officer or employee of our Company.

The Directors may also be regarded as interested in the Equity Shares, if any, held by them and/ or any Equity Shares that may be subscribed by or allotted to the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters. All of the Directors holding Equity Shares, may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares. For more information, please refer to “*Capital Structure - Shareholding of our Directors and/ or Key Management Personnel in our Company*” and “*Capital Structure – Shareholding of our Promoters, directors of our Promoters and Promoter Group*” on pages 134 and 127 of this Draft Red Herring Prospectus, respectively.

The Directors have no interest in any property acquired by our Company within two years from the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company as of the date of this Draft Red Herring Prospectus.

Except as stated hereinabove and in “*Our Promoters and Group Companies - Interest of our Promoters*” and in “*Financial Statements*” on pages 269 and F-1 of this Draft Red Herring Prospectus, respectively, our Directors do not have any interest in the promotion of our Company or any other interest in our business.

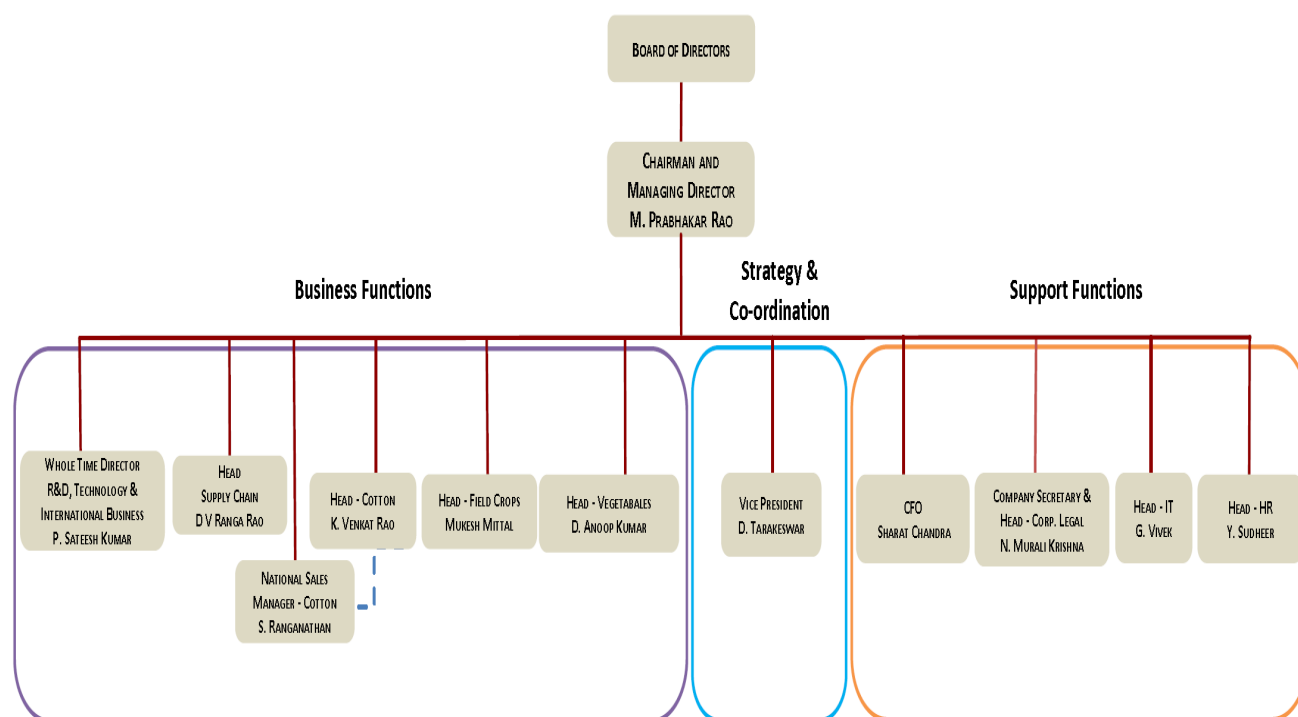
For details of transactions with our Directors and entities owned or significantly influenced by our Directors or their relatives during the last five fiscal years, as per the requirements under Accounting Standard 18 “Related Party Disclosures”, please see “*Financial Statements*” on page F-1 of this Draft Red Herring Prospectus.

### Changes in the Board of Directors in the last three years

Sr. No.	Name of the Director	Date of Appointment	Date of Cessation	Reason
1.	Mr. Narasimharamulu Pantam	August 17, 2010	April 13, 2012	Appointment and Cessation as a Director due to death
2.	Mr. Ashok Kumar Jha	June 22, 2012	N.A.	Appointment
3.	Mr. Mandavilli Bhaskara Nageswararao	June 22, 2012	N.A.	Appointment
4.	Mr. Utpal Sengupta	June 22, 2012	N.A.	Appointment
5.	Mr. Rajendra Singh Paroda	June 22, 2012	September 21, 2012	Appointment and Resignation
6.	Dr. Sateeshkumar Puligundla	September 24, 2012	N.A.	Appointment
7.	Mr. Mathew Cyriac	November 14, 2011	September 24, 2012	Vacation of the office of Alternate Director

Sr. No.	Name of the Director	Date of Appointment	Date of Cessation	Reason
8.	Mr. Dilip Shripad Gokhale	November 20, 2012	N.A.	Appointment

### Management Organisation Structure



### Key Management Personnel

The details of the Key Management Personnel other than our Executive Directors, as on the date of this Draft Red Herring Prospectus, are set out below. All our Key Management Personnel are permanent employees of our Company.

**Mr. Mannava Venkata Sharat Chandra**, aged 40, is the current Chief Financial Officer of our Company. He holds a bachelor's degree in Commerce from Badruka College of Commerce and Arts and is a certified Chartered Accountant. He has been associated with our Company since July 28, 2014. He was appointed to act as the Chief Financial Officer of the Company (on an interim basis) by way of a board resolution dated March 16, 2015. He was previously associated with Bayer CropScience Limited. He is entitled to a salary and allowance, collectively aggregating to ₹ 4.92 million per annum.

**Mr. Tharakeswar Dhurjati**, aged 42, is the Vice President of our Company. He holds a bachelor's degree in Science (Agriculture) from Andhra Pradesh Agricultural University and a post graduate diploma in Agri-Business Management from the Indian Institute of Management, Ahmedabad, a master's degree in Science

(Molecular Biology and Bio Technology) from Indian Agricultural Research Institute, New Delhi and a post graduate diploma in Intellectual Property Rights Law from the National Law School of India University, Bangalore. He has been associated with our Company since 2014, the date of his joining our Company is September 1, 2014. He was previously associated with Grant Thornton India LLP, Price Waterhouse Coopers Private Limited, Indian Council of Agricultural Research and Corporation Bank. He is entitled to a salary and allowance, collectively aggregating to ₹ 3.2 million per annum.

**Mr. K. Venkat Rao**, aged 49, is the Head – Cotton, in our Company. He has completed the course of training in the trade of Draughtsman (Civil) from Sri. Venkateswara Industrial Training Institute. He has been associated with our erstwhile company since November 10, 1997 and consequently was associated with our Company pursuant to the Scheme of Arrangement 2010. During FY 2014, Mr. Rao was paid an aggregate compensation of ₹ 4.99 million.

**Mr. Mukesh Mittal**, aged 51, is the Head – Field Crops, in our Company. He holds a bachelor's degree in Science (Agriculture) and a master's degree in Science (Agriculture - Agronomy) from Jawaharlal Nehru Krishi Vishwa Vidyalaya. He has been associated with our Company since 2008, the date of his joining our Company is October 31, 2008. He was previously associated with Advanta India Limited and Monsanto Enterprises Limited. During FY 2014, Mr. Mittal was paid an aggregate compensation of ₹ 7.00 million. He was awarded the Certificate of Excellence in appreciation of his outstanding contribution towards sales development in India which entitled him to visit Roussel Uclaf, Paris, France during May 1993 and outstanding sales with commitment and involvement towards agro-chemicals business in India which entitled him to visit Hoechst AG, Frankfurt during 1993 and the 2005 Monsanto Pledge Award for Zero-Tillage Corn in coastal Andhra Pradesh and the Scroll of Honour for outstanding contribution to sales and marketing development for the year 1999 and the Scroll of Honour for outstanding contribution to the business for the year 2000 at the Genesis Monsanto Ag Conference 2001.

**Dr. S. Renganathan**, aged 37, is the National Sales Manager - Cotton of our Company. He holds a bachelor's degree in Science (Agriculture) from Annamalai University and a master's degree in Science (Agriculture) from the Tamil Nadu Agricultural University, Coimbatore and was awarded with a Doctorate in Philosophy (Agricultural Extension) by the Tamil Nadu Agricultural University, Coimbatore. He has been associated with our Company since February 4, 2009. He was previously associated with Maharashtra Hybrid Seeds Company Limited. During FY 2014, Mr. Renganathan was paid an aggregate compensation of ₹ 2.92 million.

**Mr. D. V. Ranga Rao**, aged 59, is the Head – Supply Chain of our Company. He holds a master's degree in Science (Agriculture – Entomology and Agricultural Zoology). He has been associated with our Company since 2012, the date of his joining our Company is October 1, 2012. He was previously associated with the International Crops Research Institute. During FY 2014, Mr. Rao was paid an aggregate compensation of ₹ 3.00 million.

**Mr. G. Vivekananda**, aged 41, is the Head – Information Technology of our Company. He holds a bachelor's degree in Engineering (Mechanical) from the College of Engineering, Andhra University and a master's in Business Administration from the New York University. He is certified as a solution consultant – Financials, Financial Accounting with mySAP ERP 2005. He has been associated with our Company since 2012, the date of his joining our Company is November 1, 2012. He was previously associated with Hindustan Petroleum Corporation Limited, Miracle Software Systems Inc., Beckton, Dickinson and Company and Daiichi Sankyo Inc. During FY 2014, Mr. Vivekananda was paid an aggregate compensation of ₹ 3.14 million. He is a certified Six Sigma Green Belt.

**Mr. N. Murali Krishna**, aged 44, is the Company Secretary and Head – Corporate Legal of our Company. He holds a bachelor's degree in Law from the Osmania University and a master's degree in Business Administration from Osmania University and is a qualified Company Secretary. He has been associated with our Company since 2013, the date of his joining our Company is June 19, 2013. He was previously associated with the TFL Quinn India Private Limited, GVR Infra Projects Limited, Spandana Sphoorty Financial Limited and Heritage Foods (India) Limited. During FY 2014, Mr. Krishna was paid an aggregate compensation of ₹ 2.23 million.

**Mr. Anoop Kumar Dwivedi**, aged 44, is the Head – Vegetables of our Company. He holds a bachelor’s degree in Science (Agriculture) from Govind Ballabh Pant University of Agriculture and Technology. He has been associated with our Company since 2014, the date of his joining our Company is February 14, 2014. He was previously associated with Bayer (India) Limited, Ankur Seeds Private Limited, United Phosphorous Limited, Nunhems India Private Limited. During FY 2014, Mr. Dwivedi was paid an aggregate compensation of ₹ 0.23 million.

**Mr. Y. Sudheer Kumar**, aged 42, is the Head – Human Resources of our Company. He holds a bachelor’s degree in Commerce from Sri Venkateshwara University. He has been associated with our Company August 16, 2010. He was previously associated with Creamline Dairy Products Limited and ECE Industries Limited. During FY 2014, Mr. Kumar was paid an aggregate compensation of 2.03 million.

None of our Key Management Personnel are related to each other. Further, none of our Key Management Personnel have been appointed pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

#### **Shareholding of Key Management Personnel**

Except for the shareholding of our Directors in our Company, as disclosed in “*Shareholding of our Directors in our Company*” above, as on the date of this Draft Red Herring Prospectus, none of our Key Management Personnel hold any Equity Shares.

#### **Bonus or profit sharing plan of the Key Management Personnel**

None of our Key Management Personnel are a party to any bonus or profit sharing plan. However, our Key Management Personnel are paid discretionary incentive.

#### **Employee stock option plans**

As on the date of this Draft Red Herring Prospectus, our Company does not have an employee stock option scheme.

#### **Interests of Key Management Personnel**

The Key Management Personnel of our Company, other than our Executive Directors, do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and the reimbursement of expenses incurred by them during the ordinary course of business and Equity Shares or employee stock options, held by them, if any.

#### **Changes in the Key Management Personnel**

Except for the changes to our Board of Directors, as set forth under “*Changes in the Board of Directors in the last three years*” herein above, the changes in the Key Management Personnel in the last three years prior to the date of filing of this Draft Red Herring Prospectus are as follows:

Sr. No.	Name	Designation	Changes in the last three years		Reason
			Date of Appointment	Date of Resignation	
1.	Mr. D. V. Ranga Rao	Head – Supply Chain	October 1, 2012	N.A.	Appointment
2.	Mr. G. Vivekananda	Head – Information	November 1, 2012	N.A.	Appointment

Sr. No.	Name	Designation	Changes in the last three years		Reason
			Date of Appointment	Date of Resignation	
		Technology			
3.	Mr. Paras Kumar Jain	Company Secretary	N.A.	April 2, 2013	Resignation
4.	Mr. N. Murali Krishna	Company Secretary and Head – Corporate Legal	June 19, 2013	N.A.	Appointment
5.	Mr. Himanshu Singh Raghav	National Sales Manager	N.A.	December 16, 2013	Resignation
6.	Mr. S. V. Raghavendra	Chief Financial Officer	N.A.	January 31, 2014	Resignation
7.	Mr. Anoop Kumar Dwivedi	Head - Vegetables	February 14, 2014	N.A.	Appointment
8.	Mr. M L Sharma	National Sales Manager - Marketing	June 5, 2013	April 24, 2014	Appointment and Resignation
9.	Mr. Ramesh Viswanathan	Chief Operating Officer	N.A.	June 14, 2014	Resignation
10.	Mr. Tharakeswar Dhurjati	Vice President	September 1, 2014	N.A.	Appointment
11.	Dr. S. Renganathan	National Sales Manager - Cotton	N.A.	September 1, 2014	Promotion
12.	Mr. Lakshmi Narsimhan N.	Chief Financial Officer	April 14, 2014	January 10, 2015	Appointment and Resignation
13.	Mr. Mannava Venkata Sharat Chandra	Chief Financial Officer	July 28, 2014*	N.A.	Appointment

*\*Mr. Mannava Venkata Sharat Chandra was appointed to act as the Chief Financial Officer of the Company (on an interim basis) by way of a board resolution dated March 16, 2015.*

#### **Payment or benefit to officers of our Company**

No non-salary related amount or benefit has been paid or given within two years from the date of this Draft Red Herring Prospectus, or is intended to be paid or given, to any of our Company's officers, including the Directors and the Key Management Personnel.

#### **Appointment of any relatives of our Directors to an office or place of profit**

None of the relatives of our Directors have been appointed to an office or place of profit in our Company.

## OUR PROMOTERS AND GROUP COMPANIES

### Our Promoters

Our Promoters are Mr. Mandava Prabhakara Rao and Mandava Holdings Private Limited.

#### *Individual*

Mr. Mandava Prabhakara Rao is the individual Promoter of the Company.

The details of our individual Promoter are provided below:

**Mr. Mandava  
Prabhakara Rao**



UIN: 764134771845  
PAN: ACVPM9483A  
Passport Number: Z1983499  
Voter ID Number: TDZ1186551  
Driving License: AP00920120007029

Mr. Mandava Prabhakara Rao holds 24,871,445 Equity Shares.

For a complete profile of Mr. Mandava Prabhakara Rao, *i.e.* his age, personal address, educational qualifications, experience, positions / posts held in the past and other directorships and special achievements, please refer to the section “*Our Management*” beginning on page 243 of this Draft Red Herring Prospectus.

Except as disclosed in this section and in the sections “*Our Management*” and “*History & Certain Corporate Matters*” on pages 243 and 222 of this Draft Red Herring Prospectus, respectively Mr. Mandava Prabhakara Rao is not involved with any other venture.

#### *Corporate Promoter*

##### *Mandava Holdings Private Limited*

Mandava Holdings Private Limited was incorporated on March 12, 2008. The principal business of Mandava Holdings Private Limited is to, amongst others, invest capital and/or other funds of the company in any and all securities of other companies subject to compliance with applicable law. Mandava Holdings Private Limited is registered with the RBI as a systematically important non deposit taking core investment company as per Core Investment Companies (Reserve Bank) Directions, 2011 vide a certificate of registration dated January 9, 2013 bearing number N- 09.00438.

Mandava Investments Private Limited is the holding company of Mandava Holdings Private Limited. Mr. Mandava Prabhakara Rao and Mrs. Mandava Asha Priya are the natural persons in ultimate control of Mandava Investments Private Limited. The shares of Mandava Holdings Private Limited were transferred from MPR Firm to Mandava Investments Private Limited, in furtherance of the incorporation of Mandava Investments Private Limited pursuant to conversion from a partnership firm. There has been no change in control or management of Mandava Holdings Private Limited in the three years preceding this Draft Red Herring Prospectus.

Mandava Holdings Private Limited holds 54,240,165 Equity Shares.

Registered office: NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana 500 034, India  
CIN: U74120AP2008PTC074522  
PAN: AAFCM4964M

As on the date of this Draft Red Herring Prospectus, the equity shares of Mandava Holdings Private Limited are not listed on any stock exchange.

*Shareholding pattern as on the date of this Draft Red Herring Prospectus*

Shareholders	No. of equity shares	% shareholding
Mandava Investments Private Limited	12,065,566	99.99%
Mrs. Mandava Asha Priya*	1	Negligible%
<b>Total</b>	<b>12,065,567</b>	<b>100.00%</b>

\* as a nominee of Mandava Investments Private Limited

*Board of directors as on the date of this Draft Red Herring Prospectus*

1. Mr. Mandava Prabhakara Rao
2. Mrs. Mandava Asha Priya
3. Mr. Pamidi Kotaiah
4. Mr. Mandavilli Bhaskara Nageswara Rao

*Financial information*

The financial details of Mandava Holdings Private Limited, extracted from its audited accounts for its past three financial years are as follows:

(₹ million except per share data)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	120.66	120.66	120.66
Reserves and Surplus	10,962.63	12,093.84	9,719.48
Total Income	522.03	1,144.78	469.00
Profit/(Loss) after Tax	(860.83)	153.15	38.18
Earnings per share (basic) (₹) (Face value ₹ 10)	(71.35)	12.69	3.16
Earnings per share (diluted) (₹) (Face value ₹ 10)	(71.35)	12.69	3.16
Net asset value per share	918.59	1,012.34	815.56

For the financial year 2013, pursuant to a Scheme of Amalgamation sanctioned by High Court of Judicature of Andhra Pradesh, the auditors of Mandava Holdings Private Limited, without qualifying their opinion, have drawn attention to the fact that Mandava Holdings Private Limited has fair valued its assets and liabilities and net difference between book value and fair value of ₹ 64,979.32 million has been credited to general reserves instead of capital reserves.

Further, for the financial year 2014, the statutory auditors of Mandava Holdings Private Limited have mentioned that there is a delay in depositing TDS of an amount of ₹ 56.52 million under I.T. Act with appropriate authorities.

**I. Other understandings and confirmations**

Our Company confirms that the PAN, bank account numbers and passport number of its individual Promoter, and the PAN, bank account numbers and corporate registration number of its corporate Promoter as well as the address of the Registrar of Companies, where its corporate Promoter is registered, will be submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus with the Stock Exchanges.

Further, our Promoters, Group Companies and relatives of the Promoter have confirmed that they have not been



identified as wilful defaulters by the RBI or any other governmental authority.

There are no violations of securities laws committed by our Promoters, relatives of our Promoter, members of our Promoter Group or Group Companies in the past or currently pending against them. Further, none of our Promoters or members of our Promoter Group or any company of which they were or are promoters, directors or persons in control have been debarred, or restricted from accessing the capital markets for any reasons, by SEBI or any other authorities.

## **II. Interest of our Promoters**

### **1. Interest of our Promoters in the promotion of our Company**

Our Company is promoted by Mr. Mandava Prabhakara Rao and Mandava Holdings Private Limited who hold 24,871,445 Equity Shares and 54,240,165 Equity Shares, respectively, as of the date of this Draft Red Herring Prospectus.

The Promoters of our Company have also entered into certain agreements with other shareholders governing their rights in the Company. For details regarding the terms of these shareholder agreements, see the section “*History and Certain Corporate Matters – Material Agreements*” beginning on page 228 of this Draft Red Herring Prospectus.

### **2. Interest in Property, Land and Construction**

Our Promoters and the Group Companies do not have any interest in any property acquired by our Company or the Subsidiaries within two years preceding the date of filing this DHRP with SEBI or any property proposed to be acquired by the Company or the Subsidiaries or in any transaction with respect to the acquisition of land, construction of building or supply of machinery except as discussed in the section titled “*Financial Statements*” beginning on page F-1 of this Draft Red Herring Prospectus.

### **3. Interest as members of the Company**

Our Promoters are interested to the extent of their shareholding and the dividend declared in relation to such shareholding, if any, by our Company. For further details in this regard, please refer to “*Capital Structure*” on page 121 of this Draft Red Herring Prospectus.

### **4. Other interests**

Except as stated in the section in “- *Interest of our Promoters*” above and “- *Nature and extent of interest of Group Companies*” below, our Promoters are not directly or indirectly interested in any transaction in acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Except as stated in “*Financial Statements*” on page F-1 of this Draft Red Herring Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Company’s Directors or our Promoters.

### **5. Payment of benefits to our Promoters during the last two years**

Except as stated in the section titled “*Financial Statements*” beginning on page F-1 of this Draft Red Herring Prospectus, there has been no amounts or benefits paid or given or intended to be paid or given to our Promoters or the Promoter Group within the two years preceding the date of this Draft Red Herring Prospectus.

## **III. Disassociation by the Promoters in the last three years**

Except as disclosed herein below, our Promoters have not disassociated from any of the Group Companies in the three years preceding the date of filing of this Draft Red Herring Prospectus.

	<b>Name of Promoter</b>	<b>Name of entity from which disassociated</b>	<b>Nature of interest</b>	<b>Reason for disassociation</b>	<b>Date of disassociation in terms of shareholding</b>
1	Mr. Mandava Prabhakara Rao	M&M Business solutions	Partner	Dissolution of the partnership firm by mutual consent	Dissolution of the firm on March 8, 2012.
		NSL SEZ (Chennai) Private Limited	Director and shareholder	Transfer of equity shares held by Mr. M. Prabhakara Rao to another group entity under Mandava Holdings Private Limited (MHPL) to consolidate promoter holdings under MHPL.	Entire equity shares held by Mr. M. Prabhakara Rao in NSL SEZ (Chennai) Private Limited transferred to Serene Estates Private Limited on September 5, 2011.  Resigned as director with effect from December 4, 2013.
		Simhapuri Mega Food Park Private Limited	Director and shareholder	As objectives of business for which it was incorporated were not pursued in Simhapuri Mega Food Park Private Limited, got disassociated from the Company.	Entire equity shares held by Mr. M. Prabhakara Rao in Simhapuri Mega Food Park Private Limited transferred on August 5, 2013.  Resigned as director with effect from September 10, 2013.
2	Mandava Holdings Private Limited	CVK Infrastructure private limited	Share holder	Since, no further business activity was pursued in CVK Infrastructure Private Limited, Mandava Holdings Private Limited disassociated from CVK Infrastructure Private Limited.	Entire equity shares held by Mandava Holdings Private Limited in CVK Infrastructure Private Limited transferred on August 2, 2011.

#### IV. Group Companies

Besides our Company and Subsidiaries the following companies, firms, ventures, *etc.* have been promoted by the Promoters, irrespective of whether such entities are covered under the erstwhile Section 370 (1B) of the Companies Act, 1956, and form a part of our Group Companies. For details of our Subsidiaries, please see the section on “*History and Certain Corporate Matters*” on page 222 of this Draft Red Herring Prospectus.

Unless otherwise specifically stated, none of the Group Companies described below (i) are listed on any stock exchange; (ii) have completed any public or rights issue since the date of its incorporation; (iii) have become a sick company; (iv) are under winding-up; (v) have become defunct; (vi) have made an application to the relevant registrar of companies in whose jurisdiction such Group Company is registered, for striking off its name; or (vii) had negative net worth as of the date of their last audited financial statements.

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
1.	Alot Wind Energy Private Limited	<p>Alot Wind Energy Private Limited was incorporated on October 17, 2013 as a private limited company.</p> <p>The registered office of Alot Wind Energy Private Limited is located at NSL Icon, 8-2-684/2/A, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>Alot Wind Energy Private Limited was incorporated with the main object of carrying on the business of generation, harnessing, development, accumulation and supply of electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to State/Central Electricity Boards, to industries and to other consumers of electricity.</p>	<p>Mandava Holdings Private Limited indirectly holds 36.88% of the share capital of Alot Wind Energy Private Limited through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of Alot Wind Energy Private Limited through NSL Renewable Power Private Limited.</p>
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Renewable Power Private Limited	9,900	99.00
	M Asha Priya (Nominee of NSL Renewable Power Private Limited )	100	1.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
2.	Ambient Infratech Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
3.	Amboli Power Private Limited	<p>Amboli Power Private Limited was incorporated on November 6, 2013 as a private limited company.</p> <p>The registered office of Amboli Power Private Limited is located at NSL Icon, 8-2-684/2/A, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>Amboli Power Private Limited was incorporated with the main object of carrying on the business of generation, harnessing, development, accumulation and supply of electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to State/Central Electricity Boards, to industries and to other consumers of electricity including for captive consumption for any industrial projects and generally to develop, generate accumulate power at any other place/s and to transmit, distribute sell and</p>	<p>Mandava Holdings Private Limited indirectly holds 36.88% of the share capital of Amboli Power Private Limited through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of Amboli Power Private Limited through NSL Renewable Power Private Limited.</p>

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
		supply such power.	
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Renewable Power Private Limited	9,900	99.00
	Mandava Asha Priya (Nominee of NSL Renewable Power Private Limited)	100	1.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
4.	Anamudi Renewable Power Private Limited	<p>Anamudi Renewable Power Private Limited was incorporated on November 6, 2013 as a private limited company.</p> <p>The registered office of Anamudi Renewable Power Private Limited is located at NSL Icon, 8-2-684/2/A, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>Anamudi Renewable Power Private Limited was incorporated with the main object of carrying on the business of generation, harnessing, development, accumulation and supply of electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to State/Central Electricity Boards, to industries and to other consumers of electricity including for captive consumption for any industrial projects and generally to develop, generate accumulate power at any other place/s and to transmit, distribute sell and supply such power.</p>	<p>Mandava Holdings Private Limited indirectly holds 36.88% of the share capital of Anamudi Renewable Power Private Limited through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of Anamudi Renewable Power Private Limited through NSL Renewable Power Private Limited.</p>
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Renewable Power Private Limited	9,900	99.00
	Mandava Asha Priya (Nominee of NSL Renewable Power Private Limited)	100	1.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
5.	Apple Avenues Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
6.	Arena Infrastructure Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
7.	Ascendant Estates Private Limited	<p>Ascendant Estates Private Limited was incorporated on December 05, 2005 as a private limited company.</p> <p>The registered office of Ascendant Estates Private Limited is located at NSL Icon, 8-2-648, Plot No. 1 to 4, , Road No. 12, Banjara Hills, Hyderabad,</p>	<p>Mandava Holdings Private Limited indirectly holds 55.55% of the share capital of Ascendant Estates Private Limited through NSL Infratech Private</p>

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
		<p>Telangana, 500 034, India.</p> <p>Ascendant Estates Private Limited was incorporated with the main object of carrying on the business of of real estate builders, developers, promoters, architects, supervisors, contractors/ consultants, dealers and agents for real estate including developments townships and sale of plots.</p>	<p>Limited</p> <p>Mandava Prabhakara Rao directly holds 35.85% of the paid-up equity share capital of Ascendant Estates Private Limited.</p>
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Infratech Private Limited	2,499,900	55.55
	K. Ramana Reddy (Nominee of NSL Infratech Private Limited)	100	0.00
	Mandava Prabhakara Rao	1,612,985	35.85
	Mandava Asha Priya	373,335	8.30
	Mandava Venkatram Chowdary	13,671	0.30
	Mandava Srinivasa Rao	120	0.00
	<b>Total</b>	<b>4,500,111</b>	<b>100.00</b>
8.	Badawada Wind Energy Private Limited	<p>Badawada Wind Energy Private Limited was incorporated on October 14, 2013 as a private limited company.</p> <p>The registered office of Badawada Wind Energy Private Limited is located at NSL Icon, 8-2-684/2/A, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>Badawada Wind Energy Private Limited was incorporated with the main object of carrying on the business of generation, harnessing, development, accumulation and supply of electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to State/Central Electricity Boards, to industries and to other consumers of electricity.</p>	<p>Mandava Holdings Private Limited indirectly holds 36.88% of the share capital of Badawada Wind Energy Private Limited through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of Badawada Wind Energy Private Limited through NSL Renewable Power Private Limited.</p>
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Renewable Power Private Limited	9,900	99.00
	Y. Madhu Babu (Nominee of NSL Renewable Power Private Limited)	100	1.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
9.	Caeser Stone Estates	<p>Caeser Stone Estates was registered on March 31, 2011 as a partnership firm.</p> <p>The office of Caeser Stone Estates is located at E1, Srinivasam Apartment, 5th floor, SVN Colony, Guntur 522 002, Andhra Pradesh.</p>	<p>Mandava Holdings Private Limited indirectly holds 95.00 % of the capital of firm through Clean City Estates Private Limited.</p>

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
		Caesar Stone Estates has as its main object acquiring buying, purchasing or otherwise owning, holding, selling, conveying, leasing, licensing, mortgaging or encumbering, undertaking, developing, managing real estate and other immovable properties of any kinds such as land or building for residential houses, offices, hotels, factories, warehouses, commercial complex and other types of lands and buildings, whether rural or urban, to survey subdivide plots, improve and develop land and buildings to construct thereon or otherwise for the purpose of sale or otherwise; residential or farm houses, bungalows, commercial and business premises for the purpose of sale or otherwise and to do and perform all things needful for the development and improvement of land other immovable properties whether rural or urban for farming, residential, commercial, industrial, trade and with its principal place of business.	
	The capital contribution as on February 28, 2015 was		
	<b>Name</b>	<b>Contribution (including current account balance of partners)</b>	<b>Percentage (%) of profit / loss as per partnership deed</b>
	Clean City Estates Private Limited	63,065,970	95.00
	M. Venkateswara Rao	22,192	5.00
	<b>Total</b>	<b>63,088,162</b>	<b>100.00</b>
10.	Celebrity Infrastructure Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
11.	Celebrity Power Company Private Limited	<p>Celebrity Power Company Private Limited was incorporated as Celebrity Infracon Private Limited on May 17, 2007 under the Registrar of Companies, Hyderabad, Andhra Pradesh and changed its name to Celebrity Investments Private Limited on August 21, 2007 and further changed its name to Celebrity Power Company Private Limited on December 19, 2007 under the Companies Act, 1956.</p> <p>The registered office of Celebrity Power Company Private Limited is located at NSL Icon, 8-2-684/2/A, Plot numbers 1 to 4, 4th Floor, Road number 12, Banjara Hills, Hyderabad, Telangana 500 034, India.</p> <p>Celebrity Power Company Private Limited was incorporated with the with the main object of carrying on the business of generate, harness, develop, accumulate and supply electricity by setting up power plants by use of Hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or</p>	<p>Mandava Holdings Private Limited indirectly holds 36.88% of the share capital of Celebrity Power Company Private Limited through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of Celebrity Power Company Private Limited through NSL Renewable Power Private Limited.</p>

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
		tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to State/Central Electricity Boards, to industries and to other consumers of electricity.	
	The shareholding as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Renewable Power Private Limited	616,747	99.98
	Y. Madhu Babu (Nominee of NSL Renewable Power Private Limited)	100	0.02
	<b>Total</b>	<b>616,847</b>	<b>100.00</b>
12.	Century Avenues Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
13.	Chennai Cybercity Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
14.	Clean City Estates Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
15.	Cozy Properties Private Limited	<p>Cozy Properties Private Limited was incorporated on November 23, 2005 as a private limited company.</p> <p>The registered office of Cozy Properties Private Limited is located at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana 500 034, India.</p> <p>Cozy Properties Private Limited was incorporated with the main object of carrying on the business of real estates, builders, developers, contractors, dealers inter alia and agents for a real estate including development of townships and sale of plots.</p>	Mandava Holdings Private Limited holds 50% of the share capital of Cozy Properties Private Limited.
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	<i>Equity shareholding</i>		
	Mandava Holdings Private Limited	5,000	50.00
	Vijay Jawaharlal Darda	1,667	16.67
	Emco Limited	1,667	16.67
	Rajendra Jawaharlal Darda	1,666	16.66
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
	<i>Preference shareholding</i>		
	Mandava Holdings Private Limited	25,218	50.00
	Vijay Jawaharlal Darda	433	0.86
	Emco Limited	8,406	16.66
	Rajendra Jawaharlal Darda	433	0.86

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
	Lokmat Media Limited	15,946	31.62
	<b>Total</b>	<b>50,436</b>	<b>100.00</b>
16.	Dhar Wind Energy Private Limited	<p>Dhar Wind Energy Private Limited was incorporated on October 11, 2013 as a private limited company.</p> <p>The registered office of Dhar Wind Energy Private Limited is located at NSL Icon, 8-2-684/2/A, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>Dhar Wind Energy Private Limited was incorporated with the main object of carrying on the business of generation, harnessing, development, accumulation and supply of electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to State/Central Electricity Boards, to industries and to other consumers of electricity.</p>	<p>Mandava Holdings Private Limited indirectly holds 36.88% of the share capital of Dhar Wind Energy Private Limited through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of Dhar Wind Energy Private Limited through NSL Renewable Power Private Limited.</p>
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Renewable Power Private Limited	9,900	99.00
	Y. Madhu Babu (Nominee of NSL Renewable Power Private Limited)	100	1.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
17.	Divyasree NSL Infrastructure Private Limited	<p>Divyasree NSL Infrastructure Private Limited was incorporated on November 10, 2004 as a private limited company.</p> <p>The registered office of Divyasree NSL Infrastructure Private Limited is located at Survey No.66/1, Raidurgam Village, Serilingampally Mandal, Hyderabad.</p> <p>Divyasree NSL Infrastructure Private Limited was incorporated with the main object of carrying on the business of Real estate construction and development of Housing Plots and design, build, operate manage, integrated townships, integrated commercial complexes with ready to occupy facilities, specially for IT and ITES organisations and construct and operate multiplex theatres, convention centers tourism centers and entertainment parks or otherwise.</p>	<p>Mandava Holdings Private Limited directly holds 49.99% of the share capital of Divyasree NSL Infrastructure Private Limited.</p>
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	Mandava Holdings Private Limited	29,996,400	49.99



Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
	Shyammaraju and Company (India) Private Limited	30,003,600	50.01
	<b>Total</b>	<b>60,000,000</b>	<b>100.00</b>
18.	Dream Land Avenues Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
19.	Excel Cotton Company Private Limited	<p>Excel Cotton Company Private Limited was incorporated on May 18, 1998 as a private limited company.</p> <p>The registered office of Excel Cotton Company Private Limited is located at Subeej House, 6/12, Brodipet, Guntur, Andhra Pradesh - 522022</p> <p>Excel Cotton Company Private Limited was incorporated with the main object of carrying on business of growing, production, processing and trading of all kind of cotton, processing and trading of cotton seeds and all types of other seeds and other cotton, cotton seed products and trading of cotton lint.</p>	Mandava Prabhakara Rao directly holds 60% of the share capital of Excel Cotton Company Private Limited.
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	Mandava Prabhakara Rao	6,000	60.00
	Mandava Asha Priya	4,000	40.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
20.	Excelsior Projects Private Limited	<p>Excelsior Projects Private Limited was incorporated on October 19, 2007 as a private limited company.</p> <p>The registered office of Excelsior Projects Private Limited is located at NSL Icon, 8-2-684/2/A, 4th Floor, Road number 12, Banjara Hills, Hyderabad, Telangana 500034, India.</p> <p>Excelsior Projects Private Limited was incorporated with the main object of carrying on the business of purchasing, selling, developing, taking in exchange, or on lease, hire or otherwise acquiring, whether for investment for sale, or working in same, any real or personal estate including lands, buildings, houses, easement or interest in or with respect to any property or whatsoever for the purpose of the company in consideration gross sum or rent or partly in one way and partly in other or for any other consideration and to carry on the business of real estate dealers, estate owners, under taking construction activities and development of housing plots, suites and projects, design, build, own and manage software technology parks, malls,</p>	Mandava Holdings Private Limited holds the entire share capital of Excelsior Projects Private Limited through NSL Nagapatnam Infrastructure Private Limited.

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
		entertainment parks, theme parks, integrated townships including construction of apartments, houses, housing colonies and commercial complexes, and industrial estates, export processing zones, special economic zones and business zones and all kinds of infrastructure projects.	
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Nagapatnam Infrastructure Private Limited	49,900	99.80
	Mandava Asha Priya (Nominee of NSL Nagapatnam Infrastructure Private Limited)	100	0.20
	<b>Total</b>	<b>50,000</b>	<b>100.00</b>
21.	Garden City Avenues Private Limited	<p>Garden City Avenues Private Limited was incorporated on August 24, 2004 as a private limited company.</p> <p>The registered office of Garden City Avenues Private Limited is located at NSL Icon, 8-2-648, Plot No. 1 to 4, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>Garden City Avenues Private Limited was incorporated with the main object of carrying on the business of real estate, promoters to purchase land, to layout, convert and develop the same housing plots, commercial plots and industrial plots and sell them on outright sale basis or by any mode or method which is convenient and suitable to the business.</p>	Mandava Holdings Private Limited holds the entire share capital of Garden City Avenues Private Limited through NSL Estates Private Limited.
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Estates Private Limited	9,900	99.00
	Ch. Appa Rao (Nominee of NSL Estates Private Limited)	100	1.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
22.	Golden Tower Infratech Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
23.	Goldtouch Real Projects Private Limited	<p>Goldtouch Real Projects Private Limited was incorporated on January 1, 2008 as a private limited company.</p> <p>The registered office of Goldtouch Real Projects Private Limited is located at 2-3-200 or 4-38/1, Adarsh Nagar, Nagole ,Hyderabad, Telangana, India, 500068</p>	Mandava Prabhakara Rao directly holds 50% of the entire share capital of Goldtouch Real Projects Private Limited.

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
		Goldtouch Real Projects Private Limited was incorporated with the main object of carry on the business of Real estate Builders, Developers, Promoters, Architects, Supervisors, Contractors/Consultants, dealers and agents for a real estate including development of townships and sale of plots.	
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	Mandava Prabhakara Rao	5,000	50.00
	Mandava Asha Priya	5,000	50.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
24.	Grandcity Avenues Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
25.	Hardeol Renewable Power Private Limited	<p>Hardeol Renewable Power Private Limited was incorporated on November 6, 2013 as a private limited company.</p> <p>The registered office of Hardeol Renewable Power Private Limited is located at NSL Icon, 8-2-684/2/A, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>Hardeol Renewable Power Private Limited was incorporated with the main object of carrying on the business of generation, distribution and supply of electricity by setting up power plants of Wind Energy, Bio Fuel Energy, Bio Waste Energy, Bio-mass Energy, Solar Energy, Nuclear Energy, Thermal Energy, Hydro Energy or other type of power plants by use of solid, liquid or gaseous or other fuels for the purpose of light, heat, motive power and for all other purposes for which electric energy can be employed and to transmit, distribute supply and sell such power either directly or through transmission lines and facilities of the State Electricity Boards or to Central /State Government or Private Companies or to Industries and /or to Central/ State Government and /or other consumers of electricity including for captive consumption for any industrial projects and generally to develop, generate accumulate power at any other place/s and to transmit, distribute sell and supply such power.</p>	<p>Mandava Holdings Private Limited indirectly holds 36.88% of the share capital of Hardeol Renewable Power Private Limited through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of Hardeol Renewable Power Private Limited through NSL Renewable Power Private Limited.</p>
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Renewable Power Private Limited	9,900	99.00
	Mandava Asha Priya (Nominee of NSL)	100	1.00

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
	Renewable Power Private Limited)		
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
26.	Highend Project Consultants Private Limited	<p>Highend Project Consultants Private Limited was incorporated on October 16, 2009 as a private limited company.</p> <p>The registered office of Highend Project Consultants Private Limited is located at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>Highend Project Consultants Private Limited was incorporated to carry on the business of acting as advisors and consultants on all matter and problems relating to the Technical Industries, all types of Projects, civil, administration, finance and organization, management, commencement or expansion of industry, purchasing techniques and business (including construction of plants, and buildings), production, purchases, sales, material and cost control, marketing, advertisement, publicity, personnel, export and import to and for institutions, concerns, bodies, associations, (incorporated or unincorporated), department and services of government, public or local authorities, trusts, scientific research and development centres, and to be appointed as technical, financial, industrial administration, civil consultant to investigate on behalf of the any company, corporation, body corporate, industries, firm, association or any person to collect information and data and submit reports on feasibility of new projects, and / or improvements to and / or expansion of existing projects, diagnose operational difficulties and weakness and suggest remedial measures to improve and modernize existing units.</p>	Mandava Prabhakara Rao holds 86.35% of the share capital of Highend Project Consultants Private Limited through Mandava Investments Private Limited.
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	Mandava Investments Private Limited	5,000	50.00
	Mandava Asha Priya (Through nominee of Mandava Investments Private Limited)	5,000	50.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
27.	Highend Properties Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
28.	Intellegentia Mansions Private Limited	Intellegentia Mansions Private Limited was incorporated on December 05, 2001 as a private limited company.	Mandava Holdings Private Limited indirectly holds 100% of the share capital

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
		<p>The registered office of Intellegentia Mansions Private Limited is located at 1-1-541, Gandhi Nagar, Hyderabad, Telangana 500 020, India.</p> <p>Intellegentia Mansions Private Limited was incorporated with the main object of carrying on the business of real estate, promoters to purchase land, to layout, convert, develop the same housing plots, commercial plots and industrial plots and sell them on outright sale basis or by any method or method which is convenient and suitable to the Company.</p>	of Intellegentia Mansions Private Limited through NSL Estates Private Limited.
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Estates Private Limited	9,900	99.00
	Ch. Appa Rao (Nominee of NSL Estates Private Limited)	100	1.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
29.	Inversiones NSL Green Ventures Limitada LLC	Please refer to the section “- Group Companies with negative net worth” below.	
30.	Jath Wind Energy Private Limited	<p>Jath Wind Energy Private Limited was incorporated on October 11, 2013 as a private limited company.</p> <p>The registered office of Jath Wind Energy Private Limited is located at NSL Icon, 8-2-684/2/A, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>Jath Wind Energy Private Limited was incorporated with the main object of carrying on the business of generation, harnessing, development, accumulation and supply of electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to State/Central Electricity Boards, to industries and to other consumers of electricity.</p>	<p>Mandava Holdings Private Limited indirectly holds 36.88% of the share capital of Jath Wind Energy Private Limited through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of Jath Wind Energy Private Limited through NSL Renewable Power Private Limited.</p>
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Renewable Power Private Limited	9,900	99.00
	Mandava Asha Priya (Nominee of NSL Renewable Power Private Limited)	100	1.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
31.	Kalsubai Power	Kalsubai Power Private Limited was incorporated	Mandava Holdings Private

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
	Private Limited	<p>on November 20, 2013 as a private limited company.</p> <p>The registered office of Kalsubai Power Private Limited is located at NSL Icon, 8-2-684/2/A, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>Kalsubai Power Private Limited was incorporated with the main object of carrying on the business of generation, distribution and supply electricity by setting up power plants of wind energy, bio fuel energy, bio waste energy, bio-mass energy, solar energy, nuclear energy, thermal energy, hydro energy or other type of power plants by use of solid, liquid or gaseous or other fuels for the purpose of light, heat, motive power and for all other purposes for which electric energy can be employed and to transmit, distribute supply and sell such power either directly or through transmission lines and facilities of the State Electricity Boards or to Central /State Government or Private Companies or to Industries and /or to Central/ State Government and /or other consumers of electricity including for captive consumption for any industrial projects and generally to develop, generate accumulate power at any other place/s and to transmit, distribute sell and supply such power.</p>	<p>Limited indirectly holds 36.88% of the share capital of Kalsubai Power Private Limited through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of Kalsubai Power Private Limited through NSL Renewable Power Private Limited.</p>
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Renewable Power Private Limited	9,900	99.00
	Mandava Asha Priya (Nominee of NSL Renewable Power Private Limited)	100	1.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
32.	Khaga Solar Power Private Limited	<p>Khaga Solar Power Private Limited was incorporated on October 31, 2013 as a private limited company.</p> <p>The registered office of Khaga Solar Power Private Limited is located at NSL Icon, 8-2-684/2/A, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>Khaga Solar Power Private Limited was incorporated with the main object of carrying on the business of generation, distribution and supply electricity by setting up power plants of Solar Energy, Bio Fuel Energy, Bio Waste Energy, Bio-mass Energy, Wind Energy, Nuclear Energy, Thermal Energy, Hydro Energy or other type of power plants by use of solid, liquid or gaseous or</p>	<p>Mandava Holdings Private Limited indirectly holds 36.88% of the share capital of Khaga Solar Power Private Limited through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of Khaga Solar Power Private Limited through NSL Renewable Power Private Limited.</p>

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
		other fuels for the purpose of light, heat, motive power and for all other purposes for which electric energy can be employed and to transmit, distribute supply and sell such power either directly or through transmission lines and facilities of the State Electricity Boards or to Central /State Government or Private Companies or to Industries and /or to Central/ State Government and /or other consumers of electricity including for captive consumption for any industrial projects and generally to develop, generate accumulate power at any other place/s and to transmit, distribute sell and supply such power.	
The shareholding pattern as on February 28, 2015			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Renewable Power Private Limited	9,900	99.00
	M Asha Priya (Nominee of NSL Renewable Power Private Limited )	100	1.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
33.	Madras Escon Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
34.	Mandava Cold Storage Private Limited	<p>Mandava Cold Storage Private Limited was incorporated on July 16, 1999 as a private limited company.</p> <p>The registered office of Mandava Cold Storage Private Limited is located at Subeej House, 6/12, Brodipet, Guntur, Andhra Pradesh -522002.</p> <p>Mandava Cold Storage Private Limited was incorporated with the main object of to carry on and to construct, build, equip, own and maintain business as keepers of cold chains consisting of cold storages, storage chambers, ice plants, godowns, warehouses, refrigerators, freezing houses and room coolers, refrigerated transport vehicles for storing agricultural produce, commercial crops, flowers, seeds, medicines, chemicals, fish, seafood, marine products and processed fish, seafood and marine products, meat, eggs, poultry products, protein foods, milk, cream, butter, cheese, becons, sausages, fruits, roots, tubers, vegetables, or other substances made from all or any of them and canned, tinned and processed foods of every description.</p>	Mr. Mandava Prabhakara Rao directly owns more than 49.97% of the share capital of Mandava Cold Storage Private Limited.
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	Mandava Prabhakara Rao	19,991	49.97
	Mandava Asha Priya	20,009	50.01
	B. Appa Rao	10	0.02
	<b>Total</b>	<b>40,010</b>	<b>100.00</b>

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
35.	Marvel Infratech Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
36.	Mandava Foundation	<p>Mandava Foundation was incorporated as a trust under the applicable laws on May 25, 2005 as Mandava Charitable Trust and subsequently changed its name as Mandava Foundation by executing a supplemental deed on May 8, 2006</p> <p>The office of Mandava Foundation is located at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500034, India.</p> <p>Mandava Foundation is involved in corporate social responsibility activities</p>	Mandava Prabhakara Rao is an author and a trustee of Mandava Foundation.
37.	Mandava Investments Private Limited	<p>Mandava Investments Private Limited was incorporated on February 7, 2014 as a private limited company.</p> <p>The registered office of Mandava Investments Private Limited is located at Plot No.543, Road.No.26, Jubilee Hills, Hyderabad, Telangana 500 034, India.</p> <p>Mandava Investments Private Limited was incorporated with the main object of:</p> <ol style="list-style-type: none"> <li>1. providing advisory and consultancy services on the matters and problems relating to buying, selling of shares, stocks, debentures, securities, debenture stocks, units, negotiable instruments, saving certificates, saving plans, insurance, deposits etc., to open and manage investors service center and grievance cell to assist and guide the investors, to make analysis of securities and provide portfolio management services.</li> <li>2. to carry on the business of to invest in the capital and/or other funds of the group companies (including equity shares, preference shares, debentures and such other securities by whatever name called), subject to compliance with applicable laws. Further, the Company shall not accept any deposits from public nor engage in lending/ advancing of money except lending/ advancing of money to group companies</li> </ol>	<p>Mandava Holdings Private Limited indirectly holds 0.05% of the share capital of Mandava Investments Private Limited through NSL Infratech Private Limited</p> <p>Mr. Mandava Prabhakara Rao directly owns 86.35 of the share capital of Mandava Investments Private Limited.</p>
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	Mandava Prabhakara Rao	8,859,465	86.35
	Mandava Asha Priya	1,326,561	12.93
	Mandava Venkatram Chowdary	68,320	0.67



Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
	NSL Infratech Private Limited	5,007	0.05
	M. Srinivas Rao	600	0.01
	M. Aishwarya	15	0.00
	N. Satish Babu	5	0.00
	<b>Total</b>	<b>10,259,973</b>	<b>100.00</b>
38.	Mandsaur Wind Energy Private Limited	<p>Mandsaur Wind Energy Private Limited was incorporated on November 20, 2013 as a private limited company.</p> <p>The registered office of Mandsaur Wind Energy Private Limited is located at Samson Towers, 4th Floor, 403L Pantheon Road , Egmore , Chennai, Tamil Nadu, India, 600008.</p> <p>Mandsaur Wind Energy Private Limited was incorporated with the main object of carrying on the business of promotion of infrastructure relating to energy including acquisition, lease of lands for the development / use of land for promotion of energy resources including setting up of energy farms for energy from all conventional and non conventional renewable resources including solar, wind, hydel, tidal, bio-mas, wave, geo-thermal and other energy sources.</p>	Mandava Holdings Private Limited holds 43.93% of the share capital of Mandsaur Wind Energy Private Limited through ReGen Infrastructure And Services Private Limited.
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	ReGen Infrastructure And Services Private Limited	9,990	99.90
	R. Sundaresh (Nominee of ReGen Infrastructure And Services Private Limited)	10	0.10
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
39.	MAS Fabric Park (India) Private Limited	<p>MAS Fabric Park (India) Private Limited was incorporated on January 10, 2007 as a private company.</p> <p>The registered office of MAS Fabric Park (India) Private Limited is located at NSL Icon, 8-2-684/2/A, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500034, India.</p> <p>MAS Fabric Park (India) Private Limited was incorporated with the main object of carrying on the business of creating a state of the art integrated apparel park with the capacity and capability to attract modern and state of art manufacturing and service providers with or without the benefits under special economic zone or other related incentives as provided by Government of India.</p>	Mandava Holdings Private Limited holds 48.01% of the share capital of MAS Fabric Park (India) Private Limited through NSL Infratech Private Limited.

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Infratech Private Limited	14,010,000	48.01
	MAS Investments Private Limited	15,169,274	51.99
	<b>Total</b>	<b>29,179,274</b>	<b>100.00</b>
40.	Midas Projects Private Limited	Please refer to the section “-Group Companies with negative net worth” below.	
41.	MKP Power Private Limited	Please refer to the section “-Group Companies with negative net worth” below.	
42.	MPR Private Trust	<p>MPR Private Trust was registered on February 1, 2013 as a trust.</p> <p>The office of MPR Private Trust is located at Flat no 543, House no : 8-2-293/A/82, Road no 26, Jubilee Hills, Hyderabad, Telangana, 500033, India</p> <p>MPR Private Trust is involved in providing benefits to charitable institutions.</p>	Mandava Prabhakara Rao is a trustee on the board of trustees of MPR Private Trust.
43.	Nagapatnam Port and Infrastructure Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
44.	NCC Abhinandan Cotton Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
45.	NCC CJ Cotton Private Limited	<p>NCC CJ Cotton Private Limited was incorporated on July 19, 2007 as a private limited company.</p> <p>The registered office of NCC CJ Cotton Private Limited is located at Plot No. 511, CIDCO, N-3, Aurangabad, Maharashtra 431 003, India.</p> <p>NCC CJ Cotton Private Limited was incorporated with the main object of carrying on the business of purchases, sell, import, export, growing, cultivating, ginning, pressing, packing, combing, clearing, bleaching, weaving, colouring, finishing, printing, raw cotton or kappa's, lint, cotton bales and allied products by establishing and running of cotton ginning and pressing, processing plants by own, hire or lease or franchise basis.</p>	Mandava Holdings Private Limited indirectly holds entire share capital of NCC CJ Cotton Private Limited through NSL Cotton Corporation Private Limited.
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Cotton Corporation Private Limited	371,980	99.97
	Y Madhu Babu (Nominee of NSL Cotton Corporation Private Limited)	100	0.03

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
	<b>Total</b>	<b>372,080</b>	<b>100.00</b>
46.	NCC Ganapathi Cotton Private Limited	Please refer to the section “- <i>Group Companies with negative net worth</i> ” below.	
47.	NCC Jay Laxmi Fibers Private Limited	Please refer to the section “- <i>Group Companies with negative net worth</i> ” below.	
48.	NCC Matoshri Cotton Private Limited	Please refer to the section “- <i>Group Companies with negative net worth</i> ” below.	
49.	NCC Narsinh Cotton Private Limited	Please refer to the section “- <i>Group Companies with negative net worth</i> ” below.	
50.	NCC Radhakrishna Cotton Private Limited	Please refer to the section “- <i>Group Companies with negative net worth</i> ” below.	
51.	NCC Santosh Fibers Private Limited	Please refer to the section “- <i>Group Companies with negative net worth</i> ” below.	
52.	NCC Shri Cotton Private Limited	Please refer to the section “- <i>Group Companies with negative net worth</i> ” below.	
53.	NCC Usha Ginning Mills Private Limited	<p>NCC Usha Ginning Mills Private Limited was incorporated on July 06, 2007 as a private limited company.</p> <p>The registered office of NCC Usha Ginning Mills Private Limited is located at NSL Icon, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>NCC Usha Ginning Mills Private Limited was incorporated with the main object of carrying on the the business of purchases, sell, import, export, growing, cultivating, ginning, pressing, packing, shipping, combing, clearing, bleaching, weaving, colouring, finishing, printing, raw cotton or kappa's, lint, cotton bales and allied products by establishing and running of cotton ginning and pressing, processing plants by own, hire or lease or franchise basis.</p>	Mandava Holdings Private Limited indirectly holds entire share capital of NCC Usha Ginning Mills Private Limited through NSL Cotton Corporation Private Limited.
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Cotton Corporation Private	387,900	99.97

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
	Limited		
	Mandava Asha Priya (Nominee of NSL Cotton Corporation Private Limited)	100	0.03
	<b>Total</b>	<b>388,000</b>	<b>100.00</b>
54.	NCC Venkateswara Cotton Fibers Private Limited	<p>NCC Venkateswara Cotton Fibers Private Limited was incorporated on July 6, 2007 as a private limited company.</p> <p>The registered office of NCC Venkateswara Cotton Fibers Private Limited is located at NSL Icon, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>NCC Venkateswara Cotton Fibers Private Limited was incorporated with the main object of carrying on the business of purchases, sell, import, export, growing, cultivating, ginning, pressing, packing, shipping, combing, clearing, bleaching, weaving, colouring, finishing, printing, raw cotton or kappa's, lint, cotton bales and allied products by establishing and running of cotton ginning and pressing, processing plants by own, hire or lease or franchise basis.</p>	Mandava Holdings Private Limited indirectly holds entire share capital of NCC Venkateswara Cotton Fibers Private Limited through NSL Cotton Corporation Private Limited.
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Cotton Corporation Private Limited	399,900	99.98
	Mandava Asha Priya (Nominee of NSL Cotton Corporation Private Limited)	100	0.02
	<b>Total</b>	<b>400,000</b>	<b>100.00</b>
55.	Nilgiri Power Private Limited	<p>Nilgiri Power Private Limited was incorporated on November 6, 2013 as a private limited company.</p> <p>The registered office of Nilgiri Power Private Limited is located at NSL Icon, 8-2-684/2/A, , 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>Nilgiri Power Private Limited was incorporated with the main object of carrying on the business of generation, distribution and supply electricity by setting up power plants of Wind Energy, Bio Fuel Energy, Bio Waste Energy, Bio-mass Energy, Solar Energy, Nuclear Energy, Thermal Energy, Hydro Energy or other type of power plants by use of solid, liquid or gaseous or other fuels for the purpose of light, heat, motive power and for all other purposes for which electric energy can be employed and to transmit, distribute supply and sell such power either directly or through transmission lines and facilities</p>	<p>Mandava Holdings Private Limited indirectly holds 36.88% of the share capital of Nilgiri Power Private Limited through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of Nilgiri Power Private Limited through NSL Renewable Power Private Limited.</p>

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
		of the State Electricity Boards or to Central /State Government or Private Companies or to Industries and /or to Central/ State Government and /or other consumers of electricity including for captive consumption for any industrial projects and generally to develop, generate accumulate power at any other place/s and to transmit, distribute sell and supply such power.	
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Renewable Power Private Limited	9,900	99.00
	Mandava Asha Priya (Nominee of NSL Renewable Power Private Limited)	100	1.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
56.	Nuziveedu Swathi Coastal Consortium	<p>Nuziveedu Swathi Coastal Consortium was registered on September 24, 2009 as a partnership.</p> <p>The office of Nuziveedu Swathi Coastal Consortium SC Consortium is located at Plot no 6, Phase I, Kavurihills, Jubilee Hills, Hyderabad, Telangana, 500033, India.</p> <p>Nuziveedu Swathi Coastal Consortium was registered with the main object of carrying on the business of Execution of civil construction works and turnkey projects.</p>	Mandava Holdings Private Limited holds a 50% interest in the partnership through Splendid Minerals Private Limited.
	The capital contribution as on February 28, 2015 was		
	<b>Name</b>	<b>Contribution*</b>	<b>Percentage (%)</b>
	Splendid Minerals Private Limited	492,369,098	50.00
	Siva Swathi Constructions Private Limited	42,598,618	25.00
	Coastal Projects Limited	573,508,834	25.00
	<b>Total</b>	<b>1,108,476,550</b>	<b>100.00</b>
	<i>* Includes balance of the capital account of the partners</i>		
57.	NSL Andhra Power Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
58.	NSL Bihar Power Company Private Limited	<p>NSL Bihar Power Company Private Limited was incorporated on July 25, 2011 as a private limited company.</p> <p>The registered office of NSL Bihar Power Company Private Limited is located at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor Road No. 12, Banjara Hills, Hyderabad.</p> <p>NSL Bihar Power Company Private Limited was incorporated with the main object of carrying on the business to generate, harness, develop, accumulate</p>	Mandava Holdings Private Limited holds the entire share capital of NSL Bihar Power Company Private Limited through NSL Conventional Power Private Limited.

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
		and supply electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to state/central electricity boards, to industries and to other consumers of electricity.	
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Conventional Power Private Limited	9,900	99.00
	Mandava Asha Priya (Nominee of NSL Conventional Power Private Limited)	100	1.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
59.	NSL Conventional Power Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
60.	NSL Cotton Corporation Private Limited	<p>NSL Cotton Corporation Private Limited was incorporated on May 17, 2007 as a private limited company.</p> <p>The registered office of NSL Cotton Corporation Private Limited is located at NSL Icon, 8-2-684/2/A, Plot numbers 1 to 4, 4th Floor, Road number 12, Banjara Hills, Hyderabad, Telangana, 500034 India.</p> <p>NSL Cotton Corporation Private Limited was incorporated with the main object of carrying on the business of purchases, sell, import, export, growing, cultivating, ginning, pressing, packing, shipping, combing, clearing, bleaching, weaving, colouring, finishing, printing, raw cotton or kappa's, lint, cotton bales and allied products by establishing and running of cotton ginning and pressing, processing plants by own, hire or lease or franchise basis.</p>	Mandava Holdings Private Limited holds entire share capital of NSL Cotton Corporation Private Limited.
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	Mandava Holdings Private Limited	43,109,900	99.99
	Mandava Venkatram Chowdary	100	0.01
	<b>Total</b>	<b>43,110,000</b>	<b>100.00</b>
61.	NSL Energy Holdings Private Limited, Singapore	<p>NSL Energy Holdings Private Limited was incorporated on August 8, 2011 as a private limited company under the laws of Singapore.</p> <p>The registered office of NSL Energy Holdings</p>	Mandava Holdings Private Limited indirectly hold 100% of the share capital of NSL Energy Holdings Private Limited through

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
		<p>Private Limited is located at Pacific Nominees Pte. Ltd., 10, Anson Road, # 26-04, International Plaza, Singapore 079903.</p> <p>NSL Energy Holdings Private Limited was incorporated with the main object of subject to the provision of the Companies Act Cap.50 and other written law and MOA &amp; AOA, the company has full capacity to carry on or undertake any business, activity, do any act or enter into any transaction (except business of banking or insurance).</p>	NSL Energy Ventures Private Limited.
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Energy Ventures Private Limited	4,025,311 shares of par value of US\$ 1	100.00
	<b>Total</b>	<b>US\$ 4025311</b>	<b>100.00</b>
62.	NSL Energy Ventures Private Limited	<p>NSL Energy Ventures Private Limited is incorporated as Vertex City Properties (India) Private Limited on January 7, 2008 under the Registrar of Companies, Hyderabad, Andhra Pradesh and changed its name to NSL Energy Ventures Private Limited on July 16, 2010.</p> <p>The registered office of NSL Energy Ventures Private Limited is located at NSL Icon, 8-2-684/2/A, Plot numbers 1 to 4, 4th Floor, Road number 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>NSL Energy Ventures Private Limited was incorporated with the main object of carrying on the business of generate, harness, develop, accumulate and supply electricity by setting up power plants by use of Hydel, Bio-mass, Woody Waste, Solar, Steam, Nuclear Power, Fossil Fuels, Wind or Tidal Energy and other forms of generation of power for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute and supply such power either for captive use or to sell, supply, transmit to State / Central Electricity Boards, to industries and to other consumers of electricity.</p>	Mandava Holdings Private Limited along with its nominee holds the entire share capital of the NSL Energy Ventures Private Limited.
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	Mandava Holdings Private Limited	21,232,878	99.99
	Mandava Asha Priya (as a nominee of Mandava Holdings Private Limited)	500	0.01
	<b>Total</b>	<b>21,233,378</b>	<b>100.00</b>
63.	NSL Eolica	Please refer to the section “- Group Companies with negative net worth” below.	

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
	Limitada, Chile LLC		
64.	NSL Estates Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
65.	NSL Fertilizer Ventures Private Limited	<p>NSL Fertilizer Ventures Private Limited was incorporated as NSL Fertilizers Private Limited on August 3, 2011 under the Registrar of Companies, Andhra Pradesh and changed its name to NSL Fertilizer Ventures Private Limited on January 27, 2012 under the Companies Act, 1956.</p> <p>The registered office of NSL Fertilizer Ventures Private Limited is located at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor Road No. 12, Banjara Hills, Hyderabad, Telangana 500 034, India.</p> <p>NSL Fertilizer Ventures Private Limited was incorporated with the main object of carrying on in India or elsewhere in the world the business of manufacturers, importers, exporters, distributors, dealers, stockiest, buyers, sellers, financiers and agents in agro chemical products, fertilizers and insecticides, pesticides, weedicides, chemical manure including but not limited to nitrogenous, phosphoric, potassium like urea, ammonium sulphate, ammonium nitro phosphate and other nitrogen allied chemicals, super phosphates, single, double, triple and allied phosphoric manures, potassium manures and granulated manures, dolomite gypsum, organic manure, leather meal, bone meal, hoofs and horns meal bone, grist, sterilised animal meal, potassium chloride, crystals, sodium nitrate, mixture of calcium nitrate and ammonium nitrate (and) mixture of calcium nitrate and magnesium nitrate, calcium ammonium nitrate, and also in all types of liquid and vegetable fertilizers, of synthetic or natural origin by all possible methods as now prevalent or may be devised in future.</p>	Mandava Prabhakara Rao holds 50% of the equity share capital of NSL Fertilizer Ventures Private Limited through Goldtouch Real Projects Private Limited.
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	<i>Equity shareholding</i>		
	Goldtouch Real Projects Private Limited	9,999	100.00
	Y. Madhu Babu (Nominee of Goldtouch Real Projects Private Limited)	1	0.00
	<b>Total</b>	<b>21,233,378</b>	<b>100.00</b>
	<i>Preference shareholding</i>		
	Mandava Holdings Private Limited	54,240,165	62.85
	Mandava Prabhakara Rao	24,871,445	28.82



Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
	Mandava Asha Priya	6,944,805	8.05
	M. Venkatram Chowdary	246,078	0.28
	M. Srinivasa Rao	2,160	0.00
	B. Aishwarya	10	0.00
	<b>Total</b>	<b>86,304,663</b>	<b>100.00</b>
66.	NSL Food & Oils Limited, Republic of Ghana	<p>NSL Food &amp; Oils Limited was incorporated as a company under the Companies Code, 1963 (Act 179) and that the liability of its members is limited on August 30, 2011 under the Registrar of Companies, Ghana and obtained the certificate for commencement of business on 1<sup>st</sup> September 2011. The registered office of NSL Food &amp; Oils Limited is located at P.O. Box 14951, Accra, Ghana.</p> <p>NSL Food &amp; Oils Limited was incorporated with the main object of portable oil manufacturing and processing to cultivation oil and cash crops.</p>	<p>Mandava Holdings Private Limited holds 51.00% of the share capital of NSL Food and &amp; Oils Limited through NSL Sugars Limited</p> <p>Mandava Prabhakara Rao indirectly holds 41% of the share capital of NSL Food and &amp; Oils Limited through NSL Sugars Limited</p>
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Sugars Limited	79,600	100.00
	<b>Total</b>	<b>79,600</b>	<b>100.00</b>
67.	NSL Global Energy Ventures Private Limited (Mauritius)	<p>NSL Global Energy Ventures Private Limited was incorporated on March 11, 2011 as a private limited company under the laws of Mauritius.</p> <p>The registered office of NSL Global Energy Ventures Private Limited is located at C/o Consilex Limited, 4th Floor Les Jamalacs Building, Vieux Conseil Street, Port Louis, Mauritius 56290.</p> <p>NSL Global Energy Ventures Private Limited was incorporated with the main object of carrying on global business of global business as defined in the Financial Services Act 2007 and do all such other things as are necessary, ancillary, incidental to, or as the company may think conducive for conduct, promotion or attainment of its business.</p>	<p>Mandava Holdings Private Limited indirectly holds 36.88% of the share capital of NSL Global Energy Ventures Private Limited (Mauritius) through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of NSL Global Energy Ventures Private Limited (Mauritius) through NSL Renewable Power Private Limited.</p>
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Renewable Power Private Limited	5,837,000 shares of USD 1 each	100.00
	<b>Total</b>	<b>5,837,000</b>	<b>100.00</b>
68.	NSL Infratech Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
69.	NSL Jharkhand Power Company Private Limited	NSL Jharkhand Power Company Private Limited was incorporated on July 13, 2010 as a private limited company.	Mandava Holdings Private Limited holds the entire capital of NSL Jharkhand

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
		<p>The registered office of NSL Jharkhand Power Company Private Limited is located at NSL Icon, 8-2-684/2/A, Plot numbers 1 to 4,, Road number. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>NSL Jharkhand Power Company Private Limited was incorporated with the main object of carrying on the business of generating, harnessing, developing, accumulating and supplying electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to state/central electricity boards, to industries and to other consumers of electricity.</p>	Power Company Private Limited through NSL Conventional Power Private Limited.
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Conventional Power Private Limited	9,900	99.00
	Y. Madhu Babu (Nominee of NSL Conventional Power Private Limited )	100	1.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
70.	NSL Krishnaveni Sugars Limited	Please refer to “- Top five Group Companies in terms of turnover” below.	
71.	NSL Masli Power Generation Private Limited	<p>NSL Masli Power Generation Private Limited was incorporated on April 30, 2008 as a private limited company.</p> <p>The registered office of NSL Masli Power Generation Private Limited is located at Hari Vishram, Lower Panthagatti, Shimla, Himachal Pradesh - 171009</p> <p>NSL Masli Power Generation Private Limited was incorporated with the with the main object of carrying on the business of generating, harnessing, developing, accumulating and supplying electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to state/central electricity boards, to industries and to other consumers of electricity.</p>	<p>Mandava Holdings Private Limited indirectly holds 36.88% of the share capital of NSL Masli Power Generation Private Limited through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of NSL Masli Power Generation Private Limited through NSL Renewable Power Private Limited.</p>
The shareholding pattern as on February 28, 2015 was			

Sr. No.	Group Company	Brief description		Interest of the Promoters in terms of shareholding
	Name of shareholder		Number of shares	Percentage (%)
	NSL Renewable Power Private Limited		7,709,900.00	99.99
	Y. Madhu Babu (Nominee of NSL Renewable Power Private Limited)		100.00	0.01
	Total		7,710,000.00	100.00
72.	NSL Nagapatnam Infrastructure Private Limited	<p>NSL Nagapatnam Infrastructure Private Limited is incorporated as Citizen Infratech Private Limited on June 8, 2007 under the Registrar of Companies, Hyderabad, Andhra Pradesh and changed its name to NSL Nagapatnam Infrastructure Private Limited on May 18, 2012 under the Companies Act, 1956.</p> <p>The registered office of NSL Nagapatnam Infrastructure Private Limited is located at NSL Icon, 8-2-684/2/A, Plot numbers 1 to 4, 4th Floor, Road number 12, Banjara Hills, Hyderabad, Telangana 500 034, India.</p> <p>NSL Nagapatnam Infrastructure Private Limited was incorporated with the main object of carrying on the business of purchasing, selling, developing, taking in exchange, or on lease, hire or otherwise acquiring, whether for investment for sale, or working in same, any real or personal estate including lands, buildings, houses, easement or interest in or with respect to any property or whatsoever for the purpose of the company in consideration gross sum or rent or partly in one way and partly in other or for any other consideration and to carry on the business of real estate dealers, estate owners, under taking construction activities and development of housing plots, suites and projects, design, build, own and manage software technology parks, malls, entertainment parks, theme parks, integrated townships including construction of apartments, houses, housing colonies and commercial complexes and industrial states, export processing zones, special economic zones and business zones.</p>		Mandava Holdings Private Limited holds the entire share capital of NSL Nagapatnam Infrastructure Private Limited through NSL Nagapatnam Power Ventures Private Limited.
The shareholding pattern as on February 28, 2015 was				
	Name of shareholder		Number of shares	Percentage (%)
	NSL Nagapatnam Power Ventures Private Limited		1,008,233	99.99
	Mandava Asha Priya (Nominee of NSL Nagapatnam Power Ventures Private Limited)		100	0.01
	Total		1,008,333	100.00
73.	NSL Nagapatnam Power and Infratech Limited	NSL Nagapatnam Power and Infratech Limited is incorporated as NSL Power and Infratech Limited on March 2, 2005 under the Registrar of Companies.		Mandava Holdings Private Limited indirectly holds 100% of NSL Nagapatnam

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
		<p>Hyderabad, Andhra Pradesh and changed its name to NSL Power Limited November 1, 2007 and changed to NSL Power Private Limited on July 29, 2008 and changed to NSL (Sirkazhi) Power and Infratech Private Limited on December 4, 2008 and changed to NSL Nagapatnam Power and Infratech Private Limited on February 6, 2009 and further changed to NSL Nagapatnam Power and Infratech Limited on June 5, 2013 under the Companies Act, 1956..</p> <p>The registered office of NSL Nagapatnam Power and Infratech Private Limited (formerly known as NSL Power Private Limited) is located at NSL Icon, 8-2-648, Plot numbers 1 to 4, Road number. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>NSL Nagapatnam Power and Infratech Private Limited was incorporated with the main object of carrying on the business of to generate, harness, develop, accumulate, transmit, distribute and supply electricity by setting up power plants, sugar plants, ferrous industries, integrated projects and to carry on the generation of power by the source and means of hydel projects and tidel, thermal, oil, gas, wind mill, petro products or through renewable energy sources such as bio gas, bio mass, municipal waste, solar, photovoltaic, or any other means, and transmit, distribute, supply such power, either directly or through transmission lines of own or Govt. and utilise the power for captive consumption.</p>	Power and Infratech Private Limited through NSL Nagapatnam Power Ventures Private Limited.
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Nagapatnam Power Ventures Private Limited	348,883,850	97.45
	Aban Infrastructure Private Limited	9,116,100	2.55
	NSL Energy Ventures Private Limited	10	0.00
	NSL Conventional Power Private Limited	10	0.00
	NSL Orissa Power Company Private Limited	10	0.00
	NSL Orissa Power and Infratech Private Limited	10	0.00
	NSL Nagapatnam Infrastructure Private Limited	10	0.00
	<b>Total</b>	<b>358,000,000</b>	<b>100.00</b>
74.	NSL Nagapatnam Power Ventures Private Limited	NSL Nagapatnam Power Ventures Private Limited is incorporated as Pivotal Estates Private Limited on July 10, 2006 under the Registrar of Companies, Hyderabad, Andhra Pradesh and changed its name to NSL Nagapatnam Power Ventures Private	Mandava Holdings Private Limited holds the entire share capital of NSL Nagapatnam Power Ventures Private Limited

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
		<p>Limited on September 16, 2010 under the Companies Act, 1956.</p> <p>The registered office of NSL Nagapatnam Power Ventures Private Limited is located at NSL Icon, 8-2-684/2/A, Plot numbers 1 to 4, 4th Floor, Road number 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>NSL Nagapatnam Power Ventures Private Limited was incorporated with the main object of carrying on the business to generate, harness, develop, accumulate and supply electricity by setting up power plants by use of Hydel, Bio-mass, Woody Waste, Solar, Steam, Nuclear Power, Fossil Fuels, Wind or Tidal Energy and other forms of generation of power for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute and supply such power either for captive use or to sell, supply, transmit to State / Central Electricity Boards, to industries and to other consumers of electricity.</p>	through NSL Conventional Power Private Limited.
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Conventional Power Private Limited	59,900	99.83
	Y. Madhu Babu (Nominee of NSL Conventional Power Private Limited )	100	0.17
	<b>Total</b>	<b>60,000</b>	<b>100.00</b>
75.	NSL Oil and Gas Limited, Republic of Ghana	Please refer to the section “-Group Companies with negative net worth’ below.	
76.	NSL Orissa Power Company Private Limited	<p>NSL Orissa Power Company Private Limited was incorporated on July 13, 2010 as a private limited company.</p> <p>The registered office of NSL Orissa Power Company Private Limited is located at NSL Icon, 8-2-684/2/A, Plot numbers 1 to 4, Road number 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>NSL Orissa Power Company Private Limited was incorporated with the main object of carrying on the business of generating, harnessing, developing, accumulating and supplying electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and</p>	Mandava Holdings Private Limited holds the entire share capital of NSL Orissa Power Company Private Limited through NSL Conventional Power Private Limited.

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
		to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to state/central electricity boards, to industries and to other consumers of electricity.	
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Conventional Power Private Limited	9,900	99.00
	Mandava Asha Priya (Nominee of NSL Conventional Power Private Limited )	100	1.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
77.	NSL Orissa Power and Infratech Private Limited	Please prefer to the section “-Group Companies with negative net worth” below.	
78.	NSL Power & Infratech Limited	Please prefer to the section “-Group Companies with negative net worth” below.	
79.	NSL Power Equipment Trading Private Limited	<p>NSL Power Equipment Trading Private Limited was incorporated on September 14, 2007 as a private limited company.</p> <p>The registered office of NSL Power Equipment Trading Private Limited is located at Samson Towers, 5<sup>th</sup> Floor, 403L, Pantheon Road, Egmore, Chennai – 600008, Tamilnadu, India. .</p> <p>NSL Power Equipment Trading Private Limited was incorporated with the main object of carrying on the business of trading, generating, accumulating, distributing, transferring as consultants, stockists, wholesalers, retailers, jobbers, traders, agents, brokers, representatives, collaborators, of merchandising, marketing, managing, leasing, renting of equipment relating to electricity, steam, power, solar energy, wind energy, biomass energy, geothermal energy, hydel energy, tidal and wave energy, and other conventional, non-conventional and renewable energy sources in India and outside India.</p>	Mandava Holdings Private Limited directly holds 69.22 % of the equity share capital of NSL Power Equipment Trading Private Limited.
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	Mandava Holdings Private Limited	751,798	69.22
	Anirudh Khemka	111,457	10.26
	Archit Khemka	111,457	10.26
	R. Sundaresh	111,458	10.26
	<b>Total</b>	<b>1,086,170</b>	<b>100.00</b>
80.	NSL Power Private Limited	NSL Power Private Limited was incorporated as Super Silo Systems Private Limited March 11, 2003 under the Registrar of Companies, Hyderabad,	Mandava Holdings Private Limited indirectly holds 36.88% of share capital of

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
		<p>Andhra Pradesh changed its name to Greenhill Energy Private Limited on February 6, 2008 and further changed its name to NSL Power Private Limited on December 22, 2008 under the Companies Act, 1956.</p> <p>The registered office of NSL Power Private Limited is located at NSL Icon, 8-2-684/2/A, Plot numbers 1 to 4, 4th Floor, Road number 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>NSL Power Private Limited was incorporated with the with the main object of carrying on the business to generate, harness, develop, accumulate and supply electricity by setting up power plants by use of fossil fuels, liquid, biomass, wood waste, wind, solar, stem, hydel, tidal energy, pond energy, Geothermal and any other fuel including natural crude, bunker, seed oil, naptha, furnace and any material, for the purpose of light, heat motive power and for which electric energy can be employed and to transmit, distribute and supply such power, either for captive use or to sell, transmit to State/ /Central Electricity Boards, to industries and to other consumers of electricity.</p>	<p>NSL Power Private Limited through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of NSL Power Private Limited through NSL Renewable Power Private Limited.</p>
The shareholding as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Renewable Power Private Limited	2,075,538	99.99
	Mandava Asha Priya (Nominee of NSL Renewable Power Private Limited )	10	0.01
	<b>Total</b>	<b>2,075,548</b>	<b>100.00</b>
81.	NSL Properties Private Limited	<p>NSL Properties Private Limited was incorporated on March 12, 2008 as a private limited company.</p> <p>The registered office of NSL Properties Private Limited is located at NSL Icon, Door No.8-2-684/2/A, 4<sup>th</sup> Floor, Road No. 12, Banjarahills, Hyderabad – 500034.</p> <p>.</p> <p>NSL Properties Private Limited was incorporated with the main object of carrying on the business of real estates, builders, developers, promoters, Architects, Supervisors, Contractors/Consultants, dealers and agents for Real Estate including development of townships and sale of plots.</p>	<p>Mandava Prabhakara Rao directly holds more than 80% of the entire share capital of NSL Properties Private Limited.</p>
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
	Mandava Prabhakara Rao	1,617,985	80.49
	Mandava Asha Priya	378,335	18.82
	M. Srinivasa Rao	120	0.01
	M. Venkatram Chowdary	13,671	0.68
	<b>Total</b>	<b>2,010,111</b>	<b>100.00</b>
82.	NSL Real Estates Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
83.	NSL Renewable Energy Overseas Private Limited, Singapore	<p>NSL Renewable Energy Overseas Private Limited was incorporated on June 9, 2011 as a private limited company under the laws of Singapore.</p> <p>The registered office of NSL Renewable Energy Overseas Private Limited is located at Pacific Nominees Pte. Ltd., 10, Anson Road, # 26-04, International Plaza, Singapore 079903.</p> <p>NSL Renewable Energy Overseas Private Limited has, subject to the provision of the Companies Act Cap.50 and other written law and the charter documents, the full capacity to carry on or undertake any business, activity, do any act or enter into any transaction (except business of banking or insurance).</p>	<p>Mandava Holdings private limited indirectly holds 43.00% of the share capital of NSL Renewable Energy Overseas Private Limited through NSL Energy Holdings Private Limited</p> <p>Mandava Holdings private limited indirectly holds 18.81% of the share capital of NSL Renewable Energy Overseas Private Limited through NSL Global Energy Ventures Private Limited</p> <p>Mandava Prabhakara Rao indirectly holds 8.85% of the share capital of NSL Power Private Limited the company through NSL Global Energy Ventures Private Limited.</p>
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	<i>Equity shareholding</i>		
	NSL Energy Holdings Private Limited	43,000	43.00
	NSL Global Energy Ventures Private Limited	51,000	51.00
	Caravel Wind Ventures Limited	6,000	6.00
	<b>Total</b>	<b>100,000</b>	<b>100.00</b>
	<i>Preference shareholding</i>		
	NSL Energy Holdings Private Limited	6,129,200	100.00
	<b>Total</b>	<b>6,129,200</b>	<b>100.00</b>
84.	NSL Renewable Power Private Limited	NSL Renewable Power Private Limited was incorporated as Nuziveedu Seeds Private Limited on 4 <sup>th</sup> January, 1985 under the Registrar of Companies, Hyderabad, Andhra Pradesh and changed its name to Nuziveedu Seeds Limited on October 3, 2000 and changed its name to Nuziveedu Seeds Private	Mandava Prabhakara Rao directly holds 17.35% of share capital of NSL Renewable Power Private Limited and Mandava Holdings Private Limited



Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
		<p>Limited on June 26, 2008 and further changed its name to NSL Renewable Power Private Limited June 16, 2010.</p> <p>The registered office of NSL Renewable Power Private Limited is located at Flat No. 804, Tower - 12, Common Wealth Game Village, Near Akshardham Temple, New Delhi – 110092, India.</p> <p>NSL Renewable Power Private Limited was incorporated with the main object to generate, harness, development, accumulate, transmit, distribute and supply electricity by setting up power plants for the purpose of light, heat, motive power and for all other purpose for which electricity can be employed and to carry and generate electricity power either Hydro, Thermal, Oil, Gas, Wind Mills, Tidal Energy, diesel Oil or through the renewable energy sources, such as Biomass, Solar, Municipal waste, Photovoltaic or any other means, to transmit, distribute, supply and such power either directly or through transmission lines and facilities of central, state govt or consumers of electricity, and utilize for captive consumption for any industrial projects promoted by the company or promoter companies.</p>	indirectly holds 36.88% of share capital of NSL Renewable Power Private Limited through NSL Energy Ventures Private Limited.
	The shareholding pattern as on February 28, 2015 was		
	Name of shareholder	Number of shares	Percentage (%)
	<i>Equity shares</i>		
	Mandava Prabhakara Rao	16,199,830	17.35
	Mandava Asha Priya	3,733,353	4.00
	M.Srinivas Rao	1,200	-
	M.V.R.Chowdary	136,712	0.15
	NSL Energy Ventures Private Limited	34,430,451	36.88
	India Clean Energy II Limited	12,896,230	13.81
	International Finance Corporation	7,122,191	7.63
	K. Ramakoteswara Rao	50,535	0.05
	I. Rama Rao	21,248	0.02
	I. Ramaiah	31,664	0.03
	I. Sampurna	10,833	0.01
	I. Manoranjini	5,000	0.01
	M. Ramadevi	250	-
	B. Appa Rao	3,013	-
	J. Nageswara Rao	2,000	-
	B.Appa Rao (HUF)	1,000	-
	B.Nageswari	2,000	-
	Asia Clean Energy Limited	10	-
	GS Power Co., Ltd	10	-
	Societe De Promotion Et De Participation Pour La Cooperation Economique ("Proparco")	10	-
	DEG – Deutsche Investitions-und Entwicklungsgesellschaft mbH	10	-

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
	Kotak Mahindra Trusteeship Services Limited A/c Kotak India Growth Fund II	6,343,618	6.79
	Kotak India Private Equity Fund	1,938,017	2.08
	Kotak Investment Advisors Limited	102,000	0.11
	Asian Development Bank	10,336,395	11.08
	<b>Total</b>	<b>93,367,580</b>	<b>100.00</b>
	<i>Preference shares</i>		
	Societe De Promotion Et De Participation Pour La Cooperation Economique	8,249	100.00
	<b>Total</b>	<b>8,249</b>	<b>100.00</b>
85.	NSL Satara Infratech Private Limited	<p>NSL Satara Infratech Private Limited was incorporated on August 26, 2011 as a private limited company.</p> <p>The registered office of NSL Satara Infratech Private Limited is located at NSL Icon, 8-2-684/2/A, 4th Floor Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>NSL Satara Infratech Private Limited was incorporated with the main object of designing, building, operating, maintaining, managing, constructing, creating, developing, investing and taking up high way road projects, irrigation projects, construction and development of railway lines, port, airports, water ways export processing zones, special economic zones integrated infrastructure development centers, industrial growth centers industrial parks, hard ware and software technology parks, entertainment parks, theme parks, international exhibition and trade centers including hotels and or create other external and internal infrastructure facilities.</p>	<p>Mandava Holdings Private Limited indirectly holds 36.88% of share capital of NSL Satara Infratech Private Limited through NSL Wind Power Company (Satara) Private Limited</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of NSL Satara Infratech Private Limited through NSL Wind Power Company (Satara) Private Limited</p>
	The shareholding as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Wind Power Company (Satara) Private Limited	12,444	99.20
	Mandava Asha Priya (Nominee of NSL Wind Power Company (Satara) Private Limited	100	0.80
	<b>Total</b>	<b>12,544</b>	<b>100.00</b>
86.	NSL SEZ (Hyderabad) Private Limited	NSL SEZ (Hyderabad) Private Limited was incorporated as Topnotch Infrastructure Private Limited on November 16, 2005 under the Registrar of Companies, Hyderabad, Andhra Pradesh and changed its Name to Topnotch Infrastructure Limited on June 5, 2006 and changed its name to Topnotch Infrastructure Private Limited on June 12,	Mandava Holdings Private Limited indirectly holds 100% of share capital of NSL SEZ (Hyderabad) Private Limited through NSL Infratech Private Limited.

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
		<p>2007 and subsequently changed its name to NSL SEZ (Hyderabad) Private Limited on April 3, 2008.</p> <p>The registered office of NSL SEZ (Hyderabad) Private Limited is located at NSL Icon, 8-2-648, Plot No. 1 to 4, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>NSL SEZ (Hyderabad) Private Limited was incorporated with the main object of to design, finance, build, operate, maintain, manage, construct, create, develop and take up Highway road projects, irrigation projects, construction and development of railway lines, ports, airports, water ways, export processing zones, integrated infrastructure development centers, industrial growth centers, industrial parks, hardware and software technology parks, entertainment parks, theme parks, international exhibition and trade centers and or create other external and internal infrastructure facilities.</p>	
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Infratech Private Limited	3,999,900	99.99
	A.V.V. Shivaprasad (Nominee of NSL Infratech Private Limited)	100	0.01
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
87.	NSL Sugars Limited	Please refer to “- Top five Group Companies in terms of turnover” below.	
88.	NSL Sugars and Industries Limited	Please refer to the section “- Group Companies with negative net worth” below.	
89.	NSL Sugar & Industries (Orissa) Private Limited	<p>NSL Sugars &amp; Industries (Orissa) Private Limited was incorporated on April 15, 2011 as a private limited company.</p> <p>The registered office of NSL Sugars &amp; Industries (Orissa) Private Limited is located at Flat No Hig-42, 1st Floor, Gangadhar Meher Marg, Jayadev Vihar, Bhubaneswar, Orissa, 751 013, India.</p> <p>NSL Sugars and Industries (Orissa) Private Limited was incorporated with the main object of carrying on business of to purchase, manufacture, produce, boil, refine, prepare, brew, import, export, buy, sell all varieties of sugar and sugar related products and its bye – products.</p>	<p>Mandava Holdings Private Limited through NSL Sugars Limited holds 51.00% of share capital of NSL Sugar &amp; Industries (Orissa) Private Limited.</p> <p>M. Prabhakara Rao through NSL Sugars Limited holds 41.18% of share capital of NSL Sugar &amp; Industries (Orissa) Private Limited.</p>
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
	NSL Sugars Limited	999,900	99.99
	Mandava Asha Priya (Nominee of NSL Sugars Limited)	100	0.01
	<b>Total</b>	<b>1,000,000</b>	<b>100.00</b>
90.	NSL Sugars and Trading DMCC	Please see the section “- Group Companies with negative net worth” below.	
91.	NSL Sugars (Tungabhadra) Limited	<p>NSL Sugars (Tungabhadra) Limited was incorporated as Siruguppa Sugars and Chemicals Private Limited on October 1, 1983 under the Registrar of Companies, Tamilnadu and changed its name to Siruguppa Sugars and Chemicals Limited on 27<sup>th</sup> August, 1986 and further changed its name to NSL Sugars (Tungabhadra) Limited on 22<sup>nd</sup> July, 2010 under the Companies Act, 1956.</p> <p>The registered office of NSL Sugars (Tungabhadra) Limited is located at Factory Premises, NSL Sugars (Tungabhadra) Limited, Desanur, Siriguppa Taluk, Siriguppa, Karnataka, 583140 India.</p> <p>NSL Sugars (Tungabhadra) Limited was incorporated with the main object is to acquire and takeover the entire undertaking and assets and liabilities of Siruguppa unit of Kothari Sugars and Chemicals Limited or carrying on the manufacture of Sugar and to carry on the business carried on hitherto by them.</p>	<p>Mandava Holdings Private Limited through NSL Sugars Limited holds 51.00% of share capital of NSL Sugars (Tungabhadra) Limited.</p> <p>M. Prabhakara Rao through NSL Sugars Limited holds 41.18% of share capital of NSL Sugars (Tungabhadra) Limited.</p>
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	<i>Equity shares</i>		
	NSL Sugars Limited	45,879,000	99.99
	Mandava Prabhakara Rao*	1,000	0.01
	Mandava Asha Priya*	1,000	
	Mandava Venkatram Chowdary*	1,000	
	Ramakoteswara Rao K*	1,000	
	Basavaiah S*	1,000	
	Nageswara Rao P*	1,000	
	<b>Total</b>	<b>45,885,000</b>	<b>100%</b>
	<i>* As a nominee of NSL Sugars Limited</i>		
	<i>Preference shares</i>		
	NSL Sugars Limited	60,700,000	100.00%
	<b>Total</b>	<b>60,700,000</b>	<b>100.00%</b>
92.	NSL Textiles Limited	Please refer to “- Top five Group Companies in terms of turnover” below.	

<b>Sr. No.</b>	<b>Group Company</b>	<b>Brief description</b>	<b>Interest of the Promoters in terms of shareholding</b>
93.	NSL Tidong Power Generation Private Limited	<p>NSL Tidong Power Generation Private Limited was incorporated on April 29, 2008 as a private limited company.</p> <p>The registered office of NSL Tidong Power Generation Private Limited is located at Hari Vishram, Lower Panthagatti, Shimla, Himachal Pradesh -171009, India.</p> <p>NSL Tidong Power Generation Private Limited was incorporated with the with the main object of carrying on the business of generating, harnessing, developing, accumulating and supplying electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to state/central electricity boards, to industries and to other consumers of electricity.</p>	<p>Mandava Holdings Private Limited indirectly holds 32.08% of the paid-up capital of NSL Tidong Power Generation Private Limited through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 15.09% of the share capital of NSL Tidong Power Generation Private Limited through NSL Renewable Power Private Limited.</p>
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholding</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Renewable Power Private Limited	74,940,075	87.00
	Y Madhu Babu (Nominee of NSL Renewable Power Private Limited)	100	0.00
	IFCI Limited	11,195,000	13.00
	<b>Total</b>	<b>86,135,175</b>	<b>100.00</b>
94.	NSL Wind Power Company (Chilarwadi) Private Limited	<p>NSL Wind Power Company (Chilarwadi) Private Limited was incorporated on September 18, 2012 as a private limited company.</p> <p>The registered office of NSL Wind Power Company (Chilarwadi) Private Limited is situated at NSL Icon, 8-2-684/2/A, , 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>NSL Wind Power Company (Chilarwadi) Private Limited was incorporated with the main object of carrying on the business of generation, harnessing, development, accumulation and supply of electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to State/Central Electricity Boards, to industries and to other consumers of electricity.</p>	<p>Mandava Holdings Private Limited indirectly holds 36.88% of the share capital of NSL Wind Power Company (Chilarwadi) Private Limited through NSL Wind Power Company (Satara) Private Limited</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of NSL Wind Power Company (Chilarwadi) Private Limited through NSL Wind Power Company (Satara) Private Limited</p>
The shareholding as on February 28, 2015 was			

Sr. No.	Group Company	Brief description		Interest of the Promoters in terms of shareholding
		Name of shareholder	Number of shares	Percentage (%)
		NSL Wind Power Company (Satara) Private Limited	9,900	99.00
		Mandava Asha Priya (Nominee of NSL Wind Power Company (Satara) Private Limited)	100	1.00
		<b>Total</b>	<b>10,000</b>	<b>100.00</b>
95.	NSL Wind Power Company (Gubbi-Tumkur) Private Limited	<p>NSL Wind Power Company (Gubbi-Tumkur) Private Limited was incorporated on July 5, 2008 as a private limited company.</p> <p>The registered office of NSL Wind Power Company (Gubbi-Tumkur) Private Limited is located at NSL Icon, 8-2-684/2/A, Plot numbers 1 to 4, 4th Floor, Road number 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>NSL Wind Power Company (Gubbi-Tumkur) Private Limited was incorporated with the with the main object of carrying on the business of generating, harnessing, developing, accumulating and supplying electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to state/central electricity boards, to industries and to other consumers of electricity.</p>		<p>Mandava Holdings Private Limited indirectly holds 36.88% of share capital of NSL Wind Power Company (Gubbi-Tumkur) Private Limited through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of NSL Wind Power Company (Gubbi-Tumkur) Private Limited through NSL Renewable Power Private Limited.</p>
	The shareholding as on February 28, 2015 was			
		Name of shareholder	Number of shares	Percentage (%)
		NSL Renewable Power Private Limited	29,767	99.97
		S S Murali (Nominee of NSL Renewable Power Private Limited)	10	0.03
		<b>Total</b>	<b>29,777</b>	<b>100.00</b>
96.	NSL Wind Power Company (Holalkere-Chitradurga) Private Limited	<p>NSL Wind Power Company (Holalkere-Chitradurga) Private Limited was incorporated on July 05, 2008 as a private limited company.</p> <p>The registered office of NSL Wind Power Company (Holalkere-Chitradurga) Private Limited is located at NSL Icon, 8-2-684/2/A, Plot numbers 1 to 4, 4th Floor, Road number 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>NSL Wind Power Company (Holalkere-Chitradurga) Private Limited was incorporated with the with the main object of carrying on the business of generating, harnessing, developing, accumulating</p>		<p>Mandava Holdings Private Limited indirectly holds 36.88% of the share capital of NSL Wind Power Company (Holalkere-Chitradurga) Private Limited through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of NSL Wind Power Company (Holalkere-Chitradurga)</p>

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
		and supplying electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to state/central electricity boards, to industries and to other consumers of electricity.	Private Limited through NSL Renewable Power Private Limited.
The shareholding as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Renewable Power Private Limited	316,943	99.99
	Y Madhu Babu (Nominee of NSL Renewable Power Private Limited)	10	0.01
	<b>Total</b>	<b>316,953</b>	<b>100.00</b>
97.	NSL Wind Power Company (Kayathar) Private Limited	<p>NSL Wind Power Company (Kayathar) Private Limited was incorporated as NSL Wind Power Company (Elavanthy) Private Limited on February 15, 2013 and changed its name to NSL Wind Power Company (Kayathar) Private Limited on July 23, 2013 under the Companies Act, 1956.</p> <p>The registered office of NSL Wind Power Company (Kayathar) Private Limited is situated at NSL Icon, 8-2-684/2/A, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>NSL Wind Power Company (Kayathar) Private Limited was incorporated with the main object of carrying on the business to generate, harness, develop, accumulate and supply electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to state/central electricity boards, to industries and to other consumers of electricity.</p>	<p>Mandava Holdings Private Limited indirectly holds 36.88% of the share capital of NSL Wind Power Company (Kayathar) Private Limited through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of NSL Wind Power Company (Kayathar) Private Limited through NSL Renewable Power Private Limited.</p>
The shareholding as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Renewable Power Private Limited	9,900	99.00
	Mandava Asha Priya (Nominee of NSL Renewable Power Private Limited)	100	1.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
98.	NSL Wind Power Company (Phoolwadi) Private Limited	NSL Wind Power Company (Phoolwadi) Private Limited was incorporated as a Splendid Infrastructure Private Limited on September 21, 2005 under the Registrar of Companies, Hyderabad,	Mandava Holdings Private Limited indirectly holds 25.86% of the share capital of NSL Wind Power

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
		<p>Andhra Pradesh and changed its name to NSL Wind Power Company (Phoolwadi) Private Limited on October 14, 2010.</p> <p>The registered office of NSL Wind Power Company (Phoolwadi) Private Limited is located NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>NSL Wind Power Company (Phoolwadi) Private Limited was incorporated with the main object of carrying on the business of generation, harnessing, development, accumulation and supply of electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to State/Central Electricity Boards, to industries and to other consumers of electricity.</p>	<p>Company (Phoolwadi) Private Limited through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 12.17% of the share capital of NSL Wind Power Company (Phoolwadi) Private Limited through NSL Renewable Power Private Limited.</p>
The shareholding as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Renewable Power Private Limited	2,817,692	70.13
	T C S Textiles Private Limited	38,000	0.95
	Mahendra Submersible Pumps Private Limited	33,000	0.82
	K.N.M. Mills Private Limited	42,500	1.05
	Plaza Maintenance and Services Limited	94,800	2.35
	Sakthi Steel Industries Limited	456,571	11.36
	SP Superfind Cotton Mills Private Limited	53,816	1.35
	Thanga Prataph Spinning Mills Private Limited	19,227	0.48
	Kumaran Gin and Pressing Private Limited	120,943	3.01
	Jai Preetan Cotspins Private Limited	42,000	1.05
	Addison & Co. Limited	54,143	1.35
	Agni Steels Private Limited	245,000	6.10
	<b>Total</b>	<b>4,017,692</b>	<b>100.00</b>
99.	NSL Wind Power Company (Satara) Private Limited	<p>NSL Wind Power Company (Satara) Private Limited was incorporated on June 22, 2010 as a private limited company.</p> <p>The registered office of NSL Wind Power Company (Satara) Private Limited is located at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p>	<p>Mandava Holdings Private Limited indirectly holds 36.88% of the share capital of the NSL Wind Power Company (Satara) Private Limited through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao</p>



Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
		NSL Wind Power Company (Satara) Private Limited was incorporated with the main object of carrying on the business to generate, harness, develop, accumulate and supply electricity by setting up power plants by use of Hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to State/Central Electricity Boards, to industries and to other consumers of electricity.	indirectly holds 17.35% of the share capital of the NSL Wind Power Company (Satara) Private Limited through NSL Renewable Power Private Limited.
	The shareholding as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Renewable Power Private Limited	7,397,809	99.99
	Mandava Asha Priya (Nominee of NSL Renewable Power Private Limited)	100	0.01
	<b>Total</b>	<b>7,397,909</b>	<b>100.00</b>
100.	NSL Wind Power Company (Sayamalai) Private Limited	<p>NSL Wind Power Company (Sayamalai) Private Limited was incorporated as NSL Wind Power Company (Osyian) Private Limited on February 15, 2013 and changed its name to NSL Wind Power Company (Sayamalai) Private Limited on August 16, 2013 under the Companies Act, 1956.</p> <p>The registered office of NSL Wind Power Company (Sayamalai) Private Limited is located at NSL Icon, 8-2-684/2/A, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>NSL Wind Power Company (Sayamalai) Private Limited was incorporated with the main object of carrying on the business of generation, harnessing, development, accumulation and supply of electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to State/Central Electricity Boards, to industries and to other consumers of electricity.</p>	<p>Mandava Holdings Private Limited indirectly holds 36.88% of the share capital of NSL Wind Power Company (Sayamalai) Private Limited through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of NSL Wind Power Company (Sayamalai) Private Limited through NSL Renewable Power Private Limited.</p>
	The shareholding pattern as on February 28, 2015 was:		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Renewable Power Private Limited	9,900	99.00
	Mandava Asha Priya (Nominee of NSL Renewable Power Private Limited)	100	1.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
101.	NSL Wind Power	NSL Wind Power Company (Sira-Tumkur) Private	Mandava Holdings Private

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
	Company (Sira-Tumkur) Private Limited	<p>Limited was incorporated on July 05, 2008 as a private limited company.</p> <p>The registered office of NSL Wind Power Company (Sira-Tumkur) Private Limited is located at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>NSL Wind Power Company (Sira-Tumkur) Private Limited was incorporated with the main object of carrying on the business to generate, harness, develop, accumulate and supply electricity by setting up power plants by use of Hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to State/Central Electricity Boards, to industries and to other consumers of electricity.</p>	<p>Limited indirectly holds 36.88% of the share capital of NSL Wind Power Company (Sira-Tumkur) Private Limited through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of NSL Wind Power Company (Sira-Tumkur) Private Limited through NSL Renewable Power Private Limited.</p>
The shareholding as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Renewable Power Private Limited	163,003	99.99
	S S Murali (Nominee of NSL Renewable Power Private Limited)	10	0.01
	<b>Total</b>	<b>163,013</b>	<b>100.00</b>
102.	NSL Wind Power Company (Sreepalwan) Private Limited	<p>NSL Wind Power Company (Sreepalwan) Private Limited was incorporated on May 25, 2011 as a private limited company.</p> <p>The registered office of NSL Wind Power Company (Sreepalwan) Private Limited is located at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>NSL Wind Power Company (Sreepalwan) Private Limited was incorporated with the main object of carrying on the business to generate, harness, develop, accumulate and supply electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to state/central electricity boards, to industries and to other consumers of electricity.</p>	<p>Mandava Holdings Private Limited indirectly holds 36.88% of the share capital of NSL Wind Power Company (Sreepalwan) Private Limited through NSL Wind Power Company (Satara) Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of NSL Wind Power Company (Sreepalwan) Private Limited through NSL Wind Power Company (Satara) Private Limited</p>
The shareholding pattern as on February 28, 2015 was			

Sr. No.	Group Company	Brief description		Interest of the Promoters in terms of shareholding
	Name of shareholder		Number of shares	Percentage (%)
	NSL Wind Power Company (Satara) Private Limited		31,783	99.69
	Mandava Asha Priya (Nominee of NSL Wind Power Company (Satara) Private Limited		100	0.31
	Total		31,883	100.00
103.	NSL Wind Power Company (Virli) Private Limited	<p>NSL Wind Power Company (Virli) Private Limited was incorporated on September 18, 2012 as a private limited company.</p> <p>The registered office of NSL Wind Power Company (Virli) Private Limited is located at NSL Icon, 8-2-684/2/A, , 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>NSL Wind Power Company (Virli) Private Limited was incorporated to carry on the business to generate, harness, develop, accumulate and supply electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute and supply such power either for captive use or to sell, supply, transmit to State/Central electricity boards, to industries and other consumers of electricity.</p>		<p>Mandava Holdings Private Limited indirectly holds 36.88% of the share capital of NSL Wind Power Company (Virli) Private Limited through NSL Wind Power Company (Satara) Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of NSL Wind Power Company (Virli) Private Limited through NSL Wind Power Company (Satara) Private Limited</p>
	The shareholding as on February 28, 2015 was			
	Name of shareholder		Number of shares	Percentage (%)
	NSL Wind Power Company (Satara) Private Limited		9,900	99.00
	Mandava Asha Priya (Nominee of NSL Wind Power Company (Satara) Private Limited)		100	1.00
	Total		10,000	100.00
104.	Orbit Wind Energy Private Limited	Please refer to the section “- Group Companies with negative net worth” below.		
105.	Pearl Infratech (India) Private Limited	Please refer to the section “Group Companies with negative net worth” below.		
106.	Prabhat Homes Private Limited	Please refer to the section “- Group Companies with negative net worth” below.		
107.	Priya Aqua Farms	Priya Aqua Farms was registered on October 29, 1996 as a partnership firm.		Mandava Prabhakara Rao is a partner of Priya Aqua Farms.

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
		<p>The office of Priya Aqua Farms is located at 5-97-5 Subeej House, 6/12, Brodiepet, Guntur 522 002, Andhra Pradesh, India.</p> <p>Priya Aqua Farms' main object is to undertake, conduct, promote and carry on scientific research on commercial lines in life sciences concerning plants (cultivated and wild) animals (mammals, aves, pisces, amphibians etc.) and microbes (insects, fungi, bacteria, viruses etc.) with regard to breeding, biotechnology, (genetic engineering), pharmacology and related areas of science.</p>	
The capital contribution pattern of Priya Aqua Farms as on February 28, 2015 was			
	<b>Name of Partner</b>	<b>Capital contribution (₹ in million)</b>	<b>Percentage of profit or loss as per partnership deed</b>
	Mandava Prabhakara Rao	60.26	55.00
	Mandava Asha Priya	(2.12)	45.00
	<b>Total</b>	<b>58.14</b>	<b>100</b>
108.	Prudent Estates	<p>Prudent Estates was registered on March 26, 2011 as a partnership firm.</p> <p>The office of Prudent Estates is located at 33-12-9, Annapurna Nilayam, Seetharam Puram, Surya Rao Pet, Vijayawada.</p> <p>Prudent Estates has as its main object acquiring buying, purchasing or otherwise owning, holding, selling, conveying, leasing, licensing, mortgaging or encumbering, undertaking, developing, managing real estate and other immovable properties of any kinds such as land or building for residential houses, offices, hotels, factories, warehouses, commercial complex and other types of lands and buildings, whether rural or urban, to survey subdivide plots, improve and develop land and buildings to construct thereon or otherwise for the purpose of sale or otherwise; residential or farm houses, bungalows, commercial and business premises for the purpose of sale or otherwise and to do and perform all things needful for the development and improvement of land other immovable properties whether rural or urban for farming, residential, commercial, industrial, trade and with its principal place of business.</p>	Mandava Holdings Private Limited have contributed more than 50% of the capital of the firm through Grandcity Avenues Private Limited and Madras Escon Private Limited.
The contribution as on February 28, 2015 was			
	<b>Name</b>	<b>Contribution* (₹ in million)</b>	<b>Percentage of profit or loss as per partnership deed</b>
	J. Gopal Krishna Murthy	22590	1.00
	Grandcity Avenues Private Limited	35908289	50.00

Sr. No.	Group Company	Brief description		Interest of the Promoters in terms of shareholding
	Madras Escon Private Limited	37167761		49.00
	<b>Total</b>	<b>73098640</b>		<b>100.00</b>
<i>Included capital account balance of partners as of February 28, 2015</i>				
109.	PT NSL Global Mineral Resources (Indonesia)	Please refer to the section “Group Companies under winding up” below.		
110.	Puto Energy Infrastructure Private Limited	<p>Puto Energy Infrastructure Private Limited was incorporated on June 21, 2012 as a private limited company.</p> <p>The registered office of Puto Energy Infrastructure Private Limited is located at Samson Towers, 4<sup>th</sup> floor, 403L Pantheon Road, Egmore, Chennai, 600008.</p> <p>Puto Energy Infrastructure Private Limited was incorporated with the main object of to carry on the business of promotion of infrastructure relating to energy including acquisition, lease, of lands for the development / use of land and for promotion of energy resources including setting up of Energy farms for energy from all conventional and non – conventional renewable resources including solar, wind, Hydel, tidal, bio-mass, wave, geo-thermal and other energy sources.</p>	Mandava Holdings Private Limited indirectly holds 43.93% of the share capital of Puto Energy Infrastructure Private Limited through ReGen Infrastructure And Services Private Limited.	
The shareholding pattern as on February 28, 2015 was				
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>	
	ReGen Infrastructure And Services Private Limited	9,900	99.90	
	S. Sundaram (Nominee of ReGen Infrastructure and services Private Limited)	10	0.10	
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>	
111.	Regen O&M Services Limited	Please refer to the section “- Group Companies with negative net worth” below.		
112.	Regen Powertech Private Limited	Please refer to “- Top five Group Companies in terms of turnover” below.		
113.	ReGen Infrastructure And Services Private Limited	Please refer to “- Top five Group Companies in terms of turnover” below.		
114.	Renewable Harness Energy Private Limited	Renewable Harness Energy Private Limited was incorporated on June 14, 2012 as a private limited company.	Mandava Holdings Private Limited indirectly holds more than 43.93% of the share capital of Renewable	

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
		<p>The registered office of Renewable Harness Energy Private Limited is located at Samson Towers, 4<sup>th</sup> Floor, 403L Pantheon Road, Egmore, Chennai, 600008.</p> <p>Renewable Harness Energy Private Limited was incorporated with the main object of carrying on the business of development and promotion (including identification of suitable location, technology and acquisition of land and such other facilities) of energy resources including setting up of Energy farms for energy from all conventional and non – conventional renewable resources including solar, wind, hydel, tidal, bio-mass.</p>	Harness Energy Private Limited through ReGen Infrastructure And Services Private Limited.
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	ReGen Infrastructure And Services Private Limited	9,900	99.90
	S. Sundaram (Nominee of ReGen Infrastructure and services Private Limited)	10	0.10
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
115.	Regen Renewable Energy Generation Global Limited (Cyprus)	<p>Regen Renewable Energy Generation Global Limited (Cyprus) was incorporated on October 23, 2007 as a limited liability company under the laws of Cyprus.</p> <p>The registered office of Regen Renewable Energy Generation Global Limited (Cyprus) is located at 10 Diomidous street Alphamega-Akropolis Building, 3rd Floor, 2024 Nicosia, Cyprus.</p> <p>Regen Renewable Energy Generation Global Limited (Cyprus) was incorporated with the main object of carrying on the business of licensing of its intellectual property rights and provision of loans and an investment company with its own funds and for that purpose to acquire and hold either in the name of the Company or in that of any nominee, shares stocks, debentures, debenture stock, bonds, notes, obligations and securities issued or guaranteed by any company wherever incorporated.</p>	Mandava Holdings Private Limited holds 43.93% of the share capital of the Regen Renewable Energy Generation Global Limited (Cyprus) through Regen Powertech Private Limited.
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	Regen Powertech Private Limited	1,377,750	100.00
	<b>Total</b>	<b>1,377,750</b>	<b>100.00</b>
116.	Renewable Energy (Phoolwadi)	Renewable Energy (Phoolwadi) Private Limited was incorporated on July 19, 2013 as a private limited company.	Mandava Holdings Private Limited holds 43.93% of the share capital of the

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
	Private Limited	<p>The registered office of Renewable Energy (Phoolwadi) Private Limited is located at Samson Towers, 4<sup>th</sup> floor, 403L Pantheon Road, Egmore, Chennai, 600008</p> <p>Renewable Energy (Phoolwadi) Private Limited was incorporated with the main object of carrying on the business of promotion of infrastructure relating to energy including acquisition, lease, of lands for the development / use of land and for promotion of energy resources including setting up of Energy farms for energy from all conventional and non-conventional renewable resources including solar, wind, hydel, tidal, bio-mass, wave, geo-thermal and other energy sources.</p>	Renewable Energy (Phoolwadi) Private Limited through ReGen Infrastructure And Services Private Limited.
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	ReGen Infrastructure And Services Private Limited	9,990	99.90
	R. Sundaresh (Nominee of Nominee of ReGen Infrastructure and services Private Limited)	10	0.10
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
117.	Renewable Energy (Vagarai) Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
118.	Saastha Energy Infrastructure Private Limited	<p>Saastha Energy Infrastructure Private Limited was incorporated on June 21, 2012 as a private limited company.</p> <p>The registered office of Saastha Energy Infrastructure Private Limited is located at Samson Towers, 4<sup>th</sup> floor, 403L Pantheon Road, Egmore, Chennai, 600008</p> <p>Saastha Energy Infrastructure Private Limited was incorporated with the main object of carrying on the business of promotion of infrastructure relating to energy including acquisition, lease, of lands for the development / use of land and for promotion of energy resources including setting up of Energy farms for energy from all conventional and non-conventional renewable resources including solar, wind, hydel, tidal, bio-mass, wave, geo-thermal and other energy sources.</p>	Mandava Holdings Private Limited holds 43.93% of the share capital of the Saastha Energy Infrastructure Private Limited through ReGen Infrastructure And Services Private Limited.
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	ReGen Infrastructure And Services	9,990	99.90

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
	Private Limited		
	S. Sundaram (Nominee of ReGen Infrastructure and services Private Limited)	10	0.10
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
119.	Sailana Wind Energy Private Limited	<p>Sailana Wind Energy Private Limited was incorporated on October 19, 2013 as a private limited company.</p> <p>The registered office of Sailana Wind Energy Private Limited is located at NSL Icon, 8-2-684/2/A, , 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>Sailana Wind Energy Private Limited was incorporated with the main object of carrying on the business of generation, harnessing, development, accumulation and supply of electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to State/Central Electricity Boards, to industries and to other consumers of electricity.</p>	<p>Mandava Holdings Private Limited indirectly holds 36.88% of the share capital of Sailana Wind Energy Private Limited through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of Sailana Wind Energy Private Limited through NSL Renewable Power Private Limited.</p>
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Renewable Power Private Limited	9,900	99.00
	Y. Madhu Babu (Nominee of NSL Renewable Power Private Limited)	100	1.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
120.	Sampada Creations Private Limited	<p>Sampada Creations Private Limited was incorporated on August 27, 2001 as a private limited company.</p> <p>The registered office of Sampada Creations Private Limited, Hyderabad is located at Flat No. 101, Trendset Park view Apartments, H. No. 10-2-289/60, Shanti Nagar, Hyderabad -28.</p> <p>Sampada Creations Private Limited, Hyderabad was incorporated with the main object of carry on the business of production, distribution and exhibitors of cinematography, films, ad films, telefilms, audio tracks, video films and all other movies, pictures, films, games and to acquire, sell and any rights in relation thereto and to carry on advertising business in all its branches.</p>	<p>Mandava Prabhakara Rao directly holds 51.11% of the share capital of Sampada Creations Private Limited.</p>



Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	K. Jagadeeswara Rao	10,000	11.11
	B Srinivasa Rao	24,000	26.67
	Mandava Prabhakara Rao	46,000	51.11
	Mandava Asha Priya	10,000	11.11
	<b>Total</b>	<b>90,000</b>	<b>100.00</b>
121.	Seamless Properties Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
122.	Serene Estates Private Limited	<p>Serene Estates Private Limited was incorporated on January 4, 2006 as a private limited company.</p> <p>The registered office of Serene Estates Private Limited is located at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana 500 034, India.</p> <p>Serene Estates Private Limited was incorporated with the main object of carrying on the business of Real Estate Builders, Developers, Promoters, Architects, Supervisors, Contractors / Consultants, Dealers and Agents for a Real Estate including development of town ships and sale of plots.</p>	Mandava Holdings Private Limited holds the entire share capital of Serene Estates Private Limited through NSL Estates Private Limited.
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Estates Private Limited	6,009,900	99.99
	Ch. Appa Rao (Nominee of NSL Estates Private Limited)	100	0.01
	<b>Total</b>	<b>6,010,000</b>	<b>100.00</b>
123.	Shahuwadi Wind Energy Private Limited	<p>Shahuwadi Wind Energy Private Limited was incorporated on October 10, 2013 as a private limited company.</p> <p>The registered office of Shahuwadi Wind Energy Private Limited is located at NSL Icon, 8-2-684/2/A, , 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>Shahuwadi Wind Energy Private Limited was incorporated with the main object of carrying on the business of generation, harnessing, development, accumulation and supply of electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either</p>	<p>Mandava Holdings Private Limited indirectly holds 38.88% of the share capital of Shahuwadi Wind Energy Private Limited through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of Shahuwadi Wind Energy Private Limited through NSL Renewable Power Private Limited.</p>

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
		for captive use or to sell, supply, transmit to State/Central Electricity Boards, to industries and to other consumers of electricity.	
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Renewable Power Private Limited	9,900	99.00
	Mandava Asha Priya (Nominee of NSL Renewable Power Private Limited)	100	1.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
124.	Sispara Renewable Power Private Limited	<p>Sispara Renewable Power Private Limited was incorporated on November 6, 2013 as a private limited company.</p> <p>The registered office of Sispara Renewable Power Private Limited is located at NSL Icon, 8-2-684/2/A, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>Sispara Renewable Power Private Limited was incorporated with the main object of generation, distribution and supplying of electricity by setting up power plants of Wind Energy, Bio-fuel Energy, Bio-waste Energy, Bio-mass Energy, Solar Energy, Nuclear Energy, Thermal Energy, Hydro Energy Plants or other type of Power Plants by use of solid, liquid or gaseous or other fuels for the purpose of light, heat, motive power and for all other purposes for which electric energy can be employed and to transmit, distribute supply and sell such power either directly or through transmission lines and facilities of the State Electricity Boards or to Central / State Government or Private Companies or to Industries and / or to Central / State Government and / or other consumers of electricity including for captive consumption for any industrial projects and generally to develop, generate accumulate power at any other place/s and to transmit, distribute sell and supply such power.</p>	<p>Mandava Holdings Private Limited indirectly holds 36.88% of the share capital of Sispara Renewable Power Private Limited through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of Sispara Renewable Power Private Limited through NSL Renewable Power Private Limited.</p>
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Renewable Power Private Limited	9,900	99.00
	Mandava Asha Priya (Nominee of NSL Renewable Power Private Limited)	100	1.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
125.	Solar Semiconductor Power Company (India) Private Limited	Please refer to the section “- Group Companies with negative net worth”	

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
126.	Souvenir Estates Private Limited	<p>Souvenir Estates Private Limited was incorporated on March 20, 2006 as a private limited company.</p> <p>The registered office of Souvenir Estates Private Limited is located at NSL Icon, 8-2-684/2/A, Plot numbers 1 to 4, 4th Floor, Road number 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>Souvenir Estates Private Limited was incorporated with the main object of carrying on the business of real estate builders, developers, promoters, architects, supervisors, contractors / consultants, dealers and agents for real estate including development of townships and sale of plots.</p>	Mandava Holdings Private Limited holds the entire share capital of the Souvenir Estates Private Limited through NSL Nagapatnam Infrastructure Private Limited.
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Nagapatnam Infrastructure Private Limited	9,900	99.00
	K. Ramakoteswara Rao (Nominee of NSL Nagapatnam Infrastructure Private Limited)	100	1.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
127.	Splendid Minerals Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
128.	Sree Anantha Lakshmi Textiles Private Limited	<p>Sree Anantha Lakshmi Textiles Private Limited was incorporated on March 31, 1982 as a private limited company.</p> <p>The registered office of Sree Anantha Lakshmi Textiles Private Limited is located at Vadluru, Undragavaram Mandal, Vadluru, Andhra Pradesh – 534218.</p> <p>Sree Anantha Lakshmi Textiles Private Limited was incorporated with the main object of carrying on the business of manufacturers of and dealers in all kinds and classes of Cotton, Rayon, Polyester, Manmade fibre, Silk, Woolen, Linen, Hemp, Jute and other yarn and all kinds and classes of cloth and fabrics manufactured from such yarns and also to deal in or manufacture any other articles or things of a character similar or analogous to the foregoing or any of them or connected therewith.</p>	<p>Mandava Holdings Private Limited holds 63.02% of share capital of Sree Anantha Lakshmi Textiles Private Limited through NSL Textiles Limited.</p> <p>Mr. M. Prabhakar Rao, holds 10.75% of the share capital of Sree Anantha Lakshmi Textiles Private Limited through NSL Textiles Limited.</p>
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Textiles Limited	2,851,100	95.04
	The Mullapudi Investment & Finance Company Private Limited	4,950	0.17

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
	Sri Thimmaraja Investment & Finance Company Private Limited	4,950	0.17
	Renuka M & Thimma Raja M	4,000	0.13
	Renuka M & Mrutyumajaya Prasad M	5,000	0.17
	Renuka M & Mrutyumajaya Prasad M represented by Thimmaraja M	59,000	1.97
	Narayanamma M & Narendranath M	4,000	0.13
	Narayanamma M & Vikram Prasad M	5,000	0.17
	Narayanamma M & Vikram Prasad M represented by Narendranath M	1,000	0.03
	Narayanamma M & Vikram Prasad M represented by Narendranath M	60,000	2.00
	Renuka M & Mrutyumajaya Prasad M represented by Thimmaraja M	1,000	0.03
	<b>Total</b>	<b>3,000,000</b>	<b>100.00</b>
129.	Sree Kamadhenu Aquatech Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
130.	Sree Venkataraya Cotton Mills Private Limited	<p>Sree Venkataraya Cotton Mills Private Limited was incorporated on August 14, 1995 as a private limited company.</p> <p>The registered office of Sree Venkataraya Cotton Mills Private Limited is located at Vadluru, Undrajavaram Mandal, Vadluru, Andhra Pradesh, India, 534218.</p> <p>Sree Venkataraya Cotton Mills Private Limited was incorporated with the main object of carrying on the business of manufacturers of and dealers in all kinds and classes of Cotton, Rayon, Polyester, Manmade fibre, Silk, Woolen, Linen, Hemp, Jute and other yarn and all kinds and classes of cloth and fabrics manufactured from such yarns and also to deal in or manufacture any other articles or things of a character similar or analogous to the foregoing or any of them or connected therewith.</p>	<p>Mandava Holdings Private Limited holds 61.64% of share capital of Sree Venkataraya Cotton Mills Private Limited through NSL Textiles Limited.</p> <p>Mr. M. Prabhakar Rao, holds 10.51% of the share capital of Sree Venkataraya Cotton Mills Private Limited through NSL Textiles Limited.</p>
	The shareholding pattern as on February 28, 2015 was		
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Textiles Limited	882,900	92.95
	Satyanarayanaamma M	100	0.01
	Suryanarayana Manne	16,000	1.68
	Bulliabbai Manne	10,000	1.05
	Venkata Rao Addala	6,500	0.68
	Krishna Murthy Sankurathi	15,000	1.58
	Dhanakot Gannina	10,000	1.05
	Vijaya Lakshmi Gannina	9,500	1.00
	<b>Total</b>	<b>950,000</b>	<b>100.00</b>
131.	Super Cybertech	Please refer to the section “- Group Companies with negative net worth” below.	

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
	Park Private Limited		
132.	Tangnu Romai Power Generation Private Limited	<p>Tangnu Romai Power Generation Private Limited was incorporated on January 20, 2005 as a private limited company.</p> <p>The registered office of Tangnu Romai Power Generation Private Limited is located at Hari Vishram, Lower Panthagatti, Shimla, Himachal Pradesh -171009, India.</p> <p>Tangnu Romai Power Generation Private Limited was incorporated with the main object of carrying on the business of generation, harnessing, development, accumulation and supply of electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to State/Central Electricity Boards, to industries and to other consumers of electricity.</p>	<p>Mandava Holdings Private Limited indirectly holds 18.07% of the share capital of Tangnu Romai Power Generation Private Limited through NSL Renewable Power Private Limited.</p> <p>Mandava Prabhakara Rao indirectly holds 8.50% of the share capital of Tangnu Romai Power Generation Private Limited through NSL Renewable Power Private Limited.</p>
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	<i>Equity shareholding</i>		
	PCP International Limited	1,534,100	50.97
	Sohan Singh Ubhi (Nominee of PCP International Limited)	1,000	0.03
	NSL Renewable Power Private Limited	1,474,900	49.00
	<b>Total</b>	<b>3,010,000</b>	<b>100.00</b>
	<i>Preference shareholding</i>		
	NSL Renewable Power Private Limited	51 (face value of ₹ 10,000,000)	100.00
	<b>Total</b>	<b>51</b>	<b>100.00</b>
133.	Taurus Projects Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
134.	Topnotch Projects Private Limited	<p>Topnotch Projects Private Limited was incorporated on May 14, 2007 as a private limited company.</p> <p>The registered office of Topnotch Projects Private Limited is located at NSL Icon, 8-2-648, Plot No. 1 to 4, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.</p> <p>Topnotch Projects Private Limited was incorporated with the main object of carrying on the business of purchase, sell, develop, take in exchange or on lease, hire or otherwise acquire, whether for investment for</p>	Mandava Holdings Private Limited holds the entire share capital of Topnotch Projects Private Limited through NSL Infratech Private Limited.

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
		sale, or working in same, any real or personal estate including lands, buildings, houses, casement or interest in or with respect to any property or whatsoever for the purpose of the company in consideration gross sum or rent or partly in one way and partly in the other or for any other consideration and to carry on the business of real estate dealers, estate owners, undertaking construction activities and development of housing plots, suites and projects, design, build, operate, own and manage software technology parks, malls, entertainment parks, theme parks, integrated townships including construction of apartments, houses, housing colonies and commercial complexes and industrial estates, export processing zones, special economic zones and business zones.	
The shareholding pattern as on February 28, 2015 was			
	<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
	NSL Infratech Private Limited	9,900	99.00
	K. Ramana Reddy (Nominee of NSL Infratech Private Limited)	100	1.00
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>
135.	Tranquil Homes	<p>Tranquil Homes was registered on March 26, 2011 as a partnership firm.</p> <p>The office of Tranquil Homes is located at 115, Flat 1, Krishnaveni Apartment, 1st floor, Teachers Colony, Vijayawada, Andhra Pradesh.</p> <p>Tranquil Homes has as its main object acquiring buying, purchasing or otherwise owning, holding, selling, conveying, leasing, licensing, mortgaging or encumbering, undertaking, developing, managing real estate and other immovable properties of any kinds such as land or building for residential houses, offices, hotels, factories, warehouses, commercial complex and other types of lands and buildings, whether rural or urban, to survey subdivide plots, improve and develop land and buildings to construct thereon or otherwise for the purpose of sale or otherwise; residential or farm houses, bungalows, commercial and business premises for the purpose of sale or otherwise and to do and perform all things needful for the development and improvement of land other immovable properties whether rural or urban for farming, residential, commercial, industrial, trade and with its principle office of business.</p>	Mandava Holdings Private Limited has contributed more than 50% of the capital of the firm through Whitefield Homes Private Limited and Venkatrama Technocity Private Limited.
The capital contribution as on February 28, 2015 was			
	<b>Name</b>	<b>Contribution* (₹ in million)</b>	<b>Percentage of profit or</b>

Sr. No.	Group Company	Brief description	Interest of the Promoters in terms of shareholding
			loss as per partnership deed
	P. Raghavendra Rao	0.02	1.00%
	Whitefield Homes Private Limited	30.14	57.00%
	Venkatrama Technocity Private Limited	20.34	42.00%
	<b>Total</b>	<b>50.50</b>	<b>100.00</b>
	<i>*Includes current account balance of partners as on February 28, 2015</i>		
136.	Vanguard	<p>Vanguard was registered on March 26, 2011 as a partnership firm.</p> <p>The office of Vanguard is located at 12, 594-17/3-4, New Kalyani Apartments, RTC Colony, Vijayawada, Krishna District.</p> <p>Vanguard has as its main object acquiring buying, purchasing or otherwise owning, holding, selling, conveying, leasing, licensing, mortgaging or encumbering, undertaking, developing, managing real estate and other immovable properties of any kinds such as land or building for residential houses, offices, hotels, factories, warehouses, commercial complex and other types of lands and buildings, whether rural or urban, to survey subdivide plots, improve and develop land and buildings to construct thereon or otherwise for the purpose of sale or otherwise; residential or farm houses, bungalows, commercial and business premises for the purpose of sale or otherwise and to do and perform all things needful for the development and improvement of land other immovable properties whether rural or urban for farming, residential, commercial, industrial, trade and with its principal place of business.</p>	Mandava Holdings Private Limited has contributed more than 50% of the capital of the firm through Clean City Estates Private Limited and Dream Land Avenues Private Limited.
	The capital contribution as on February 28, 2015 was		
	<b>Name</b>	<b>Contribution* (₹ in million)</b>	<b>Percentage (%) of profit / loss as per Partnership Deed</b>
	K. Praveen Kumar	0.01	1%
	Clean City Estates Private Limited	20.30	30%
	Dream Land Avenues Private Limited	44.82	69%
	<b>Total</b>	<b>65.13</b>	<b>100.00</b>
	<i>Includes capital account balance of partners as on February 28, 2015</i>		
137.	Venkatrama Techno City Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
138.	Westend Real Projects (India) Private Limited	Please refer to the section “- Group Companies with negative net worth” below.	
139.	Whitefield Homes	Please refer to the section “- Group Companies with negative net worth” below.	

<b>Sr. No.</b>	<b>Group Company</b>	<b>Brief description</b>	<b>Interest of the Promoters in terms of shareholding</b>
	Private Limited		
140.	Wind-Direct GmbH	Please refer to the section “- <i>Group Companies with negative net worth</i> ” below.	
141.	Windage Power Company Private Limited	Please refer to the section “- <i>Group Companies with negative net worth</i> ” below.	

### ***Top five Group Companies in terms of turnover***

#### **1. Regen Powertech Private Limited**

##### *Corporate information*

Regen Powertech Private Limited was incorporated on December 27, 2006 as a private limited company.

The registered office of Regen Powertech Private Limited is located at Samson Towers, 5<sup>th</sup> Floor, 403L, Pantheon Road, Egmore, Chennai – 600008, Tamil Nadu, India.

Regen Powertech Private Limited was incorporated with the main object of carrying on the business of manufacturing, producing, processing, accumulating, distributing, transferring, preserving, mixing, supplying contracting, as consultants, stockists, wholesalers, retailers, jobbers, traders, agents, brokers, representatives, collaborators, of merchandising, marketing, managing, leasing, renting, utilizing of electricity, steam, power, solar energy, wind energy, biomass energy, geothermal energy, hydel energy, tidal and wave energy, and other conventional, nonconventional and renewable energy sources, waste treatment plants of all kinds, and equipment thereof in India and outside India.

##### *Board of directors*

The board of directors of Regen Powertech Private Limited as on February 28, 2015 is as follows:

<b>S. No</b>	<b>Name of the director</b>	<b>Designation</b>
01.	M. Prabhakara Rao	Director
02.	Kazi Arif uz Zaman	Nominee director
03.	Sundaresh Ramanadhan	Whole time director
04.	Madhusudan Khemka	Managing director
05.	Atul Kapur	Nominee director
06.	K. Varahala Rao	Whole time director
07.	M. Aishwarya	Nominee director
08.	Ravinder Vashist	Nominee director

##### *Shareholders*

The shareholding pattern as on February 28, 2015 is as follows:

<b>S. No</b>	<b>Name of the Equity share holder</b>	<b>Number of equity shares held</b>	<b>%</b>	<b>Amount ₹ Million</b>
01.	NSL Power Equipment Trading Private Limited	14,765,014	63.46	147.65
02.	Indivision India Partners (IIP) Mauritius	8,021,048	34.48	80.21



03.	IL & FS Trust Company Limited – TVS Shriram Growth Fund 1	478,431	2.06	4.78
<b>Total</b>		<b>23,264,493</b>	<b>100</b>	<b>232.64</b>
<b>Preference Shares</b>				
01.	IDFC Investment Advisors Limited – Account – IDFC Hybrid Infrastructure portfolio – <b>Preference Shares</b>	850,497	52.78	8.50
02.	MCap India Fund Limited – <b>Preference Shares</b>	566,998	35.18	5.67
03.	Summit FVCI – <b>Preference Shares</b>	193,958	12.04	1.94
<b>Total</b>		<b>1,611,453</b>	<b>100</b>	<b>16.11</b>

#### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited indirectly holds 43.93% of the share capital of Regen Powertech Private Limited through NSL Power Equipment Trading Private Limited.

#### *Financial Performance*

Brief financial details of Regen Powertech Private Limited, extracted from its audited accounts for the past three financial years are as follows:

<i>(₹ in millions except per share data)</i>			
<b>Particulars</b>	<b>Year ended September 30, 2014*</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	226.67	226.67	221.89
Reserves and Surplus	5,152.36	4,733.41	4,114.92
Total Income	23,074.63	21,397.13	23,631.98
Profit/(Loss) after Tax	423.38	96.66	1,523.80
Earnings per share (basic) (₹) (Face Value ₹ 10)	18.68	4.27	70.46
Earnings per share (diluted) (₹) (Face Value ₹ 10)	17.36	3.98	68.28
Net asset value per share	237.30	218.82	195.45

\* Financial year has been extended for a period of six months

Except as disclosed below, there are no significant observations of the auditors in relation to the aforementioned financial statements.

#### **I. Significant adverse observations of the auditors for the year ended September 30, 2014:**

1. Non provision of liability towards denial of input VAT availed aggregating to ₹ 102.81 million and penalty levied thereon of ₹ 102.81 million by Regen Powertech Private Limited, and its right to adjust such liability, if any, to the extent of finance costs accrued and not paid to the creditors
2. Recording as receivable an amount of Rs. 501.78millions from certain parties.

In view of the legal uncertainties surrounding the matter, and in the absence of sufficient and appropriate audit evidence supporting the amounts recorded as receivable, Auditors were unable to comment on the appropriateness or otherwise of recording such receivable, appropriateness of availing such input credits as also the non-provision of liability towards denial of such input VAT and any other consequential

impact/adjustments, that may be required to be made in these financial statements

Auditors have further emphasised on the matter relating to the sale of the operations and maintenance business by the Company to its wholly owned subsidiary Renewable Energy Generation Private Limited with effect from March 31, 2014 on a slump sale basis for a consideration to be settled by issue of equity shares of the subsidiary. The profit arising from such sale of business aggregating to Rs.2,893.99 million has been disclosed as exceptional item.

Further, auditors as part of their Companies (Auditor's Report) Order, 2003 have commented on following matters of Regen Powertech Private Limited:

1. Provident fund, sales-tax, service tax, and Tax deducted at source have not generally been regularly deposited with the appropriate authorities though the delays in deposit have not been serious.
2. The dues in respect of Income Tax which were outstanding, at the period end, for a period of more than six months from the date they became payable are as follows:

Name of Statute	Nature of dues	Amount (₹ in millions)	Paid which the amount relates	Due date	Date of payment
Income Tax Act, 1961	TDS on Royalty	31.89	November 2013 to March 2014	December 7, 2013 to April 07, 2014	December 2014

3. Dues outstanding of sales tax, on account of any dispute are as follows

Name of Statute	Nature of dues	Amount (₹ in millions)	Period to which the amount relates to Financial year	Forum where the dispute is pending
Tamilnadu Value added Tax, 2006	VAT including interest and penalty	112.19 (net of 14.30 paid under protest)	2012-13	Madras High Court
Tamilnadu Value added Tax, 2006	VAT including interest and penalty	101.25	2013-14	Madras High Court
Maharashtra Value added Tax, 2002	VAT including interest and penalty	8.60 (net of 1.52 paid under protest)	2008-09	Joint Commissioner of Appeals, Maharashtra
Central Sales Tax Act, 1956	CST	7.03 (net of 2.70 paid under protest)	2010-11	Joint Commissioner of sales tax

4. Delayed in repayment of dues related to letters of credit to banks during the period (the delay in such repayments being for less than 30 days in each individual case) and ₹ 6.843 million of such dues were in arrears as on the balance sheet date.
  5. Funds amounting to ₹ 4,242.690 million raised on short term basis in the form of trade payables and short term borrowings have been used for long-term investment and loans & advances.
- II. Significant adverse observations notes of the auditors for the year ended March 31, 2013:

The dues outstanding of sales tax, on account of any dispute, are as follows:

Name of Statute	Nature of dues	Amount (Rs in millions)	Period to which the amount relates to Financial year	Forum where the dispute is pending
Tamilnadu Value added Tax, 2006	Sales tax	2.91 (2.91 paid under protest)	2010-11	The additional Commissioner of Commercial taxes

## 2. NSL Textiles Limited

### *Corporate information*

NSL Textiles Limited was incorporated as Jayavenkatrama Sugar and Power Limited on February 12, 2002 under the Registrar of Companies, Hyderabad, Andhra Pradesh and changed its name to Jayavenkatrama Industries Limited on August 14, 2002 and further changed its name in to NSL Textiles Limited on September 24, 2008 under the Companies Act, 1956..

The registered office of NSL Textiles Limited is located at 3<sup>rd</sup> Floor, EMGEE House, 4<sup>th</sup> Lane, Chandramouli Nagar, Ring Road, Guntur – 522007, India.

NSL Textiles Limited was incorporated with the main object of carrying on the business of cotton, non-cotton, spinning, combing, cleaning, preparing, packing, weaving, manufacturing, bleaching, dyeing, colouring, printing, finishing, processing of all kind of fabrics, yarn textiles as may be prepared from nylon, polyester, acrylic, fiber, rayo, silk, artificial silk, limen, cotton, wool, jute or other synthetic artificial or natural yarns, and fibers and converters of synthetic artificial and natural fiber including fiber glass into materials like cloth, tapes, ropes, yarns, cords, twins, and such other allied articles as may be conveniently produced, manufactured or processed and generally to carry on the business of spinning, weaving, processing in cotton and man made fiber and sale, import, export, exchange or otherwise deal with the same.

### *Board of directors*

The board of directors of NSL Textiles Limited as on February 28, 2015 is as follows:

Name of directors	Position
Mandava Prabhakara Rao	Director
Mandava Asha Priya	Director
M. Venkatram Chowdary	Whole time director
Ch. Appa Rao	Whole time director
P. Ajay Kumar	Whole time director
A.C.Gupta	Director
M. Gopala Krishna	Director
Prabal Ranjan Roy	Director
Ramanna Anand	Director

### *Shareholders*

The shareholding pattern as on February 28, 2015 is as follows:

S. No	Name of share holder	Number of equity shares held	%	Amount
1.	Mandava Holdings Private Limited	68,368,394	66.31	683.68
2.	M. Prabhakara Rao	11,663,512	11.31	116.64
3.	Mavi Investment Fund Limited	10,000,000	9.70	100.00
4.	Krishna Prasad K	4,194,444	4.07	41.94

5.	Dover Finance Limited	3,420,000	3.32	34.20
6.	M. Asha Priya	2,947,515	2.86	29.48
7.	Mandava Cold Storage Private Limited	2,500,000	2.42	25.00
8.	M. Venkatram Chowdary	12,473	0.01	0.12
	<b>Total</b>	<b>103,106,338</b>	<b>100</b>	<b>1031.06</b>

#### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited directly holds 66.31% of paid up share capital of NSL Textiles Limited and Mr. M. Prabhakara Rao, holds directly 11.31% of the paid up share capital of NSL Textiles Limited.

#### *Financial Performance*

Brief financial details of NSL Textiles Limited, extracted from its audited accounts for the past three financial years are as follows:

*(₹ in millions except per share data)*

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	1,031.06	1,031.06	1,026.26
Reserves and Surplus (including amalgamation reserves)	1,668.10	1,404.92	1,874.18
Total Income	9,953.41	8,423.32	7,578.96
Profit/(Loss) after Tax	274.29	(483.82)	(800.12)
Earnings per share (basic) (₹) (Face Value ₹ 10)	2.66	(4.70)	(7.96)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	2.66	(4.70)	(7.96)
Net asset value per share	26.18	23.63	28.26

### **3. NSL Sugars Limited**

#### *Corporate information*

NSL Sugars Limited was incorporated as Somanahalli C. Mallaiah Sugars Limited under the Registrar of Companies, Bangalore, Karnataka on 23<sup>rd</sup> December, 1999 and changed its name to SCM Sugars Limited on March 2, 2000 and subsequently changed its name to NSL Sugars Limited on July 10, 2008 under the Companies Act, 1956..

The registered office of NSL Sugars Limited is located at 60/1, 2<sup>nd</sup> Cross, Residency Road, Bangalore, Karnataka – 560025.

NSL Sugars Limited was incorporated with the main object of carrying on the business of purchase, manufacture, produce, boil, refine, prepare, brew, import, export, buy, sell all varieties of sugar and sugar related products and its by products.

#### *Board of directors*

The board of directors of NSL Sugars Limited as on February 28, 2015 is as follows:

S. No	Name of the director	Designation
1.	M. Prabhakar Rao	Director
2.	K. Ramakoteswara Rao	Director
3.	P Kotaiah	Director

S. No	Name of the director	Designation
4.	G. Shesha Chalapati Rao	Director
5.	M. Asha Priya	Director
6.	Hapase Dnyanadeo Gangaram	Director
7.	S. Basavaiah	Director
8.	Ravindra Singh Singhvi	Managing director
9.	M. Venkatram Chowdary	Director
10.	Anil Chandra Gupta	Director

#### Shareholders

The shareholding pattern as on February 28, 2015 is as follows:

S. No	Name of the share holder	No of Equity Shares held	%	Amount (₹ in million)
1.	M. Prabhakar Rao	19,003,960	41.18	190.04
2.	Mandava Holdings Private Limited	23,536,514	51.00	235.37
3.	M. Venkatram Chowdary	2,239,646	4.85	22.40
4.	M. Asha Priya (Partner of MS Ventures)	548,040	1.19	5.48
5.	M. Asha Priya	251,040	0.54	2.51
6.	K. Ramakoteswara Rao	143,600	0.31	1.44
7.	K V Ramanamma	142,200	0.31	1.42
8.	K L Kartheek	142,200	0.31	1.42
9.	K. Anuhya	142,200	0.31	1.42
10.	P. Nageswara Rao	100	Negligible	0.00
11.	A.V.V. Siva Prasad	100	Negligible	0.00
12.	S Gopala Krishna	100	Negligible	0.00
13.	G S Murali Krishna	100	Negligible	0.00
14.	Ch. Apparao	100	Negligible	0.00
15.	S. Basavaiah	100	Negligible	0.00
	<b>Total</b>	<b>4,61,50,000</b>	<b>100</b>	<b>461.50</b>
	<b>Compulsorily convertible preference shares of ₹ 100 each</b>			
1.	Mandava Holdings Private Limited	950,000	100.00	95
	<b>Total</b>	<b>950,000</b>	<b>100</b>	<b>95</b>
	<b>Redeemable preference shares of ₹ 100 each</b>			
2.	Mandava Holdings Private Limited	2,000,000	100.00	200
	<b>Total</b>	<b>2,000,000</b>	<b>100</b>	<b>200</b>

#### Interests of the Promoters in terms of shareholding

Mandava Holdings Private Limited directly holds 51% of paid up equity share capital of NSL Sugars Limited and Mr. M. Prabhakara Rao, holds directly 41.18% of the paid up equity share capital of NSL Sugars Limited.

#### Financial Performance

Brief financial details of NSL Sugars Limited, extracted from its audited accounts for the past three financial years are as follows:

(₹ in millions except per share data)			
Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	461.50	461.50	461.50
Reserves and Surplus (including amalgamation)	2,345.52	3,180.12	3,379.80

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
reserves)			
Total Income	6,460.38	7,799.91	5,655.93
Profit/(Loss) after Tax	(834.60)	(199.69)	(392.24)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(18.08)	(4.33)	(8.63)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(18.08)	(4.33)	(8.63)
Net asset value per share	60.82	78.91	83.24

Except as disclosed below, there are no significant notes of the auditors in relation to the aforementioned financial statements.

### Matters of emphasis

In the Financial Year 2013-14, the auditors have drawn attention to the financial statements, regarding operational uncertainty resulting into consequential impact on the carrying value of fixed assets/investments.

Further, auditors as part of their Companies (Auditor's Report) Order, 2003 have commented on following matters:

#### I. Financial year 2013-14:

- Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
- According to the records of NSL Sugars Limited, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:

Name of Statute	Nature of dues	Amount (₹ in millions)	Paid under protest (₹ in millions)	Period to which the amount relates to Financial year	Forum where the dispute is pending
Income Tax Act, 1961	Disallowance of expenditure relating to inter-unit transfer	26.229	-	2008-09	Commissioner Appeals, Bangalore
Income Tax Act, 1961	Disallowance of expenditure relating to inter-unit transfer	18.067*	-	2007-08	Commissioner Appeals, Bangalore
Income Tax Act, 1961	Income Tax demand	25.985	-	2009-10	Commissioner Appeals, Aurangabad
Income Tax Act, 1961	Income Tax demand	23.447	-	2011-12	Commissioner Appeals, Bangalore and Aurangabad
Central Excise Act, 1944	Non Payment of Excise Duty on Inter unit Transfer	20.858	3.863	2008-09	CESTAT

	of Molasses				
Central Excise Act, 1944	Differential duty on steam coal imported	34.653	-	2012-13	Commissioner Customs and Central Excise
Central Excise Act, 1944	Irregular Availment of Cenvat Credit	2.435	-	March 2010 to March 2013	Superintendent of Excise, Commissioner Appeals, Customs and Central Excise, Aurangabad
Central Excise Act, 1944	Excise duty demand	0.573	-	2011-12, 2012-13	Assistant Commissioner, Customs and Central Excise, Nanded
Central Excise Act, 1944	Non payment of service tax on GTA	10.641	-	October 2008 to March 2013	Commissioner of Central Excise
Maharashtra VAT Act, 2002	VAT Assessment	20.355	-	2005-06, 2008-09 2009-10	Commercial Tax Officer – Commercial taxes, Jalna

\* Includes adjustment of Income tax paid in advance and Tax deducted at source.

- NSL Sugars Limited has no accumulated losses at the end of the financial year. *NSL Sugars Limited has incurred cash loss during the current year*, however, in the immediately preceding financial year, NSL Sugars Limited has not incurred cash losses.
- Based on audit procedures and as per the information and explanations given by the management, auditors has opined that NSL Sugars Limited has defaulted in respect of repayment of principal and interest to banks and financial institutions in the following cases:

Name of the Bank	Nature of dues	Amount in ₹ million	Due Date	Date of payment
Bank of India	Principal & Interest	104.912	Various dates from April 2013 to March 2014	Various dates from April 2013 to May 2014
Canara Bank	Principal & Interest	651.046	Various dates from April 2013 to March 2014	Various dates from April 2013 to May 2014
Indian Bank	Principal & Interest	27.121	Various dates from April 2013 to March 2014	Various dates from May 2013 to May 2014
Central Bank of India	Principal & Interest	111.511	Various dates from April 2013 to March 2014	Various dates from May 2013 to May 2014
State Bank of Hyderabad	Principal & Interest	102.545	Various dates from April 2013 to March 2014	Various dates from April 2013 to May 2014
State Bank of Patiala	Principal	95.175	Various dates from	Various dates from

	& Interest		April 2013 to March 2014	May 2013 to April 2014
Corporation Bank	Principal & Interest	121.714	Various dates from April 2013 to March 2014	Various dates from May 2013 to May 2014
Indian overseas bank	Principal & Interest	44.176	Various dates from April 2013 to March 2014	Various dates from April 2013 to May 2014
L & T Infra Finance	Principal & Interest	123.007	Various dates from April 2013 to March 2014	Various dates from April 2013 to May 2014
Sugar Development Fund	Principal & Interest	90.957	Various dates from April 2013 to March 2014	Various dates from June 2013 to May 2014
Sugar Development Fund	Principal & Interest	6.877	January 24, 2014	January 30, 2014

5. According to the information and explanations given to Auditors and on an overall examination of the balance sheet of the NSL Sugars Limited, *Auditors report that funds amounting to Rs. 2,075.423 million raised on short term basis in the form of short term borrowings from banks have been used for long-term investment primarily due to acquisition of fixed assets, investments and advances*

## II. Financial Year 2012-13

- Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases and insignificant delays in respect of purchase tax
- No undisputed statutory dues in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues were outstanding, at the year end, for a period more than six months from the date they became payable except in respect of purchase tax payable as follows:

Name of Statute	Nature of dues	Amount (₹ in millions)	Period to which the amount relates to Financial year
The Maharashtra Purchase Tax on Sugarcane Rules, 1962	Purchase Tax payable	18.31	2009-10 and 2011-12

3. According to the records of NSL Sugars Limited, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:

Name of Statute	Nature of dues	Amount (₹ in millions)	Paid under protest (₹ in millions)	Period to which the amount relates to Financial year	Forum where the dispute is pending
Income Tax Act, 1961	Disallowance of expenditure relating to inter-	26.229	-	2008-09	Commissioner Appeals, Bangalore



	unit transfer				
Income Tax Act, 1961	Disallowance of expenditure relating to inter-unit transfer	18.067*	-	2007-08	Commissioner Appeals, Bangalore
Central Excise Act, 1944	Excise duty demand	20.858	3.863	2008-09	CESTAT
Karnataka Sales Tax Act, 1957	Interest on delayed payment of cess	22.472	-	2004-05 to 2010-11	Joint Commissioner of Commercial Taxes
KVAT Act, 2003	Entry tax including interest and penalty	1.532	-	2008-09 & 2009-10	Joint Commissioner (Appeals)
Central Excise Act, 1944	Excise duty demand due to certain wrong availment of CENVAT	2.256	-	2009-10, 2010-11 and 2011-12	CESTAT, Commissioner (Appeals)

\* Includes adjustment of Income tax paid in advance and Tax deducted at source.

- NSL Sugars Limited has no accumulated losses at the end of the financial year. *NSL Sugars Limited has not incurred cash loss during the current year*, however, in the immediately preceding financial year, NSL Sugars Limited had incurred cash loss.
- Based on audit procedures and as per the information and explanations given by the management, Auditors of the opinion that NSL Sugars Limited has not defaulted in repayment of dues to financial institutions, debenture holders and banks, except in respect of repayment of principal and interest to banks:

Name of the Bank	Nature of dues	Amount in ₹ million	Due Date	Date of payment
Bank of India	Principal & Interest	111.631	Various dates from April 2012 to March 2013	Various dates from April 2012 to March 2013
Canara Bank	Principal & Interest	74.37	Various dates from April 2012 to March 2013	Various dates from April 2012 to March 2013
Indian Bank	Principal & Interest	41.434	Various dates from April 2012 to March 2013	Various dates from April 2012 to March 2013

- According to the information and explanations given to Auditors and on an overall examination of the balance sheet of the NSL Sugars Limited, Auditors report that funds amounting to ₹ 1,869.224 million raised on short term basis in the form of short term borrowings from banks have been used for long-term investment primarily due to acquisition of fixed assets, investments and advances

#### 4. ReGen Infrastructure And Services Private Limited

##### *Corporate information*

ReGen Infrastructure and Services Private Limited was originally incorporated as Renewable Energy Generation Private Limited on January 4, 2008 under the Registrar of Companies, Chennai, Tamilnadu and changed its name to ReGen Infrastructure and Services Private Limited on February 12, 2015.

The registered office of ReGen Infrastructure And Services Private Limited is located at Samson Towers, 4<sup>th</sup> Floor, 403L, Pantheon Road, Egmore, Chennai – 600008, Tamil Nadu, India.

ReGen Infrastructure And Services Private Limited was incorporated with the main object of carrying on the business of development and promotion (including identification of suitable location, technology and acquisition of land and such other facilities) of energy resources including setting up of Energy farms for energy from all conventional and non –conventional renewable resources including solar, wind, hydel, tidal , bio-mass.

#### *Board of directors*

The board of directors of ReGen Infrastructure And Services Private Limited as on February 28, 2015 is as follows:

<b>Name of directors</b>	<b>Position</b>
Joseph Paul Chaly	Additional director
Rajkumar Ganesan	Additional director

#### *Shareholders*

The shareholding pattern as on February 28, 2015 is as follows:

<b>S. No</b>	<b>Name of the equity share holder</b>	<b>No of Equity Shares held</b>	<b>%</b>	<b>Amount</b>
1.	Regen Powertech Private Limited	73291486	99.99	732.91
2.	R. Sundaresh (Nominee of Regen Powertech Private Limited)	10	0.01	
	<b>Total</b>	<b>73291496</b>	<b>100</b>	<b>732.91</b>

#### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited indirectly holds 43.93% of the share capital of ReGen Infrastructure And Services Private Limited through Regen Powertech Private Limited.

#### *Financial Performance*

Brief financial details of ReGen Infrastructure And Services Private Limited, extracted from its audited accounts for the past three financial years are as follows:

<i>(₹ in millions except per share data)</i>			
<b>Particulars</b>	<b>Year ended September 30, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	319.58	115.50	115.50
Reserves and Surplus	466.73	208.75	284.17
Total Income	5,848.11	5,316.18	2,029.09
Profit/(Loss) after Tax	162.06	(75.42)	197.97
Earnings per share (basic) (₹) (Face value ₹ 10)	12.61	(6.53)	17.14
Earnings per share (diluted) (₹) (Face value ₹ 10)	6.08	(6.53)	17.14
Net asset value per share	24.60	28.07	34.60

Except as disclosed below, there are no significant notes of the auditors in relation to the aforementioned financial statements.

**Auditors as part of their Companies (Auditor's Report) Order, 2003 have commented on following matters for the financial year ended September 30, 2014:**

1. ReGen Infrastructure and Services Private Limited is depositing undisputed statutory dues with appropriate authorities, like, Income-tax, Sales-tax, Service tax, Customs Duty, Excise Duty, Cess, wherever applicable, except there is some delay in depositing the TDS in few cases.
2. Fund raised on short-term basis has been used for long-term investment to the tune of ₹ 303.50 million

**5. NSL Krishnaveni Sugars Limited**

*Corporate information*

NSL Krishnaveni Sugars Limited was incorporated as Krishnaveni Sugars Limited on August 8, 2006 under the Registrar of Companies, Hyderabad, Andhra Pradesh and changed its name to NSL Krishnaveni Sugars Limited on January 4, 2011 under the Companies, Act 1956..

The registered office of NSL Krishnaveni Sugars Limited is located at NSL ICON, Plot No. 1 to 4, Road No.12, Banjara Hills, Hyderabad – 500034, , India.

NSL Krishnaveni Sugars Limited was incorporated with the main object of carrying on the business of establish and run the Sugar Factories vide IEM, Ack.No.784/SIA/IM02006 dated 16.02.2006 of Secretariat of Industrial Assistance, Ministry of Commerce & Industry Govt. of India and Re. No. C1/2126/2006 dt. 02.05.2006 the proceedings of Commissioner & Director of Sugars and Cane Commissioner, Andhra Pradesh., issued to SCM Sugars Limited and to carry on India or elsewhere the business to manufacture, produce, process, crush, extract, reclaim, convert, commercialize, control, compound, develop, distribute, derive, treat, grade, release, manipulate, prepare promote, supply, import, export, buy sell turn to account, and to act as agent, job worker, export house or otherwise to deal in all varieties of sugar including cane sugar, beet sugar, maple sugar, khandsari sugar, in the form of powder, granules, cubes & lumps and its products, by-products, residues, derivatives, formulations, substances and materials including glucose, sucrose, fructose, lactose, maltose, moasses, confectioneries, chocolates, sugar candy and to establish and run, produce, manufacture, process, distill, molasses, ethanol or any other related and allied products including organic fertilizers.

*Board of directors*

The board of directors of NSL Krishnaveni Sugars Limited as on February 28, 2015 is as follows:

S. No	Name of the director	Designation
1.	M. Venkata Subbaiah	Whole time director
2.	M. Ravi Kumar	Director
3.	K. A Somayajulu	Additional director
4.	B. Rosaiah	Additional irector
5.	T. S Maharani	Additional director

*Shareholders*

The shareholding pattern as on February 28, 2015 is as follows:

S. No	Name of the share holder	No of Equity Shares held	%	Amount
01.	NSL Sugars Limited	73,560,334	74.02	735.60
02.	M. Prabhakar Rao	100	0	0.00
03.	M. Asha Priya	100	0	0.00

S. No	Name of the share holder	No of Equity Shares held	%	Amount
04.	Ch. Anjaneyulu	100	0	0.00
05.	K. Ramakoteswara Rao	100	0	0.00
06.	S Sai Subbarao	100	0	0.00
07.	G Sundari	100	0	0.00
08.	M V Subbaiah	4,070,448	4.10	40.70
09.	S Chandrakala	51,933	0.05	0.52
10.	S Ramakrishna	53,333	0.05	0.53
11.	M Srinivasa Rao	7,132,353	7.18	71.32
12.	M Shilpa	40,000	0.04	0.40
13.	M Ravi Kumar	6,664,030	6.71	66.64
14.	M Kausalya	40,000	0.04	0.40
15.	M Saileela	5,732,549	5.77	57.33
	M Varaprasada Rao	2,031,087	2.04	20.31
	<b>Total</b>	<b>99,376,667</b>	<b>100</b>	<b>993.77</b>
<b>Preference Share Holder Details - @ 10 each</b>				
01.	NSL Sugars Limited	80,000,000	61.54	800
02.	NSL Sugars Limited	50,000,000	38.46	500
	<b>Total</b>	<b>130,000,000</b>	<b>100</b>	<b>1300</b>

*Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited indirectly holds 37.75% of the share capital of NSL Krishnaveni Sugars Limited through NSL Sugars Limited.

Mr. M. Prabhakara Rao indirectly holds 30.48% of share capital of NSL Krishnaveni Sugars Limited through NSL Sugars Limited.

*Financial Performance*

Brief financial details of NSL Krishnaveni Sugars Limited, extracted from its audited accounts for the past three financial years are as follows:

*(₹ in millions except per share data)*

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	993.77	457.17	457.17
Reserves and Surplus	(732.40)	(480.62)	(132.63)
Total Income	2,203.37	1,359.94	1,350.63
Profit/(Loss) after Tax	(251.78)	(347.99)	(198.86)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(2.82)	(7.61)	(4.35)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(2.82)	(7.61)	(4.35)
Net asset value per share	2.63	(0.51)	7.10

**Auditors as part of their Companies (Auditor's Report) Order, 2003 have commented on following matters:**

I. Financial Year 2013-14

1. No undisputed amounts payable in respect of statutory dues were outstanding as at March 31, 2014 for a period of more than six months from the date they become payable except in respect of cess on power relating to the year 2010-11 amounting to ₹ 1.38 million.
2. There are no dues of Income tax, Sales tax, Service tax, Customs duty, Excise duty, Cess which have not been deposited on account of any dispute except in respect of following:

Name of the Statute	Nature of dues	Amount disputed (in millions)	Period to which amount relates to	Forum where the dispute is pending
Customs Act, 1962	Differential customs duty	86.69	2012-13	Customs, Excise and Service Tax appellate Tribunal (CESTAT)
AP Entry Tax, Act, 1996	Entry Tax on Sugarcane Harvester Machines	4.1	2010-11 to 2012-13	-

3. NSL Krishnaveni Sugars Limited has not defaulted in repayment of dues to banks and financial institutions except in respect of following dues to banks

**Principal:**

(₹ In millions)

Amount	Delay(Days)
62.50	20-30
81.25	30-60
81.20	60-90

**Interest:**

(₹ In millions)

Amount	Delay(Days)
123.72	01-30
44.21	30-60
4.97	60-90

**II. Financial Year 2012-13**

1. There are no dues of Income Tax, sales tax, Service tax, Customs duty, Excise duty, Cess which have not been deposited on account of any dispute except in respect of Cess on power relating to the year 2010-11 amounting to ₹ 1.38 million
2. Accumulated losses of NSL Krishnaveni Sugars Limited at the end of the financial year are more than 50% of its networth. It has incurred cash loss during the financial year covered by audit in the immediately preceding financial year
3. NSL Krishnaveni Sugars Limited has not defaulted in repayment of dues to banks and financial institutions except in respect of following dues to banks

**Principal:**

(₹ In millions)

Amount	Delay(Days)
62.50	10-20
62.50	21-30
200.00	111-120

**Interest:****(₹ In millions)**

<b>Amount</b>	<b>Delay(Days)</b>
116.83	01-10
25.87	11-20
9.70	21-30
4.74	41-50

***Group Companies with negative net worth***

Other than our corporate Promoter, the following Group Companies had negative net worth in one or all of the previous three fiscal years. Unless specified otherwise, none of the Group Companies have any significant notes in their respective financial statements from the auditors:

***1. Ambient Infratech Private Limited******Corporate information***

Ambient Infratech Private Limited (formerly known as Ambient Properties Private Limited) was incorporated on February 28, 2006 as a private limited company.

The registered office of Ambient Infratech Private Limited is located at NSL Icon, 8-2-684/2/A, Plot numbers 1 to 4, 4th Floor, Road number 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.

Ambient Infratech Private Limited was incorporated with the main object of carrying on the business of real estate builders, developers, promoters, architects, supervisors, contractors / consultants, dealers and agents for a real estate including development of township and sale of plots.

***Interests of the Promoters in terms of shareholding***

Mandava Holdings Private Limited holds the entire share capital of Ambient Infratech Private Limited through NSL Nagapatnam Infrastructure Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
NSL Nagapatnam Infrastructure Private Limited	99,900	99.90
K Ramakoteswara Rao (Nominee of NSL Nagapatnam Infrastructure Private Limited)	100	0.10
<b>Total</b>	<b>100,000</b>	<b>100.00</b>

***Financial Performance***

Brief financial details of Ambient Infratech Private Limited, extracted from its audited accounts for the past three financial years are as follows:

***(₹ in millions except per share data)***

<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	1.00	1.00	0.10
Reserves and Surplus	(0.44)	(0.42)	(0.39)
Total Income	Nil	Nil	Nil
Profit/(Loss) after Tax	(0.02)	(0.03)	(0.03)

Earnings per share (basic) (₹) (Face Value ₹ 10)	(0.17)	(1.42)	(3.33)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(0.17)	(1.42)	(3.33)
Net asset value per share	5.63	5.80	(29.33)

## 2. Apple Avenues Private Limited

### Corporate information

Apple Avenues Private Limited was incorporated on December 5, 2001 as a private limited company.

The registered office of Apple Avenues Private Limited is located at 6/2, Chandra Moula Nagar, Guntur, Andhra Pradesh, 522 006, India.

Apple Avenues Private Limited was incorporated with the main object of carrying on the business of real estate, promoters to purchase land, to layout, convert and develop the same housing plots, commercial plots and industrial plots and sell them on outright sale basis or by any mode or method which is convenient and suitable to the Company.

### Interests of the Promoters in terms of shareholding

Mandava Holdings Private Limited holds the entire share capital of Apple Avenues Private Limited through NSL Estates Private Limited.

The shareholding pattern as on February 28, 2015 was

Name of shareholder	Number of shares	Percentage (%)
NSL Estates Private Limited	9,900	99.00
Ch. Appa Rao (Nominee of NSL Estates Private Limited)	100	1.00
<b>Total</b>	<b>10,000</b>	<b>100.00</b>

### Financial Performance

Brief financial details of Apple Avenues Private Limited, extracted from its audited accounts for the past three financial years are as follows:

(₹ in millions except per share data)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	0.10	0.10	0.10
Reserves and Surplus	0.03	(0.06)	(0.15)
Total Income	0.11	0.10	0.10
Profit/(Loss) after Tax	0.09	0.09	0.08
Earnings per share (basic) (₹) (Face Value ₹ 10)	9.09	8.78	8.43
Earnings per share (diluted) (₹) (Face Value ₹ 10)	9.09	8.78	8.43
Net asset value per share	12.83	3.74	(5.04)

## 3. Arena Infrastructure Private Limited

### Corporate information

Arena Infrastructure Private Limited was incorporated on November 16, 2005 as a private limited company.

The registered office of Arena Infrastructure Private Limited is located at NSL Icon, 8-2-648, Plot No. 1 to 4, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.

Arena Infrastructure Private Limited was incorporated with the main object of carrying on the business of to design, finance, build, operate, maintain, manage, construct, create, develop and take up highway road projects, irrigation projects, construction and development of railway lines, ports, airports, water ways, export processing zones, integrated infrastructure development centres, industrial growth centres, industrial parks, hard ware, soft ware technology parks, entertainment parks, theme parks, international exhibition and trade centres and or create other external and internal infrastructure facilities.

#### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited holds the entire share capital of Arena Infrastructure Private Limited through NSL Estates Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
NSL Estates Private Limited	99,900	99.99
Ch. Appa Rao (Nominee of NSL Estates Private Limited)	100	0.01
<b>Total</b>	<b>100,000</b>	<b>100.00</b>

#### *Financial Performance*

Brief financial details of Arena Infrastructure Private Limited, extracted from its audited accounts for the past three financial years are as follows:

*(₹ in millions except per share data)*

<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	1.00	1.00	0.10
Reserves and Surplus	(0.76)	(0.75)	(0.75)
Total Income	Nil	Nil	Nil
Profit/(Loss) after Tax	(0.01)	(0.01)	(0.01)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(0.09)	(0.39)	(0.77)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(0.09)	(0.39)	(0.77)
Net asset value per share	2.37	2.46	(64.60)

#### **4. Celebrity Infrastructure Private Limited**

##### *Corporate information*

Celebrity Infrastructure Private Limited was incorporated on September 21, 2005 as a private limited company.

The registered office of Celebrity Infrastructure Private Limited is located at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.

Celebrity Infrastructure Private Limited was incorporated with the main object of carrying on the business to develop, design, build-operate, maintain, manage, construct, create and take up infrastructure projects such as



information technology parks, and hubs (software and hardware parks) export processing zone, special economic zones, business zones, commercial complexes, multilevel malls and entertainment, theme parks, industrial parks with integrated facilities.

*Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited holds the entire share capital of the Celebrity Infrastructure Private Limited through NSL Estates Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
NSL Estates Private Limited	399,900	99.99
Ch. Appa Rao (Nominee of NSL Estates Private Limited)	100	0.01
<b>Total</b>	<b>400,000</b>	<b>100.00</b>

*Financial Performance*

Brief financial details of Celebrity Infrastructure Private Limited, extracted from its audited accounts for the past three financial years are as follows:

*(₹ in millions except per share data)*

<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	4.00	4.00	0.10
Reserves and Surplus	(3.49)	(3.35)	(3.14)
Total Income	Nil	Nil	Nil
Profit/(Loss) after Tax	(0.14)	(0.21)	(0.12)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(0.35)	(0.53)	(12.21)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(0.35)	(0.53)	(12.21)
Net asset value per share	1.28	1.62	(303.93)

**5. Century Avenues Private Limited**

*Corporate information*

Century Avenues Private Limited was incorporated on August 24, 2004 as a private limited company.

The registered office of Century Avenues Private Limited is located at NSL Icon, 8-2-648, Plot No. 1 to 4, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.

Century Avenues Private Limited was incorporated with the main object of carrying on the business of real estate, promoters to purchase the land, to layout, convert and develop the same in to housing plots, industrial and commercial plots and sell them out rate sale basis or by any mode or method which is convenient and suitable to the business.

*Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited holds the entire share capital of Century Avenues Private Limited through NSL Infratech Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
NSL Infratech Private Limited	209,900	99.95
Ch. Appa Rao (Nominee of NSL Infratech Private Limited)	100	0.05
<b>Total</b>	<b>210,000</b>	<b>100.00</b>

#### *Financial Performance*

Brief financial details of Century Avenues Private Limited, extracted from its audited accounts for the past three financial years are as follows:

*(₹ in millions except per share data)*

<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	2.10	2.10	2.10
Reserves and Surplus	(2.12)	(2.10)	(2.09)
Total Income	Nil	Nil	Nil
Profit/(Loss) after Tax	(0.02)	(0.01)	(0.01)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(0.07)	(0.07)	(0.07)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(0.07)	(0.07)	(0.07)
Net asset value per share	(0.08)	(0.01)	0.06

#### **6. Chennai Cybercity Private Limited**

##### *Corporate information*

Chennai Cybercity Private Limited was incorporated on September 03, 2004 as a private limited company.

The registered office of Chennai Cybercity Private Limited is located at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.

Chennai Cybercity Private Limited was incorporated with the main object of carrying on the business of Develop, Construct, design the commercial complexes, industrial parks, technology centres, export processing zones, special economic zones and provide and create infrastructure facilities to the above for software developers, hardware producers, jewellery and other commodity manufactures.

##### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited holds the entire share capital of Chennai Cybercity Private Limited through NSL Estates Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
NSL Estates Private Limited	99,900	99.90
Ch. Appa Rao (Nominee of NSL Estates Private Limited)	100	0.10
<b>Total</b>	<b>100,000</b>	<b>100.00</b>

#### *Financial Performance*

Brief financial details of Chennai Cybercity Private Limited, extracted from its audited accounts for the past three financial years are as follows:

(₹ in millions except per share data)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	1.00	1.00	0.10
Reserves and Surplus	(0.75)	(0.63)	(0.52)
Total Income	Nil	Nil	Nil
Profit/(Loss) after Tax	(0.12)	(0.11)	(0.15)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(1.15)	(6.72)	(14.68)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(1.15)	(6.72)	(14.68)
Net asset value per share	2.50	3.65	(42.44)

## 7. Clean City Estates Private Limited

### Corporate information

Clean City Estates Private Limited was incorporated on August 24, 2004 as a private limited company.

The registered office of Clean City Estates Private Limited is located at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.

Clean City Estates Private Limited was incorporated with the main object of carrying on the business of real estate, promoters to purchase land, to layout, construct, develop the same in to housing plots, industrial and commercial plots and sell them on outright sale basis or by any mode or method which is convenient and suitable to the business.

### Interests of the Promoters in terms of shareholding

Mandava Holdings Private Limited holds the entire share capital of Clean City Estates Private Limited through NSL Estates Private Limited.

The shareholding pattern as on February 28, 2015 was

Name of shareholder	Number of shares	Percentage (%)
NSL Estates Private Limited	109,900	99.99
Mandava Asha Priya (Nominee of NSL Estates Private Limited)	100	0.01
<b>Total</b>	<b>110,000</b>	<b>100.00</b>

### Financial Performance

Brief financial details of Clean City Estates Private Limited, extracted from its audited accounts for the past three financial years are as follows:

(₹ in millions except per share data)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	1.10	1.10	0.10
Reserves and Surplus	(9.41)	(0.69)	(0.35)
Total Income	0.12	Nil	Nil
Profit/(Loss) after Tax	(8.72)	(0.35)	(0.12)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(79.25)	(3.14)	(12.19)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(79.25)	(3.14)	(12.19)
Net asset value per share	(75.57)	3.68	(24.91)

## 8. Dream Land Avenues Private Limited

### Corporate information

Dream Land Avenues Private Limited was incorporated on August 24, 2004 as a private limited company.

The registered office of Dream Land Avenues Private Limited is located at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.

Dream Land Avenues Private Limited was incorporated with the main object of carrying on the business of Real Estate, promoters to purchase the land, to layout, convert and develop the same in to housing plots, industrial and commercial plots and sell them on outright sale basis or by any mode or method which is convenient and suitable to the business.

### Interests of the Promoters in terms of shareholding

Mandava Holdings Private Limited holds the entire share capital of Dream Land Avenues Private Limited through NSL Estates Private Limited.

The shareholding pattern as on February 28, 2015 was

Name of shareholder	Number of shares	Percentage (%)
NSL Estates Private Limited	149,900	99.99
Ch. Appa Rao (Nominee of NSL Estates Private Limited)	100	0.01
<b>Total</b>	<b>150,000</b>	<b>100.00</b>

### Financial Performance

Brief financial details of Dream Land Avenues Private Limited, extracted from its audited accounts for the past three financial years are as follows:

<i>(₹ in millions except per share data)</i>			
Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	1.50	1.50	0.10
Reserves and Surplus	(3.76)	(1.28)	(1.12)
Total Income	Nil	Nil	Nil
Profit/(Loss) after Tax	(2.48)	(0.16)	(0.19)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(16.52)	(7.88)	(18.55)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(16.52)	(7.88)	(18.55)
Net asset value per share	(15.04)	1.48	(102.13)

## 9. Grandcity Avenues Private Limited

### Corporate information

Grandcity Avenues Private Limited was incorporated on August 24, 2004 as a private limited company.

The registered office of Grandcity Avenues Private Limited is located at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.

Grandcity Avenues Private Limited was incorporated with the main object of carrying on the business of real estate, promoters to purchase land, to layout, construct, develop the same housing plots, commercial plots and industrial plots and sell them on outright sale basis or by any mode or method which is convenient and suitable to the business.

*Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited holds the entire share capital of Grandcity Avenues Private Limited through NSL Estates Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
NSL Estates Private Limited	149,900	99.99
Ch. Appa Rao (Nominee of NSL Estates Private Limited)	100	0.01
<b>Total</b>	<b>150,000</b>	<b>100.00</b>

*Financial Performance*

Brief financial details of Grandcity Avenues Private Limited, extracted from its audited accounts for the past three financial years are as follows:

*(₹ in millions except per share data)*

<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	1.50	1.50	0.10
Reserves and Surplus	(1.15)	(0.94)	(0.71)
Total Income	Nil	Nil	Nil
Profit/(Loss) after Tax	(0.21)	(0.23)	(0.25)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(1.40)	(11.27)	(24.56)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(1.40)	(11.27)	(24.56)
Net asset value per share	2.36	3.76	(61.06)

**10. Golden Tower Infratech Private Limited**

*Corporate information*

Golden Tower Infratech Private Limited was incorporated on October 15, 2007 as a private limited company.

The registered office of Golden Tower Infratech Private Limited is located at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.

Golden Tower Infratech Private Limited was incorporated with the main object of carrying on the business of to purchase, sell, develop, take in exchange, or on lease, hire or otherwise, acquire, whether for investment for sale, or working in same, any real or personal estate, including lands, buildings, houses, casement or interest in or with respect to any property or whatsoever for the purpose of the company in consideration gross sum or rent or partly in one way and partly in the other or for any other consideration and to carry on the business of real estate dealers, estate owners, under taking construction activities and development of housing plots, suites and projects, design, build, operate, own and manage software technology parks, malls, entertainment parks, theme parks, integrated townships including construction of apartments, houses, housing colonies and commercial complexes and industrial estates, export processing zones, special economic zones and business zones.

*Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited directly holds 95% of share capital of Golden Tower Infratech Private Limited and indirectly holds 5% of the paid up share capital of the company through Century Avenues Private Limited.

The shareholding pattern as on February 28, 2015 was

Name of shareholder	Number of shares	Percentage (%)
Mandava Holdings Private Limited	95,000	95.00
Century Avenues Private Limited	5,000	5.00
<b>Total</b>	<b>100,000</b>	<b>100.00</b>

#### *Financial Performance*

Brief financial details of Golden Tower Infratech Private Limited, extracted from its audited accounts for the past three financial years are as follows:

*(₹ in millions except per share data)*

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	1.00	1.00	0.10
Reserves and Surplus	(0.95)	(0.67)	(0.33)
Total Income	0.10	0.10	0.19
Profit/(Loss) after Tax	(0.29)	(0.34)	(0.06)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(2.86)	(18.07)	(5.82)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(2.86)	(18.07)	(5.82)
Net asset value per share	0.46	3.32	(23.13)

#### **11. Highend Properties Private Limited**

##### *Corporate information*

Highend Properties Private Limited was incorporated on June 8, 2006 as a private limited company.

The registered office of Highend Properties Private Limited is located at NSL Icon, 8-2-684/2/A, 4th Floor Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.

Highend Properties Private Limited was incorporated with the main object of carrying on the business of real estates, builders, developers, promoters, Architects, Supervisors, Contractors/Consultants, dealers and agents for Real Estate including development of townships and sale of plots.

##### *Interests of the Promoters in terms of shareholding*

Mandava Prabhakara Rao indirectly holds 80.49% of the share capital of Highend Properties Private Limited through NSL Properties Private Limited.

The shareholding pattern as on February 28, 2015 was

Name of shareholder	Number of shares	Percentage (%)
NSL Properties Private Limited	9,900	99.99
Ch. Appa Rao (Nominee of NSL Properties Private Limited)	100	0.01
<b>Total</b>	<b>10,000</b>	<b>100.00</b>

### Financial Performance

Brief financial details of Highend Properties Private Limited, extracted from its audited accounts for the past three financial years are as follows:

*(₹ in millions except per share data)*

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	0.10	0.10	0.10
Reserves and Surplus	(48.03)	14.93	20.35
Total Income	27.75	55.64	64.96
Profit/(Loss) after Tax	(62.95)	(5.43)	9.32
Earnings per share (basic) (₹) (Face Value ₹ 10)	(6,295.13)	(542.67)	931.76
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(6,295.13)	(542.67)	931.76
Net asset value per share	(4,792.59)	1,502.54	2,045.21

### 12. Inversiones NSL Green Ventures Limitada LLC

#### Corporate information

Inversiones NSL Green Ventures Limitada LLC was incorporated on May 27, 2011 as a company under the laws of Chile.

The registered office of Inversiones NSL Green Ventures Limitada LLC is located at Av. Vitacura 2939, 8th Floor, Las Condes, Santiago - Chile.

Inversiones NSL Green Ventures Limitada LLC was incorporated with the main object of conducting investments to acquire and dispose of by whatever means, stocks, rights or shares in a public stock corporation, foreign currencies, and the performance of all types of operations and activities to fulfill these purposes.

#### Interests of the Promoters in terms of shareholding

Mandava Holdings Private Limited holds 61.81% of share capital of Inversiones NSL Green Ventures Limitada LLC through NSL Renewable Energy Overseas Private Limited.

Mandava Prabhakara Rao holds 8.85% of share capital of Inversiones NSL Green Ventures Limitada LLC through NSL Renewable Energy Overseas Private Limited.

The shareholding pattern as on February 28, 2015 was:

Name of shareholder	Value of shares (in US\$)	Percentage (%)
NSL Renewable Energy Overseas Private Limited	999,900	99.99
NSL Global Energy Ventures Private Limited	100	0.01
<b>Total</b>	<b>1,000,000</b>	<b>100.00</b>

### Financial Performance

Brief financial details of Inversiones NSL Green Ventures Limitada LLC, extracted from its audited accounts for the past three financial years are as follows:

*(in USD)*

Particulars	Year ended December 31, 2013	Year ended December 31, 2012	Year ended December 31, 2011
Equity Capital	1,994	1,994	1,994
Reserves and Surplus	(0.03) million	0.01 million	718
Total Income	Nil	0.02 million	Nil
Profit/(Loss) after Tax	(0.04) million	0.01 million	(718)
Net worth	(0.02) million	0.01 million	1276

### 13. Madras Escon Private Limited

#### Corporate information

Madras Escon Private Limited was incorporated on September 3, 2004 as a private limited company.

The registered office of Madras Escon Private Limited is located at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.

Madras Escon Private Limited was incorporated with the main object of carrying on the business of real estate, promoters to purchase land, to layout, convert and develop the same into housing plots, industrial and commercial plots and sell them on out rate sale basis or by any mode or method which is convenient and suitable to the business.

#### Interests of the Promoters in terms of shareholding

Mandava Holdings Private Limited holds the entire share capital of Madras Escon Private Limited through NSL Estates Private Limited.

The shareholding pattern as on February 28, 2015 was

Name of shareholder	Number of shares	Percentage (%)
NSL Estates Private Limited	99,900	99.99
Ch. Appa Rao (Nominee of NSL Estates Private Limited)	100	0.01
<b>Total</b>	<b>100,000</b>	<b>100.00</b>

#### Financial Performance

Brief financial details of Madras Escon Private Limited, extracted from its audited accounts for the past three financial years are as follows:

(₹ in millions except per share data)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	1.00	1.00	0.10
Reserves and Surplus	(0.94)	(0.92)	(0.89)
Total Income	Nil	Nil	Nil
Profit/(Loss) after Tax	(0.02)	(0.04)	(0.11)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(0.20)	(2.17)	(10.70)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(0.20)	(2.17)	(10.70)
Net asset value per share	0.58	0.78	(78.60)

### 14. Marvel Infratech Private Limited



### *Corporate information*

Marvel Infratech Private Limited was incorporated on November 9, 2005 as a private limited company.

The registered office of Marvel Infratech Private Limited is located at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.

Marvel Infratech Private Limited was incorporated with the main object of carrying on the business of construction, contract, develop, maintain and operate all kinds of infrastructure projects, such as irrigation projects, power generating projects, housing projects, irrigation projects and canals, roads, bridges, runways, railways, waterways, airways, ports, airports, wharves, communication facilities.

### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited along with its nominee holds the entire share capital of Marvel Infratech Private Limited.

The shareholding pattern as on February 28, 2015 was:

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
Mandava Holdings Private Limited	9,900	99.00
Mandava Prabhakara Rao (Nominee of Mandava Holdings Private Limited)	100	1.00
<b>Total</b>	<b>10,000</b>	<b>100.00</b>

### *Financial Performance*

Brief financial details of Marvel Infratech Private Limited, extracted from its audited accounts for the past three financial years are as follows:

<i>(₹ in millions except per share data)</i>			
<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	0.10	0.10	0.10
Reserves and Surplus	7.34	(1.18)	(1.14)
Total Income	18.77	7.42	7.01
Profit/(Loss) after Tax	8.53	(0.04)	(0.05)
Earnings per share (basic) (₹) (Face Value ₹ 10)	853.00	(3.96)	(5.00)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	853.00	(3.96)	(5.00)
Net asset value per share	744.46	(108.30)	(104.33)

## **15. Midas Projects Private Limited**

### *Corporate information*

Midas Projects Private Limited was incorporated on June 1, 2007 as a private limited company.

The registered office of Midas Projects Private Limited is located at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.

Midas Projects Private Limited was incorporated with the main object of carrying on the business of purchase, sell, develop, take in exchange or on lease, hire or otherwise acquire, whether for investment for sale, or working in same, any real or personal estate including lands, buildings, houses, casement or interest in or with

respect to any property or whatsoever for the purpose of the company in consideration gross sum or rent or partly in one way and partly in the other or for any other consideration and to carry on the business of real estate dealers, estate owners, undertaking construction activities and development of housing plots, suites and projects, design, build, operate, own and manage software technology parks, malls, entertainment parks, theme parks, integrated townships including construction of apartments, houses, housing colonies and commercial complexes and industrial estates, export processing zones, special economic zones and business zones.

#### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited holds the entire share capital of Midas Projects Private Limited through NSL Infratech Private Limited.

The shareholding pattern as on February 28, 2015 was:

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
NSL Infratech Private Limited	9,900	99.00
K. Ramana Reddy (Nominee of NSL Infratech Private Limited)	100	1.00
<b>Total</b>	<b>10,000</b>	<b>100.00</b>

#### *Financial Performance*

Brief financial details of Midas Projects Private Limited, extracted from its audited accounts for the past three financial years are as follows:

(₹ in millions except per share data)

<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	0.10	0.10	0.10
Reserves and Surplus	(0.11)	(0.10)	(0.08)
Total Income	Nil	Nil	Nil
Profit/(Loss) after Tax	(0.01)	(0.02)	(0.01)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(1.35)	(1.70)	(0.93)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(1.35)	(1.70)	(0.93)
Net asset value per share	(1.18)	0.17	1.87

#### **16. MKP Power Private Limited**

##### *Corporate information*

MKP Power Private Limited was incorporated on July 27, 2013 as a private limited company.

The registered office of MKP Power Private Limited is located at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India

MKP Power Private Limited was incorporated with the main object is carrying on the business of conventional / non conventional , general electric power generation, distribution and supply in all the branches, and to construct, fix, lay down, establish, build, own, operate, transfer, maintain, take on lease and carry out all necessary power stations, cables, wires, lines, accumulators, lamps and to generate, purchase, accumulate, sell, distribute and supply power and electricity to consumer both public and private.

#### *Interests of the Promoters in terms of shareholding*

Mandava Prabhakara Rao directly holds more than 40% of MKP Power Private Limited.

The shareholding pattern as on February 28, 2015 was:

Name of shareholder	Number of shares	Percentage (%)
Mr. M. Chinnamuttuswamy represented of M/s. CMB Spinning Mills	21,000	8.40
Mr. M. Murugaswamy represented of M/s. Power Spinning Mills	13,000	5.20
Srijayamalar Spinning Mills Private Limited	17,000	6.80
Kumaran Gin and Pressing Private Limited	14,000	5.60
Mandava Prabhakara Rao	114,175	45.67
K. Prasanth Kumar	58,325	23.33
Mandava Asha Priya	2,500	1.00
M. Venkatram Chowdary	2,500	1.00
M. Aishwarya	2,500	1.00
K. Padma Priya	2,500	1.00
K. Dheeraj	2,500	1.00
<b>Total</b>	<b>250,000</b>	<b>100.00</b>

### Financial Performance

Brief financial details of MKP Power Private Limited, extracted from its audited accounts for the past three financial years are as follows:

<i>(₹ in millions except per share data)</i>			
Particulars	Year ended March 31, 2014	Year ended March 31, 2013*	Year ended March 31, 2012*
Equity Capital	2.50	Incorporated as Partnership firm	Not Incorporated
Reserves and Surplus	(33.26)		
Total Income	29.54		
Profit/(Loss) after Tax	(33.26)		
Earnings per share (basic) (₹) (Face Value ₹ 10)	(13.31)		
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(13.31)		
Net asset value per share	(123.06)		

\* MKP Power Private Limited was formed as a partnership firm on April 1, 2012 and was converted to a private limited company with effect from July 27, 2013

## 17. Nagapatnam Port and Infrastructure Private Limited

### Corporate information

Nagapatnam Port and Infrastructure Private Limited was incorporated on July 10, 2008 as a private limited company.

The registered office of Nagapatnam Port and Infrastructure Private Limited is located at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India

Nagapatnam Port and Infrastructure Private Limited was incorporated with the main object of carrying on the business in India or elsewhere either alone or jointly with one or more persons, Government, local or other bodies the business of designing, developing, building, maintaining and operating sea port terminals for bulk, break bulk, liquid, chemicals, gas petroleum products and containerized cargo and works, of all descriptions, including sea ports, wharves, docks, piers, railway, tramways, waterways, roads, bridges, warehouse, and wagons, ships, vessels of every description, gas work, electric works, water works, drainage and sewerage works and buildings of every description.

#### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited holds the entire share capital of Nagapatnam Port and Infrastructure Private Limited through NSL Nagapatnam Infrastructure Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
NSL Nagapatnam Infrastructure Private Limited	12,590	99.92
Mandava Asha Priya (Nominee of NSL Nagapatnam Infrastructure Private Limited)	10	0.08
<b>Total</b>	<b>12,600</b>	<b>100.00</b>

#### *Financial Performance*

Brief financial details of Nagapatnam Port and Infrastructure Private Limited, extracted from its audited accounts for the past three financial years are as follows:

*(₹ in millions except per share data)*

<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	0.13	0.13	0.13
Reserves and Surplus	(0.13)	(0.12)	(0.11)
Total Income	Nil	Nil	Nil
Profit/(Loss) after Tax	(0.01)	(0.02)	(0.01)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(0.87)	(1.27)	(0.60)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(0.87)	(1.27)	(0.60)
Net asset value per share	(0.70)	0.17	1.45

#### **18. NCC Abhinandan Cotton Private Limited**

##### *Corporate information*

NCC Abhinandan Cotton Private Limited was incorporated on August 10, 2007 as a private limited company.

The registered office of NCC Abhinandan Cotton Private Limited is located at Plot No. 511, CIDCO, N-3, Aurangabad, Maharashtra – 431003, , India.

NCC Abhinandan Cotton Private Limited was incorporated with the main object of carrying on the business of purchases, sell, import, export, growing, cultivating, ginning, pressing, packing, combing, clearing, bleaching, weaving, colouring, finishing, printing, raw cotton or kappa's, lint, cotton bales and allied products by establishing and running of cotton ginning and pressing, processing plants by own, hire or lease or franchise basis.

#### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited indirectly holds entire share capital of NCC Abhinandan Cotton Private Limited through NSL Cotton Corporation Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
NSL Cotton Corporation Private Limited	9,900	99.00
Mandava Asha Priya	100	1.00
<b>Total</b>	<b>10,000</b>	<b>100.00</b>

#### *Financial Performance*

Brief financial details of NCC Abhinandan Cotton Private Limited, extracted from its audited accounts for the past three financial years are as follows:

(₹ in millions except per share data)

<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	0.10	0.10	0.10
Reserves and Surplus	(25.29)	(24.66)	(16.19)
Total Income	9.74	26.84	87.03
Profit/(Loss) after Tax	(0.63)	(8.48)	(7.54)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(63.06)	(847.67)	(754.30)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(63.06)	(847.67)	(754.30)
Net asset value per share	(2,519.38)	(2,456.33)	(1,608.67)

Except as disclosed below, there are no significant notes of the auditors in relation to the aforementioned financial statements.

For the Financial year 2012-13 and 2013-14, Auditors have drawn attention to the financial statements regarding drawing up of financial statements on going concern basis on the basis of commitment letter issued by the Holding Company notwithstanding the accumulated losses exceeding the networth of the NCC Abhinandan Cotton Private Limited

#### **19. NCC Ganapathi Cotton Private Limited**

##### *Corporate information*

NCC Ganapathi Cotton Private Limited was incorporated on July 19, 2007 as a private limited company.

The registered office of NCC Ganapathi Cotton Private Limited is located at Plot No. 511, CIDCO, N-3, Aurangabad, Maharashtra – 431003, , India.

NCC Ganapathi Cotton Private Limited was incorporated with the main object of carrying on the business of purchases, sell, import, export, growing, cultivating, ginning, pressing, packing, shipping, combing, clearing, bleaching, weaving, colouring, finishing, printing, raw cotton or kappa's, lint, cotton bales and allied products by establishing and running of cotton ginning and pressing, processing plants by own, hire or lease or franchise basis.

##### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited indirectly holds entire share capital of NCC Ganapathi Cotton Private Limited through NSL Cotton Corporation Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
NSL Cotton Corporation Private Limited	415,980	99.99
I. Yellamanda (Nominee of NSL Cotton	100	0.01

Corporation Private Limited)		
<b>Total</b>	<b>416,080</b>	<b>100.00</b>

#### *Financial Performance*

Brief financial details of NCC Ganapathi Cotton Private Limited, extracted from its audited accounts for the past three financial years are as follows:

(₹ in millions except per share data)

<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	4.16	4.16	4.16
Reserves and Surplus	(36.56)	(37.27)	(25.64)
Total Income	4.36	146.16	201.18
Profit/(Loss) after Tax	(4.53)	(11.63)	(19.41)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(10.89)	(27.95)	(46.66)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(10.89)	(27.95)	(46.66)
Net asset value per share	(77.87)	(79.57)	(51.62)

Except as disclosed below, there are no significant notes of the auditors in relation to the aforementioned financial statements.

For the Financial year 2012-13 and 2013-14, Auditors have drawn attention to the financial statements regarding drawing up of financial statements on going concern basis on the basis of commitment letter issued by the Holding Company notwithstanding the accumulated losses exceeding the networth of the NCC Ganapathi Cotton Private Limited

#### **20. NCC Jay Laxmi Fibers Private Limited**

##### *Corporate information*

NCC Jay Laxmi Fibers Private Limited was incorporated on July 19, 2007 as a private limited company.

The registered office of NCC Jay Laxmi Fibers Private Limited is located at Plot No. 511, CIDCO, N-3, Aurangabad, Maharashtra – 431003.

NCC Jay Laxmi Fibers Private Limited was incorporated with the main object of carrying on the business of purchases, sell, import, export, growing, cultivating, ginning, pressing, packing, shipping, combing, clearing, bleaching, weaving, colouring, finishing, printing, raw cotton or kappa's, lint, cotton bales and allied products by establishing and running of cotton ginning and pressing, processing plants by own, hire or lease or franchise basis.

##### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited indirectly holds more than 50% of the share capital of NCC Jay Laxmi Fibers Private Limited through NSL Cotton Corporation Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
NSL Cotton Corporation Private Limited	259,180	59.98
Sunil Shantilal Oswal	4,000	0.92
D. Mahesh	100	0.04
Sunil Shantilal Oswal (jointly with	168,800	39.06

Shantilal Oswal and Sohil Oswal)		
<b>Total</b>	<b>432,080</b>	<b>100.00</b>

#### *Financial Performance*

Brief financial details of NCC Jay Laxmi Fibers Private Limited, extracted from its audited accounts for the past three financial years are as follows:

(₹ in millions except per share data)

<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	4.32	4.32	4.32
Reserves and Surplus	(13.45)	(9.05)	(5.60)
Total Income	0.82	27.75	175.27
Profit/(Loss) after Tax	(4.85)	(5.32)	(8.93)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(11.22)	(12.31)	(20.66)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(11.22)	(12.31)	(20.66)
Net asset value per share	(21.12)	(10.94)	(2.96)

Except as disclosed below, there are no significant notes of the auditors in relation to the aforementioned financial statements.

For the financial year 2012-13 and 2013-14, auditors have drawn attention to the financial statements regarding drawing up of financial statements on going concern basis on the basis of commitment letter issued by the Holding Company notwithstanding the accumulated losses exceeding the networth of the NCC Jay Laxmi Fibers Private Limited

#### **21. NCC Matoshri Cotton Private Limited**

##### *Corporate information*

NCC Matoshri Cotton Private Limited was incorporated on July 19, 2007 as a private limited company.

The registered office of NCC Matoshri Cotton Private Limited is located at Plot No. 511, CIDCO, N-3, Aurangabad, Maharashtra – 431003. .

NCC Matoshri Cotton Private Limited was incorporated with the main object of carrying on the business of purchases, sell, import, export, growing, cultivating, ginning, pressing, packing, shipping, combing, clearing, bleaching, weaving, colouring, finishing, printing, raw cotton or kappa's, lint, cotton bales and allied products by establishing and running of cotton ginning and pressing, processing plants by own, hire or lease or franchise basis.

##### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited indirectly holds more than 50% of the share capital of NCC Matoshri Cotton Private Limited through NSL Cotton Corporation Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
NSL Cotton Corporation Private Limited	257,180	59.98
Mandava Prabhakara Rao (Nominee of NSL Cotton Corporation Private Limited)	100	0.03
Anil Kumar Nathmal Kochar	4,000	0.93
Anil Kumar Nathmal Kochar joint with	168,000	39.06

Sagarmal Nathmal Kochar		
<b>Total</b>	<b>430,080</b>	<b>100.00</b>

### *Financial Performance*

Brief financial details of NCC Matoshri Cotton Private Limited, extracted from its audited accounts for the past three financial years are as follows:

*(₹ in millions except per share data)*

<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	4.30	4.30	4.30
Reserves and Surplus	(8.97)	(10.74)	(1.52)
Total Income	9.58	32.13	139.23
Profit/(Loss) after Tax	(2.24)	(9.21)	(11.35)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(5.21)	(21.43)	(26.39)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(5.21)	(21.43)	(26.39)
Net asset value per share	(10.86)	(14.97)	6.46

Except as disclosed below, there are no significant notes of the auditors in relation to the aforementioned financial statements.

For the financial year 2012-13 and 2013-14, auditors have drawn attention to the financial statements regarding drawing up of financial statements on going concern basis on the basis of commitment letter issued by the holding company notwithstanding the accumulated losses exceeding the networth of the NCC Matoshri Cotton Private Limited.

## **22. NCC Narsinh Cotton Private Limited**

### *Corporate information*

NCC Narsinh Cotton Private Limited was originally incorporated as a Narsinh Cotton Private Limited on August 14, 2007 and subsequently changed as NCC Narsinh Cotton Private Limited on June 23, 2008 under the Companies Act, 1956 under the Registrar of Companies, Mumbai, Maharashtra.

The registered office of NCC Narsinh Cotton Private Limited is located at Plot No. 511, CIDCO, N-3, Aurangabad, Maharashtra – 431003.

NCC Narsinh Cotton Private Limited was incorporated with the main object of carrying on the business of purchases, sell, import, export, growing, cultivating, ginning, pressing, packing, shipping, combing, clearing, bleaching, weaving, colouring, finishing, printing, raw cotton or kappa's, lint, cotton bales and allied products by establishing and running of cotton ginning and pressing, processing plants by own, hire or lease or franchise basis.

### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited indirectly holds entire share capital of NCC Narsinh Cotton Private Limited through NSL Cotton Corporation Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
NSL Cotton Corporation Private Limited	383,980	99.99
Mandava Prabhakara Rao (Nominee of	100	0.01



NSL Cotton Corporation Private Limited)		
<b>Total</b>	<b>384,080</b>	<b>100.00</b>

#### *Financial Performance*

Brief financial details of NCC Narsinh Cotton Private Limited, extracted from its audited accounts for the past three financial years are as follows:

*(₹ in millions except per share data)*

<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	3.84	3.84	3.84
Reserves and Surplus	(28.20)	(27.34)	(15.67)
Total Income	9.02	18.51	107.99
Profit/(Loss) after Tax	(0.86)	(11.67)	(16.12)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(2.23)	(30.38)	(41.96)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(2.23)	(30.38)	(41.96)
Net asset value per share	(63.41)	(61.18)	(30.80)

Except as disclosed below, there are no significant notes of the auditors in relation to the aforementioned financial statements.

For the Financial year 2012-13 and 2013-14, auditors have drawn attention to the financial statements regarding drawing up of financial statements on going concern basis on the basis of commitment letter issued by the holding company notwithstanding the accumulated losses exceeding the networth of the NCC Narsinh Cotton Private Limited

### **23. NCC Radhakrishna Cotton Private Limited**

#### *Corporate information*

NCC Radhakrishna Cotton Private Limited was incorporated on July 19, 2007 as a private limited company.

The registered office of NCC Radhakrishna Cotton Private Limited is located at Plot No. 511, CIDCO, N-3, Aurangabad, Maharashtra – 431003.

NCC Radhakrishna Cotton Private Limited was incorporated with the main object of carrying on the business of purchases, sell, import, export, growing, cultivating, ginning, pressing, packing, shipping, combing, clearing, bleaching, weaving, colouring, finishing, printing, raw cotton or kappa's, lint, cotton bales and allied products by establishing and running of cotton ginning and pressing, processing plants by own, hire or lease or franchise basis.

#### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited indirectly holds entire share capital of NCC Radhakrishna Cotton Private Limited through NSL Cotton Corporation Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
NSL Cotton Corporation Private Limited	425,900	99.99
NVK Prasad (Nominee of NSL Cotton)	100	0.01

Corporation Private Limited)		
<b>Total</b>	<b>426,000</b>	<b>100.00</b>

#### *Financial Performance*

Brief financial details of NCC Radhakrishna Cotton Private Limited, extracted from its audited accounts for the past three financial years are as follows:

(₹ in millions except per share data)

<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	4.26	4.26	4.26
Reserves and Surplus	(5.02)	(2.32)	6.23
Total Income	4.83	2.21	66.11
Profit/(Loss) after Tax	(2.70)	(8.55)	(4.98)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(6.34)	(20.07)	(11.69)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(6.34)	(20.07)	(11.69)
Net asset value per share	(1.78)	4.56	24.63

#### **24. NCC Santosh Fibers Private Limited**

##### *Corporate information*

NCC Santosh Fibers Private Limited was incorporated on July 19, 2007 as a private limited company.

The registered office of NCC Santosh Fibers Private Limited is located at Plot No. 511, CIDCO, N-3, Aurangabad, Maharashtra – 431003, , India.

NCC Santosh Fibers Private Limited was incorporated with the main object of carrying on the business of purchases, sell, import, export, growing, cultivating, ginning, pressing, packing, shipping, combing, clearing, bleaching, weaving, colouring, finishing, printing, raw cotton or kappa's, lint, cotton bales and allied products by establishing and running of cotton ginning and pressing, processing plants by own, hire or lease or franchise basis.

##### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited indirectly holds entire share capital of NCC Santosh Fibers Private Limited through NSL Cotton Corporation Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
NSL Cotton Corporation Private Limited	9,900	99.00
Mandava Asha Priya (Nominee of NSL Cotton Corporation Private Limited)	100	1.00
<b>Total</b>	<b>10,000</b>	<b>100.00</b>

#### *Financial Performance*

Brief financial details of NCC Santosh Fibers Private Limited, extracted from its audited accounts for the past three financial years are as follows:

(₹ in millions except per share data)

<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	0.10	0.10	0.10
Reserves and Surplus	(34.92)	(33.50)	(25.65)
Total Income	5.76	1.31	31.86
Profit/(Loss) after Tax	(1.42)	(7.85)	(5.87)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(141.80)	(785.06)	(587.40)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(141.80)	(785.06)	(587.40)
Net asset value per share	(3,482.00)	(3,340.20)	(2,555.15)

Except as disclosed below, there are no significant notes of the auditors in relation to the aforementioned financial statements.

For the Financial year 2012-13 and 2013-14, Auditors have drawn attention to the financial statements regarding drawing up of financial statements on going concern basis on the basis of commitment letter issued by the Holding Company notwithstanding the accumulated losses exceeding the networth of the NCC Santosh Fibers Private Limited.

## **25. NCC Shri Cotton Private Limited**

### *Corporate information*

NCC Shri Cotton Private Limited was incorporated on August 16, 2007 as a private limited company.

The registered office of NCC Shri Cotton Private Limited is located at Plot No. 511, CIDCO, N-3, Aurangabad, Maharashtra – 431003. .

NCC Shri Cotton Private Limited was incorporated with the main object of carrying on the business of purchases, sell, import, export, growing, cultivating, ginning, pressing, packing, shipping, combing, clearing, bleaching, weaving, colouring, finishing, printing, raw cotton or kappa's, lint, cotton bales and allied products by establishing and running of cotton ginning and pressing, processing plants by own, hire or lease or franchise basis.

### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited indirectly holds entire share capital of NCC Shri Cotton Private Limited through NSL Cotton Corporation Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
NSL Cotton Corporation Private Limited	439,900	99.99
Mandava Asha Priya (Nominee of NSL Cotton Corporation Private Limited)	100	0.01
<b>Total</b>	<b>440,000</b>	<b>100.00</b>

### *Financial Performance*

Brief financial details of NCC Shri Cotton Private Limited, extracted from its audited accounts for the past three financial years are as follows:

(₹in millions except per share data)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	4.40	4.40	4.40
Reserves and Surplus	(13.99)	(13.62)	(4.06)
Total Income	1.82	16.68	178.97
Profit/(Loss) after Tax	(4.19)	(9.56)	(8.11)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(9.53)	(21.72)	(18.43)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(9.53)	(21.72)	(18.43)
Net asset value per share	(21.80)	(20.95)	0.76

Except as disclosed below, there are no significant notes of the auditors in relation to the aforementioned financial statements.

For the financial year 2012-13 and 2013-14, auditors have drawn attention to the financial statements regarding drawing up of financial statements on going concern basis on the basis of commitment letter issued by the holding company notwithstanding the accumulated losses exceeding the networth of the NCC Shri Cotton Private Limited

## 26. NSL Andhra Power Private Limited

### Corporate information

NSL Andhra Power Private Limited was incorporated on April 29, 2010 as a private limited company.

The registered office of NSL Andhra Power Private Limited is located at NSL Icon, 8-2-684/2/A, Plot numbers 1 to 4, 4th Floor, Road number 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.

NSL Andhra Power Private Limited was incorporated with the main object of carrying on the business of generating, harnessing, developing, accumulating and supplying electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to state/central electricity boards, to industries and to other consumers of electricity.

### Interests of the Promoters in terms of shareholding

Mandava Holdings Private Limited indirectly holds the entire share capital of NSL Andhra Power Private Limited through NSL Conventional Power Private Limited.

The shareholding pattern as on February 28, 2015 was

Name of shareholder	Number of shares	Percentage (%)
NSL Conventional Power Private Limited	49,900	99.80
Mandava Asha Priya (Nominee of NSL Conventional Power Private Limited )	100	0.20
<b>Total</b>	<b>50,000</b>	<b>100.00</b>

### Financial Performance

Brief financial details of NSL Andhra Power Private Limited, extracted from its audited accounts for the past three financial years are as follows:

(₹ in millions except per share data)

Particulars	Year ended March	Year ended March	Year ended
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	31, 2014	31, 2013	March 31, 2012
Equity Capital	0.50	0.50	0.10
Reserves and Surplus	(0.38)	(0.37)	(0.36)
Total Income	Nil	Nil	Nil
Profit/(Loss) after Tax	(0.01)	(0.01)	(0.01)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(0.73)	(0.61)	(0.89)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(0.73)	(0.61)	(0.89)
Net asset value per share	2.46	2.67	(25.78)

## 27. NSL Conventional Power Private Limited

### Corporate information

NSL Conventional Power Private Limited was incorporated as Radiant Real Ventures (India) Private Limited on May 16, 2007 under the Registrar of Companies, Hyderabad, Andhra Pradesh and changed its name to NSL Conventional Power Private Limited on July 22, 2008 under the Companies Act, 1956..

The registered office of NSL Conventional Power Private Limited is located at NSL Icon, 8-2-684/2/A, Plot numbers 1 to 4, 4th Floor, Road number 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.

NSL Conventional Power Private Limited was incorporated with the main object of carrying on the business of generating, harnessing, developing, accumulating and supplying electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to state/central electricity boards, to industries and to other consumers of electricity.

### Interests of the Promoters in terms of shareholding

Mandava Holdings Private Limited indirectly holds the entire share capital of NSL Conventional Power Private Limited (formerly known as Radiant Real Ventures (India) Private Limited) through NSL Energy Ventures Private Limited.

The shareholding pattern as on February 28, 2015 was

Name of shareholder	Number of shares	Percentage (%)
NSL Energy Ventures Private Limited	9,900	99.00
Mandava Asha Priya (Nominee NSL Energy Ventures Private Limited)	100	1.00
<b>Total</b>	<b>10,000</b>	<b>100.00</b>

### Financial Performance

Brief financial details of NSL Conventional Power Private Limited, extracted from its audited accounts for the past three financial years are as follows:

(₹in millions except per share data)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	0.10	0.10	0.10
Reserves and Surplus	(355.71)	(311.13)	(123.74)
Total Income	50.70	250.66	0.63
Profit/(Loss) after Tax	(44.58)	(187.39)	(122.94)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(4,458.17)	(18,739.23)	(12,294.22)

Earnings per share (diluted) (₹) (Face Value ₹ 10)	(4,458.17)	(18,739.23)	(12,294.22)
Net asset value per share	(35,561.10)	(31,102.93)	(12,363.70)

## 28. NSL Eolica Limitada, Chile LLC

### Corporate information

NSL Eolica Limitada, Chile LLC was incorporated on May 31, 2011 as a private company under the laws of Chile.

The registered office of NSL Eolica Limitada, Chile LLC, is located at Av. Vitacura 2939, 8th Floor, Las Condes, Santiago - Chile.

NSL Eolica Limitada, Chile LLC was incorporated with the main object of (a) conducting investments, which it may acquire and dispose of by whatever means, stocks, rights or shares in a public stock corporation, foreign currencies; (b) planning, building, developing and exploiting electric wind power generation projects; and (c) the performance of all types of operations and activities to fulfill these purposes.

### Interests of the Promoters in terms of shareholding

Mandava Holdings Private Limited holds 61.81% of share capital of NSL Eolica Limitada, Chile LLC through Inversiones NSL Green Ventures Limitada.

Mandava Prabhakara Rao holds 8.85% of share capital of NSL Eolica Limitada, Chile LLC through Inversiones NSL Green Ventures Limitada.

The shareholding pattern as on February 28, 2015 was

Name of shareholder	Value of shares (in US\$)	Percentage (%)
Inversiones NSL Green Ventures Limitada	(99.99% of the Share capital amounting to US\$ 1,994)	99.99
NSL Global Energy Ventures Private Limited	(0.01% of the Share capital amounting to US\$ 1,994)	0.01
<b>Total</b>	<b>US\$ 1,994</b>	<b>100.00</b>

### Financial Performance

Brief financial details of NSL Eolica Limitada, Chile LLC, extracted from its audited accounts for the past three financial years are as follows:

Particulars	(in US\$)		
	Year ended December 31, 2013	Year ended December 31, 2012	Year ended December 31, 2011
Equity Capital	1,994	1,994	1,994
Reserves and Surplus	(0.91) million	(5.60) million	(2.17) million
Total Income	0.19 million	Nil	Nil
Profit/(Loss) after Tax	0.13 million	(3.43) million	(2.17) million
Net worth	(0.91) million	(5.60) million	(2.16) million

## 29. NSL Estates Private Limited

### Corporate information

NSL Estates Private Limited was incorporated on July 12, 2007 as a private limited company.

The registered office of NSL Estates Private Limited is located at NSL Icon, 8-2-648, Plot No. 1 to 4, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.

NSL Estates Private Limited was incorporated with the main object of carrying on the business to purchase, sell, develop, take in exchange or on lease, hire or otherwise acquire, whether for investment for sale, or working in same, any real or personal estate including lands, buildings, houses, easement or interest in or with respect to any property or whatsoever for the purpose of the company in consideration gross sum or rent or partly in one way and partly in the other or for any other consideration and to carry on the business of real estate dealers, estate owners, under taking construction activities and development of housing plots, suites and projects, design, build, operate, own and manage software technology parks, malls, entertainment parks, theme parks, integrated townships including construction of apartments, houses, housing colonies and commercial complexes and industrial estates, export processing zones, special economic zones and business zones.

#### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited along with his nominee holds 100% of the paid up share capital of NSL Estates Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
Mandava Holdings Private Limited	249,990	99.99
Ch. Appa Rao (Nominee of Mandava Holdings Private Limited)	10	0.01
<b>Total</b>	<b>250,000</b>	<b>100.00</b>

#### *Financial Performance*

Brief financial details of NSL Estates Private Limited, extracted from its audited accounts for the past three financial years are as follows:

*(₹ in millions except per share data)*

<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	2.50	2.50	2.50
Reserves and Surplus	(378.12)	(234.23)	(100.70)
Total Income	10.70	1.54	30.95
Profit/(Loss) after Tax	(143.89)	(133.53)	(90.65)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(575.56)	(534.12)	(362.61)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(575.56)	(534.12)	(362.61)
Net asset value per share	(1,502.50)	(926.93)	(392.81)

### **30. NSL Infratech Private Limited**

#### *Corporate information*

NSL Infratech Private Limited was incorporated on July 12, 2007 as a private limited company.

The registered office of NSL Infratech Private Limited is located at NSL Icon, 8-2- 648, Plot No. 1 to 4, , Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.

NSL Infratech Private Limited was incorporated with the main object of carrying on the business of to purchase, sell, develop, take in exchange, or on lease, hire or otherwise acquire, whether for investment for sale, or working in same, any real or personal estate including lands, buildings, houses, easement or interest in or with respect to any property or whatsoever for the purpose of the company in consideration gross sum or rent or partly in one way and partly in the other or for any other consideration and to carry on the business of real estate dealers, estate owners, undertaking construction activities and development of housing plots, suites and projects, design, build, operate, own and manage software technology parks, malls, entertainment parks, theme parks, integrated townships including construction of apartments, houses, housing colonies and commercial complexes and industrial estates, export processing zones, special economic zones and business zones.

#### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited together with his nominee holds 100% of the paid up share capital of the NSL Infratech Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
Mandava Holdings Private Limited	5,559,900	99.99
A.V.V. Shivaprasad (Nominee of Mandava Holdings Private Limited )	100	0.01
<b>Total</b>	<b>5,560,000</b>	<b>100.00</b>

#### *Financial Performance*

Brief financial details of NSL Infratech Private Limited, extracted from its audited accounts for the past three financial years are as follows:

*(₹ in millions except per share data)*

<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	55.60	55.60	55.60
Reserves and Surplus	(67.71)	(37.27)	(15.57)
Total Income	2.05	0.53	5.68
Profit/(Loss) after Tax	(30.44)	(21.70)	1.05
Earnings per share (basic) (₹) (Face Value ₹ 10)	(5.47)	(3.90)	0.19
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(5.47)	(3.90)	0.19
Net asset value per share	(2.18)	3.30	7.20

### **31. NSL Oil and Gas Limited**

#### *Corporate information*

NSL Oil and Gas Limited was incorporated on September 6, 2011 as a company under the laws of Ghana.

The registered office of NSL Oil and Gas Limited is located at P.O. Box 14951, Accra, Ghana.

NSL Oil and Gas Limited was incorporated with the main object to carry on in Ghana the business to manufacture, produce, process, convert, commercialize, control, compound, develop, distribute, derive, excavate, grade, release, manipulate, prepare, promote, reclaim, supply, turn to account and to act as agent, broker, concessionaires, consultants, collaborator, job worker or otherwise to deal in all specifications, descriptions, characteristics and applications industrial oils including mineral oils, furnace oils, high speed diesel oils, liquid parafin & white oils, bauxite solvent oils, transformer oils, lubricating oils, light oils, mineral, turpentine oils, vaporising oils, hydrocarbon oils, mineral colza oils, household oils, base mineral oils,



petroleum oils, glushing oils, brake oils, engine oils, gear oils, bituminous mineral oils, creosote oils, anthracene oils, their residues, derivatives, compounds, products, by-products, mixtures, blends and other allied materials and to do all incidental acts and things necessary for the attainment of above objects.

#### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited through NSL Energy Ventures Private Limited holds 100% of the share capital of NSL Oil and Gas Limited, Ghana.

The shareholding pattern as on February 28 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
NSL Energy Ventures Private Limited	240,000	76.19
NSL Energy Holdings Private Limited	75,000	23.81
<b>Total</b>	<b>315,000</b>	<b>100.00</b>

#### *Financial Performance*

Brief financial details of NSL Oil and Gas Limited, extracted from its audited accounts for the past three financial years are as follows:

*(GHC in millions except per share data)*

<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital (In GHC)	0.32	0.32	0.32
Reserves and Surplus (In GHC)	(2.69)	(0.65)	(0.63)
Total Income (In GHC)	Nil	Nil	Nil
Profit/(Loss) after Tax (In GHC)	(2.04)	(0.01)	(0.63)
Net worth	(2.37)	(0.33)	(0.32)

### **32. NSL Orissa Power and Infratech Private Limited**

#### *Corporate information*

NSL Orissa Power and Infratech Private Limited is incorporated as NSL Nagapatnam Power Company Private Limited on June 23, 2008 under the Registrar of Companies, Hyderabad, Andhra Pradesh and changed its name to NSL Orissa Power and Infratech Private Limited on August 23, 2010 under the Companies Act, 1956..

The registered office of NSL Orissa Power and Infratech Private Limited is located at NSL Icon, 8-2-684/2/A, Plot numbers 1 to 4, 4th Floor, Road number 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.

NSL Orissa Power and Infratech Private Limited was incorporated with the main object of carrying on the business of generating, harnessing, developing, accumulating and supplying electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, automotive Power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to state/central electricity boards, to industries and to other consumers of electricity.

#### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited indirectly holds the entire share capital of NSL Orissa Power and Infratech Limited through NSL Orissa Power Company Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
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NSL Orissa Power Company Private Limited	49,990	99.99
Y. Madhu Babu (Nominee of NSL Orissa Power Company Private Limited)	10	0.01
<b>Total</b>	<b>50,000</b>	<b>100.00</b>

### *Financial Performance*

Brief financial details of NSL Orissa Power and Infratech Limited, extracted from its audited accounts for the past three financial years are as follows:

(₹ in millions except per share data)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	5.00	5.00	0.22
Reserves and Surplus	(3.81)	(3.71)	(2.49)
Total Income	Nil	Nil	Nil
Profit/(Loss) after Tax	(0.11)	(1.22)	(1.04)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(0.20)	(2.32)	(46.78)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(0.20)	(2.32)	(46.78)
Net asset value per share	2.37	2.59	(101.53)

### **33. NSL Power & Infratech Limited**

#### *Corporate information*

NSL Power & Infratech Limited is incorporated as Pavillion Estates Private Limited on November 23, 2005 under the Registrar of Companies, Hyderabad, Andhra Pradesh changed its name to NSL Power & Infratech Private Limited on April 20, 2012 and subsequently changed to NSL Power & Infratech Limited on May 18, 2012 under the Companies Act, 1956..

The registered office of NSL Power & Infratech Limited is located at NSL Icon, 8-2-684/2/A, Plot numbers 1 to 4, 4th Floor, Road number 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.

NSL Power & Infratech Limited was incorporated with the main object of carrying on the business of real estate builders, developers, promoters, architects, supervisors, contractors / consultants, dealers and agents for real estate including development of townships and sale of plots.

#### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited holds 99.81% of NSL Power & Infratech Limited through NSL Nagapatnam Power Ventures Private Limited.

The shareholding pattern as on February 28, 2015 was:

Name of shareholder	Number of shares	Percentage (%)
NSL Nagapatnam Power Ventures Private Limited	504,107	92.63
Mandava Asha Priya*	10	0.00
Mandava Prabhakara Rao*	10	0.00
K.Ramakoteswara Rao*	10	0.00
Y. Madhu Babu*	10	0.00
P. Nageswara Rao*	10	0.00

A.V.V. Siva Prasad*	10	0.00
NSL Nagapatnam Power and Infratech Limited	40,000	7.37
<b>Total</b>	<b>544,167</b>	<b>100.00</b>

\*Nominee of NSL Nagapatnam Power Ventures Private Limited

#### *Financial Performance*

Brief financial details of NSL Power & Infratech Limited, extracted from its audited accounts for the past three financial years are as follows:

*(₹ in millions except per share data)*

<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	5.44	5.44	5.04
Reserves and Surplus	(11.81)	(11.73)	(0.21)
Total Income	Nil	2.96	Nil
Profit/(Loss) after Tax	(0.08)	(11.52)	(0.17)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(0.15)	(21.35)	(1.90)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(0.15)	(21.35)	(1.90)
Net asset value per share	(11.71)	(11.56)	9.59

### **34. NSL Real Estates Private Limited**

#### *Corporate information*

NSL Real Estates Private Limited was incorporated on March 12, 2008 as a private limited company.

The registered office of NSL Real Estates Private Limited is located at 905, Kanchun Junga Building, Barakhamba Road, Connaught Place, New Delhi, New Delhi, 110 001.

NSL Real Estates Private Limited was incorporated with the main object of carrying on the business of real estates, builders, developers, promoters, architects, supervisors, onractors / consultants, dealers and agents for real estate including development of townships and sale of plots.

#### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited indirectly holds 36.88% of NSL Real Estates Private Limited through NSL Wind Power Company (Satara) Private Limited. Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of NSL Real Estates Private Limited through NSL Wind Power Company (Satara) Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
NSL Wind Power Company (Satara) Private Limited	9,900	99.00
Mandava Asha Priya (Nominee of NSL Wind Power Company (Satara) Private Limited)	100	1.00
<b>Total</b>	<b>10,000</b>	<b>100.00</b>

#### *Financial Performance*

Brief financial details of NSL Real Estates Private Limited, extracted from its audited accounts for the past three financial years are as follows:

*(₹ in millions except per share data)*

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	0.10	0.10	0.10
Reserves and Surplus	(0.12)	(0.09)	(0.05)
Total Income	Nil	Nil	Nil
Profit/(Loss) after Tax	(0.03)	(0.04)	(0.01)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(2.59)	(3.86)	(0.97)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(2.59)	(3.86)	(0.97)
Net asset value per share	(1.55)	1.04	4.90

### 35. NSL Sugars & Industries Limited

#### Corporate information

NSL Sugars & Industries Limited was incorporated as a company under the Companies Code, 1963 (Act 179) and that the liability of its members is limited on August 30, 2011 under the Registrar of Companies, Ghana and obtained the certificate for commencement of business on September 1, 2011.

The registered office of NSL Sugars & Industries Limited is located at P.O. Box 14951, Accra, Ghana.

NSL Sugars & Industries Limited was incorporated with the main object of manufacturing of sugar from cane, processing of raw sugar.

#### Interests of the Promoters in terms of shareholding

NSL Sugars & Industries Limited is a step down subsidiary of Mandava Holdings Private Limited

The shareholding pattern as on February 28, 2014 was

Name of shareholder	Number of shares	Percentage (%)
NSL Sugars Limited	1,421,240	100.00
<b>Total</b>	<b>1,421,240</b>	<b>100.00</b>

#### Financial Performance

Brief financial details of NSL Sugars and Industries Limited, extracted from its audited accounts for the past three financial years are as follows:

*(GHC in millions except per share data)*

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital (in GHC)	1.42	1.42	0.08
Reserves and Surplus (in GHC)	(2.34)	(1.95)	(0.76)
Total Income (in GHC)	Nil	Nil	NIL
Profit/(Loss) after Tax (in GHC)	(0.40)	(1.18)	(0.76)
Net worth	(0.92)	(0.52)	(0.69)

### 36. NSL Sugars and Trading DMCC

### *Corporate information*

NSL Sugars and Trading DMCC was incorporated as a limited liability company on July 10, 2011 as a company under the laws of the United Arab Emirates.

The registered office of NSL Sugars and trading DMCC is located at Jumeriah Lake Towers, P O Box 72441, Dubai, UAE.

NSL Sugars and trading DMCC was incorporated with the main object of trading in soft and agricultural commodities.

### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited, through NSL Sugars Limited, holds 51% of NSL Sugars and Trading DMCC. Mandava Prabhakara Rao, through NSL Sugars Limited, holds 41% of NSL Sugars and Trading DMCC.

The shareholding pattern as on February 28, 2014 was

<b>Name of shareholder</b>	<b>Number of shares (of par value AED 1,000)</b>	<b>Percentage (%)</b>
NSL Sugars Limited	200	100.00
<b>Total</b>	<b>200</b>	<b>100.00</b>

### *Financial Performance*

Brief financial details of NSL Sugars and Trading DMCC, extracted from its audited accounts for the past three financial years are as follows:

<i>(₹ in millions except per share data)</i>			
<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	2.51	2.51	2.51
Reserves and Surplus	101.55	(5.72)	(0.54)
Total Income	111.07	Nil	Nil
Profit/(Loss) after Tax	107.94	(5.26)	(0.96)
Earnings per share (basic) (Face Value AED 1000)	1,079.38	(52.58)	(6,645.06)
Earnings per share (diluted) (Face Value AED 1000)	1,079.38	(52.58)	(6,645.06)
Net asset value per share	0.52	(0.02)	0.01

### **37. Orbit Wind Energy Private Limited**

#### *Corporate information*

Orbit Wind Energy Private Limited was incorporated on April 19, 2011 as a private limited company.

The registered office of Orbit Wind Energy Private Limited is located at Plot No. 103, Classic Gardens, IT Highway, Sholinganallur, Tamil Nadu – 600119.

Orbit Wind Energy Private Limited was incorporated with the main object of carrying on the business of to generate, harness, develop, accumulate and supply electricity by setting up power plants by use of Hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either

for captive use or to sell, supply, transmit to State/Central Electricity Boards, to industries and to other consumers of electricity.

*Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited indirectly holds 36.88% of Orbit Wind Energy Private Limited through NSL Renewable Power Private Limited. Mandava Prabhakara Rao indirectly holds 17.35% of the share capital of Orbit Wind Energy Private Limited through NSL Renewable Power Private Limited.

The shareholding pattern as on February 28, 2015 was

Name of shareholder	Number of shares	Percentage (%)
NSL Renewable Power Private Limited	12,600	99.67
M Asha Priya (Nominee of NSL Renewable Power Private Limited )	44	0.33
<b>Total</b>	<b>12,644</b>	<b>100.00</b>

*Financial Performance*

Brief financial details of Orbit Wind Energy Private Limited, extracted from its audited accounts for the past three financial years are as follows:

(₹ in millions except per share data)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	0.13	0.13	0.13
Reserves and Surplus	(0.26)	(0.11)	(0.01)
Total Income	Nil	Nil	Nil
Profit/(Loss) after Tax	(0.15)	(0.10)	(0.01)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(11.94)	(8.08)	(0.61)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(11.94)	(8.08)	(0.61)
Net asset value per share	(10.50)	1.44	9.52

**38. Pearl Infratech (India) Private Limited**

*Corporate information*

Pearl Infratech (India) Private Limited was incorporated on June 12, 2007 as a private limited company.

The registered office of Pearl Infratech (India) Private Limited is located at NSL Icon, 8-2-684/2/A, Plot numbers 1 to 4, 4th Floor, Road number 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.

Pearl Infratech (India) Private Limited was incorporated with the main object of purchase, sell, develop, take in exchange, or on lease, hire or otherwise acquire, whether for investment for sale or working in same, any real or personal estate including lands, buildings, houses, casement or interest in or with respect to any property or whatsoever for the purpose of the company in consideration gross sum or rent or partly in one way and partly in the other or for any other consideration to carry on the business of real estate dealers, estate owners, under taking construction activities and development of housing plots, suites and projects, design, build, operate, own and manage software technology parks, malls, entertainment parks, theme parks, integrated townships including construction of apartments, houses, housing colonies and commercial complexes, and industrial estates, export processing zones, special economic zones and business zones.

*Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited holds the entire share capital of Pearl Infratech (India) Private Limited through NSL Nagapatnam Infrastructure Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
NSL Nagapatnam Infrastructure Private Limited	9,500	95.00
Mandava Asha Priya (Nominee of NSL Nagapatnam Infrastructure Private Limited)	500	5.00
<b>Total</b>	<b>10,000</b>	<b>100.00</b>

### *Financial Performance*

Brief financial details of Pearl Infratech (India) Private Limited, extracted from its audited accounts for the past three financial years are as follows:

(₹ in millions except per share data)

<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	0.10	0.10	0.10
Reserves and Surplus	(0.10)	(0.09)	(0.08)
Total Income	Nil	Nil	Nil
Profit/(Loss) after Tax	(0.01)	(0.01)	(0.03)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(1.19)	(1.20)	(2.98)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(1.19)	(1.20)	(2.98)
Net asset value per share	(0.15)	1.04	2.25

### **39. Prabhat Homes Private Limited**

#### *Corporate information*

Prabhat Homes Private Limited was incorporated on September 3, 2004 as a private limited company.

The registered office of Prabhat Homes Private Limited is located at NSL Icon, 8-2-684/2/A, , 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.

Prabhat Homes Private Limited was incorporated with the main object of carrying on the business of Real Estate, Promoters to purchase the land, to layout, convert and develop the same into housing plots, industrial and commercial plots and sell them on out rate sale basis or by any mode or method which is convenient and suitable to the business.

#### *Interests of the Promoters in terms of shareholding*

Prabhat Homes Private Limited is a step down subsidiary of Mandava Holdings Private Limited. Mandava Holdings Private Limited holds the entire share capital of Prabhat Homes Private Limited through NSL Estates Private Limited

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
NSL Estates Private Limited	9,900	99.00
Mandava Asha Priya (Nominee of NSL Estates Private Limited)	100	1.00

<b>Total</b>	<b>10,000</b>	<b>100.00</b>
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#### *Financial Performance*

Brief financial details of Prabhat Homes Private Limited, extracted from its audited accounts for the past three financial years are as follows:

(₹ in millions except per share data)

<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	0.10	0.10	0.10
Reserves and Surplus	(23.55)	(19.75)	(14.05)
Total Income	0.01	Nil	Nil
Profit/(Loss) after Tax	(3.80)	(5.70)	(6.70)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(380.12)	(570.11)	(670.08)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(380.12)	(570.11)	(670.08)
Net asset value per share	(2,345.38)	(1,965.25)	(1,395.14)

#### **40. Regen O&M Services Limited**

##### *Corporate information*

Regen O&M Services Limited was incorporated on September 1, 2008 as a public limited company.

The registered office of Regen O&M Services Limited is located at Samson Towers, 5th Floor, 403L Pantheon Road, Egmore, Chennai, Tamil Nadu 600 008, India.

Regen O&M Services Limited was incorporated with the main object of carrying on the business of development and promotion of energy resources by identification of suitable location, technology and acquisition of land for developing infrastructure and such other facilities including setting up energy farms from all conventional and non-conventional renewable resources including solar, wind, hydel, tidal and biomass.

##### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited holds 43.93% of the share capital of Regen O&M Services Limited through Regen Powertech Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
Regen Power Tech Private Limited	49,490	98.98
R. Sundaresh (Nominee of ReGen Power Tech Private Limited)	10	0.02
ReGen Infrastructure and Services Private Limited (Formerly known as Renewable Energy Generation Private Limited)	100	0.20
Renewable Energy Harness Private Limited	100	0.20
Puto Energy Infrastructure Private Limited	100	0.20
Saastha Energy Infrastructure Private Limited	100	0.20
Renewable Energy (Vagarai) Private Limited	100	0.20



<b>Total</b>	<b>50,000</b>	<b>100</b>
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#### *Financial Performance*

Brief financial details of Regen O&M Services Limited, extracted from its audited accounts for the past three financial years are as follows:

(₹ in millions except per share data)

<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	0.10	0.10	0.10
Reserves and Surplus	(0.12)	(0.10)	(0.07)
Total Income	Nil	Nil	Nil
Profit/(Loss) after Tax	(0.02)	(0.03)	(0.01)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(1.83)	(2.54)	(1.12)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(1.83)	(2.54)	(1.12)
Net asset value per share	(1.58)	0.25	2.80

#### **41. Renewable Energy (Vagarai) Private Limited**

##### *Corporate information*

Renewable Energy (Vagarai) Private Limited was incorporated as Exploit Energy Infrastructure Private Limited on June 21, 2012 under the Registrar of Companies, Chennai, Tamilnadu and changed its name to Renewable Energy (Vagarai) Private Limited on February 26, 2013 under the Companies Act, 1956..

The registered office of Renewable Energy (Vagarai) Private Limited is located at Samson Towers, 4th Floor, 403L Pantheon Road , Egmore , Chennai, Tamil Nadu, 600 008, India.

Renewable Energy (Vagarai) Private Limited was incorporated with the main object of promotion of infrastructure relating to energy including acquisition, lease, of lands for the development / use of land and for promotion of energy resources including setting up of Energy farms for energy from all conventional and non – conventional renewable resources including solar, wind, Hydel, tidal, bio-mass, wave, geo-thermal and other energy sources.

##### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited holds 43.93% of the share capital of Renewable Energy (Vagarai) Private Limited through ReGen Infrastructure And Services Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
ReGen Infrastructure And Services Private Limited	9,990	99.90
S. Sundaram	10	0.10
<b>Total</b>	<b>10,000</b>	<b>100.00</b>

#### *Financial Performance*

Brief financial details of Renewable Energy (Vagarai) Private Limited, extracted from its audited accounts for the past three financial years are as follows:

(₹ in millions except per share data)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012*
Equity Capital	0.10	0.10	Not Incorporated
Reserves and Surplus	(0.10)	(0.06)	
Total Income	Nil	Nil	
Profit/(Loss) after Tax	(0.05)	(0.06)	
Earnings per share (basic) (₹) (Face Value ₹ 10)	(4.69)	(5.64)	
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(4.69)	(5.64)	
Net asset value per share	(0.33)	4.36	

\* Renewable Energy (Vagarai) Private Limited was incorporated on June 21, 2012

#### 42. Seamless Properties Private Limited

##### Corporate information

Seamless Properties Private Limited was incorporated on June 5, 2006 as a private limited company.

The registered office of Seamless Properties Private Limited is located at NSL Icon, 8-2-684/2/A, , 4th Floor, Road No. 12, Banjara Hills, Hyderabad – 500034..

Seamless Properties Private Limited was incorporated with the main object of carrying on the business of Real Estate Builders, Developers, Promoters, Architects, Supervisors, Contractors / Consultants, Dealers and Agents for a Real Estate including development of townships and sale of plots.

##### Interests of the Promoters in terms of shareholding

Mandava Holdings Private Limited holds 100 % of the paid up share capital of Seamless Properties Private Limited through NSL Estates Private Limited.

The shareholding pattern as on February 28, 2015 was

Name of shareholder	Number of shares	Percentage (%)
NSL Estates Private Limited	59,900	99.99
Ch. Appa Rao (Nominee of NSL Estates Private Limited)	100	0.01
<b>Total</b>	<b>60,000</b>	<b>100.00</b>

##### Financial Performance

Brief financial details of Seamless Properties Private Limited, extracted from its audited accounts for the past three financial years are as follows:

(₹in millions except per share data)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	0.60	0.60	0.10
Reserves and Surplus	(0.51)	(0.20)	(0.18)
Total Income	Nil	Nil	Nil
Profit/(Loss) after Tax	(0.31)	(0.02)	(0.05)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(5.14)	(1.82)	(5.20)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(5.14)	(1.82)	(5.20)
Net asset value per share	1.44	6.58	(8.03)

### 43. Solar Semiconductor Power Company (India) Private Limited

#### Corporate information

Solar Semiconductor Power Company (India) Private Limited was incorporated on August 23, 2010 as a private limited company.

The registered office of Solar Semiconductor Power Company (India) Private Limited is located at 3-5-821, Flat No. 104, 1<sup>st</sup> Floor, Doshi Square, Hyderguda, Hyderabad – 500029. .

Solar Semiconductor Power Company (India) Private Limited was incorporated with the main object of carrying on the business of generation, distribution and supply of electricity by setting up solar energy, bio fuel energy, bio waste energy, bio-mass energy, wind energy, nuclear energy, thermal energy, hydro energy plants or other type of power plants by use of solid, liquid or gaseous or other fuels for the purpose of light, heat, motive power and for all other purposes for which electric energy can be employed and to transmit, distribute supply and sell such power either directly or through transmission lines and facilities of the state electricity boards or to central /state government or private companies or to industries and /or to central/ state government and /or other consumers of electricity including for captive consumption for any industrial projects and generally to develop, generate accumulate power at any other place/s and to transmit, distribute sell and supply such power.

#### Interests of the Promoters in terms of shareholding

Mandava Holdings Private Limited indirectly holds 27.29% of the share capital of Solar Semiconductor Power Company (India) Private Limited through NSL Renewable Power Private Limited. Mandava Prabhakara Rao indirectly holds 12.84% of the share capital of Solar Semiconductor Power Company (India) Private Limited through NSL Renewable Power Private Limited.

The shareholding pattern as on February 28, 2015 was

Name of shareholder	Number of shares	Percentage (%)
<i>Equity shareholding</i>		
NSL Renewable Power Private Limited	118,494	74.00
Sakhamuri Satyanarayana Prasad	10	0.02
B.M. Vijay Kumar and Usha Rao Surapaneni (Joint Holders)	10	0.02
Solar Semiconductor Private Limited	41,613	25.96
<b>Total</b>	<b>160,127</b>	<b>100.00</b>
<i>Preference shareholding</i>		
NSL Renewable Power Private Limited	49,111,506 (of face value of ₹ 10)	100.00
<b>Total</b>	<b>49,111,506</b>	<b>100.00</b>

#### Financial Performance

Brief financial details of Solar Semiconductor Power Company (India) Private Limited, extracted from its audited accounts for the past three financial years are as follows:

<i>(₹ in millions except per share data)</i>			
Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	0.82	0.82	0.20
Reserves and Surplus	(114.70)	(131.93)	(111.96)
Total Income	487.16	285.84	NIL

Profit/(Loss) after Tax	17.23	(19.97)	(111.89)
Earnings per share (basic) (₹) (Face Value ₹ 10)	211.02	(363.33)	(5,988.98)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	211.02	(363.33)	(5,988.98)
Net asset value per share	(1,395.09)	(1,606.12)	(5,702.42)

#### 44. *Splendid Mineral Private Limited*

##### *Corporate information*

Splendid Minerals Private Limited was incorporated on August 14, 2006 as a private limited company.

The registered office of Splendid Minerals Private Limited is located at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.

Splendid Minerals Private Limited was incorporated with the main object of to carry on the business of to search, winset, quarry, reduct, smelt, refine, dress, amalgamate, manipulate and to prepare for market ferrous and non metal, ore, quartz, granite, metal and mineral substance of all kinds and to carry on any other prospecting, mining and metallurgical operations and to work mines or quarries and to search, frame, network, process, clacine, raise, crush, smelt, manufacture, make merchantable, sell or otherwise deal in iron, coal, coast tar, stone, cement, lime, lime stone, chalk, clay, baxite, soapstone, ores, metals, mineral oils, precious and other stones deposits, products and all other kinds of by products there of and carry on the business of mining in all its branches.

##### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited directly holds 100% of the paid up share capital of Splendid Minerals Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
Mandava Holdings Private Limited	9,900	99.00
Mandava Asha Priya (Nominee of Mandava Holdings Private Limited)	100	1.00
<b>Total</b>	<b>10,000</b>	<b>100.00</b>

##### *Financial Performance*

Brief financial details of Splendid Minerals Private Limited, extracted from its audited accounts for the past three financial years are as follows:

<i>(₹in millions except per share data)</i>			
<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	0.10	0.10	0.10
Reserves and Surplus	(286.33)	(238.01)	(230.50)
Total Income	1.08	0.01	6.09
Profit/(Loss) after Tax	(48.32)	(7.51)	(230.41)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(4,832.20)	(750.82)	(23,041.30)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(4,832.20)	(750.82)	(23,041.30)
Net asset value per share	(28,622.91)	(23,790.71)	(23,039.89)

#### 45. *Sree Kamadhenu Aquatech Private Limited*

### *Corporate information*

Sree Kamadhenu Aquatech Private Limited was incorporated on September 11, 2001 as a private limited company.

The registered office of Sree Kamadhenu Aquatech Private Limited is located at 3-5-821, 1<sup>st</sup> Floor, Doshi Square Hyderguda, Hyderabad – 500029, , India.

Sree Kamadhenu Aquatech Private Limited was incorporated with the main object of carrying on the business of hatching, growing, producing, farming, preparing, harvesting, cultivation, culture, search for, prospecting, deed sea fishing, refining, treating, developing, by any other means buying, selling, importing, exporting, distributing, marketing and generally, dealing in all kinds, descriptions and varieties acqa products, such as shrimps, prawns, lobsters, crabs, fish, frogs and other water living creatures.

### *Interests of the Promoters in terms of shareholding*

Mandava Prabhakara Rao directly holds 31.95% of the share capital of Sree Kamadhenu Aquatech Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholding</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
Mandava Prabhakara Rao	90,300	31.95
Mandava Asha Priya	115,600	40.91
K.Saibabu	4,800	1.70
D.Gandhi	67,300	23.81
D.V.Ranga Rao	4,600	1.63
<b>Total</b>	<b>282,600</b>	<b>100.00</b>

### *Financial Performance*

Brief financial details of Sree Kamadhenu Aquatech Private Limited, extracted from its audited accounts for the past three financial years are as follows:

<i>(₹ in millions except per share data)</i>			
<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	2.83	2.83	2.83
Reserves and Surplus	(6.00)	(6.20)	(6.22)
Total Income	0.55	0.56	0.54
Profit/(Loss) after Tax	0.20	0.02	0.17
Earnings per share (basic) (₹) (Face Value ₹ 10)	0.70	0.09	0.59
Earnings per share (diluted) (₹) (Face Value ₹ 10)	0.70	0.09	0.59
Net asset value per share	(11.22)	(11.92)	(12.01)

## **46. Super Cybertech Park Private Limited**

### *Corporate information*

Super Cybertech Park Private Limited was incorporated on September 3, 2004 as a private limited company.

The registered office of Super Cybertech Park Private Limited is located at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana 500 034, India.

Super Cybertech Park Private Limited was incorporated with the main object of carrying on the business of development, construction, and design of commercial complexes, industrial parks, technology centers, EPZs, SEZs, etc.

*Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited indirectly holds 100% of the share capital of Super Cybertech Park Private Limited through NSL Estates Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
NSL Estates Private Limited	49,900	99.80
Ch. Appa Rao (Nominee of NSL Estates Private Limited)	100	0.20
<b>Total</b>	<b>50,000</b>	<b>100.00</b>

*Financial Performance*

Brief financial details of Super Cybertech Park Private Limited, extracted from its audited accounts for the past three financial years are as follows:

(₹ in millions except per share data)

<b>Particulars</b>	<b>Year ended March 31, 2014 (unaudited)</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	0.50	0.50	0.10
Reserves and Surplus	(0.80)	(0.36)	(0.31)
Total Income	NIL	NIL	NIL
Profit/(Loss) after Tax	(0.44)	(0.04)	(0.11)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(8.83)	(2.72)	(10.74)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(8.83)	(2.72)	(10.74)
Net asset value per share	(5.97)	2.86	(21.34)

**47. Taurus Projects Private Limited**

*Corporate information*

Taurus Projects Private Limited was incorporated on June 1, 2007 as a private limited company.

The registered office of Taurus Projects Private Limited is located at NSL Icon, 8-2-684/2/A, Plot numbers 1 to 4, 4th Floor, Road number 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.

Taurus Projects Private Limited was incorporated with the main object to purchase, sell, develop, take in exchange, or on lease, hire or otherwise acquire, whether for investment for sale, or working in same, any real or personal estate including lands, buildings, houses, easement or interest in or with respect to any property or whatsoever for the purpose of the company in consideration gross sum or rent or partly in one way and partly in the other or for any other consideration and to carry on the business of real estate dealers, estate owners, under taking construction activities and development of housing plots, suites and projects, design, build, operate, own and manage software technology parks, malls, entertainment parks, theme parks, integrated townships including construction of apartments, houses, housing colonies and commercial complexes and industrial estates, export processing zones, special economic zones and business zones.

*Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited holds the entire share capital of Taurus Projects Private Limited through NSL Nagapatnam Infrastructure Private Limited

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
NSL Nagapatnam Infrastructure Private Limited	9,900	99.00
Mandava Asha Priya (Nominee of NSL Nagapatnam Infrastructure Private Limited)	100	1.00
<b>Total</b>	<b>10,000</b>	<b>100.00</b>

#### *Financial Performance*

Brief financial details of Taurus Projects Private Limited, extracted from its audited accounts for the past three financial years are as follows:

*(₹ in millions except per share data)*

<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	0.10	0.10	0.10
Reserves and Surplus	(0.10)	(0.09)	(0.08)
Total Income	Nil	Nil	Nil
Profit/(Loss) after Tax	(0.01)	(0.01)	(0.03)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(1.33)	(0.97)	(3.24)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(1.33)	(0.97)	(3.24)
Net asset value per share	(0.22)	1.11	2.08

#### **48. Venkatrama Techno City Private Limited**

##### *Corporate information*

Venkatrama Techno City Private Limited was incorporated on September 21, 2005 as a private limited company.

The registered office of Venkatrama Techno City Private Limited is located at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor, Road No. 12, Banjara Hills, Hyderabad, Telangana 500 034, India.

Venkatrama Techno City Private Limited was incorporated with the main object of carrying on the business of develop, design, build, operate, maintain, manage, construct, create and take up infrastructure projects such as information technology parks and hubs (software and hardware parks) export processing zones, special economic zones, business zones, commercial complexes, multilevel malls, entertainment, theme parks, industrial parks with integrated facilities.

##### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited indirectly holds 100% of the share capital of Venkatrama Techno City Private Limited through NSL Estates Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
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NSL Estates Private Limited	59,900	99.99
Ch. Appa Rao (Nominee of NSL Estates Private Limited)	100	0.01
<b>Total</b>	<b>60,000</b>	<b>100.00</b>

#### *Financial Performance*

Brief financial details of Venkatrama Techno City Private Limited, extracted from its audited accounts for the past three financial years are as follows:

(₹ in millions except per share data)

<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	0.60	0.60	0.10
Reserves and Surplus	(0.28)	(0.26)	(0.22)
Total Income	Nil	Nil	Nil
Profit/(Loss) after Tax	(0.02)	(0.04)	(0.11)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(0.31)	(2.96)	(10.90)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(0.31)	(2.96)	(10.90)
Net asset value per share	5.30	5.61	(12.33)

#### **49. Westend Real Projects (India) Private Limited**

##### *Corporate information*

Westend Real Projects (India) Private Limited was incorporated on June 1, 2007 as a private limited company.

The registered office of Westend Real Projects (India) Private Limited is located at NSL Icon, 8-2-684/2/A, Plot numbers 1 to 4, 4th Floor, Road number 12, Banjara Hills, Hyderabad, Telangana, 500 034, India.

Westend Real Projects (India) Private Limited was incorporated with the main object of carrying on the business of purchasing, selling, developing, taking in exchange, or on lease, hire or otherwise acquiring, whether for investment for sale, or working in same, any real or personal estate including lands, buildings, houses, easement or interest in or with respect to any property or whatsoever for the purpose of the company in consideration gross sum or rent or partly in one way and partly in other or for any other consideration and to carry on the business of real estate dealers, estate owners, under taking construction activities and development of housing plots, suites and projects, design, build, own and manage software technology parks, malls SEZs, commercial and industrial estates, etc.

##### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited holds the entire share capital of Westend Real Projects (India) Private Limited through NSL Nagapatnam Infrastructure Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
NSL Nagapatnam Infrastructure Private Limited	9,900	99.00
K. Ramakoteswara Rao (Nominee of NSL Nagapatnam Infrastructure Private Limited)	100	1.00
<b>Total</b>	<b>10,000</b>	<b>100.00</b>



### Financial Performance

Brief financial details of Westend Real Projects (India) Private Limited, extracted from its audited accounts for the past three financial years are as follows:

(₹ in millions except per share data)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	0.10	0.10	0.10
Reserves and Surplus	(0.10)	(0.09)	(0.08)
Total Income	Nil	Nil	Nil
Profit/(Loss) after Tax	(0.01)	(0.01)	(0.03)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(1.31)	(1.24)	(2.88)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(1.31)	(1.24)	(2.88)
Net asset value per share	(0.42)	0.89	2.13

### 50. Whitefield Homes Private Limited

#### Corporate information

Whitefield Homes Private Limited was incorporated on August 24, 2004 as a private limited company.

The registered office of Whitefield Homes Private Limited is located at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4th Floor, Road No. 12, Banjara Hills, Hyderabad - 500034.

Whitefield Homes Private Limited was incorporated with the main object of carrying on the business of real estate, promoters to purchase the land, to layout, convert and develop the same in to housing plots, industrial and commercial plots and sell them on out sale basis or by any mode or method which is convenient and suitable to the business.

#### Interests of the Promoters in terms of shareholding

Mandava Holdings Private Limited indirectly holds 100% of the share capital of Whitefield Homes Private Limited through NSL Estates Private Limited

The shareholding pattern as on February 28, 2015 was

Name of shareholder	Number of shares	Percentage (%)
NSL Estates Private Limited	9,900	99.99
Ch. Appa Rao (Nominee of NSL Estates Private Limited)	100	0.01
<b>Total</b>	<b>100,000</b>	<b>100.00</b>

### Financial Performance

Brief financial details of Whitefield Homes Private Limited, extracted from its audited accounts for the past three financial years are as follows:

(₹ in millions except per share data)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012
Equity Capital	1.00	1.00	0.10
Reserves and Surplus	(0.97)	(0.93)	(0.89)

Total Income	Nil	Nil	Nil
Profit/(Loss) after Tax	(0.04)	(0.05)	(0.03)
Earnings per share (basic) (₹) (Face Value ₹ 10)	(0.39)	(2.85)	(2.65)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	(0.39)	(2.85)	(2.65)
Net asset value per share	0.28	0.67	(78.63)

## 51. Wind-Direct GmbH

### Corporate information

Wind-Direct GmbH was incorporated on September 11, 2008 as a limited liability company under the laws of Germany.

The registered office of Wind-Direct GmbH is located at Mannheim, Germany.

Wind-Direct GmbH was incorporated with the main object of development of new technologies and designs for wind turbines, offering licenses for technologies with respect to wind turbines, generating power by use of wind turbines, manufacturing and sale of wind turbines and providing consultancy to users of wind turbines.

### Interests of the Promoters in terms of shareholding

Mandava Holdings Private Limited holds 36.90% of the share capital of Wind-Direct GmbH through Regen Renewable Energy Generation Global Limited (Cyprus).

The shareholding pattern as on February 28, 2015 was

Name of shareholder	Number of shares	Percentage (%)
Regen Renewable Energy Generation Global Ltd. (Cyprus)	21,000	84.00
Mr. Stephen Jockel (as sweat equity)	4,000	16.00
<b>Total</b>	<b>25,000</b>	<b>100.00</b>

### Financial Performance

Brief financial details of Wind-Direct GmbH, extracted from its audited accounts for the past three financial years are as follows:

(€ in millions except per share data)			
Particulars	For the period ended August 31, 2014	Year ended March 31, 2013	Year ended August 31, 2011
Equity Capital (in €)	0.025	0.025	0.025
Reserves and Surplus (in €)	(1.45)	(1.33)	(1.19)
Profit/(Loss) after Tax (in €)	(0.12)	(0.14)	(0.49)
Net worth (in €)	(1.425)	(1.305)	(1.165)

## 52. Windage Power Company Private Limited

### Corporate information

Windage Power Company Private Limited was incorporated on April 5, 2011 as a private limited company.

The registered office of Windage Power Company Private Limited is located at Plot No. 103, Classic Gardens, IT Highway, Sholinganllur, Tamilnadu – 600119. .

Windage Power Company Private Limited was incorporated with the main object of carrying on the business to generate, harness, develop, accumulate and supply electricity by setting up power plants by use of hydel, biomass, woody waste, solar, steam, fossil fuels, wind, coal or tidal energy for the purpose of light, heat, motive power and for which electric energy can be employed and to transmit, distribute, and supply such power either for captive use or to sell, supply, transmit to state/central electricity boards, to industries and to other consumers of electricity.

#### *Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited indirectly holds 25.86% of the share capital of Windage Power Company Private Limited through NSL Renewable Power Private Limited. Mandava Prabhakara Rao indirectly holds 12.17% of the share capital of Windage Power Company Private Limited through NSL Renewable Power Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
NSL Renewable Power Private Limited	789,000	70.13
Mandava Asha Priya (Nominee of NSL Renewable Power Private Limited)	5,000	0.44
Ravindranath GE Medical Associates Private Limited	38,500	3.42
Brookefields Estates Private Limited	46,998	4.18
Shree Sai Hanuman Smelters Private Limited	210,119	18.68
IP Rings Limited	35,383	3.15
<b>Total</b>	<b>1,125,000</b>	<b>100.00</b>

#### *Financial Performance*

Brief financial details of Windage Power Company Private Limited, extracted from its audited accounts for the past three financial years are as follows:

*(₹ in millions except per share data)*

<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>	<b>Year ended March 31, 2012</b>
Equity Capital	11.25	11.25	11.25
Reserves and Surplus	58.95	29.27	(12.86)
Total Income	175.52	193.54	13.87
Profit/(Loss) after Tax	29.69	42.13	(12.86)
Earnings per share (basic) (₹) (Face Value ₹ 10)	26.39	37.45	(37.54)
Earnings per share (diluted) (₹) (Face Value ₹ 10)	26.39	37.45	(37.54)
Net asset value per share	62.40	36.02	(1.43)

#### *Group Companies under winding up*

Other than PT NSL Global Mineral Resources (Indonesia), our Group Company, which is in the process of being wound up, neither our corporate Promoter nor any of the companies forming part of our Group Companies are under winding up. The details of PT NSL Global Mineral Resources (Indonesia) are as follows:

#### *Corporate information*

PT NSL Global Mineral Resources (Indonesia) was incorporated on April 12, 2008 as a company incorporated

under the laws of Indonesia. PT NSL Global Mineral Resources (Indonesia) is currently under winding up.

The registered office of PT NSL Global Mineral Resources (Indonesia) is located at Perkantoran, Sunter Permai, Block D, No.10, Jl.Danau, Sunter, Utara, Jakarta, Indonesia.

PT NSL Global Mineral Resources (Indonesia) was incorporated with the main object of general mining, acting as a contractor, trading in coal, corn, pepper, particle board, multiplex and carrying on exports and imports.

*Interests of the Promoters in terms of shareholding*

Mandava Holdings Private Limited holds the entire share capital of PT NSL Global Mineral Resources (Indonesia) through NSL Nagapatnam Infrastructure Private Limited and NSL Conventional Power Private Limited.

The shareholding pattern as on February 28, 2015 was

<b>Name of shareholder</b>	<b>Number of shares</b>	<b>Percentage (%)</b>
NSL Nagapatnam Infrastructure Private Limited	2,850	95.00
NSL Conventional Power Private Limited	150	5.00
<b>Total</b>	<b>3,000</b>	<b>100.00</b>

*Financial Performance*

Brief financial details of PT NSL Global Mineral Resources (Indonesia), extracted from its audited accounts for the past three financial years are as follows:

*(Rupiahs in millions except per share data)*

<b>Particulars</b>	<b>Year ended December 31, 2013</b>	<b>Year ended December 31, 2012</b>	<b>Year ended December 31, 2011</b>
Capital Stock (Rupiahs)	2,940.00	2,940.00	2,940.00
Total Income(Rupiahs)	1.30	24.33	64.47
Profit/(Loss) after Tax(Rupiahs)	1.30	24.33	64.47

**Nature and extent of interest of Group Companies**

*(a) In the promotion of our Company*

None of the Group Companies have any interest in the promotion of our Company.

*(b) In the properties acquired by our Company in the past two years before filing this Draft Red Herring Prospectus or proposed to be acquired by our Company*

The Group Companies have no interest in any property acquired by our Company within two years from the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company as of the date of this Draft Red Herring Prospectus.

*(c) In transactions for acquisition of land, construction of building and supply of machinery*

Except as described in “Financial Statements – Related Party Transactions” at page F-76 of this Draft Red Herring Prospectus, there are no transactions for acquisition of land, construction of building and supply of machinery by our Company with our Group Companies for the past two years.

### Common pursuits between the Group Companies and our Company

Our Promoters are interested in other companies that may compete with us. Certain of our Subsidiaries are engaged in lines of businesses that are similar and/ or synergistic to our Company. In addition to these, certain of our Group Companies are authorized to carry out businesses and/ or are engaged in businesses which are similar to those carried out by our Company.

For further details on the risks involved due to conflict of interest due to common pursuits between our Company and its Subsidiaries please see section on “*Risk Factors - There are potential conflicts of interest with our Group Companies and members of our Promoter Group. Furthermore, we have entered into related party transactions and may continue to do so in the future and we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties.*” on page 55 of this Draft Red Herring Prospectus.

### Related business transactions and business interest of Group Companies in our Company

Except as disclosed in “*Financial Statements – Related Party Transactions*” at page F-76 of this Draft Red Herring Prospectus, there are no related business transactions and business interests of Group Companies in our Company for the past two years.

### Sale/Purchase between Group Companies and our Company exceeding 10% of the total sales or purchases of our Company

Except as disclosed in “*Financial Statements – Related Party Transactions*” at page F-76 of this Draft Red Herring Prospectus, there are no the transactions between our Company and related parties (as defined under Accounting Standard 18) which exceed 10% (ten per cent) of the total sales or purchases of our Company.

### Loss making Group Companies

Other than our corporate Promoter, the following Group Companies have incurred a loss in the immediately preceding financial year:

S. No.	Entity	Loss incurred in FY 2014 (in ₹ million, unless stated otherwise)
1.	Alot Wind Energy Private Limited	(0.01)
2.	Ambient Infratech Private Limited	(0.02)
3.	Amboli Power Private Limited	(0.01)
4.	Anamudi Renewable Power Private Limited	(0.01)
5.	Arena Infrastructure Private Limited	(0.01)
6.	Ascendant Estates Private Limited	(0.13)
7.	Badawada Wind Energy Private Limited	(0.01)
8.	Caeser Stone Estates	(0.01)
9.	Celebrity Infrastructure Private Limited	(0.14)
10.	Celebrity Power Company Private Limited	(0.01)
11.	Century Avenues Private Limited	(0.02)
12.	Chennai Cybercity Private Limited	(0.12)
13.	Clean City Estates Private Limited	(8.72)
14.	Cozy Properties Private Limited	(2.22)
15.	Dhar Wind Energy Private Limited	(0.01)
16.	Dream Land Avenues Private Limited	(2.48)
17.	Excelsior Projects Private Limited	(0.01)
18.	Grandcity Avenues Private Limited	(0.21)
19.	Gold Touch Real Projects Private Limited	(0.01)
20.	Golden Tower Infratech Private Limited	(0.29)

<b>S. No.</b>	<b>Entity</b>	<b>Loss incurred in FY 2014 (in ₹ million, unless stated otherwise)</b>
21.	Hardeol Renewable Power Private Limited	(0.01)
22.	Highend Project Consultants Private Limited	(0.02)
23.	Highend Properties Private Limited	(62.95)
24.	Kalsubai Power Private Limited	(0.01)
25.	Khaga Solar Power Private Limited	(0.01)
26.	Mandava Cold Storage Private Limited	(57.53)
27.	Mandava Foundation	(0.40)
28.	Mandava Investments Private Limited	(0.91)
29.	Madras Escon Private Limited	(0.02)
30.	Midas Projects Private Limited	(0.01)
31.	MKP Power Private Limited	(33.26)
32.	MPR Private Trust	(0.13)
33.	Nagapatnam Port and Infrastructure Private Limited	(0.01)
34.	NCC Abhinandan Cotton Private Limited	(0.63)
35.	NCC Ganapathi Cotton Private Limited	(4.53)
36.	NCC Jay Laxmi Fibers Private Limited	(4.85)
37.	NCC Matoshri Cotton Private Limited	(2.24)
38.	NCC Narsinh Cotton Private Limited	(0.86)
39.	NCC Radhakrishna Cotton Private Limited	(2.70)
40.	NCC Santosh Fibers Private Limited	(1.42)
41.	NCC Shri Cotton Private Limited	(4.19)
42.	NCC Venkateswara Cotton Fibers Private Limited	(1.47)
43.	Nilgiri Power Private Limited	(0.01)
44.	NSL Energy Ventures Private Limited	(113.27)
45.	NSL Masli Power Generation Private Limited	(20.07)
46.	NSL Real Estates Private Limited	(0.03)
47.	NSL Sugars Limited	(834.60)
48.	NSL Krishnaveni Sugars Limited	(251.78)
49.	NSL Foods & Oils Limited	(0.01)
50.	NSL Sugars & Industries Limited (in GHC)	(0.40)
51.	NSL Infratech Private Limited	(30.44)
52.	NSL Power Private Limited	(0.02)
53.	NSL Energy Holdings Private Limited (in US\$)	(0.96)
54.	NSL Renewable Energy Overseas Private Limited (in US\$)	(0.03)
55.	NSL Andhra Power Private Limited	(0.01)
56.	NSL Bihar Power Company Private Limited	(0.01)
57.	NSL Cotton Corporation Private Limited	(107.26)
58.	NSL Conventional Power Private Limited	(44.58)
59.	NSL Estates Private Limited	(143.89)
60.	NSL Jharkhand Power Company Private Limited	(0.01)
61.	NSL Orissa Power Company Private Limited	(0.01)
62.	NSL Nagapatnam Power Ventures Private Limited	(0.15)
63.	NSL Orissa Power and Infratech Private Limited	(0.11)
64.	NSL Nagapatnam Power and Infratech Limited	(11.68)
65.	NSL Properties Private Limited	(28.90)
66.	NSL Fertilizer Ventures Private Limited	(2.86)
67.	NSL Power & Infratech Limited	(0.08)
68.	NSL Power Equipment Trading Private Limited	(0.06)
69.	NSL Nagapatnam Infrastructure Private Limited	(2.03)
70.	NSL Satara Infratech Private Limited	(0.01)
71.	NSL Tidong Power Generation Private Limited	(0.26)

<b>S. No.</b>	<b>Entity</b>	<b>Loss incurred in FY 2014 (in ₹ million, unless stated otherwise)</b>
72.	NSL Wind Power (Gubbi-Tumkur) Private Limited	(0.01)
73.	NSL Wind Power (Holalkere-Chitradurga) Private Limited	(0.01)
74.	NSL Wind Power (Sira-Tumkur) Private Limited	(0.01)
75.	NSL Wind Power Company (Sreepalwan) Private Limited	(0.01)
76.	NSL Wind Power Company (Virli) Private Limited	(0.02)
77.	NSL Wind Power Company (Chilarwadi) Private Limited	(0.02)
78.	NSL Wind Power Company (Sayamalai) Private Limited	(0.01)
79.	Orbit Wind Energy Private Limited	(0.15)
80.	Pearl Infratech (India) Private Limited	(0.01)
81.	Prabhat Homes Private Limited	(3.80)
82.	Prudent Estates	(0.03)
83.	Puto Energy Infrastructure Private Limited	(0.04)
84.	Renewable Harness Energy Private Limited	(0.04)
85.	Renewable Energy (Vagarai) Private Limited	(0.05)
86.	Regen O&M Services Private Limited	(0.02)
87.	Renewable Energy (Phoolwadi) Private Limited	(0.06)
88.	Saastha Energy Infrastructure Private Limited	(0.04)
89.	Sailana Wind Energy Private Limited	(0.02)
90.	Sampada Creations Private Limited	(0.01)
91.	Seamless Properties Private Limited	(0.31)
92.	Serene Estates Private Limited	(29.23)
93.	Shahuwadi Wind Energy Private Limited	(0.01)
94.	Sispara Renewable Power Private Limited	(0.01)
95.	Splendid Minerals Private Limited	(48.32)
96.	Sree Anantha Lakshmi Textiles Private Limited	(1.45)
97.	Souvenir Estates Private Limited	(0.01)
98.	Super Cybertech Park Private Limited	(0.44)
99.	Swarnabharat Bio-technics Private Limited	(1.81)
100.	Swadeshi Bio-Technics Limited	(0.01)
101.	Tangnu Romai Power Generation Private Limited	(0.72)
102.	Taurus Projects Private Limited	(0.01)
103.	Tranquil Homes	(0.03)
104.	Topnotch Projects Private Limited	(0.01)
105.	Vanguard	(0.15)
106.	Venkatrama Techno City Private Limited	(0.02)
107.	Westend Real Projects (India) Private Limited	(0.01)
108.	Whitefield Homes Private Limited	(0.04)

Further, the following of our Group Companies have also incurred losses in the previous financial year:

<b>S. No.</b>	<b>Entity</b>	<b>Reporting currency</b>	<b>Loss incurred in the financial year ended</b>	<b>Amount of loss</b>
1.	NSL Global Energy Ventures Private Limited	US\$	December 31, 2013	(0.02)
2.	NSL Oil & Gas Limited (Republic of Ghana)	GHC	March 31, 2014	(2.04)
3.	Wind Direct GmbH	€	August 31, 2013	(0.12)
4.	Inversiones NSL Green Ventures	US\$	December 31,	(0.04)

S. No.	Entity	Reporting currency	Loss incurred in the financial year ended	Amount of loss
	Limitada LLC		2013	

For further details, please see the section on “*Risk Factors – Certain of our Group Companies have incurred losses in the preceding financial year and may continue to do so in the future, which could have a material adverse effect on our business, results of operations and financial condition*” on page 60 of this Draft Red Herring Prospectus.

#### **Sick or Defunct Companies**

Except the following, neither our corporate Promoter nor any of the companies forming part of our Group Companies have become sick companies under the Sick Industrial Companies (Special Provisions) Act, 1985:

1. Ambient Infratech Private Limited;
2. Arena Infrastructure Private Limited;
3. Apple Avenues Private Limited;
4. Celebrity Infrastructure Private Limited;
5. Century Avenues Private Limited;
6. Chennai Cybercity Private Limited;
7. Clean City Estates Private Limited;
8. Dream Land Avenues Private Limited;
9. Grandcity Avenues Private Limited;
10. Golden Tower Infratech Private Limited;
11. Highend Properties Private Limited;
12. Marvel Infratech Private Limited;
13. Madras Escon Private Limited;
14. Midas Projects Private Limited;
15. Nagapatnam Port and Infrastructure Private Limited;
16. NCC Abhinandan Cotton Private Limited;
17. NCC Ganapathi Cotton Private Limited;
18. NCC Jay Laxmi Fibers Private Limited;
19. NCC Matoshri Cotton Private Limited;
20. NCC Narsinh Cotton Private Limited;
21. NCC Radhakrishna Cotton Private Limited;
22. NCC Santosh Fibers Private Limited;
23. NCC Shri Cotton Private Limited;
24. NSL Real Estates Private Limited;
25. NSL Infratech Private Limited;
26. NSL Estates Private Limited;
27. NSL Conventional Power Private Limited;
28. NSL Power & Infratech Limited;
29. NSL Andhra Power Private Limited;
30. NSL Orissa Power and Infratech Private Limited;
31. Orbit Wind Energy Private Limited;
32. Pearl Infratech (India) Private Limited;
33. Prabhat Homes Private Limited;
34. Regen O&M Services Private Limited;
35. Seamless Properties Private Limited;
36. Sree Kamadhenu Aquatech Private Limited;
37. Solar Semiconductor Power Company (India) Private Limited;
38. Splendid Minerals Private Limited;
39. Super Cybertech Park Private Limited;
40. Taurus Projects Private Limited;



41. Venkatrama Techno City Private Limited;
42. Westend Real Projects (India) Private Limited;
43. Whitefield Homes Private Limited;
44. Wind Direct GmbH (WD), Germany; and
45. Windage Power Company Private Limited.

For financial details of each of the Group Companies that have become a sick company, please see the section “- *Group Companies with Negative net worth above*” above.

Further, except the following, none of our Group Companies have become defunct and no application has been made in respect of any of them, to the respective registrar of companies where they are situated, for striking off their names, in the five years immediately preceding the date of this Draft Red Herring Prospectus:

<b>S. No.</b>	<b>Name</b>	<b>Reason</b>
1.	NCC Shriram Fibres Private Limited	Strike off under Companies Act, 1956
2.	NSL MAS Textoplast Park Private Limited	Strike off under Companies Act, 1956
3.	MKP Power (Partnership firm)	Conversion to private limited company
4.	M&M Business Solutions (Partnership firm)	Closed
5.	NSL Wind Energy LLP	Closed
6.	MPR Firm (Partnership firm)	Conversion into private limited company
7.	Madhurama Traders Private Limited	Strike off under Companies Act, 1956
8.	Sagar Power (Dandela) Private Limited	Sale of shares held in Sagar Power (Dandela) Private Limited on 22.06.2011
9.	Lushgreen Homes	Dissolved as no project has been commenced

## DIVIDEND POLICY

The declaration and payment of dividends on our Equity Shares will be recommended by our Board of Directors and approved by our shareholders, at their discretion, and will depend on a number of factors, including but not limited to our Company's results of operations, earnings, capital requirements and surplus, general financial conditions, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by the Board. The Board may also pay interim dividend. The dividends declared by the Company during the last five fiscal years and the nine month period ended December 31, 2014 have been presented below:

Particulars	For the nine month period ended December 31, 2014	For the year ended March 31,				
		2014	2013	2012	2011	2010
Equity Shares						
Equity Share Capital (In ₹ millions)	965.00	965.00	962.75	97.50	97.50	0.50
Face Value of Equity Share (in ₹ per share)	10.00	10.00	10.00	10.00	10.00	10.00
Interim Dividend on Equity Shares (In ₹ millions)	--	--	866.47	39.00	29.25	--
Final Dividend on Equity Shares (In ₹ millions)	--	--	--	--	--	--
Total Dividend (In ₹ millions)	--	--	866.47	39.00	29.25	--
Dividend Tax (In ₹ millions)	--	--	100.16	6.33	4.86	--
Rate of Dividend	--	--	90%	40%	30%	--
Preference Shares						
Preference Share Capital (In ₹ millions)	-	--	250.00	2500.00	2500.00	--
Face Value of Preference Shares (in ₹ per share)	-	1,000	1,000	1,000	1,000	1,000
Interim Dividend on Preference Shares (In ₹ millions)	-	--	80.82	--	--	--
Final Dividend on Preference Shares (In ₹ millions)	-	7.56	1.92	100.00	11.51	--
Total Dividend (In ₹ millions)	-	7.56	82.74	100.00	11.51	--
Dividend Tax (In ₹ millions)	-	1.51	13.57	16.22	1.91	--
Rate of Dividend*	-	4%	4%	4%	4%	--

\*Dividend paid proportionately on outstanding amount.

The Board at its meeting held on March 16, 2015 has adopted a policy to declare dividends only out of profits of the Company after considering business requirements and strategic or long-term plans of the Company.

The amounts paid as dividends in the past are not necessarily indicative of our Company's dividend policy or dividend amounts, if any, in the future.

## FINANCIAL STATEMENTS

Particulars	Page no.
Examination report by the Auditors on the Restated Standalone Financial Information	F-1
Restated Standalone Financial Information	F-5
Examination report by the Auditors on the Restated Consolidated Financial Information	F-45
Restated Consolidated Financial Information	F-49
Restated Consolidated on a Restated and Standalone Basis	F-85
Restated Consolidated on a Restated and Consolidated Basis	F-85

# B S R & Associates LLP

Chartered Accountants

8-2-618/2, Reliance Humsafar,  
4th Floor, Road, No. 11,  
Banjara Hills  
Hyderabad - 500 034. India.

Telephone +91 40 3046 5000  
Fax +91 40 3046 5299

To  
The Board of Directors  
Nuziveedu Seeds Limited

**Auditor's Report on Standalone Restated Financial Information in connection with  
Draft Red Herring Prospectus**

1.

We have examined the attached Standalone Financial Information, as restated, of Nuziveedu Seeds Limited (hereinafter referred to as 'NSL' or 'the Company'), as approved by the Board of Directors of the Company, prepared in terms of the requirements of Section 26 read with applicable provisions within rules 4 to 6 of the Companies, (Prospectus and Allotment of Securities) Rules, 2014 of the Companies Act, 2013 as amended ('the Act') and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time, (the 'SEBI Regulations') issued by the Securities and Exchange Board of India (the "SEBI"), the "Guidance note on Reports in Company's Prospectus (Revised)" issued by the Institute of Chartered Accountants of India ('ICAI'), to the extent applicable ('Guidance Note') and in terms of our engagement agreed upon with you in accordance with our engagement letter dated 12 February 2015 in connection with the proposed issue of equity shares of the Company and has been approved by the Board of Directors of the Company and initialed by us for identification purposes (herein after referred to as "financial information").

2. These financial information have been extracted by the Management from the audited standalone financial statements as at and for the year ended 31 March 2010, 31 March 2011, 31 March 2012, 31 March 2013, 31 March 2014 and nine months period ended 31 December 2014. The audit of the standalone financial statements for the year ended 31 March 2010 was conducted by M/s Mastanaiah & Co., and for the year ended 31 March 2011 was conducted by M/s B S R R & Co and reliance has been placed on the standalone financial statements audited by them. The financial report included for these years i.e., years ended 31 March 2010 and 31 March 2011 are based solely on the report submitted by them.

## Management's Responsibility for the Standalone Restated Financial Information

3. The preparation of the Standalone Restated Financial Information, which is to be included in the Draft Red Herring Prospectus ("DRHP"), is the responsibility of the management of the Company. The Board of Directors responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and presentation of the Standalone Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complied with the laws and regulations applicable to its activities.



### **Auditor's Responsibilities**

4. Our work has been carried out in accordance with Standards on Auditing, as per the Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India and pursuant to the requirements of section 26 read with the applicable provisions within rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 of the Act. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and SEBI regulations in connection with the proposed issue of equity shares.

### **Other Financial Information**

5. We have also examined the following financial information as set out in Annexures prepared by the Management and approved by the Board of Directors relating to the Company for the years ended 31 March 2010, 31 March 2011, 31 March 2012, 31 March 2013, 31 March 2014 and nine months period ended 31 December 2014.
  - i. Annexure III containing restated standalone summary statement of cash flows;
  - ii. Annexure VI containing restated standalone statement of other income;
  - iii. Annexure VII containing restated standalone statement of dividend;
  - iv. Annexure VIII containing restated standalone statement of accounting ratios,;
  - v. Annexure IX containing restated standalone statement of share capital;
  - vi. Annexure X containing restated standalone statement of reserves and surplus;
  - vii. Annexure XI containing restated standalone statement of long-term borrowings;
  - viii. Annexure XIA containing restated standalone statement of principal terms and conditions of long-term borrowings;
  - ix. Annexure XII containing restated standalone statement of short-term borrowings;
  - x. Annexure XIIA containing restated standalone statement of principal terms and conditions of short-term borrowings;
  - xi. Annexure XIII containing restated standalone statement of trade receivables;
  - xii. Annexure XIV containing restated standalone statement of long-term and short-term loans and advances;
  - xiii. Annexure XV containing restated standalone statement of investments;
  - xiv. Annexure XVI containing restated standalone statement of other long-term liabilities, other current liabilities, other non-current assets and other current assets;
  - xv. Annexure XVII containing restated standalone statement of provisions;
  - xvi. Annexure XVIII containing restated standalone statement of contingent liabilities;
  - xvii. Annexure XIX containing restated standalone statement of the related parties and transactions with them;
  - xviii. Annexure XX containing restated standalone statement of cost of materials consumed;
  - xix. Annexure XXI containing restated standalone statement of changes in inventories;
  - xx. Annexure XXII containing restated standalone statement of other expenses; and
  - xxi. Annexure XXIII containing statement of tax shelter.



### Opinion

6. In accordance with the requirements of Section 26 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 of the Act, the SEBI Regulations, the Guidance Note and the terms of our engagement agreed with you, we report that:
  - (i) The Standalone Restated summary statement of assets and liabilities of the Company as at 31 March 2010, 31 March 2011, 31 March 2012, 31 March 2013, 31 March 2014 and 31 December 2014 examined by us, as set out in Annexure I to this report read with the significant accounting policies in Annexure V are after making such adjustments and regroupings as in our opinion are appropriate and more fully described in notes annexed to and forming part of standalone financial information enclosed as Annexure VI to XXIII to this report.
  - (ii) The Standalone Restated summary statement of profits and losses of the Company for the years ended 31 March 2010, 31 March 2011, 31 March 2012, 31 March 2013, 31 March 2014 and nine months period ended 31 December 2014 are as set out in Annexure II to this report read with the significant accounting policies in Annexure V are after making such adjustments and regroupings as in our opinion are appropriate and more fully described in notes annexed to and forming part of standalone financial information enclosed as Annexure VI to XXIII to this report.
7. Based on the above, and also as per the reliance placed on the financial statements audited by M/s Mastanaiah & Co., and M/s B S R R & Co., for the respective years, we are of the opinion that the restated financial information have been prepared after incorporating:
  - (i) adjustments for the material amounts in the respective financial years to which they relate;
  - (ii) there are no adjustments regarding changes in accounting policies of the Company during the years ended 31 March 2010, 31 March 2011, 31 March 2012, 31 March 2013, 31 March 2014 and nine months period ended 31 December 2014; and
  - (iii) there are no extra-ordinary items that need to be disclosed separately in the standalone restated financial Information and qualification requiring adjustments.
8. The report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us on the financial statements of the Company.
9. We have no responsibility to update our report for events and circumstances occurring after the date of the Report.



B S R & Associates LLP

**Restriction on Use**

10. Our report is intended solely for use of the Management and for inclusion in the Draft Red Herring Prospectus in connection with the proposed issue of equity shares of the Company, to be filed by the Company with SEBI, Registrar of Companies, Hyderabad and the concerned stock exchanges.

*for* **B S R & Associates LLP**

*Chartered Accountants*

ICAI Firm Registration No: 116231W /W-100024



**Sriram Mahalingam**

*Partner*

Membership Number: 049642

Place: Hyderabad

Date: 16 March 2015

**RESTATED STANDALONE SUMMARY STATEMENT OF ASSETS AND LIABILITIES:**

Annexure - I

Rupees in millions

Particulars	As at 31 December 2014	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011	As at 31 March 2010
<b>EQUITY AND LIABILITIES</b>						
<b>Shareholders' funds</b>						
Share capital	965.00	965.00	1,212.75	2,597.50	2,597.50	0.50
Reserves and surplus	2,210.90	341.43	2,434.37	727.50	322.77	(0.26)
	<b>3,175.90</b>	<b>1,306.43</b>	<b>3,647.12</b>	<b>3,325.00</b>	<b>2,920.27</b>	<b>0.24</b>
<b>Non-current liabilities</b>						
Long-term borrowings	191.12	79.39	149.88	199.77	290.23	-
Other long-term liabilities	59.65	57.24	56.73	53.03	47.02	-
Long-term provisions	10.40	6.92	6.60	7.54	5.17	-
	<b>261.17</b>	<b>143.55</b>	<b>213.21</b>	<b>260.34</b>	<b>342.42</b>	<b>-</b>
<b>Current liabilities</b>						
Short-term borrowings	4,928.95	3,556.40	420.92	340.00	1,108.90	-
Trade payables	2,052.05	3,436.15	3,489.67	2,066.73	1,654.77	0.06
Other current liabilities	1,257.78	2,967.71	4,943.75	4,905.29	4,180.23	5.00
Short-term provisions	269.31	107.24	46.63	146.01	28.18	-
	<b>8,508.09</b>	<b>10,067.50</b>	<b>8,900.97</b>	<b>7,458.03</b>	<b>6,972.08</b>	<b>5.06</b>
<b>TOTAL</b>	<b>11,945.16</b>	<b>11,517.48</b>	<b>12,761.30</b>	<b>11,043.37</b>	<b>10,234.77</b>	<b>5.30</b>
<b>ASSETS</b>						
<b>Non-current assets</b>						
<b>Fixed assets</b>						
Tangible assets	1,152.37	1,122.22	1,036.44	1,059.34	708.74	4.62
Intangible assets	3.49	7.13	8.34	1,753.12	3,506.03	-
Capital work-in-progress	127.86	184.36	71.25	58.68	83.37	-
	<b>1,283.72</b>	<b>1,313.71</b>	<b>1,116.03</b>	<b>2,871.14</b>	<b>4,298.14</b>	<b>4.62</b>
Non-current investments	1,872.54	1,868.18	1,828.12	1,138.32	203.08	-
Deferred tax assets (net)	-	1.68	0.57	0.56	0.34	-
Long-term loans and advances	126.25	147.24	117.66	51.30	140.34	-
Other non-current assets	7.88	24.12	14.74	3.70	5.10	-
	<b>2,006.67</b>	<b>2,041.22</b>	<b>1,961.09</b>	<b>1,193.88</b>	<b>348.86</b>	<b>-</b>
<b>Current assets</b>						
Current investments	-	-	-	1,035.22	-	-
Inventories	5,743.56	7,374.05	6,525.82	3,979.90	3,057.25	-
Trade receivables	1,904.94	640.03	435.26	275.25	326.14	-
Cash and bank balances	105.15	49.77	104.40	336.10	742.74	0.68
Short-term loans and advances	886.11	93.99	2,608.22	1,301.97	1,458.74	-
Other current assets	15.01	4.71	10.48	49.91	2.90	-
	<b>8,654.77</b>	<b>8,162.55</b>	<b>9,684.18</b>	<b>6,978.35</b>	<b>5,587.77</b>	<b>0.68</b>
<b>TOTAL</b>	<b>11,945.16</b>	<b>11,517.48</b>	<b>12,761.30</b>	<b>11,043.37</b>	<b>10,234.77</b>	<b>5.30</b>

**Note:**

The above statement should be read with the notes annexed to and forming part of standalone restated financial information and significant accounting policies as appearing in Annexures IV and V.





**RESTATED STANDALONE SUMMARY STATEMENT OF PROFITS AND LOSSES:**

Annexure - II

Particulars	Rupees in millions					
	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011	Year ended 31 March 2010
<b>REVENUE</b>						
Revenue from operations	11,385.51	11,868.31	10,037.53	9,117.81	7,322.76	-
Other income	3.94	171.59	804.82	153.39	72.49	-
<b>Total Revenue</b>	<b>11,389.45</b>	<b>12,039.90</b>	<b>10,842.35</b>	<b>9,271.20</b>	<b>7,395.25</b>	<b>-</b>
<b>EXPENDITURE</b>						
Cost of materials consumed	3,770.83	4,698.27	4,867.35	3,074.99	3,461.16	-
Changes in inventories of finished goods and work-in-progress	368.86	(388.80)	(1,671.15)	(569.83)	(859.70)	-
Employee benefits expense	488.22	598.87	532.70	410.04	349.12	-
Other expenses	4,282.18	4,829.23	3,460.95	2,878.78	2,756.75	0.18
	<b>8,910.09</b>	<b>9,737.57</b>	<b>7,189.85</b>	<b>5,793.98</b>	<b>5,707.33</b>	<b>0.18</b>
<b>Profit / (loss) before finance cost, depreciation, amortisation, exceptional item and tax</b>	<b>2,479.36</b>	<b>2,302.33</b>	<b>3,652.50</b>	<b>3,477.22</b>	<b>1,687.92</b>	<b>(0.18)</b>
Finance costs	460.47	417.03	215.97	113.89	324.28	-
<b>Profit / (loss) before depreciation, amortisation, exceptional item and tax</b>	<b>2,018.89</b>	<b>1,885.30</b>	<b>3,436.53</b>	<b>3,363.33</b>	<b>1,363.64</b>	<b>(0.18)</b>
Depreciation expense	143.06	124.52	120.97	98.13	78.08	-
Amortization of intangible assets	4.45	2.80	1,756.54	1,752.91	876.54	-
<b>Profit / (loss) before exceptional item and tax</b>	<b>1,871.38</b>	<b>1,757.98</b>	<b>1,559.02</b>	<b>1,512.29</b>	<b>409.02</b>	<b>(0.18)</b>
Exceptional item	-	-	-	876.72	-	-
<b>Profit / (loss) before tax</b>	<b>1,871.38</b>	<b>1,757.98</b>	<b>1,559.02</b>	<b>635.57</b>	<b>409.02</b>	<b>(0.18)</b>
<b>Tax expense:</b>						
Current tax expense	-	1.78	174.13	69.50	36.00	-
Less: MAT credit entitlement	-	(1.78)	-	-	-	-
Net Current tax	-	-	174.13	69.50	36.00	-
Deferred tax expense / (benefit)	1.68	(1.12)	(0.01)	(0.21)	2.47	-
<b>Total tax expense</b>	<b>1.68</b>	<b>(1.12)</b>	<b>174.12</b>	<b>69.29</b>	<b>38.47</b>	<b>-</b>
<b>Profit / (loss) after tax, as restated</b>	<b>1,869.70</b>	<b>1,759.10</b>	<b>1,384.90</b>	<b>566.28</b>	<b>370.55</b>	<b>(0.18)</b>

**Note:**

The above statement should be read with the notes annexed to and forming part of standalone restated financial information and significant accounting policies as appearing in Annexures IV and V.



## RESTATED STANDALONE SUMMARY STATEMENT OF CASHFLOWS:

Annexure - III

Rupees in millions

	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011	Year ended 31 March 2010
<b>Cash flow from / (used in) operating activities</b>						
Net profit / (loss) before tax, as restated	1,871.38	1,757.98	1,559.02	635.57	409.02	(0.18)
Adjustments for:						
Depreciation and amortization expense	147.51	127.32	1,877.51	1,851.04	954.62	-
Exceptional item	-	-	-	876.72	-	-
Finance costs	460.47	417.03	215.97	113.89	324.28	-
Interest income	(0.76)	(167.88)	(551.87)	(151.32)	(64.64)	-
Provision for bad and doubtful debts	18.79	9.39	11.02	8.76	11.67	-
Provision for doubtful advances	7.28	-	-	-	-	-
Bad debts / debit balances written off	0.19	0.07	0.11	0.54	1.65	-
Inventory charged off	-	335.57	-	-	-	-
Provision no longer required written back	-	-	(0.15)	-	-	-
Dividend income	-	-	(249.08)	-	(0.18)	-
Claims received on damaged assets	-	-	-	-	(0.06)	-
Loss on sale / scrapping of assets (net)	0.08	3.21	1.83	0.21	0.02	-
Unrealised gain on foreign currency transactions (net)	0.15	-	-	-	-	-
<b>Operating profit / (loss) before working capital changes</b>	<b>2,505.09</b>	<b>2,482.69</b>	<b>2,864.36</b>	<b>3,335.41</b>	<b>1,636.38</b>	<b>(0.18)</b>
(Increase)/Decrease in inventories	1,630.49	(1,183.79)	(2,545.93)	(922.64)	(1,202.37)	-
(Increase) / decrease in trade receivables	(1,283.90)	(374.33)	(171.15)	41.79	(105.80)	-
(Increase) / decrease in loans and advances and other assets	(796.55)	(7.15)	(31.31)	44.37	292.77	-
Increase / (decrease) in trade payables, liabilities and provisions	(2,915.79)	(2,477.26)	1,509.43	1,144.85	2,439.57	0.05
<b>Cash generated/(used in) from operations</b>	<b>(860.66)</b>	<b>(1,559.84)</b>	<b>1,625.40</b>	<b>3,643.78</b>	<b>3,060.55</b>	<b>(0.13)</b>
Income tax paid (net)	(0.51)	(28.66)	(219.92)	(16.91)	(154.18)	-
<b>Net cash provided by / (used in) operating activities - (A)</b>	<b>(861.17)</b>	<b>(1,588.50)</b>	<b>1,405.48</b>	<b>3,626.87</b>	<b>2,906.37</b>	<b>(0.13)</b>
<b>Cash flow from / (used in) investing activities</b>						
Acquisition of fixed assets (including c/wip, capital advances and capital creditors)	(127.01)	(316.08)	(159.67)	(386.23)	(200.87)	(4.62)
Proceeds from sale of fixed assets	0.28	1.79	1.72	1.39	0.41	-
Insurance claims received towards fixed assets	-	-	-	-	0.40	-
Purchase of investments	(4.36)	(40.06)	(689.80)	(1,771.18)	(1,141.32)	-
Proceeds from sale of investments	-	-	1,035.23	-	-	-
Net proceeds from / (investments in) fixed deposits with banks for more than 3 months (held as margin money)	1.30	1.20	2.46	(0.81)	(1.42)	-
Other advances	-	(0.80)	(0.88)	(1.50)	3.70	-
Inter corporate deposits given	-	(1,500.00)	(2,600.00)	(2,195.00)	(395.00)	-
Inter corporate deposits refund received	-	1,500.00	1,311.90	1,245.00	250.00	-
Interest received	4.95	86.09	591.50	104.40	62.37	-
Dividends received	-	-	249.08	-	0.18	-
<b>Net cash used in investing activities - (B)</b>	<b>(124.84)</b>	<b>(267.86)</b>	<b>(258.46)</b>	<b>(3,003.93)</b>	<b>(1,421.55)</b>	<b>(4.62)</b>
<b>Cash flow from / (used in) financing activities</b>						
Proceeds from issue of shares	-	-	-	-	2,557.01	-
Equity shares bought back	-	(840.00)	-	-	-	-
Share application money (net)	-	-	-	-	(5.00)	5.00
Proceeds from short-term borrowings	1,414.53	4,435.49	420.92	1,849.07	890.89	-
Repayment of short-term borrowings	(41.98)	(1,300.00)	(340.00)	(2,617.97)	(3,632.87)	-
Proceeds from long-term borrowings	179.18	-	-	-	1.02	-
Repayment of long-term borrowings	(53.65)	(71.57)	(61.59)	(89.78)	(185.46)	-
Finance costs paid	(456.45)	(416.75)	(215.28)	(103.60)	(404.71)	-
Dividends paid	-	(1.92)	(1,047.29)	(62.66)	(17.10)	-
Dividend tax paid	(1.51)	(0.33)	(135.82)	(6.77)	-	-
<b>Net cash (used in) / provided by financing activities-(C)</b>	<b>1,040.12</b>	<b>1,804.92</b>	<b>(1,379.06)</b>	<b>(1,031.71)</b>	<b>(796.22)</b>	<b>5.00</b>
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>54.11</b>	<b>(51.44)</b>	<b>(232.04)</b>	<b>(408.77)</b>	<b>688.60</b>	<b>0.25</b>
Cash and cash equivalents at the beginning of the year / period	48.08	99.52	331.56	740.33	0.68	0.43
Cash received through scheme of arrangement	-	-	-	-	51.05	-
<b>Cash and cash equivalents at the end of the year / period</b>	<b>102.19</b>	<b>48.08</b>	<b>99.52</b>	<b>331.56</b>	<b>740.33</b>	<b>0.68</b>
Cash and bank balances as per standalone summary statement of assets and liabilities, as restated	105.15	49.77	104.40	336.10	742.74	0.68
Less: Margin money deposits	2.96	1.69	4.88	4.54	2.41	-
<b>Cash and cash equivalents considered for cash flow statement</b>	<b>102.19</b>	<b>48.08</b>	<b>99.52</b>	<b>331.56</b>	<b>740.33</b>	<b>0.68</b>
<b>Cash and cash equivalents comprises of:</b>						
Cash on hand	1.81	2.59	3.02	3.60	2.50	-
Cheques on hand	-	-	-	68.84	3.90	-
Balances with banks on current accounts	92.82	45.49	96.50	259.12	683.93	0.68
on dividend accounts	7.56	-	-	-	-	-
Short term bank deposits	-	-	-	-	50.00	-
<b>TOTAL</b>	<b>102.19</b>	<b>48.08</b>	<b>99.52</b>	<b>331.56</b>	<b>740.33</b>	<b>0.68</b>

## Note:

The above statement should be read with the notes annexed to and forming part of standalone restated financial information and significant accounting policies as appearing in Annexures IV and V.



**CORPORATE INFORMATION:**

Nuziveedu Seeds Limited ("NSL" or "the Company") is engaged in the research, production and sale of agricultural seeds through distributors and co-partners to farmers.

**BASIS OF PREPARATION:**

The Standalone Restated Financial Information relate to the Company which have been extracted by the Management from special purpose standalone financial statements for the nine months ended 31 December 2014 and from the financial statements for the years ended 31 March 2014, 31 March 2013, 31 March 2012, 31 March 2011 and 31 March 2010 and have been prepared specifically for inclusion in the document to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with its proposed Initial Public Offering (IPO). The Standalone Restated Financial information consist of the Standalone Summary Statement of Assets and Liabilities, as Restated of the Company as at 31 December 2014, 31 March 2014, 31 March 2013, 31 March 2012, 31 March 2011 and 31 March 2010, the related Standalone Summary Statement of Profits and Losses as Restated for the nine months ended 31 December 2014 and years ended 31 March 2014, 31 March 2013, 31 March 2012, 31 March 2011, 31 March 2010 and the related Standalone Summary Statement of Cash Flows, as Restated for the nine months ended 31 December 2014 and years ended 31 March 2014, 31 March 2013, 31 March 2012, 31 March 2011, 31 March 2010 (hereinafter are collectively referred to as "Standalone Restated Financial Information"). The Standalone Restated Financial Information have been prepared to comply in all material respects with the requirements of Section 26 read with applicable provisions within rules 4 to 6 of the Companies, (Prospectus and Allotment of Securities) Rules, 2014 of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Regulations") notified by SEBI on August 26, 2009, as amended from time to time. The Company's management has recast the financial statements in the form required under Schedule III of the Companies Act, 2013 for the purpose of Standalone Restated Financial Information. The Standalone Restated Financial information is presented in Indian rupees and rounded off to the nearest million.

The summary of the restatements made to the standalone audited financial statements for the respective period / years and its effect on the profits of the Company for respective period / years is provided below:

**Impact of material adjustments:**

Particulars	Rupees in millions					
	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011	Year ended 31 March 2010
Profit / (loss) after tax as per Audited Financial Statements	1,837.48	1,715.38	1,405.96	587.37	415.20	(0.25)
<b>Adjustments:</b>						
Pre-operative and preliminary expenses (refer note 1)	-	-	-	-	-	0.07
Bad and doubtful debts and other balances written off and recovered (refer note 2)	-	1.11	1.27	2.34	(1.46)	-
Provision for doubtful debts no longer required written back (refer note 3)	-	-	-	-	(7.70)	-
Sales Promotion expenses (refer note 4)	1.94	(0.91)	(0.52)	12.31	(11.68)	-
Insurance claims received (refer note 5)	-	(3.28)	1.42	(39.45)	(0.09)	-
Income tax expense (refer note 6)	-	16.96	-	-	-	-
Depreciation and amortisation (refer note 7)	-	2.03	2.24	1.37	5.39	-
IPO expenses (refer note 8)	-	27.81	(27.81)	-	-	-
Trait fee (refer note 9)	30.28	-	-	-	(30.28)	-
Amortisation of goodwill (refer note 10)	-	-	2.34	2.34	1.17	-
<b>Total Adjustments</b>	<b>32.22</b>	<b>43.72</b>	<b>(21.06)</b>	<b>(21.09)</b>	<b>(44.65)</b>	<b>0.07</b>
Profit / (loss) after tax, as restated	<b>1,869.70</b>	<b>1,759.10</b>	<b>1,384.90</b>	<b>566.28</b>	<b>370.55</b>	<b>(0.18)</b>

**1 NOTES ON MATERIAL ADJUSTMENTS:****1 PRE-OPERATIVE AND PRELIMINARY EXPENSES:**

During the period ended 31 March 2009, pre-operative and preliminary expenses were carried forward to the year 2009-10. This amount was charged off in the statement of profit and loss for the period ended 31 March 2009 and accordingly adjustments have been made to the Standalone summary statement of profits and losses, as restated, for the year ended 31 March 2010.

**2 BAD AND DOUBTFUL DEBTS AND OTHER BALANCES WRITTEN OFF AND RECOVERED:**

Debts and other balances, which were considered doubtful and written off and bad debts recovered in the years ended 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011, were adjusted in arriving at the profits for the years to which they relate irrespective of the year / period in which event triggering the profit or loss has occurred. To the extent such debts relate prior to the year ended 31 March 2011 have been adjusted to goodwill as accounted pursuant to a scheme of arrangement by the Company. Accordingly, adjustments have been made to the Standalone summary statement of profits and losses, as restated, for the years ended 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011.

**3 PROVISION FOR DOUBTFUL DEBTS NO LONGER REQUIRED WRITTEN BACK:**

Provision for doubtful debts which were no longer required written back in the year ended 31 March 2011 was adjusted in arriving at the profits for the years to which they relate irrespective of the year in which event triggering the profit or loss has occurred. To the extent such debts relate prior to the year ended 31 March 2011 have been adjusted to goodwill as accounted pursuant to a scheme of arrangement by the Company. Accordingly, adjustments have been made to the Standalone summary statement of profits and losses, as restated, for the year ended 31 March 2011.

**4 SALES PROMOTION EXPENSES:**

The Company is following the policy of accounting for market support expenses based on probable outcome and likelihood of amount to be incurred. For the purpose of this statement, the said expense has been appropriately adjusted in the respective years in which the related sales were made. To the extent such expenses relate prior to the year ended 31 March 2011, such expenses have been adjusted to goodwill arising pursuant to a scheme of arrangement by the Company. Accordingly, adjustments have been made to the Standalone summary statement of profits and losses, as restated, for the years ended 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011.

**5 INSURANCE CLAIMS RECEIVED:**

The Company is following the policy of accounting for insurance claims on settlement with the insurers. For the purpose of this statement, the said income has been appropriately adjusted in the respective years in which the claims were lodged. To the extent such claims relate prior to the year ended 31 March 2011 have been adjusted to goodwill as accounted pursuant to a scheme of arrangement by the Company. Accordingly, adjustments have been made to the Standalone summary statement of profits and losses, as restated, for the years ended 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011.



**6 INCOME TAX EXPENSE:**

During the year ended 31 March 2014, the Company, on the basis of final assessment has provided for a tax liability of Rs. 16.96 pertaining to assessment year 2010-11 relating to seeds division of NSL Renewable Power Private Limited (refer note 1 of section II below). Since this tax liability relates to the year prior to the year ended 31 March 2011, it has been adjusted to goodwill as accounted pursuant to a scheme of arrangement by the Company. Accordingly, adjustments have been made to the Standalone summary statement of profits and losses, as restated, for the years 31 March 2014 and 31 March 2011.

**7 DEPRECIATION AND AMORTISATION:**

Pursuant to the notification of Schedule II of the Companies Act, 2013 ("the Act"), by the Ministry of Corporate Affairs effective 01 April 2014, the Management has internally reassessed and changed, wherever necessary the useful lives to compute depreciation, to conform to the requirements of the Act. The assets with carrying value of Rs. 10.88 with nil revised remaining useful life as at 01 April 2014 is reduced from the retained earnings for the period ended 31 December 2014. To the extent such depreciation and amortisation relate prior to the year ended 31 March 2011 have been adjusted to goodwill as accounted pursuant to a scheme of arrangement by the Company. Accordingly, adjustments have been made to the Standalone summary statement of profits and losses, as restated, for the years ended 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011.

**8 IPO EXPENSES:**

During the year ended 31 March 2013, the Company has incurred certain expenses towards a proposed initial public offering, which were charged off to the Statement of Profit and Loss for the year ended 31 March 2014. Accordingly, adjustments have been made to the Standalone summary statement of profits and losses, as restated, for the years 31 March 2014 and 31 March 2013.

**9 TRAIT FEE**

During the nine months ended 31 December 2014, the Company provided for a trait fee of Rs. 30.28 on account of rate difference pertaining to settlement with the service provider. Accordingly, adjustments have been made to the Standalone summary statement of profits and losses, as restated, for the nine months ended 31 December 2014 and 31 March 2011.

**10 AMORTISATION OF GOODWILL:**

Consequent to the aforesaid adjustments stated in notes 2 to 7 above, goodwill accounted pursuant to scheme of arrangement by the Company has undergone change. For the purpose of this statement, such differential goodwill is amortised based on the amortisation policy followed.

**II OTHER SIGNIFICANT INFORMATION:****1 SCHEME OF ARRANGEMENT WITH NSL FERTILIZER VENTURES PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956 ("ACT"):**

(a) On 23 December 2013, the Board of Directors approved a scheme of arrangement for transfer and vesting of the Business Undertaking (which means and includes assets and liabilities relating to fertilizer business, corporate deposits or corporate loans, trade credits etc., of group companies and any business other than seed business) to NSL Fertilizer Ventures Private Limited ("Resulting Company") from the Company ("Demerged Company") under sections 391 to 394 of the Act for a consideration of one fully paid up 1% non-cumulative redeemable preference share of Re. 1 each (redeemable at face value at expiry of 10 years) in the resulting company to the equity shareholders of the Company whose names appear in the Register of Members as on the effective date, for every one equity share of Rs. 10/- each held.

On 04 March 2014, the Company filed a petition for approval of the Scheme with the Honorable High Court of Andhra Pradesh ('the High Court'). The High Court approved the Scheme vide its order dated 21 October 2014 with the appointed date as 01 July 2013 along with the conditions stipulated by the Secured Creditors of the Company. The certified true copy of the Scheme was filed by the Company with Registrar of Companies on 27 November 2014 ('Effective date'). During the year ended 31 March 2014, the Company has given effect to the Scheme as approved by the High Court.

(b) As per the terms of scheme, the Company identified the Schedule of assets and liability of Business undertaking being transferred to the Resulting Company and submitted in its affidavit dated 15 September 2014 to the Honourable High Court of Judicature of Andhra Pradesh. The adjustment arising due to transfer of Business Undertaking to Resulting Company was debited first to Securities Premium Account to the extent available and then to general reserve and the balance remaining to the accumulated balance of surplus.

(c) Pursuant to the Scheme approved by the High Court, as mutually agreed between the Board of Directors of the Company and Resulting Company, the following schedule of assets and liabilities of the Company are transferred and vested to the Resulting Company.

Particulars of assets and liabilities transferred	Amount
Inter-corporate deposits (including interest accrued)	3,249.64
Security deposits	2.00
Advance to employees	0.01
Provision for employee benefits	(0.72)
<b>Net assets</b>	<b>3,250.93</b>
<b>Adjusted against</b>	
Securities Premium	1,572.54
General reserve	140.60
Surplus	1,537.79
<b>Total</b>	<b>3,250.93</b>

(d) The aforesaid accounting treatment has not been prescribed by the Accounting Standards referred to in subsection (3C) of Section 211 of the Companies Act, 1956. The adjustment of the net assets with securities premium is made by the Company based on the accounting treatment laid out under the Scheme as sanctioned by the Honourable High Court.

(e) Pursuant to the scheme, the Resulting Company allotted the requisite preference shares on 17 December 2014 to the Shareholders of the Company whose names appear in the Register of Members as at 27 November 2014.

**2 EXCEPTIONAL ITEM:**

During the year ended 31 March 2012, the Board of Directors of the Company has approved to make investments in Prestige Agri Inputs Private Limited (PAIPL) with a view to expand business in cotton ginning and processing operations. Subsequently, the Company decided to be in core business and approved to merge PAIPL with its holding Company i.e., Mandava Holdings Private Limited. Pursuant to a scheme of merger approved on 19 April 2012 by the Honourable High Court of Andhra Pradesh, PAIPL has been merged with its holding company. As the Company's subsidiary merged with the Holding Company, no consideration was contemplated since a Company cannot hold shares in its holding company pursuant to section 42 of the Companies Act, 1956. As no consideration was received under the said scheme of merger against the investment in the PAIPL aggregating to Rs. 876.72, the Company has written off the above mentioned investment in the books and disclosed as an exceptional item.



**3 SCHEME OF ARRANGEMENT WITH NSL RENEWABLE POWER PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956 ("ACT"):**

During the year ended 31 March 2011, the Company has given effect to the scheme of arrangement as approved by Hon'ble High Court of New Delhi, and was vested with the seeds division of NSL Renewable Power Private Limited with effect from appointed date of 01 April 2010. Accordingly, the Company has allotted 4,000,222 shares of Rs. 10/- each fully paid-up to the erstwhile shareholders of NSL Renewable Power Private Limited.

The Company has accounted for the acquisition in accordance with the scheme as follows:

- (a) Share capital account has been credited with the aggregate face value of the shares issued to the shareholders of NSL Renewable Power Private Limited  
 (b) The difference between the value of shares allotted and the value of the net assets taken over, after necessary adjustments and corrections as deemed fit by the Board of Directors has been debited to Goodwill account.

Pursuant to the scheme, the following assets and liabilities are transferred by NSL Renewable Power Private Limited and are vested with the Company

Particulars	Amount
Excess of liabilities over assets taken over pursuant to scheme of arrangement	4,347.83
Adjustment for value of shares allotted (4,000,222 shares of Rs. 10/- each fully paid-up)	40.00
<b>Goodwill</b>	<b>4,387.83</b>

**4 SEGMENT INFORMATION:**

The Company is in the business of research, production and distribution of seeds. Considering the core activities of the Company, management is of the view that the Company operates in a single business segment. Further, the Company has both domestic and export turnover. However, export revenue is less than 10% of total revenue and accordingly it is not a reportable segment.



ANTS





**SIGNIFICANT ACCOUNTING POLICIES:**

Annexure - V

**a. Use of estimates**

Rupees in millions

The preparation of Standalone restated financial information in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

**b. Current and non-current classification**

All assets and liabilities are classified into current and non-current.

**Assets**

An asset is classified as current when it satisfies any of the following criteria:

- i. It is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- ii. It is held primarily for the purpose of being traded;
- iii. It is expected to be realised within 12 months after the reporting date; or
- iv. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

**Liabilities**

A liability is classified as current when it satisfies any of the following criteria:

- i. It is expected to be settled in the company's normal operating cycle;
- ii. It is held primarily for the purpose of being traded;
- iii. It is due to be settled within 12 months after the reporting date; or
- iv. The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

**Operating cycle**

Company has ascertained its operating cycle as 12 months that is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

**c. Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- (i) Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, which based on the terms of the contract usually coincides with the delivery of the goods to the customers. Where a right to return exists, revenue is recognised when a reasonable estimate of the returns can be made, or when the right to return expires, whichever is earlier. Revenue from sale of goods is stated net of trade discounts, returns and sales tax, where applicable.
- (ii) Revenue from services is recognised on accrual basis as and when the services are rendered.
- (iii) Income from interest on deposits, loans and interest bearing securities is recognised on the time proportion basis taking into account the amount outstanding and interest rate applicable.
- (iv) Dividend income is recognised when the unconditional right to receive the income is established.



**d. Tangible fixed assets and depreciation**

Tangible fixed assets are carried at the cost of acquisition or construction less accumulated depreciation, impairment losses. Tangible fixed assets acquired wholly or partly with specific grant / subsidy from government, are carried at net acquisition cost. The cost of fixed assets includes purchase price, non-refundable taxes, duties, freight and directly attributable cost of bringing the asset to its working condition for its intended use.

Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Tangible fixed assets under construction are disclosed as capital work-in-progress.

The Company was charging depreciation on tangible fixed assets except for leasehold land, using the written down value method as per the rates prescribed by Schedule XIV to the Companies Act, 1956 up to the previous financial year, as in the opinion of the management, these rates reflected the estimated useful life of these assets.

With effect from 01 April 2014, the Management has revised the estimated useful life of the assets as specified in Schedule II to the Companies Act, 2013. However, for the assets costing less than Rs. 0.05 based on internal assessment and materiality the management has estimated that the same shall be depreciated in the year of purchase.

Leasehold land is amortised on a straight line basis over the period of lease.

Depreciation is calculated on a pro-rata basis from/ up to the date the assets are purchased /sold.

**e. Government grants and subsidies**

Grants and subsidies from the government are recognised when there is reasonable assurance that the grant / subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognised as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant or subsidy relates to an asset, its value is deducted from the gross value of the asset in arriving at the carrying amount of the related asset.

**f. Intangible assets and amortization**

Goodwill represents excess of consideration over the net assets taken over from NSL Renewable Power Private Limited pursuant to the scheme of arrangement for the transfer of the seed undertaking to the Company and is amortised in the proportion of 20:40:40 over the period of three years.

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates. Intangible assets other than Goodwill are amortised using written down value method.

The amortisation rates are as follows:

- (i) Trademark – 25%
- (ii) Computer Software – 40%

Research costs are expensed as incurred. Development expenses which meet defined criteria for capitalisation are capitalised if its ability to generate future economic benefits is reasonably certain. All other development costs are expensed as incurred. Any expenditure carried forward is amortised over the period of expected future economic benefits from the related project, not exceeding ten years. Capital expenditure incurred on research and development is capitalised as fixed assets and depreciated in accordance with the depreciation policy of the Company.

**g. Borrowing costs**

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised to the extent they relate to the period till such assets are ready and for its intended use. All other borrowing costs are expensed in the period they occur.

**h. Impairment of assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset which is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, impairment provision is created to bring down the carrying value to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment provision created earlier is reversed to bring it at the recoverable amount subject to a maximum of depreciated historical cost.



**i. Investments**

Investments are classified into current investments and long term investments.

Long-term investments are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment. The reduction in the carrying amount is reversed when there is a rise in the value of the investment or if the reason for the reduction no longer exists.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment.

**j. Inventories**

Inventories which comprise raw materials, work in progress, finished goods and stores and spares are carried at the lower of cost and net realisable value. Cost is determined on "First-in-First Out" basis. Cost of inventories comprise all costs of purchase/ production, cost of conversion and other costs incurred in bringing the inventories to their present location and condition and is net of all allowance and any recoverable duties.

Cost of Work in progress and finished goods includes direct materials and labour and a proportion of fixed overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. The comparison of cost and net realisable value is made on an item-by-item basis.

Raw materials and stores and spares held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

**k. Employee benefits****Defined contribution plan**

The Company makes specified monthly contribution towards employee provident fund to Government administered provident fund scheme, which is a defined contribution scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

**Defined benefit plan**

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. Gratuity is covered under a scheme administered by the Life Insurance Corporation of India (Group Gratuity scheme) and the contributions made by the company to the scheme are recognised in Statement of Profit and Loss. The liability recognised in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the Balance Sheet date less the fair value of plan assets. The calculation of the Company's obligation under the plan is performed annually by qualified independent actuary using the projected unit credit method. Actuarial gains and losses arising during the year are immediately recognised in the Statement of Profit and Loss.

Short term compensated absences expected to be paid in exchange of services rendered by employee are recognised during the period when the employee renders the service. Provision for long term compensated absences is made on the basis of actuarial valuation at the balance sheet date using projected unit credit method. All actuarial gains and losses arising during the year are recognised immediately in the Statement of Profit and Loss of the year.

**l. Income taxes**

Income tax expense comprises current tax and deferred tax charge or credit.

**Current tax**

The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the Company.

**Deferred tax**

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and are written-down or written-up to reflect the amount that is reasonably certain to be realised. The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company has a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws. Deferred income tax relating to items recognised in equity is recognised in equity and not in statement of profit and loss.





**m. Foreign currency transactions and balances**

Foreign currency transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign currency transactions settled during the year are recognised in the Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date, not covered by forward exchange contracts, are translated at year end rates. The resultant exchange differences are recognised in the Statement of Profit and Loss. Non-monetary assets are recorded at the rates prevailing on the date of the transaction.

**n. Leases**

Assets taken on lease where the Company acquires substantially the entire risks and rewards incidental to ownership are classified as finance leases. The amount recorded is the lesser of the present value of minimum lease rental and other incidental expenses during the lease term or the fair value of the assets taken on lease. The rental obligations, net of interest charges are reflected as finance lease obligations.

Leases that do not transfer substantially all the risks and rewards of ownership are classified as operating leases and recorded as expense as and when the payments are made over the lease term.

**o. Earnings per share**

The basic earnings per share ('EPS') is computed by dividing the net profit / (loss) after tax for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit / (loss) after tax for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date.

**p. Provisions and contingent liabilities**

The Company creates a provision when there is a present obligation as a result of a past event that requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**q. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby net profit / (loss) before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expense associated with investing or financing cash flows. The cash flows from regular revenue generating, investing and financing activities of the company are segregated.

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand, cheques in hand and short term investments with an original maturity of three months or less.



**RESTATED STANDALONE STATEMENT OF OTHER INCOME:**

Particulars	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011	Year ended 31 March 2010	Nature (Recurring / Non Recurring)	Rupees in millions	
								Related / Not Related to Business Activity	
Other income, as restated	3.94	171.59	804.82	153.39	72.49	-			
Net profit / (loss) before tax, as restated	1,871.38	1,757.98	1,559.02	635.57	409.02	(0.18)			
<b>Other income as a % of net profit</b>	<b>0.21%</b>	<b>9.76%</b>	<b>51.62%</b>	<b>24.13%</b>	<b>17.72%</b>	<b>0.00%</b>			
<b>Source of other income</b>									
Interest on bank deposits	0.15	1.51	0.69	6.28	0.48	-	Recurring	Not Related	
Interest on intercorporate deposits	-	162.07	391.81	93.30	3.37	-	Recurring	Not Related	
Interest on current investments	-	-	149.93	49.36	-	-	Recurring	Not Related	
Interest - others	0.61	4.30	9.44	2.39	60.79	-	Recurring	Not Related	
Dividend from subsidiary	-	-	249.08	-	0.18	-	Recurring	Related	
Claims received	-	1.34	1.71	0.79	2.35	-	Non-recurring	Related	
Rent received	1.19	0.59	0.60	0.22	0.19	-	Recurring	Related	
Gain on foreign currency transactions (net)	-	-	-	0.26	1.63	-	Recurring	Related	
Miscellaneous income	1.99	1.78	1.56	0.79	3.50	-	Recurring	Related	
<b>TOTAL</b>	<b>3.94</b>	<b>171.59</b>	<b>804.82</b>	<b>153.39</b>	<b>72.49</b>	<b>-</b>			

**Notes:**

- 1 The above statement should be read with the notes annexed to and forming part of standalone restated financial information and significant accounting policies as appearing in Annexures IV and V.
- 2 The classification of 'Other income' as Recurring / Non-recurring and Related / Not related to business activities is based on the current operations and business activities of the Company as determined by the Management.



Nuziveedu Seeds Limited

**RESTATED STANDALONE STATEMENT OF DIVIDEND:**

Annexure - VII

Rupees in millions

Particulars	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011	Year ended 31 March 2010
<b>Paid-up equity share capital</b>	965.00	965.00	962.75	97.50	97.50	0.50
Amount of dividend on equity shares	-	-	866.47	39.00	29.25	-
Rate (%) of dividend	0.00%	0.00%	90.00%	40.00%	30.00%	0.00%
<b>Paid-up preference share capital</b>	-	-	250.00	2,500.00	2,500.00	-
Amount of dividend on preference shares	-	7.56	82.74	100.00	11.51	-
Rate (%) of dividend	0.00%	4.00%	4.00%	4.00%	4.00%	0.00%

**Note:**

- 1 The above statement should be read with the notes annexed to and forming part of standalone restated financial information and significant accounting policies as appearing in Annexures IV and V.
- 2 The dividend disclosed is excluding tax payable on such dividend.



**RESTATED STANDALONE STATEMENT OF ACCOUNTING RATIOS:**

Annexure - VIII

Particulars	Nine months ended 31 December 2014	Numbers and Rupees in millions				
		Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011	Year ended 31 March 2010
Basic Earnings Per Share (EPS) (Rs.)	19.37	18.35	14.42	5.13	64.70	(3.60)
Diluted Earnings Per Share (EPS) (Rs.)	19.37	18.18	14.25	5.13	63.34	(3.60)
Return on Net Worth (%)	58.87%	134.65%	37.97%	17.03%	12.69%	-75.00%
Net asset value per equity share (Rs.)	32.91	13.54	35.28	84.62	43.10	4.80
Weighted average number of equity shares of Rs. 10/- each considered for Basic EPS *	96.50	95.37	89.39	87.75	5.52	0.05
Weighted average number of equity shares of Rs. 10/- each considered for Diluted EPS *	96.50	96.74	97.22	88.80	5.85	0.05
Number of equity shares outstanding at the end of the year / period	96.50	96.50	96.28	9.75	9.75	0.05
Networth as restated (A)	3,175.90	1,306.43	3,647.12	3,325.00	2,920.27	0.24
Less: Preference share capital (B)	-	-	250.00	2,500.00	2,500.00	-
Networth of equity shareholders (C = A - B)	3,175.90	1,306.43	3,397.12	825.00	420.27	0.24
Profit / (loss) after tax, as restated available to all shareholders	1,869.70	1,759.10	1,384.90	566.28	370.55	(0.18)
Less: Preference dividend and tax thereon	0.23	8.86	96.16	116.22	13.42	-
Profit / (loss) after tax, as restated available to equity shareholders	1,869.47	1,750.24	1,288.74	450.06	357.13	(0.18)

\* effect of bonus issue given in year ended 31 March 2012

1 The ratios have been computed as below:

Earnings Per Share (Basic) (Rs)	Net profit after tax, as restated available to equity shareholders Weighted Average number of Equity Shares outstanding during the year
Earnings Per Share (Diluted) (Rs)	Net profit after tax, as restated available to all shareholders Weighted Average number of Diluted Equity Shares outstanding during the year
Return on Net worth (%)	Net profit after tax, as restated available to all shareholders Net Worth as restated at the end of the year
Net asset value per equity share (Rs)	Net Worth, as restated excluding preference share capital at the end of the year Number of Equity shares outstanding at the end of the year

2  $Networth = Equity\ Share\ Capital + Preference\ Share\ Capital + Reserves\ and\ Surplus$ 

## RESTATED STANDALONE STATEMENT OF SHARE CAPITAL:

Annexure - IX

Particulars	Numbers and Rupees in millions					
	As at 31 December 2014	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011	As at 31 March 2010
<b>Authorised:</b>						
Equity shares of Rs. 10/- each (Numbers)	100.00	100.00	100.00	10.00	10.00	0.05
Equity shares of Rs. 10/- each (Rs.)	1,000.00	1,000.00	1,000.00	100.00	100.00	0.50
Preference shares of Rs. 1,000/- each (Numbers)	2.50	2.50	2.50	2.50	2.50	-
Preference shares of Rs. 1,000/- each (Rs.)	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	-
<b>Issued, subscribed and fully paid-up</b>						
Equity shares of Rs. 10/- each (Numbers)	96.50	96.50	96.28	97.50	97.50	0.05
Equity shares of Rs. 10/- each (Rs.)	965.00	965.00	962.75	975.00	975.00	0.50
Preference shares of Rs. 1,000/- each (Numbers)	-	-	0.25	2.50	2.50	-
Preference shares of Rs. 1,000/- each (Rs.)	-	-	250.00	2,500.00	2,500.00	-
	965.00	965.00	1,212.75	2,597.50	2,597.50	0.50

## Reconciliation of number of shares outstanding:

Particulars	As at 31 December 2014		As at 31 March 2014		As at 31 March 2013		As at 31 March 2012		As at 31 March 2011		As at 31 March 2010	
	No. of Shares	Rs.	No. of Shares	Rs.	No. of Shares	Rs.	No. of Shares	Rs.	No. of Shares	Rs.	No. of Shares	Rs.
Equity Shares of Rs. 10/- each	96.50	965.00	96.28	962.75	97.50	975.00	97.50	975.00	0.05	0.05	-	0.50
At the commencement of the year	-	-	-	-	-	-	-	-	-	-	-	-
Shares issued during the year:												
Issued pursuant to scheme of arrangement	-	-	-	-	-	-	-	-	-	-	-	-
Shares issued during the year	-	-	-	-	-	-	-	-	-	-	-	-
Bonus shares issued during the year	-	-	-	-	-	-	-	-	-	-	-	-
Part conversion of 4% Compulsorily convertible cumulative preference shares of Rs. 1,000/- each, during the year	-	-	1.81	18.13	78.01	780.02	-	-	-	-	-	-
Less: Buyback of shares	-	-	1.59	15.88	-	-	-	-	-	-	-	-
At the end of the year	96.50	965.00	96.50	965.00	96.28	962.75	97.50	975.00	0.05	0.05	-	0.50
<b>4% Compulsorily convertible cumulative Preference Shares of Rs. 1,000/- each</b>												
At the commencement of the year	-	-	0.25	250.00	2.50	2,500.00	-	-	-	-	-	-
Shares issued during the year	-	-	-	-	-	-	-	-	-	-	-	-
Shares converted into equity during the year	-	-	0.25	250.00	2.25	2,250.00	-	-	2.50	2,500.00	-	-
At the end of the year	-	-	-	-	0.25	250.00	2.50	2,500.00	2.50	2,500.00	-	-



**RESTATED STANDALONE STATEMENT OF SHARE CAPITAL:**

Annexure - IX

**Numbers and Rupees in millions****Notes:****Rights, preferences and restrictions attached to equity shares:**

The Company has a single class of equity shares. All equity shares rank equally with regard to dividends and share in the company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Rights, preferences and restrictions attached to 4% compulsorily convertible cumulative preference shares:**

4% compulsorily convertible cumulative preference shares of Rs. 1,000/- each are held by Black Stone GPV Capital Partners Mauritius V-C Limited as per the share subscription agreement.

Preference shares carry a preferential right as to dividend over equity shareholders. Where dividend on 4% compulsorily convertible cumulative preference shares is not declared for a financial year, the entitlement thereto is carried forward. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Each holder of compulsorily convertible cumulative preference shares is entitled to one vote per share only on resolutions placed before the company which directly affect the rights attached to compulsorily convertible cumulative preference shares.

Term of the 4% compulsorily convertible cumulative preference shares of Rs. 1,000/- each is twenty years commencing from 18th February 2011, being the date of allotment, with an option to shareholders for earlier conversion at any time based on certain agreed profit criterion. These shares have been converted into equity shares in the financial years ended 31 March 2014 and 31 March 2013.

**Shares held by holding, ultimate holding company and/or their subsidiaries/associates**

Particulars	As at 31 December 2014		As at 31 March 2014		As at 31 March 2013		As at 31 March 2012		As at 31 March 2011		As at 31 March 2010	
	No. of Shares	Rs.	No. of Shares	Rs.	No. of Shares	Rs.	No. of Shares	Rs.	No. of Shares	Rs.	No. of Shares	Rs.
<b>Equity shares of Rs. 10/- each fully paid up held by</b>												
Holding Company - Mandava Holdings Private Limited	54,24	542.40	54,24	542.40	51,30	513.00	5,70	57.00	5,70	57.00	-	-
Subsidiary of holding company - Portrait Properties Private Limited	-	-	-	-	2,63	26.33	0,29	2.93	-	-	-	-
Subsidiary of holding company - Gooddeal Developers Private Limited	-	-	-	-	1,76	17.55	0,20	1.95	-	-	-	-
	<b>54,24</b>	<b>542.40</b>	<b>54,24</b>	<b>542.40</b>	<b>55,69</b>	<b>556.88</b>	<b>6,19</b>	<b>61.88</b>	<b>5,70</b>	<b>57.00</b>	<b>-</b>	<b>-</b>



**RESTATED STANDALONE STATEMENT OF SHARE CAPITAL:**

Annexure - IX

Numbers and Rupees in millions

Particulars of shareholders holding more than 5% shares of a class of shares:

Particulars	As at 31 December 2014	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011	As at 31 March 2010
	No. of Shares	No. of Shares	No. of Shares	No. of Shares	No. of Shares	No. of Shares
<b>Equity Shares of Rs. 10/- each fully paid-up</b>						
Holding Company - Mandava Holdings Private Limited	54.24	54.24	51.30	5.70	5.70	-
M Prabhakara Rao	24.87	24.87	24.87	2.76	3.25	-
Black Stone GFV Capital Partners Mauritius V-C Limited	10.20	10.20	8.52	-	-	50.00%
M Asha Priya	6.95	6.95	6.95	0.77	0.77	7.91%
	<u>96.26</u>	<u>96.26</u>	<u>91.64</u>	<u>9.23</u>	<u>9.72</u>	<u>0.05</u>
<b>4% compulsorily convertible cumulative preference Shares of Rs. 1,000/- each fully paid-up</b>						
Black Stone GFV Capital Partners Mauritius V-C Limited	-	-	0.25	2.50	2.50	-
	<u>-</u>	<u>-</u>	<u>0.25</u>	<u>2.50</u>	<u>2.50</u>	<u>-</u>
<b>Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date</b>						
	<u>31 December 2014</u>	<u>31 March 2014</u>	<u>31 March 2013</u>	<u>31 March 2012</u>	<u>31 March 2011</u>	<u>31 March 2010</u>
<b>Particulars</b>						
<b>Equity shares bought back</b>						
Equity shares of Rs. 10/- each, fully paid up have been bought back at aggregate price of Rs. 529/- per share as pursuant to Section 77A of the Companies Act, 1956 and the rules framed there under.	-	1.59	-	-	-	-
<b>Bonus shares issued</b>						
Equity shares of Rs. 10/- each, fully paid up allotted as bonus shares by capitalisation of general reserve and surplus to the existing share holders in the proportion of 8 shares for every one share held.	-	-	78.01	-	-	-
<b>Shares issued for consideration other than cash</b>						
Equity shares of Rs. 10/- each, fully paid up have been allotted as pursuant to a scheme of arrangement without payment being received in cash.	-	-	-	-	4.00	-

**Note:**  
The above statement should be read with the notes annexed to and forming part of standalone restated financial information and significant accounting policies as appearing in Annexures IV and V.





**RESTATED STANDALONE STATEMENT OF RESERVES AND SURPLUS:**

Annexure - X

Particulars	Rupees in millions					
	As at 31 December 2014	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011	As at 31 March 2010
<b>Capital redemption reserve</b>						
Balance at the beginning of the year / period	15.88	-	-	-	-	-
Transferred from surplus towards Buyback of equity shares	-	15.88	-	-	-	-
Balance at the end of the year / period	<b>15.88</b>	<b>15.88</b>	-	-	-	-
<b>Securities premium account</b>						
Balance at the beginning of the year / period	-	2,164.79	0.01	0.01	-	-
Securities premium credited on account of issue of shares	-	231.87	2,164.78	-	0.01	-
Securities premium debited on account of Buyback of equity shares	-	(824.12)	-	-	-	-
Adjusted on account of scheme of arrangement [Refer note no. 1 of section II ("Other Significant Information") of Annexure IV]	-	(1,572.54)	-	-	-	-
Balance at the end of the year / period	-	-	<b>2,164.79</b>	<b>0.01</b>	<b>0.01</b>	-
<b>General reserve</b>						
Balance at the beginning of the year / period	-	140.60	100.26	41.52	-	-
Issue of bonus shares	-	-	(100.26)	-	-	-
Transferred from surplus in statement of profit and loss	-	-	140.60	58.74	41.52	-
Adjusted on account of scheme of arrangement [Refer note no. 1 of section II ("Other Significant Information") of Annexure IV]	-	(140.60)	-	-	-	-
Balance at the end of the year / period	-	-	<b>140.60</b>	<b>100.26</b>	<b>41.52</b>	-
<b>Surplus</b>						
Balance at the beginning of the year / period	325.55	128.98	627.23	281.24	(0.26)	(0.08)
Issue of bonus shares	-	-	(679.76)	-	-	-
Profit / (loss) for the year / period	1,869.70	1,759.10	1,384.90	566.28	370.55	(0.18)
Profit available for appropriations	2,195.25	1,888.08	1,332.37	847.52	370.29	(0.26)
<b>Less: Appropriations</b>						
Transfer to general reserve	-	-	140.60	58.74	41.52	-
Interim equity dividend	-	-	866.47	39.00	29.25	-
Tax on interim equity dividend	-	-	100.16	6.33	4.86	-
Proposed preference dividend	-	7.56	82.74	100.00	11.51	-
Tax on proposed preference dividend	0.23	1.30	13.42	16.22	1.91	-
Transferred to capital redemption reserve towards buyback of equity shares	-	15.88	-	-	-	-
Adjusted on account of scheme of arrangement [Refer note no. 1 of section II ("Other Significant Information") of Annexure IV]	-	1,537.79	-	-	-	-
Balance at the end of the year / period	<b>2,195.02</b>	<b>325.55</b>	<b>128.98</b>	<b>627.23</b>	<b>281.24</b>	<b>(0.26)</b>
<b>TOTAL</b>	<b>2,210.90</b>	<b>341.43</b>	<b>2,434.37</b>	<b>727.50</b>	<b>322.77</b>	<b>(0.26)</b>

**Note:**

The above statement should be read with the notes annexed to and forming part of standalone restated financial information and significant accounting policies as appearing in Annexures IV and V.





**RESTATED STANDALONE STATEMENT OF LONG-TERM BORROWINGS:**

Particulars	As at 31 December 2014			As at 31 March 2014			As at 31 March 2013			As at 31 March 2012			As at 31 March 2011			Rupees in millions
	Non-current portion	Current maturities	Total	Non-current portion	Current maturities	Total	Non-current portion	Current maturities	Total	Non-current portion	Current maturities	Total	Non-current portion	Current maturities	Total	
<b>Secured Long-term Borrowings</b>																
<i>Term loans from Banks</i>																
Axis Bank Limited	24.70	60.91	85.61	68.31	69.47	137.78	137.79	70.41	208.20	117.22	52.98	170.20	178.84	52.43	231.27	
The South Indian Bank Limited	154.73	22.25	176.98	-	-	-	-	-	-	-	-	-	-	-	-	
State Bank of Hyderabad	-	-	-	-	-	-	-	-	-	75.00	30.00	105.00	105.00	30.00	135.00	
<b>Total term loans from Banks</b>			<b>262.59</b>			<b>137.78</b>			<b>208.20</b>			<b>275.20</b>			<b>366.27</b>	
<i>Term loans from Government Authorities</i>																
Department of Biotechnology	9.28	0.73	10.01	7.81	0.73	8.54	8.53	0.73	9.26	5.33	-	5.33	3.42	-	3.42	
<b>Total term loans from Government Authorities</b>			<b>10.01</b>			<b>8.54</b>			<b>9.26</b>			<b>5.33</b>			<b>3.42</b>	
<b>Unsecured Long-term Borrowings</b>																
<i>Term loans from Government Authorities</i>																
Indo-German Science and Technology Centre	2.27	0.29	2.56	2.56	-	2.56	2.10	-	2.10	-	-	-	-	-	-	
<b>Total term loans from Government Authorities</b>			<b>2.56</b>			<b>2.56</b>			<b>2.10</b>			<b>-</b>			<b>-</b>	
<i>Deferred payment liabilities</i>																
Sales tax deferment loan	0.14	0.57	0.71	0.71	0.75	1.46	1.46	0.89	2.35	2.22	0.76	2.98	2.97	0.62	3.59	
<b>Total deferred payment liabilities</b>			<b>0.71</b>			<b>1.46</b>			<b>2.35</b>			<b>2.98</b>			<b>3.59</b>	
<b>TOTAL</b>	<b>191.12</b>	<b>84.75</b>	<b>275.87</b>	<b>79.39</b>	<b>70.95</b>	<b>150.34</b>	<b>149.88</b>	<b>72.03</b>	<b>221.91</b>	<b>199.77</b>	<b>83.74</b>	<b>283.51</b>	<b>290.23</b>	<b>83.05</b>	<b>373.28</b>	

**Notes:**

- The above statement should be read with the notes annexed to and forming part of standalone restated financial information and significant accounting policies as appearing in Annexures IV and V.
- "Current maturities of long term borrowings" are grouped under "Other current liabilities".



**RESTATED STANDALONE STATEMENT OF PRINCIPAL TERMS AND CONDITIONS OF LONG-TERM BORROWINGS:**

Name of the lender	Outstanding as at 31 December 2014		Rate of interest p.a. (%)	Repayment Schedule	Securities offered	Prepayment clauses	Penal Interest
	Disclosed under long-term borrowings	Disclosed under other current liabilities					
<i>Term loans from banks</i>							
Axis Bank Limited	-	8.50	Base Rate + 2.25%	20 equal quarterly instalments of Rs. 3.50	First charge on the assets created out of the term loan and equitable mortgage of land situated at Kolhur village, Medak District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	On terms and conditions decided by the bank	None
Axis Bank Limited	-	8.00	Base Rate + 2.25%	20 equal quarterly instalments of Rs. 3.00	First charge on the assets created out of the term loan and equitable mortgage of land situated at Kolhur village, Medak District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	On terms and conditions decided by the bank	None
Axis Bank Limited	0.70	3.20	Base Rate + 2.2%	20 equal quarterly instalments of Rs. 0.80	First charge on the assets created out of term loan and equitable mortgage of land situated at Nandigam Village, Mahabub Nagar District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	On terms and conditions decided by the bank	None
Axis Bank Limited	1.10	4.40	Base Rate + 2.2%	20 equal quarterly instalments of Rs. 1.10	First charge on the assets created out of term loan and extension of equitable mortgage of land situated at Bonda Village, Bargarh, Orissa and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	On terms and conditions decided by the bank	None
Axis Bank Limited	-	8.13	Base Rate + 2.2%	20 equal quarterly instalments of Rs. 1.63	First charge on the assets created out of the term loan and equitable mortgage of land situated at Kolhur village, Medak District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	On terms and conditions decided by the bank	None
Axis Bank Limited	-	9.01	Base Rate + 2.2%	20 equal quarterly instalments of Rs. 1.88	First charge on the assets created out of term loan and extension of equitable mortgage of land situated at Bonda Village, Bargarh, Orissa and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	On terms and conditions decided by the bank	None
Axis Bank Limited	12.60	8.40	Base Rate + 2.25%	19 equal quarterly instalments of Rs. 2.10	First charge on the assets created out of the term loan and equitable mortgage of land situated at Kolhur village, Medak District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	1% of principal outstanding if pre-closed by way of any internal accruals.	2% per annum
Axis Bank Limited	10.30	4.00	Base Rate + 2.25%	19 equal quarterly instalments of Rs. 1.00	First charge on the assets created out of term loan and extension of equitable mortgage of land situated at Surpur Village, Idar Taluq, Sabarkantha District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	1% of principal outstanding if pre-closed by way of any internal accruals.	2% per annum
Axis Bank Limited	-	6.52	Base Rate + 2.25%	19 equal quarterly instalments of Rs. 1.60	First charge on the assets created out of term loan and extension of equitable mortgage of land situated at Gattidevarapally Village, Manakondur Mandal, Karimnagar District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	1% of principal outstanding if pre-closed by way of any internal accruals.	2% per annum
Axis Bank Limited	-	0.75	Base Rate + 2.25%	19 equal quarterly instalments of Rs. 0.70	First charge on the assets created out of term loan and extension of equitable mortgage of land and buildings situated at Surpur Village, Idar Taluq, Sabarkantha District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	1% of principal outstanding if pre-closed by way of any internal accruals.	2% per annum



## RESTATED STANDALONE STATEMENT OF PRINCIPAL TERMS AND CONDITIONS OF LONG-TERM BORROWINGS

Annexure - XI A

Name of the lender	Outstanding as at 31 December 2014		Rate of interest p.a. (%)	Repayment Schedule	Securities offered	Prepayment clauses	Penal Interest
	Disclosed under long-term borrowings	Disclosed under other current liabilities					
The South Indian Bank Limited	53.36	7.64	Base Rate + 1.75%	16 equal quarterly instalments of Rs. 3.82	First charge on the assets created out of term loan and extension of equitable mortgage of land and buildings situated at Aliveedu Village, West Godavari District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	Nil	2% per annum
The South Indian Bank Limited	15.21	2.17	Base Rate + 1.75%	16 equal quarterly instalments of Rs. 1.09	First charge on the assets created out of term loan and extension of equitable mortgage of land and buildings situated at Bandlamallam Village, Medak District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	Nil	2% per annum
The South Indian Bank Limited	11.11	1.59	Base Rate + 1.75%	16 equal quarterly instalments of Rs. 0.79	First charge on the assets created out of term loan and extension of equitable mortgage of land and buildings situated at Aliveedu Village, West Godavari District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	Nil	2% per annum
The South Indian Bank Limited	59.30	8.60	Base Rate + 1.75%	16 equal quarterly instalments of Rs. 4.30	First charge on the assets created out of term loan and extension of equitable mortgage of land owned by a Director and building situated at Kodur Village, Mulugu Mandal, Medak District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	Nil	2% per annum
The South Indian Bank Limited	15.75	2.25	Base Rate + 1.75%	16 equal quarterly instalments of Rs. 1.13	First charge on the assets created out of term loan and extension of equitable mortgage of land and buildings situated at Shidapur Mahagawan Pargana, Bijnapur, Lucknow District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	Nil	2% per annum
<b>Term loans from others</b>							
Biotechnology Industry Research Assistance Council	5.08	0.73	1.00%	10 equated annual instalments of Rs. 0.73	Hypothecation of assets acquired out of loan.	Nil	12% per annum
Biotechnology Industry Research Assistance Council	4.20	-	1.00%	10 equated annual instalments of Rs. 0.73	Hypothecation of assets acquired out of loan.	Nil	12% per annum
Indo-German Science and Technology Centre	2.27	0.29	3.00%	10 equated half yearly instalments of Rs. 0.29	Unsecured loan.	Nil	12% per annum
<b>Deferred payment liabilities</b>							
Government of Maharashtra	0.14	0.57	0.00%	5 yearly instalments commencing from April 2010	Unsecured loan.	Nil	Not applicable
<b>Total</b>	<b>191.12</b>	<b>84.75</b>					

## Notes:

The above statement should be read with the notes annexed to and forming part of standalone restated financial information and significant accounting policies as appearing in Annexures IV and V.



**RESTATED STANDALONE STATEMENT OF SHORT-TERM BORROWINGS:**

Particulars	Rupees in millions				
	As at 31 December 2014	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011
<b>Secured Short-term Borrowings</b>					
<i>Loans repayable on demand -</i>					
<i>Working capital loans from Banks</i>					
Canara Bank	1,988.93	1,987.99	-	-	-
Axis Bank Limited	1,302.88	614.98	420.92	-	-
Indian Overseas Bank	438.93	480.90	-	-	-
The South Indian Bank Limited	498.21	472.53	-	-	-
Yes Bank Limited	-	-	-	340.00	-
State Bank of Hyderabad	-	-	-	-	9.17
<b>Unsecured Short-term Borrowings</b>					
<i>Loans repayable on demand -</i>					
<i>Working capital loans from Banks</i>					
Rabobank International (Cooperative Centrale Raiffeisen-Boerenleen Bank B.A.)	700.00	-	-	-	-
<b>TOTAL</b>	<b>4,928.95</b>	<b>3,556.40</b>	<b>420.92</b>	<b>340.00</b>	<b>1,108.90</b>

**Note:**

- 1 The above statement should be read with the notes annexed to and forming part of standalone restated financial information and significant accounting policies as appearing in Annexures IV and V.
- 2 There are no unsecured loans outstanding by the issuer from promoters / group companies / subsidiaries / material associate companies other than those disclosed above.



**RESTATED STANDALONE STATEMENT OF PRINCIPAL TERMS AND CONDITIONS OF SHORT-TERM BORROWINGS:**

Name of the lender	Outstanding as at 31 December 2014	Rate of interest p.a. (%)	Repayment Schedule	Securities offered	Rupees in millions	
					Prepayment clauses	Penal Interest
Canara Bank	1,988.93	12.45%	Repayable on demand.	First charge on pari passu basis on all current assets of the company present and future along with other working capital bankers and further secured collaterally by way of pari passu charge on all movable and immovable unencumbered fixed assets and second pari passu charge on all immovable encumbered fixed assets of the company and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	Nil	2% per annum
Axis Bank Limited	1,302.88	11.15%	Repayable on demand.		Nil	2% per annum
Indian Overseas Bank	438.93	11.75%	Repayable on demand.		Nil	2% per annum
The South Indian Bank Limited	498.21	11.25%	Repayable on demand.		Nil	2% per annum
Rabobank International (Coöperatieve Centrale Raiffeisen-Boerenleen Bank B.A.)	700.00	10.60%	Repayable on demand.	Personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	Nil	2% per annum
<b>Total</b>	<b>4,928.95</b>					

**Note:**

The above statement should be read with the notes annexed to and forming part of standalone restated financial information and significant accounting policies as appearing in Annexures IV and V.





**RESTATED STANDALONE STATEMENT OF TRADE RECEIVABLES:**

Annexure - XIII

Particulars	Rupees in millions				
	As at 31 December 2014	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011
<i>Receivables outstanding for a period exceeding six months from the date they became due for payment</i>					
Secured, considered good	8.60	4.56	4.31	2.29	2.11
Unsecured, considered good	541.56	92.79	62.06	63.16	46.44
Unsecured, considered doubtful	69.86	51.07	41.67	30.65	22.06
	620.02	148.42	108.04	96.10	70.61
	(69.86)	(51.07)	(41.67)	(30.65)	(22.06)
Less: Allowance for bad and doubtful debts	550.16	97.35	66.37	65.45	48.55
<i>Others</i>					
Secured, considered good	17.51	7.98	7.16	5.20	8.34
Unsecured, considered good	1,337.27	534.70	361.73	204.60	269.25
	1,354.78	542.68	368.89	209.80	277.59
<b>TOTAL</b>	<b>1,904.94</b>	<b>640.03</b>	<b>435.26</b>	<b>275.25</b>	<b>326.14</b>

**Notes:****1 Trade receivables include:***Due from subsidiaries:*

Yaaganti Seeds Private Limited	152.54	7.91	51.00	19.27	11.66
Pravardhan Seeds Private Limited	110.53	19.66	8.52	25.07	8.75
Frabhat Agri Biotech Limited	88.00	-	-	31.07	-
Asian Agri Genetics Limited	78.51	96.22	-	-	-
Fortune Hybrid Seeds Limited	41.17	6.27	-	-	-

*Due from fellow subsidiaries:*

NSL Textiles Limited	1.17	-	93.27	12.52	46.53
NSL Cotton Corporation Private Limited	-	-	45.51	40.77	91.51

2 The above statement should be read with the notes annexed to and forming part of standalone restated financial information and significant accounting policies as appearing in Annexures IV and V.



## RESTATED STANDALONE STATEMENT OF LONG TERM AND SHORT TERM LOANS AND ADVANCES:

Annexure - XIV

Particulars	As at 31 December 2014		As at 31 March 2014		As at 31 March 2013		As at 31 March 2012		As at 31 March 2011		Rupees in million
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	
<i>Unsecured, considered good unless other wise stated</i>											
To parties other than related parties											
Capital advances											
- considered good	27.60	-	38.41	-	38.62	-	12.85	-	40.95	-	-
- considered doubtful	1.13	-	-	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful advances	(1.13)	-	-	-	-	-	-	-	-	-	-
	27.60	-	38.41	-	38.62	-	12.85	-	40.95	-	-
Security deposits											
Advance income tax (net)	22.10	-	25.43	-	25.51	-	20.22	-	18.44	-	-
MAT credit entitlement	59.80	-	59.29	-	32.41	-	-	-	48.64	-	-
Loans and advances to employees	1.78	-	1.78	-	-	-	-	-	-	-	-
Service tax refund receivable	1.92	12.41	1.40	7.90	2.53	7.27	3.36	12.57	0.50	10.03	-
Advances towards seed production	8.17	-	8.17	-	8.17	-	-	19.42	19.42	-	-
considered good	-	809.38	-	57.68	-	30.09	-	101.86	-	127.20	-
considered doubtful	-	-	-	-	-	-	-	18.09	-	18.09	-
Less: Allowance for bad and doubtful advances	-	809.38	-	57.68	-	30.09	-	119.95	-	145.29	-
	-	-	-	-	-	-	-	18.09	-	18.09	-
	-	809.38	-	57.68	-	30.09	-	101.86	-	127.20	-
Other loans and advances											
considered good	0.88	46.45	2.42	24.00	0.88	58.54	6.21	27.00	5.23	94.34	-
considered doubtful	0.44	-	0.44	-	0.44	-	-	0.60	-	0.44	-
	1.32	46.45	2.86	24.00	1.32	58.54	6.21	27.60	5.23	94.78	-
Less: Allowance for bad and doubtful advances	(0.44)	-	(0.44)	-	(0.44)	-	-	(0.60)	-	(0.44)	-
	0.88	46.45	2.42	24.00	0.88	58.54	6.21	27.00	5.23	94.34	-
To related parties											
Security deposit	4.00	-	4.00	-	4.00	-	4.00	-	4.00	-	-
Advance for purchase of investments	-	-	-	-	-	-	-	-	-	1,076.00	-
Inter corporate deposits	-	-	-	-	-	2,383.10	-	1,095.00	-	145.00	-
Other loans and advances	-	-	-	-	-	-	-	-	-	-	-
- considered good	-	17.87	6.34	4.41	5.54	129.22	4.66	46.12	3.16	6.17	-
- considered doubtful	6.15	-	-	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful advances	(6.15)	-	-	-	-	-	-	-	-	-	-
	4.00	17.87	10.34	4.41	9.54	2,512.32	8.66	1,141.12	7.16	1,227.17	-
TOTAL	126.25	886.11	147.24	93.99	117.66	2,608.22	51.30	1,301.97	140.34	1,458.74	-



**RESTATED STANDALONE STATEMENT OF LONG TERM AND SHORT TERM LOANS AND ADVANCES:**

Particulars	As at		As at		As at		As at		As at		As at		As at		As at		As at	
	31 December 2014		31 March 2014		31 March 2013		31 March 2012		31 March 2011		31 March 2010							
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
Notes:																		
<b>Loans and advances include:</b>																		
<i>Due from holding company</i>																		
Mandava Holdings Private Limited	-	-	-	0.31	-	-	-	-	-	-	-	-	-	-	-	-	876.00	-
<i>Due from subsidiaries</i>																		
Global Agrigenetics India Private Limited	-	11.40	0.19	0.50	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Jubilee Real Projects (India) Private Limited	-	-	-	-	-	0.25	-	-	-	-	-	-	-	-	-	-	-	-
PT Nuziveedu Seeds Indonesia	-	0.47	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Due from associates</i>																		
Swamabharat Bio-technics Private Limited	5.09	-	5.09	-	4.29	-	3.41	-	1.92	-	-	-	-	-	-	-	-	-
Swadeshi Bio-technics Limited	1.06	-	1.06	-	1.06	-	1.06	-	1.05	-	-	-	-	-	-	-	-	-
Global Agrigenetics India Private Limited	-	-	-	-	0.19	-	0.19	-	0.19	-	-	-	-	-	-	-	-	-
<i>Due from fellow subsidiaries:</i>																		
NSL Textiles Limited	-	-	-	-	-	124.67	-	40.57	-	-	-	-	-	-	-	-	345.00	-
NSL Cotton Corporation Private Limited	-	-	-	-	-	3.87	-	-	-	-	-	-	-	-	-	-	-	-
NSL Estates Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.18	-
NSL Renewable Power Private Limited	-	-	-	-	-	-	-	5.55	-	-	-	-	-	-	-	-	5.97	-
NSL Conventional Power Private Limited	-	-	-	-	-	2,383.09	-	1,095.00	-	-	-	-	-	-	-	-	-	-
NSL Nagapatnam Power and Infratech Limited	-	0.45	-	0.45	-	0.27	-	-	-	-	-	-	-	-	-	-	-	-
<i>Due from companies over which key management personnel exercise significant influence</i>																		
NSL Properties Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.02	-
NSL Renewable Power Private Limited	-	-	-	0.14	-	0.17	-	-	-	-	-	-	-	-	-	-	-	-
NSL Tidong Power Generation Private Limited	-	-	-	0.15	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NSL Fertilizer Ventures Private Limited	-	5.36	-	2.84	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mandava Cold Storage Private Limited	4.00	-	4.00	-	4.00	-	4.00	-	4.00	-	-	-	-	-	-	-	-	-
Excel Cotton Company Private Limited	-	0.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Due from Key Managerial Personnel</i>																		
P. Sateesh Kumar	-	0.14	-	0.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-

The above statement should be read with the notes annexed to and forming part of standalone restated financial information and significant accounting policies as appearing in Annexures IV and V.





**RESTATED STANDALONE STATEMENT OF INVESTMENTS:**

Annexure - XV

Particulars	Rupees in millions					
	As at 31 December 2014	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011	As at 31 March 2010
<i>Long Term Trade Investments unquoted at cost</i>						
<b>I) In Equity Shares of Rs. 10/- each fully paid-up</b>						
<b>(a) In subsidiary companies</b>						
Prabhat Agri Biotech Limited	983.88	983.88	983.88	295.67	-	-
Pravardhan Seeds Private Limited	85.96	85.96	85.96	85.96	75.96	-
Yaaganti Seeds Private Limited	166.75	166.65	126.65	126.65	126.65	-
Asian Agri Genetics Limited	144.94	144.94	144.94	144.58	-	-
Fortune Hybrid Seeds Limited	98.70	98.70	98.70	98.45	-	-
Jubilee Real Projects (India) Private Limited	387.52	387.52	387.52	386.54	-	-
Global Agrigenetics India Private Limited	0.10	0.10	0.04	0.04	0.04	-
<b>(b) In associate companies</b>						
Swadeshi Bio-technics Limited	0.07	0.07	0.07	0.07	0.07	-
<b>II) Investments in equity shares of USD 1/- each fully paid up</b>						
<b>a) In foreign subsidiary company</b>						
PT Nuziveedu Seeds Indonesia	4.26	-	-	-	-	-
<b>III) Investments in equity shares of Rs 100/- each fully paid up</b>						
<b>a) In associate Companies</b>						
Swarnabharat Bio-technics Private Limited	0.36	0.36	0.36	0.36	0.36	-
<b>TOTAL - I</b>	<b>1,872.54</b>	<b>1,868.18</b>	<b>1,828.12</b>	<b>1,138.32</b>	<b>203.08</b>	<b>-</b>
<i>Current investments (unquoted) at cost</i>						
<b>Investment in trust securities</b>						
IOFC Crest Investment Trust Series I	-	-	-	516.74	-	-
IOFC Crest Investment Trust Series II	-	-	-	518.48	-	-
<b>TOTAL - II</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,035.22</b>	<b>-</b>	<b>-</b>
<b>GRAND TOTAL (I + II)</b>	<b>1,872.54</b>	<b>1,868.18</b>	<b>1,828.12</b>	<b>2,173.54</b>	<b>203.08</b>	<b>-</b>
Aggregate amount of unquoted investments	1,872.54	1,868.18	1,828.12	2,173.54	203.08	-

**Note:**

The above statement should be read with the notes annexed to and forming part of standalone restated financial information and significant accounting policies as appearing in Annexures IV and V.



**RESTATED STANDALONE STATEMENT OF OTHER LONG TERM LIABILITIES, OTHER CURRENT LIABILITIES,  
OTHER NON-CURRENT ASSETS AND OTHER CURRENT ASSETS:**

Particulars	Rupees in millions					
	As at 31 December 2014	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011	As at 31 March 2010
<i>Other long-term liabilities</i>						
Dealer deposits	59.65	57.24	56.73	50.70	44.51	-
Employee payables	-	-	-	2.33	2.51	-
	<b>59.65</b>	<b>57.24</b>	<b>56.73</b>	<b>53.03</b>	<b>47.02</b>	-
<i>Other current liabilities</i>						
Current maturities of long term debt	84.75	70.95	72.03	83.74	83.05	-
Interest accrued but not due on borrowing and deposits	5.91	1.88	1.61	4.04	0.07	-
Advances received from customers	977.85	2,739.54	4,745.37	4,680.02	4,008.43	-
Capital creditors	7.04	25.69	11.99	19.94	8.61	-
Employee payables	73.76	85.39	79.08	82.62	42.90	-
Statutory liabilities	94.15	44.02	27.14	7.17	18.96	-
Interim equity dividend payable	-	-	-	-	12.15	-
Tax payable on interim equity dividend	-	-	-	6.33	4.86	-
Preference dividend payable	7.56	-	-	-	-	-
Dues to directors	6.76	0.24	6.53	21.43	1.20	-
Share application money	-	-	-	-	-	5.00
	<b>1,257.78</b>	<b>2,967.71</b>	<b>4,943.75</b>	<b>4,905.29</b>	<b>4,180.23</b>	<b>5.00</b>
<i>Other non-current assets</i>						
(Unsecured, considered good)						
Bank deposits due to mature after 12 months of the reporting date (held as margin money)	0.01	2.58	0.59	3.39	4.71	-
Subsidy receivable	7.24	21.42	14.04	-	-	-
Interest accrued	0.63	0.12	0.11	0.31	0.39	-
	<b>7.88</b>	<b>24.12</b>	<b>14.74</b>	<b>3.70</b>	<b>5.10</b>	-
<i>Other current assets</i>						
(Unsecured, considered good)						
Subsidy receivable	15.00	-	-	-	-	-
Interest accrued	0.01	4.71	10.48	49.91	2.90	-
	<b>15.01</b>	<b>4.71</b>	<b>10.48</b>	<b>49.91</b>	<b>2.90</b>	-

**Note:**

The above statement should be read with the notes annexed to and forming part of standalone restated financial information and significant accounting policies as appearing in Annexures IV and V.

RESTATED STANDALONE STATEMENT OF PROVISIONS:

Particulars	As at		As at		As at		As at		As at		As at	
	31 December 2014		31 March 2014		31 March 2013		31 March 2012		31 March 2011		31 March 2010	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
Provision for gratuity (funded)	4.19	22.50	4.08	13.70	4.70	10.12	5.27	10.21	4.49	8.69	-	-
Provision for compensated absences (unfunded)	6.21	3.15	2.84	2.71	1.90	1.94	2.27	0.91	0.68	0.27	-	-
Proposed preference dividend	-	-	-	7.56	-	1.92	-	100.00	-	11.51	-	-
Tax on proposed preference dividend	-	-	-	1.29	-	0.31	-	16.22	-	1.91	-	-
Provision for sales returns	-	243.66	-	81.98	-	32.34	-	8.40	-	5.80	-	-
Provision for taxation	-	-	-	-	-	-	-	10.27	-	-	-	-
<b>TOTAL</b>	<b>10.40</b>	<b>269.31</b>	<b>6.92</b>	<b>107.24</b>	<b>6.60</b>	<b>46.63</b>	<b>7.54</b>	<b>146.01</b>	<b>5.17</b>	<b>28.18</b>	<b>-</b>	<b>-</b>

Note:

The above statement should be read with the notes annexed to and forming part of standalone restated financial information and significant accounting policies as appearing in Annexures IV and V.



**RESTATED STANDALONE STATEMENT OF CONTINGENT LIABILITIES:**

Annexure - XVIII

Particulars	Rupees in millions				
	As at 31 December 2014	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011
<b>Contingent liabilities in respect of</b>					
<i>Corporate guarantees given by the company on behalf of</i>					
Holding Company	-	1,000.00	2,000.00	2,000.00	-
Subsidiary	280.00	280.00	280.00	280.00	100.00
Others	-	-	-	-	512.50
Claims not acknowledged as debts					
Income tax matters under dispute	118.74	118.74	-	-	-
Others (refer note 3)	360.28	350.55	300.00	301.23	7.20
<b>TOTAL</b>	<b>759.02</b>	<b>1,749.29</b>	<b>2,580.00</b>	<b>2,581.23</b>	<b>2,619.70</b>

**Notes:**

- The above statement should be read with the notes annexed to and forming part of standalone restated financial information and significant accounting policies as appearing in Annexures IV and V.
- Claims against the company not acknowledged as debt (others) includes compensation claims from farmers and customers, demand from government departments. This represent the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be predicted accurately.
- Trait fee paid to technology service provider does not include Value Added Tax. On the basis of legal opinion obtained by the service provider and as communicated to the company the service provider has undertaken to contest the applicability of VAT on technology and consequently not charged VAT to the company effective 01 April 2009. In the event of technology service provider not succeeding in its appeal there could be liability on the company towards arrears on VAT and interest to be reimbursed to the service provider.
- Pursuant to the scheme of arrangement approved by the Honorable Delhi High Court, the Company has taken over the seed undertaking (all assets and liabilities including future liabilities pertaining to seed undertaking) from NSL Renewable Power Private Limited (formerly known as Nuziveedu Seeds Private Limited) ("the transferor"). During the financial year ended 31-March-2013, the transferor has received certain claims / demands from Deputy Commissioner (CT) Guntur-II amounting to Rs. 4.37 which have been appealed by the transferor. In case the transferor loses the case, the Company may be required to make payment for the aforesaid matters.



## RESTATED STANDALONE STATEMENT OF RELATED PARTIES AND TRANSACTIONS:

Annexure - XIX

Name of the related party	Nature of the Relation as at					
	As at 31 December 2014	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011	As at 31 March 2010
Mandava Investments Private Limited	Ultimated Holding Company	Ultimated Holding Company	NA	NA	NA	NA
Mandava Holdings Private Limited	Holding Company	Holding Company	Holding Company	Holding Company	Holding Company	Entity over which KMP exercise significant influence
Pravardhan Seeds Private Limited	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Entity over which KMP exercise significant influence
Yaaganti Seeds Private Limited	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary	NA
Prabhat Agri Biotech Limited	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Fellow Subsidiary	NA
Asian Agri Genetics Limited	Subsidiary	Subsidiary	Subsidiary	Subsidiary	NA	NA
Fortune Hybrid Seeds Limited	Subsidiary	Subsidiary	Subsidiary	Subsidiary	NA	NA
Jubilee Real Projects (India) Private Limited	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Fellow Subsidiary	Entity over which KMP exercise significant influence
Prestige Agri Inputs Private Limited *	NA	NA	NA	Subsidiary	Fellow Subsidiary	Entity over which KMP exercise significant influence
Global Agrigenetics India Private Limited	Subsidiary	Subsidiary	Associate	Associate	Associate	NA
PT Nuziveedu Seeds Indonesia	Subsidiary	NA	NA	NA	NA	NA
Swarnabharat Bio-technics Private Limited	Associate	Associate	Associate	Associate	Associate	NA
Swadeshi Bio-technics Limited	Associate	Associate	Associate	Associate	Associate	NA
NSL Sugars Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Entity over which KMP exercise significant influence
NSL Sugars (Tungabhadra) Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Entity over which KMP exercise significant influence
NSL Textiles Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Entity over which KMP exercise significant influence
NSL Textiles (Edlapadu) Limited *	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence
Sree Venkataraya Cotton Mills Private Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	NA	NA	NA
NSL Estate Private Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Entity over which KMP exercise significant influence
NSL Cotton Corporation Private Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Entity over which KMP exercise significant influence
Apple Avenues Private Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Entity over which KMP exercise significant influence
Garden City Avenues Private Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Entity over which KMP exercise significant influence
Intellegentia Mansions Private Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Entity over which KMP exercise significant influence
NCC Matoshri Cotton Private Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Entity over which KMP exercise significant influence
NSL Conventional Power Private Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	NA
Ascendant Estates Private Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Entity over which KMP exercise significant influence
Gooddeal Developers Private Limited **	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Entity over which KMP exercise significant influence
Portrait Properties Private Limited **	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Entity over which KMP exercise significant influence
NSL SEZ (Chennai) Private Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Entity over which KMP exercise significant influence
NSL Power and Infratech Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	NA





**RESTATED STANDALONE STATEMENT OF RELATED PARTIES AND TRANSACTIONS:**

Annexure - XIX

Name of the related party	Nature of the Relation as at					
	As at 31 December 2014	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011	As at 31 March 2010
NSL Nagapatnam Power and Infratech Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Entity over which KMP exercise significant influence
NSL Renewable Power Private Limited	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Fellow Subsidiary	Entity over which KMP exercise significant influence
NSL Tidong Power Generation Private Limited	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Fellow Subsidiary	Entity over which KMP exercise significant influence
Solar Semiconductor Power Company (India) Private Limited	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	NA	NA
Indur Green Power Private Limited ^	NA	NA	NA	NA	Fellow Subsidiary	Entity over which KMP exercise significant influence
M. Prabhakara Rao (Chairman and Managing Director)	Key managerial personnel (KMP)	Key managerial personnel	Key managerial personnel	Key managerial personnel	Key managerial personnel	Key managerial personnel
P. Sateesh Kumar	Key managerial personnel	Key managerial personnel	Key managerial personnel	NA	NA	NA
M. Asha Priya	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director
M. Venkatram Chowdary	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director
M. Venkataramaiah	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director
M. Rama Devi	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director
M. Srinivas Rao	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director
Mandava Cold Storage Private Limited	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence
NSL Properties Private Limited	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence
Excel Cotton Company Private Limited	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence
Sri Venkataramana Ginning Mills	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence
NSL Fertilizer Ventures Private Limited	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Fellow Subsidiary	Fellow Subsidiary	NA	NA
Mandava Foundation (Trust)	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence

\* NSL Textiles (Edlapadu) Limited has been merged with NSL Textiles Limited effective 21 June 2011 with Appointed Date of 01 April 2010

^ Indur Green Power Private Limited has been merged with NSL Renewable Power Private Limited effective 07 September 2012 with Appointed Date of 01 April 2011

@ merged with holding company w.e.f 01 January 2012

\*\* Gooddeal Developers Private Limited and Portrait Properties Private Limited has been merged with Mandava Holdings Private Limited effective 13 June 2013 with Appointed Date of 01 January 2013



**RESTATED STANDALONE STATEMENT OF RELATED PARTIES AND TRANSACTIONS:**

Annexure - XX

**Related Party Transactions:**

Particulars	Rupees in millions					
	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011	Year ended 31 March 2010
<b>(i) Sale of goods (net of discounts and sales promotion):</b>						
Yaaganti Seeds Private Limited	447.77	237.94	159.51	84.37	56.28	-
Pravardhan Seeds Private Limited	415.41	245.61	58.77	14.83	146.16	-
NSL Textiles Limited	3.91	75.43	58.62	39.91	81.53	-
NSL Cotton Corporation Private Limited	-	-	4.73	1,680.57	547.93	-
Prabhat Agri Biotech Limited	382.56	967.17	239.86	34.83	145.38	-
Asian Agri Genetics Limited	155.53	361.14	273.29	3.38	-	-
Fortune Hybrid Seeds Limited	96.84	119.40	143.80	(4.73)	-	-
<b>(ii) Sale of chemicals:</b>						
Yaaganti Seeds Private Limited	-	0.79	0.06	-	-	-
Pravardhan Seeds Private Limited	0.24	0.77	5.09	2.78	-	-
Prabhat Agri Biotech Limited	-	-	10.72	4.22	-	-
<b>(iii) Service / Other Operative Income:</b>						
Yaaganti Seeds Private Limited	-	12.47	4.24	6.37	8.95	-
Pravardhan Seeds Private Limited	1.31	8.65	16.96	17.21	2.08	-
Prabhat Agri Biotech Limited	-	-	31.11	13.14	5.82	-
Global Agrigenetics India Private Limited	0.81	0.06	-	-	-	-
<b>(iv) Purchase of goods:</b>						
Yaaganti Seeds Private Limited	35.59	55.50	3.55	0.20	0.95	-
Pravardhan Seeds Private Limited	26.44	13.42	-	6.74	3.97	-
M. Asha Priya	-	-	-	-	3.14	-
Prabhat Agri Biotech Limited	0.34	85.28	9.71	2.82	3.59	-
Global Agrigenetics India Private Limited	42.78	4.42	-	-	-	-
<b>(v) Purchase of packing material:</b>						
Asian Agri Genetics Limited	-	0.59	3.71	2.16	-	-
Fortune Hybrid Seeds Limited	-	0.02	1.91	0.64	-	-
Prabhat Agri Biotech Limited	-	1.92	5.05	-	-	-
Yaaganti Seeds Private Limited	1.67	2.56	-	-	-	-
Pravardhan Seeds Private Limited	-	0.29	3.51	-	-	-
NSL Sugars Limited	-	3.91	-	-	-	-
<b>(vi) Service charges paid:</b>						
Mandava Holdings Private Limited	-	-	-	-	3.53	-
NSL Textiles Limited	0.33	1.75	1.48	0.08	0.69	-
Prabhat Agri Biotech Limited	-	-	-	11.41	-	-
NSL Cotton Corporation Private Limited	0.10	0.28	0.10	0.81	0.08	-
Mandava Cold Storage Private Limited	18.13	22.80	20.76	21.13	20.15	-
Pravardhan Seeds Private Limited	-	-	-	7.20	5.09	-
Yaaganti Seeds Private Limited	0.16	0.58	-	-	-	-
<b>(vii) Professional fee paid:</b>						
Mandava Holdings Private Limited	50.46	58.01	48.27	16.76	-	-
M. Venkataramaiah	0.45	0.60	0.60	0.60	0.40	-
<b>(viii) Remuneration to key managerial person:</b>						
M. Prabhakara Rao	13.13	17.46	17.44	18.30	18.05	-
P. Sateesh Kumar	5.64	7.36	3.67	-	-	-
<b>(ix) Directors sitting fee:</b>						
M. Asha Priya	0.20	0.07	0.13	0.10	0.06	-
P. Sateesh Kumar	-	-	0.04	-	-	-
<b>(x) Donation paid:</b>						
Mandava Foundation (Trust)	2.50	2.60	4.70	3.60	1.70	-
<b>(xi) Dividend paid:</b>						
Mandava Holdings Private Limited	-	-	461.70	22.80	17.10	-
M. Prabhakara Rao	-	-	223.84	13.00	9.75	-
M. Asha Priya	-	-	62.50	3.09	2.32	-
M. Venkatram Chowdary	-	-	2.22	0.11	0.08	-
M. Srinivas Rao	-	-	0.02	-	-	-
Gooddeal Developers Private Limited	-	-	15.80	-	-	-
Portrait Properties Private Limited	-	-	23.69	-	-	-



**RESTATED STANDALONE STATEMENT OF RELATED PARTIES AND TRANSACTIONS:**

Annexure - XX

**Related Party Transactions:**

Rupees in millions						
Particulars	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011	Year ended 31 March 2010
<b>(xii) Rent / land lease paid:</b>						
Mandava Holdings Private Limited	3.98	5.22	5.18	4.16	7.71	-
Jubilee Real Projects (India) Private Limited	1.44	1.92	1.92	-	-	-
Mandava Cold Storage Private Limited	1.14	1.46	1.39	1.31	1.24	-
NSL Sugars Limited	0.60	0.60	0.60	0.60	0.60	-
M. Prabhakara Rao	0.25	0.34	0.31	0.28	0.25	-
M. Venkataramaiah	0.05	0.09	0.08	0.07	0.07	-
M. Venkatram Chowdary	0.03	0.05	0.02	-	-	-
M. Rama Devi	-	0.09	-	-	-	-
M. Asha Priya	0.12	0.18	0.16	0.14	0.13	-
Ascendant Estates Private Limited	0.22	0.20	0.18	0.17	0.15	-
Apple Avenues Private Limited	0.06	0.11	0.10	0.09	0.08	-
NSL Textiles Limited	0.62	0.82	0.46	-	-	-
NCC Matoshri Cotton Private Limited	-	-	-	-	0.34	-
Garden City Avenues Private Limited	0.17	0.15	0.14	0.12	0.11	0.01
Intellegentia Mansions Private Limited	0.60	0.60	0.54	0.49	0.45	-
NSL Cotton Corporation Private Limited	-	-	-	0.48	-	-
NSL Renewable Power Private Limited	-	0.37	0.34	0.31	0.28	-
Sri Venkataramana Ginning Mills	-	-	-	0.07	0.07	-
Excel Cotton Company Private Limited	0.16	0.20	0.18	0.18	0.17	-
<b>(xiii) Deposit given as a security on behalf of:</b>						
Fortune Hybrid Seeds Limited	0.73	1.18	-	-	-	-
<b>(xiv) Sales promotion expenses:</b>						
NSL Textiles Limited	-	1.41	-	-	-	-
Asian Agri Genetics Limited	-	-	1.26	-	-	-
Fortune Hybrid Seeds Limited	-	-	0.71	-	-	-
Prabhat Agri Biotech Limited	-	-	-	2.10	-	-
Yaaganti Seeds Private Limited	-	-	-	-	-	-
<b>(xv) Sale of fixed assets:</b>						
NSL Tidong Power Generation Private Limited	-	0.15	-	0.10	-	-
<b>(xvi) Reimbursement of expenses received:</b>						
Yaaganti Seeds Private Limited	0.14	0.82	0.17	0.41	1.34	-
Pravardhan Seeds Private Limited	0.62	5.12	2.83	13.86	1.69	-
PT Nuziveedu Seeds Indonesia	0.47	-	-	-	-	-
NSL Textiles Limited	0.02	0.26	0.13	0.31	0.39	-
Jubilee Real Projects (India) Private Limited	0.15	0.20	0.25	-	-	-
Ascendant Estates Private Limited	-	-	-	-	0.10	-
NSL Estates Private Limited	-	-	-	-	0.18	-
NSL Cotton Corporation Private Limited	-	0.03	0.01	0.03	0.04	-
NSL Nagapatnam Power and Infratech Limited	-	0.14	0.27	-	-	-
Prabhat Agri Biotech Limited	0.36	1.40	1.26	22.28	4.22	-
NSL Renewable Power Private Limited	0.04	0.14	0.17	0.50	5.97	-
Asian Agri Genetics Limited	0.18	0.60	3.19	1.45	-	-
Fortune Hybrid Seeds Limited	0.06	0.10	3.06	2.64	-	-
Global Agrigenetics India Private Limited	0.49	-	-	-	-	-
Mandava Holdings Private Limited	-	0.49	-	-	-	-
M. Asha Priya	0.03	0.09	-	-	-	-
Mandava Cold Storage Private Limited	0.07	0.03	-	-	-	-
M. Prabhakara Rao	-	0.01	-	-	-	-
M. Venkataramaiah	0.03	-	-	-	-	-
NSL Sugars Limited	-	0.05	0.14	-	-	-
NSL Fertilizer Ventures Private Limited	2.51	2.85	-	-	-	-
NSL Properties Private Limited	-	-	-	-	0.02	-





**RESTATED STANDALONE STATEMENT OF RELATED PARTIES AND TRANSACTIONS:**

Annexure - XX

**Related Party Transactions:**

Particulars	Rupees in millions					
	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011	Year ended 31 March 2010
<b>(xvii) Reimbursement of expenses paid</b>						
Mandava Holdings Private Limited	1.64	2.29	1.90	1.55	-	-
NSL Textiles Limited	0.07	0.29	0.61	2.83	-	-
NSL Cotton Corporation Private Limited	-	0.06	-	0.05	-	-
Mandava Cold Storage Private Limited	0.40	0.54	0.47	0.32	-	-
Excel Cotton Company Private Limited	0.15	-	-	-	-	-
NSL Renewable Power Private Limited	0.08	0.56	-	0.33	-	-
NSL Sugars Limited	0.46	0.62	0.39	0.11	-	-
Asian Agri Genetics Limited	-	5.55	7.40	-	-	-
Fortune Hybrid Seeds Limited	0.83	1.10	4.68	-	-	-
Global Agrigenetics India Private Limited	0.02	-	-	-	-	-
M. Prabhakara Rao	-	-	0.81	-	-	-
M. Asha Priya	-	-	1.50	21.14	-	-
P. Sateesh Kumar	-	0.69	0.31	-	-	-
Prabhat Agri Biotech Limited	-	0.25	0.03	-	-	-
Pravardhan Seeds Private Limited	0.26	0.18	0.06	-	-	-
Yaaganti Seeds Private Limited	0.28	0.19	-	-	-	-
NSL SEZ (Chennai) Private Limited	-	-	0.01	-	-	-
NSL Power and Infrotech Limited	-	-	0.03	-	-	-
<b>(xviii) Allotment of bonus shares without payment being received:</b>						
Mandava Holdings Private Limited	-	-	45.60	-	-	-
M. Prabhakara Rao	-	-	22.11	-	-	-
M. Asha Priya	-	-	6.17	-	-	-
M. Venkatram Chowdary	-	-	0.22	-	-	-
M. Srinivas Rao	-	-	-	-	-	-
Gooddeal Developers Private Limited	-	-	1.56	-	-	-
Portrait Properties Private Limited	-	-	2.34	-	-	-
<b>(xix) Rent deposit given:</b>						
NSL Textiles Limited	-	-	0.35	-	-	-
<b>(xx) Buyback of Shares held by:</b>						
Mandava Holdings Private Limited	-	765.64	-	-	-	-
<b>(xxi) Transfer of Inter-corporate deposits including interest accrued from</b>						
Prabhat Agri Biotech Limited given to	-	-	-	-	-	-
NSL Textiles Limited	-	65.57	-	-	-	-
NSL Cotton Corporation Private Limited	-	9.60	-	-	-	-
NSL Conventional Power Private Limited	-	75.84	-	-	-	-
NSL Infrotech Private Limited	-	102.75	-	-	-	-
Pravardhan Seeds Private Limited given to	-	-	-	-	-	-
NSL Cotton Corporation Private Limited	-	10.66	-	-	-	-
Yaaganti Seeds Private Limited given to	-	-	-	-	-	-
NSL Cotton Corporation Private Limited	-	5.33	-	-	-	-
Asian Agri Genetics Limited given to	-	-	-	-	-	-
NSL Cotton Corporation Private Limited	-	5.33	-	-	-	-
<b>(xxii) Conversion of receivable / advance into Inter-corporate deposit</b>						
NSL Textiles Limited	-	223.15	-	-	-	-
NSL Cotton Corporation Private Limited	-	285.97	-	-	-	-
<b>(xxiii) Issue of share capital:</b>						
Mandava Holdings Private Limited	-	-	-	-	57.00	-
M. Prabhakara Rao	-	-	-	-	32.26	-
M. Asha Priya	-	-	-	-	7.47	-
M. Venkatram Chowdary	-	-	-	-	0.27	-
M. Srinivas Rao	-	-	-	-	-	-
<b>(xxiv) Advances given for purchase of investments:</b>						
Mandava Holdings Private Limited	-	-	-	-	876.00	-
NSL Textiles Limited	-	-	-	-	200.00	-
M. Prabhakara Rao	-	-	-	-	12.00	-
M. Asha Priya	-	-	-	-	3.50	-



**RESTATED STANDALONE STATEMENT OF RELATED PARTIES AND TRANSACTIONS:**

Annexure - XX

**Related Party Transactions:**

Rupees in millions						
Particulars	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011	Year ended 31 March 2010
<b>(xxv) Investment in subsidiary:</b>						
Pravardhan Seeds Private Limited	-	-	-	10.00	-	-
Prestige Agri Inputs India Private Limited	-	-	-	876.62	-	-
Yaaganti Seeds Private Limited	-	-	-	-	19.02	-
<b>(xxvi) Purchase of shares from:</b>						
M. Prabhakara Rao	-	0.06	-	-	-	-
P. Sateesh Kumar	-	-	331.21	-	-	-
NSL Textiles Limited	-	-	-	925.24	-	-
NSL Estates Private Limited	-	-	-	0.10	-	-
Mandava Holdings Private Limited	-	-	-	-	-	-
<b>(xxvii) Refund of advance for purchase of shares:</b>						
M. Prabhakara Rao	-	-	-	-	12.00	-
M. Asha Priya	-	-	-	-	3.50	-
<b>(xxviii) Advance:</b>						
Swarnabharat Bio-technics Private Limited	-	0.80	0.88	1.50	1.30	-
NSL Textiles Limited	-	-	84.10	40.57	-	-
NSL Cotton Corporation Private Limited	-	-	3.87	-	-	-
<b>(xxix) Share application money refunded:</b>						
M. Prabhakara Rao	-	-	-	-	5.00	-
<b>(xxx) Inter corporate deposit given:</b>						
Mandava Holdings Private Limited	-	1,300.00	-	-	30.00	-
NSL Conventional Power Private Limited	-	-	1,800.00	2,145.00	-	-
NSL Sugars (Tungabhadra) Limited	-	-	550.00	-	-	-
Solar Semiconductor Power Company (India) Private Limited	-	-	250.00	-	-	-
Prabhat Agri Biotech Limited	-	200.00	-	-	-	-
NSL Textiles Limited	-	-	-	50.00	145.00	-
<b>(xxxi) Inter corporate deposit refund received:</b>						
Mandava Holdings Private Limited	-	1,300.00	-	-	-	-
Prabhat Agri Biotech Limited	-	200.00	-	-	-	-
NSL Sugars (Tungabhadra) Limited	-	-	550.00	-	-	-
Solar Semiconductor Power Company (India) Private Limited	-	-	250.00	-	-	-
NSL Textiles Limited	-	-	-	195.00	-	-
NSL Conventional Power Private Limited	-	-	511.90	1,050.00	-	-
Mandava Holdings Private Limited	-	-	-	-	30.00	-
<b>(xxxii) Interest income on inter corporate deposit:</b>						
NSL Sugars (Tungabhadra) Limited	-	-	63.90	-	-	-
Solar Semiconductor Power Company (India) Private Limited	-	-	26.32	-	-	-
Prabhat Agri Biotech Limited	-	1.67	-	-	-	-
Mandava Holdings Private Limited	-	72.77	-	-	0.45	-
NSL Conventional Power Private Limited	-	87.64	301.60	76.21	-	-
NSL Textiles Limited	-	-	-	17.09	2.92	-
<b>(xxxiii) Interest income:</b>						
NSL Textiles Limited	-	3.57	5.79	-	-	-
NSL Cotton Corporation Private Limited	-	0.10	0.31	-	-	-
<b>(xxxiv) Purchase of fixed Assets:</b>						
NSL Cotton Corporation Private Limited	-	-	-	0.62	-	-
Pravardhan Seeds Private Limited	-	0.09	-	-	-	-
Prabhat Agri Biotech Limited	-	-	0.13	-	-	-
Yaaganti Seeds Private Limited	-	1.36	-	-	-	-
Sree Venkataraya Cotton Mills Private Limited	0.27	-	-	-	-	-
<b>(xxxv) Share application money received</b>						
M. Prabhakara Rao	-	-	-	-	-	5.00



**RESTATED STANDALONE STATEMENT OF RELATED PARTIES AND TRANSACTIONS:**

Annexure - XX

**Related Party Transactions:**

Particulars	Rupees in millions					
	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011	Year ended 31 March 2010
(xxxvi) Investments made						
PT Nuziveedu Seeds Indonesia	4.26	-	-	-	-	-
(xxxvii) Corporate guarantees given						
Yaaganti Seeds Private Limited	-	180.00	180.00	180.00	-	-
Pravardhan Seeds Private Limited	-	100.00	100.00	100.00	100.00	-
Mandava Holdings Private Limited	-	1,000.00	2,000.00	2,000.00	2,000.00	-

Detail of the scheme of arrangement with NSL Fertilizer Ventures Private Limited has been included in "Other significant information" as appearing in Annexure IV.  
Detail of the scheme of arrangement with NSL Renewable Power Private Limited has been included in "Other significant information" as appearing in Annexure IV.

**Note:**

The above statement should be read with the notes annexed to and forming part of standalone restated financial information and significant accounting policies as appearing in Annexures IV and V.



**RESTATED STANDALONE STATEMENT OF COST OF MATERIALS CONSUMED:**

Annexure - XXI

Particulars	Rupees in millions					
	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011	Year ended 31 March 2010
<b>Own production</b>						
Opening stock of raw seeds produced	2,134.25	1,691.44	844.52	491.83	181.34	-
Add: Cost of raw seeds produced (including cost of foundation seeds produced)						
Land lease expenses	623.81	1,145.25	990.29	729.63	1,038.29	-
Service charges paid to farmers	169.25	139.90	330.41	249.91	352.79	-
Other agricultural and incidental expenses	1,383.32	3,191.94	4,000.10	2,136.65	2,055.37	-
Add: Cost of foundation seeds consumed (purchased)	1.92	32.33	13.48	4.26	4.81	-
Less: Closing stock of raw seeds produced	1,036.74	2,135.30	1,691.44	844.52	491.83	-
	<b>3,275.81</b>	<b>4,065.56</b>	<b>4,487.36</b>	<b>2,767.76</b>	<b>3,140.77</b>	-
<b>Purchased Seed</b>						
Opening stock of raw seeds purchased	0.01	3.36	6.02	7.82	0.05	-
Add: Purchased during the year	102.32	192.88	44.38	39.75	80.46	-
Less: Cost of foundation seeds consumed	1.92	32.33	13.48	4.26	4.81	-
Less: Closing stock of raw seeds purchased	0.02	0.01	3.36	6.02	7.82	-
	<b>100.39</b>	<b>163.90</b>	<b>33.56</b>	<b>37.29</b>	<b>67.88</b>	-
Packing and other material consumed	394.63	467.76	346.43	269.94	252.51	-
Inventory charged off	-	1.05	-	-	-	-
	<b>3,770.83</b>	<b>4,698.27</b>	<b>4,867.35</b>	<b>3,074.99</b>	<b>3,461.16</b>	-

**Note:**

The above statement should be read with the notes annexed to and forming part of standalone restated financial information and significant accounting policies as appearing in Annexures IV and V.



**RESTATED STANDALONE STATEMENT OF CHANGES IN INVENTORIES:**

Particulars	Rupees in millions					
	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011	Year ended 31 March 2010
<b>Work-in-progress</b>						
Own production						
Opening stocks	1,900.16	2,340.77	1,840.27	1,397.49	242.41	-
Closing stocks	1,577.30	1,973.02	2,340.77	1,840.27	1,397.49	-
Inventory charged off	-	72.86	-	-	-	-
	<b>322.86</b>	<b>440.61</b>	<b>(500.50)</b>	<b>(442.78)</b>	<b>(1,155.08)</b>	-
<b>Work-in-progress</b>						
Purchased seeds						
Opening stocks	6.91	6.96	4.94	12.23	10.44	-
Closing stocks	28.05	6.91	6.96	4.94	12.23	-
	<b>(21.14)</b>	<b>0.05</b>	<b>(2.02)</b>	<b>7.29</b>	<b>(1.79)</b>	-
<b>Finished goods</b>						
Own production						
Opening stocks	2,981.33	2,217.23	1,047.68	921.00	1,227.33	-
Closing stocks	2,841.06	3,242.99	2,217.23	1,047.68	921.00	-
Inventory charged off	-	261.66	-	-	-	-
	<b>140.27</b>	<b>(764.10)</b>	<b>(1,169.55)</b>	<b>(126.68)</b>	<b>306.33</b>	-
<b>Finished goods</b>						
Purchased seeds						
Opening stocks	36.14	14.93	28.40	25.36	20.20	-
Closing stocks	22.21	36.14	14.93	28.40	25.36	-
	<b>13.93</b>	<b>(21.21)</b>	<b>13.47</b>	<b>(3.04)</b>	<b>(5.16)</b>	-
Provision for estimated sales returns	(87.06)	(44.15)	(12.55)	(4.62)	(4.00)	-
	<b>368.86</b>	<b>(388.80)</b>	<b>(1,671.15)</b>	<b>(569.83)</b>	<b>(859.70)</b>	-



The above statement should be read with the notes annexed to and forming part of standalone restated financial information and significant accounting policies as appearing in Annexures IV and V.



**RESTATED STANDALONE STATEMENT OF OTHER EXPENSES:**

Annexure - XXIII

Particulars	Rupees in millions					
	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011	Year ended 31 March 2010
Sales promotion	2,342.39	2,868.65	1,435.26	1,105.18	1,208.53	0.05
Trait fee	1,006.04	985.77	1,040.82	1,012.92	843.11	-
Processing expenses	170.71	163.27	209.89	150.19	143.90	-
Travelling and conveyance	128.05	181.32	176.51	141.17	120.79	-
Freight and transport	234.78	154.53	122.61	82.96	103.89	-
Legal and professional charges	89.05	123.43	127.48	76.03	76.04	-
Seed evaluation and trial expenses	54.43	66.09	71.74	60.48	43.82	-
Power and fuel	64.16	62.64	49.45	39.09	29.01	-
Rent	33.24	45.10	40.76	36.60	40.99	0.12
Repairs to buildings	2.24	2.71	7.17	4.50	2.64	-
Repairs to plant and equipment	11.30	9.04	6.16	11.16	7.67	-
Repairs to others	10.88	15.64	14.80	7.18	5.49	-
Communication expenses	13.43	20.87	21.47	17.44	15.66	-
Rates and taxes	3.30	3.14	12.51	6.68	13.52	-
Provision for bad and doubtful debts	18.79	9.39	11.02	8.60	11.67	-
Provision for bad and doubtful advances	7.28	-	-	0.16	-	-
Printing and stationery	6.51	8.83	10.05	8.47	9.96	-
Insurance	9.63	12.48	9.03	8.44	8.34	-
Commission to directors	6.12	7.74	6.00	-	-	-
Donations	7.68	3.56	5.25	4.07	2.68	-
Payments to the auditor as	-	-	-	-	-	-
- auditor	2.48	2.53	4.16	1.77	1.32	0.01
- for reimbursement of expenses	0.33	0.08	0.16	0.06	0.30	-
- for other services	-	-	-	0.06	0.22	-
Loss on disposal of fixed assets (net)	0.08	3.21	1.83	0.21	-	-
Loss on foreign currency transactions	0.10	0.68	-	-	-	-
Bad debts / debit balances written off	0.19	0.07	0.11	0.54	1.50	-
Directors sitting fee	1.93	0.81	0.88	0.50	0.28	-
Miscellaneous expenses	57.06	77.65	75.83	94.32	65.42	-
	<b>4,282.18</b>	<b>4,829.23</b>	<b>3,460.95</b>	<b>2,878.78</b>	<b>2,756.75</b>	<b>0.18</b>

**Note:**

The above statement should be read with the notes annexed to and forming part of standalone restated financial information and significant accounting policies as appearing in Annexures IV and V.



**RESTATED STANDALONE STATEMENT OF TAX SHELTER:**

Annexure - XXIV

Rupees in millions

Particulars	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011	Year ended 31 March 2010
<b>A. Restated profit/(loss) before tax</b>	1,871.39	1,757.98	1,559.02	635.57	409.02	(0.18)
Long - term capital gains considered separately	-	-	-	0.18	-	-
Profits eligible to tax at normal income tax rates	187.14	175.80	155.90	63.54	40.90	(0.02)
<b>B. Tax rates (including surcharge and education cess)</b>						
Income tax rates	32.45%	33.99%	32.45%	32.45%	33.22%	33.22%
Minimum alternate tax ('MAT')	20.01%	20.96%	20.01%	20.01%	19.93%	19.93%
Long- term capital gains tax rates	21.63%	22.66%	21.63%	21.63%	22.15%	22.15%
<b>C. Tax at notional rates</b>						
Income tax chargeable at normal rate	607.17	597.54	505.82	206.21	135.86	(0.06)
capital gains tax chargeable at notional rate	-	-	-	0.04	-	-
<b>Total</b>	<b>607.17</b>	<b>597.54</b>	<b>505.82</b>	<b>206.25</b>	<b>135.86</b>	<b>(0.06)</b>
<b>D. Permanent differences</b>						
Net agricultural income	(1,961.91)	(1,747.99)	(801.47)	(475.60)	(349.02)	-
Dividend income	-	-	(249.08)	-	(0.18)	-
Amortization of good will	-	-	38.24	29.11	22.76	-
Donations	0.10	0.13	0.06	0.07	0.07	-
Investments Written off	-	-	-	14.54	-	-
Expenses in relation to capital items.	-	0.00	0.11	-	1.43	-
Others	(0.01)	0.09	0.46	0.09	(0.02)	-
<b>Total permanent differences</b>	<b>(1,961.82)</b>	<b>(1,747.77)</b>	<b>(1,011.67)</b>	<b>(431.79)</b>	<b>(324.95)</b>	<b>-</b>
<b>E. Timing/ Temporary differences</b>						
Depreciation and Amortization	1.36	(0.99)	(0.34)	(0.42)	(0.34)	-
Provision for gratuity , compensated absences and bonus.	1.93	4.08	2.37	1.32	1.11	-
Deduction upon actual payment against gratuity , compensated absences and bonus.	(0.34)	(3.32)	(2.06)	(1.01)	-	-
Provision for doubtful debts (net)	1.40	0.35	(0.17)	0.22	0.10	-
Others	(0.00)	0.02	0.01	0.11	0.03	-
<b>Total timing differences</b>	<b>4.35</b>	<b>0.14</b>	<b>(0.19)</b>	<b>0.22</b>	<b>0.90</b>	<b>-</b>
<b>F. Total differences (D+E)</b>	<b>(1,957.47)</b>	<b>(1,747.62)</b>	<b>(1,011.87)</b>	<b>(431.57)</b>	<b>(324.05)</b>	<b>-</b>
<b>G. Tax expenses / (saving) thereon (F X B )</b>	<b>(635.10)</b>	<b>(594.02)</b>	<b>(328.30)</b>	<b>(140.02)</b>	<b>(107.64)</b>	<b>-</b>
<b>H. Total Tax (C+G)</b>	<b>-</b>	<b>3.52</b>	<b>177.52</b>	<b>66.23</b>	<b>28.22</b>	<b>-</b>
<b>I. Minimum alternate tax</b>						
Book profits	(89.12)	10.34	508.47	160.30	60.03	-
Tax liability on book profit as per MAT	-	2.17	101.73	32.07	11.96	-
<b>J. Tax liability being higher of H or I</b>	<b>-</b>	<b>3.52</b>	<b>177.52</b>	<b>66.23</b>	<b>28.22</b>	<b>-</b>
<b>K. Deferred Tax on timing difference (E*B)</b>	<b>(1.41)</b>	<b>(0.05)</b>	<b>0.06</b>	<b>(0.07)</b>	<b>(0.30)</b>	<b>-</b>
<b>Total Tax expenses ( J + K)</b>	<b>(1.41)</b>	<b>3.47</b>	<b>177.59</b>	<b>66.16</b>	<b>27.92</b>	<b>-</b>

**Notes:**

- The above statement should be read with the notes annexed to and forming part of standalone financial information and significant accounting policies as appearing in Annexures IV and V.
- Adjustment on account of restatement are considered in the tax shelter based on Return of Income filed for respective years and latest tax assessment status positions.
- The permanent / timing difference also considers the income-tax returns filed by the Company.



# B S R & Associates LLP

Chartered Accountants

8-2-618/2, Reliance Humsafar,  
4th Floor, Road, No. 11,  
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Hyderabad - 500 034. India.

Telephone +91 40 3046 5000  
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## Auditor's Report on Consolidated Restated Financial Information in connection with Draft Red Herring Prospectus

To  
The Board of Directors  
Nuziveedu Seeds Limited

1. We have examined the attached consolidated financial information, as restated, of Nuziveedu Seeds Limited (hereinafter referred to as 'NSL' or 'the Company'), its subsidiaries and associates, as approved by the Board of Directors of the Company, prepared in terms of the requirements of Section 26 read with applicable provisions within rules 4 to 6 of the Companies, (Prospectus and Allotment of Securities) Rules, 2014 of the Companies Act, 2013 as amended ('the Act') and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time, (the 'SEBI Regulations') issued by the Securities and Exchange Board of India (the "SEBI"), the "Guidance note on Reports in Company's Prospectus (Revised)" issued by the Institute of Chartered Accountants of India ('ICAI'), to the extent applicable ('Guidance Note') and in terms of our engagement agreed upon with you in accordance with our engagement letter dated 12 February 2015 in connection with the proposed issue of equity shares of the Company and has been approved by the Board of Directors of the Company and initialed by us for identification purposes (herein after referred to as "financial information").
2. These information have been extracted by the Management from the audited consolidated financial statements for the years ended 31 March 2011, 31 March 2012, 31 March 2013, 31 March 2014 and nine months ended 31 December 2014. The audit of the consolidated financial statements for the year ended 31 March 2011 was conducted by M/s B S R R & Co, and reliance has been placed on the consolidated financial statements audited by them. The financial report included for year ended 31 March 2011 are based solely on the report submitted by them.
3. The financial statements of the subsidiaries other than a subsidiary incorporated outside India for the years ended 31 March 2011, 31 March 2012, 31 March 2013, 31 March 2014 and nine months ended 31 December 2014 whose financial statements reflect the total assets of Rs. 656.41 million, Rs. 2,497.34 million, Rs. 2,828.28 million, Rs. 2,268.78 million, Rs. 2,015.46 million as at 31 March 2011, 31 March 2012, 31 March 2013, 31 March 2014 and 31 December 2014 respectively, the total revenues of Rs. 394.40 million, Rs. 1,690.01 million, Rs. 2,965.53 million, Rs. 3,388.72 million, Rs. 3,530.60 million as at 31 March 2011, 31 March 2012, 31 March 2013, 31 March 2014 and nine months ended 31 December 2014 respectively and the financial statements of the associates, whose financial statements reflects share of net loss of the Company aggregating to Rs. 0.01 million, Rs. 0.42 million, Rs. 0.79 million, Rs. 0.61 million, Rs. 0.003 million as at 31 March 2011, 31 March 2012, 31 March 2013, 31 March 2014 and nine months ended 31 December 2014 respectively. These financial statements have been audited by another firm of Chartered Accountants M/s M.Bhaskarao & Co, M/s Mastanaiah & Co, M/s Boppudi & Associates, M/s Vijay Bhaskar & Co, M/s Katrapati & Associates, M/s I.R.Rao & Company whose reports have been furnished to us and our opinion in so far as it relates to the amounts included in these Consolidated Restated Summary Statement of Assets and Liabilities and Consolidated Restated Summary Statement of Profits and Losses are based solely on the report of other auditors.

B S R & Associates (a partnership firm with  
Registration No. BA69226) converted into  
B S R & Associates LLP (a Limited Liability  
Partnership with LLP Registration No. AAB-8182)  
with effect from October 14, 2013

Registered Office:  
1st Floor, Lodha Excelus  
Apollo Mills Compound  
N.M. Joshi Marg, Mahalakshmi  
Mumbai - 400 011.



4. The financial statements of the subsidiary incorporated outside India for the nine months ended 31 December 2014 whose financial statements reflect the total assets of Rs. 0.37 million, as at 31 December 2014, the total revenue of Rs. Nil for the nine months period then ended was not audited by us or other auditors. These financial statements have been furnished by the Management and our opinion in so far as it relates to the amounts included in these Consolidated Restated Summary Statement of Assets and Liabilities and Consolidated Restated Summary Statement of Profits and Losses is based solely on the Management accounts.

#### **Management's Responsibility for the Consolidated Restated Financial Information**

5. The preparation of the Consolidated Restated Financial Information, which is to be included in the Draft Red Herring Prospectus ("DRHP"), is the responsibility of the management of the Company. The Board of Directors responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and presentation of the Consolidated Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complied with the laws and regulations applicable to its activities.

#### **Auditor's Responsibilities**

6. Our work has been carried out in accordance with Standards on Auditing, as per the Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India and pursuant to the requirements of section 26 read with the applicable provisions within rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 of the Act. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and SEBI regulations in connection with the proposed issue of equity shares.

#### **Other Financial Information**

7. We have also examined the following financial information as set out in Annexures prepared by the Management and approved by the Board of Directors relating to the Company, its subsidiaries and associates for the years ended 31 March 2011, 31 March 2012, 31 March 2013, 31 March 2014 and nine months ended 31 December 2014:
  - i. Annexure III containing restated consolidated summary statement of cash flows;
  - ii. Annexure VI containing restated consolidated statement of other income;
  - iii. Annexure VII containing restated consolidated statement of dividend;
  - iv. Annexure VIII containing restated consolidated statement of accounting ratios;
  - v. Annexure IX containing restated consolidated statement of share capital;
  - vi. Annexure X containing restated consolidated statement of reserves and surplus;
  - vii. Annexure XI containing restated consolidated statement of long-term borrowings;
  - viii. Annexure XIA containing restated consolidated statement of principal terms and conditions of long-term borrowings;
  - ix. Annexure XII containing restated consolidated statement of short-term borrowings;
  - x. Annexure XIIA containing restated consolidated statement of principal terms and conditions of short-term borrowings;
  - xi. Annexure XIII containing restated consolidated statement of trade receivables;



- xii. Annexure XIV containing restated consolidated statement of long-term and short-term loans and advances;
- xiii. Annexure XV containing restated consolidated statement of investments;
- xiv. Annexure XVI containing restated consolidated statement of other long-term liabilities, other current liabilities, other non-current assets and other current assets;
- xv. Annexure XVII containing restated consolidated statement of provisions;
- xvi. Annexure XVIII containing restated consolidated statement of contingent liabilities;
- xvii. Annexure XIX containing restated consolidated statement of the related parties and transactions with them;
- xviii. Annexure XX containing restated consolidated statement of cost of materials consumed;
- xix. Annexure XXI containing restated consolidated statement of changes in inventories; and
- xx. Annexure XXII containing restated consolidated statement of other expenses

### Opinion

8. In accordance with the requirements of Section 26 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 of the Act, the SEBI Regulations, the Guidance Note and the terms of our engagement agreed with you, we report that:
  - (i) The Consolidated Restated summary statement of assets and liabilities of the Company, its subsidiaries and associates as at 31 March 2011, 31 March 2012, 31 March 2013, 31 March 2014 and 31 December 2014 examined by us, as set out in Annexure I to this report read with the significant accounting policies in Annexure V are after making such adjustments and regroupings as in our opinion are appropriate and more fully described in notes annexed to and forming part of consolidated financial information enclosed as Annexure VI to XXII to this report.
  - (ii) The Consolidated Restated summary statement of profits and losses of the Company, its subsidiaries and associates for the years ended 31 March 2011, 31 March 2012, 31 March 2013, 31 March 2014 and nine months ended 31 December 2014 are as set out in Annexure II to this report read with the significant accounting policies in Annexure V are after making such adjustments and regroupings as in our opinion are appropriate and more fully described in notes annexed to and forming part of consolidated financial information enclosed as Annexure VI to XXII to this report.
9. Based on the above, and also as per the reliance placed on the consolidated financial statements audited by M/s B S R R & Co., and by the auditors of subsidiaries and associates namely, M/s M.Bhaskarao & Co, M/s Mastanaiah & Co, M/s Boppudi & Associates, M/s Vijay Bhaskar & Co, M/s Katrapati & Associates, M/s I.R.Rao & Company, we are of the opinion that the consolidated restated financial information have been made after incorporating:
  - i. adjustments for the material amounts in the respective financial years to which they relate;
  - ii. there are no adjustments regarding changes in accounting policies of the Company during the years ended 31 March 2010, 31 March 2011, 31 March 2012, 31 March 2013, 31 March 2014 and nine months period ended 31 December 2014; and
  - iii. there are no extra-ordinary items that need to be disclosed separately in the Consolidated Restated Financial Information and qualification requiring adjustments.

B S R & Associates LLP

10. The report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us on the consolidated financial statements of the Company.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the Report.

**Restriction on Use**

12. Our report is intended solely for use of the Management and for inclusion in the Draft Red Herring Prospectus in connection with the proposed issue of equity shares of the Company, to be filed by the Company with SEBI, Registrar of Companies, Hyderabad and the concerned stock exchanges.

*for* **B S R & Associates LLP**

*Chartered Accountants*

ICAI Firm Registration No: 116231 W /W-100024



**Sriram Mahalingam**

*Partner*

Membership Number: 049642

Place: Hyderabad

Date: 16 March 2015

**RESTATED CONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES:**

Annexure - I

Rupees in millions

Particulars	As at 31 December 2014	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' funds</b>					
Share capital	965.00	965.00	1,212.75	2,597.50	2,597.50
Reserves and surplus	2,217.33	212.75	2,556.16	830.31	284.32
	<b>3,182.33</b>	<b>1,177.75</b>	<b>3,768.91</b>	<b>3,427.81</b>	<b>2,881.82</b>
Minority interest	67.37	54.34	108.85	186.02	97.42
<b>Non-current liabilities</b>					
Long-term borrowings	191.12	79.39	149.88	199.77	290.23
Deferred tax liability (net)	1.49	-	-	1.70	1.73
Other long-term liabilities	163.55	131.11	118.52	97.62	58.24
Long-term provisions	14.88	10.86	18.59	10.28	6.74
	<b>371.04</b>	<b>221.36</b>	<b>286.99</b>	<b>309.37</b>	<b>356.94</b>
<b>Current liabilities</b>					
Short-term borrowings	5,208.95	3,834.78	698.43	529.91	1,299.30
Trade payables	2,417.73	3,719.74	3,911.75	2,570.42	1,725.14
Other current liabilities	1,479.93	3,661.55	5,764.88	5,977.52	4,354.92
Short-term provisions	291.54	174.50	40.29	164.35	29.10
	<b>9,398.15</b>	<b>11,390.57</b>	<b>10,415.35</b>	<b>9,242.20</b>	<b>7,408.46</b>
<b>TOTAL</b>	<b>13,018.89</b>	<b>12,844.02</b>	<b>14,580.10</b>	<b>13,165.40</b>	<b>10,744.64</b>
<b>ASSETS</b>					
<b>Non-current assets</b>					
<b>Fixed assets</b>					
Tangible assets	1,255.15	1,231.96	1,159.04	1,175.94	727.23
Intangible assets	1,468.96	1,472.43	1,466.26	2,599.13	3,578.97
Capital work-in-progress	127.86	184.36	71.25	58.68	83.37
	<b>2,851.97</b>	<b>2,888.75</b>	<b>2,696.55</b>	<b>3,833.75</b>	<b>4,389.57</b>
Non-current investments	0.69	0.68	0.70	1.37	1.41
Deferred tax asset (net)	1.82	23.79	22.21	1.31	0.70
Long-term loans and advances	153.31	168.54	134.85	56.14	144.52
Other non-current assets	8.02	24.16	14.76	3.72	5.10
	<b>163.84</b>	<b>217.17</b>	<b>172.52</b>	<b>62.54</b>	<b>151.73</b>
<b>Current assets</b>					
Current investments	-	-	-	1,767.93	-
Inventories	5,985.40	8,000.69	7,376.95	4,722.24	3,439.23
Trade receivables	2,866.66	1,489.39	762.18	465.46	440.19
Cash and bank balances	209.09	129.51	538.78	736.79	831.19
Short-term loans and advances	926.77	113.79	3,000.38	1,524.31	1,489.81
Other current assets	15.16	4.72	32.74	52.38	2.92
	<b>10,003.08</b>	<b>9,738.10</b>	<b>11,711.03</b>	<b>9,269.11</b>	<b>6,203.34</b>
<b>TOTAL</b>	<b>13,018.89</b>	<b>12,844.02</b>	<b>14,580.10</b>	<b>13,165.40</b>	<b>10,744.64</b>

**Note:**

The above statement should be read with the notes annexed to and forming part of consolidated restated financial information and significant accounting policies as appearing in Annexures IV and V.



**RESTATED CONSOLIDATED SUMMARY STATEMENT OF PROFITS AND LOSSES:**

Annexure - II

Particulars	Rupees in millions				
	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011
<b>REVENUE</b>					
Revenue from operations	12,549.45	11,966.12	11,735.26	10,605.11	7,528.82
Other income	7.02	187.53	653.64	181.71	71.02
<b>Total Revenue</b>	<b>12,556.47</b>	<b>12,153.65</b>	<b>12,388.90</b>	<b>10,786.82</b>	<b>7,599.84</b>
<b>EXPENDITURE</b>					
Cost of materials consumed	3,762.47	4,862.73	5,323.68	3,875.67	3,496.22
Changes in inventories of work-in-progress and finished goods	760.29	(548.38)	(1,669.49)	(810.53)	(878.54)
Employee benefits expense	605.99	751.84	676.40	479.32	369.98
Other expenses	4,725.44	4,911.43	4,342.69	3,509.11	2,975.03
<b>Total Expenses</b>	<b>9,854.19</b>	<b>9,977.62</b>	<b>8,673.28</b>	<b>7,053.57</b>	<b>5,962.69</b>
<b>Profit before finance cost, depreciation, amortisation, exceptional item and tax</b>	<b>2,702.28</b>	<b>2,176.03</b>	<b>3,715.62</b>	<b>3,733.25</b>	<b>1,637.15</b>
Finance costs	487.17	450.92	242.10	137.11	332.07
<b>Profit before depreciation, amortisation, exceptional item and tax</b>	<b>2,215.11</b>	<b>1,725.11</b>	<b>3,473.52</b>	<b>3,596.14</b>	<b>1,305.08</b>
Depreciation expense	151.09	136.04	128.59	105.26	85.22
Amortization of intangible assets	4.63	3.01	1,756.72	1,753.05	876.69
<b>Profit before exceptional item and tax</b>	<b>2,059.39</b>	<b>1,586.06</b>	<b>1,588.21</b>	<b>1,737.83</b>	<b>343.17</b>
Exceptional item	-	85.98	-	876.72	-
<b>Profit before tax</b>	<b>2,059.39</b>	<b>1,500.08</b>	<b>1,588.21</b>	<b>861.11</b>	<b>343.17</b>
<b>Tax expense:</b>					
Current tax expense	19.97	18.38	174.61	89.86	36.80
Less: MAT credit entitlement	(1.88)	(11.63)	-	(1.15)	(1.18)
Net current tax	18.09	6.75	174.61	88.71	35.62
Deferred tax expense / (benefit)	23.46	(1.59)	(22.60)	(0.19)	2.72
<b>Total tax expense</b>	<b>41.55</b>	<b>5.16</b>	<b>152.01</b>	<b>88.52</b>	<b>38.34</b>
<b>Profit after tax but before minority interest and share of net loss of associate</b>	<b>2,017.84</b>	<b>1,494.92</b>	<b>1,436.20</b>	<b>772.59</b>	<b>304.83</b>
Minority interest	13.03	(13.10)	(8.87)	64.63	(27.26)
Share of net (profit) / loss of associate	-	(0.61)	0.79	0.42	-
<b>Profit after tax, as restated</b>	<b>2,004.81</b>	<b>1,508.63</b>	<b>1,444.28</b>	<b>707.54</b>	<b>332.09</b>

**Note:**

The above statement should be read with the notes annexed to and forming part of consolidated restated financial information and significant accounting policies as appearing in Annexures IV and V.



## RESTATED CONSOLIDATED SUMMARY STATEMENT OF CASHFLOWS:

Annexure - III

Rupees in millions

Particulars	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011
<b>Cash flow from / (used in) operating activities</b>					
Net profit before tax	2,059.39	1,500.08	1,588.21	861.11	343.17
Adjustments for:					
Depreciation and amortization expense	155.72	139.05	1,885.31	1,858.31	961.91
Investment written off	-	-	-	876.72	-
Finance costs	487.17	450.92	242.10	137.11	332.07
Interest income	(1.51)	(181.74)	(630.53)	(153.06)	(64.68)
Dividend income	-	-	(10.58)	(25.13)	-
Gain on sale of mutual funds	-	-	(6.92)	(0.62)	-
Provision for bad and doubtful debts	23.83	16.88	70.33	28.95	16.99
Provision for doubtful advances	9.74	-	-	-	-
Inventory charged off	-	335.57	-	-	-
Loss on disposal of assets (net)	0.23	5.10	1.98	0.50	0.06
Packing material written off	-	9.71	-	-	-
Bad debts / debit balances written off	0.18	0.15	0.58	0.83	2.33
Unrealised loss on foreign currency transactions (net)	0.15	0.01	-	-	-
Provision no longer required written back	(0.23)	(0.26)	(0.18)	-	-
Claims received on damaged assets	-	-	-	-	(0.06)
Loss on sale of investments	-	-	-	0.08	-
<b>Operating profit before working capital changes</b>	<b>2,734.67</b>	<b>2,275.47</b>	<b>3,140.30</b>	<b>3,584.80</b>	<b>1,591.79</b>
(Increase)/Decrease in inventories	2,015.30	(975.67)	(2,654.71)	(1,184.50)	(1,261.49)
(Increase) / decrease in trade receivables	(1,400.75)	(879.31)	(364.29)	159.06	(24.06)
(Increase) / decrease in loans and advances and other assets	(735.10)	1,042.22	59.96	(23.60)	273.29
Increase / (decrease) in trade payables, liabilities, provisions	(3,416.10)	(3,382.97)	1,199.64	1,906.94	2,519.61
<b>Cash generated from operations</b>	<b>(801.98)</b>	<b>(1,920.26)</b>	<b>1,380.90</b>	<b>4,442.70</b>	<b>3,099.14</b>
Income tax paid (net)	(13.62)	(30.05)	(242.66)	(23.12)	(154.23)
<b>Net cash provided by / (used in) operating activities - (A)</b>	<b>(815.60)</b>	<b>(1,950.31)</b>	<b>1,138.24</b>	<b>4,419.58</b>	<b>2,944.91</b>
<b>Cash flow from / (used in) investing activities</b>					
Acquisition of fixed assets (including cwip, capital advances and capital creditors)	(129.29)	(318.67)	(172.05)	(396.98)	(201.16)
Proceeds from sale of assets	1.11	3.76	2.32	1.67	0.51
Insurance claims received towards fixed assets	-	-	-	-	0.40
Purchase of Investments	(0.11)	(40.06)	(689.80)	(2,493.90)	(1,141.14)
Proceeds from sale of investments	-	-	1,775.51	194.27	0.04
Net proceeds from / (investments in) fixed deposits with banks for more than 3 months (held as margin money)	2.43	(0.08)	2.38	1.30	(0.74)
Other advances given	-	(0.80)	(0.78)	(1.50)	3.70
Inter corporate deposits given	-	(1,550.00)	(3,506.50)	(2,195.00)	(395.00)
Inter corporate deposits refunded	-	1,582.50	1,946.90	1,245.00	250.00
Interest received	5.55	94.83	649.11	104.94	62.63
Dividends received	-	-	11.84	23.87	-
<b>Net cash from/(used in) investing activities - (B)</b>	<b>(120.31)</b>	<b>(228.52)</b>	<b>18.93</b>	<b>(3,516.33)</b>	<b>(1,420.76)</b>
<b>Cash flow from / (used in) financing activities</b>					
Proceeds from issue of shares	-	-	-	-	2,557.01
Equity shares bought back	-	(840.00)	-	-	-
Proceeds from short-term borrowings	1,416.39	4,436.72	525.69	1,878.96	960.92
Repayment of short-term borrowings	(42.28)	(1,300.38)	(340.00)	(2,648.95)	(3,649.82)
Proceeds from long-term borrowings	179.18	-	-	-	1.02
Repayment of long-term borrowings	(53.65)	(71.57)	(78.75)	(89.78)	(185.46)
Share application money refunded	-	-	-	-	(5.00)
Finance costs paid	(482.79)	(451.20)	(238.71)	(126.26)	(413.01)
Dividends paid	-	(1.92)	(1,047.29)	(62.66)	(17.10)
Dividend tax paid	(1.51)	(0.33)	(176.54)	(6.77)	-
<b>Net cash from/(used in) financing activities - (C)</b>	<b>1,015.34</b>	<b>1,771.32</b>	<b>(1,355.60)</b>	<b>(1,055.46)</b>	<b>(751.44)</b>
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>79.43</b>	<b>(407.51)</b>	<b>(198.43)</b>	<b>(152.21)</b>	<b>772.71</b>
Cash and cash equivalents at the beginning of the year	124.99	532.50	730.77	882.98	4.24
Cash received through Scheme of arrangement	-	-	-	-	51.05
<b>Cash and cash equivalents at the end of the year</b>	<b>204.42</b>	<b>124.99</b>	<b>532.34</b>	<b>730.77</b>	<b>828.00</b>
Cash and bank balances as per consolidated summary statement of assets and liabilities, as restated	209.09	129.51	538.78	736.79	831.19
Less: Deposits with maturity more than 3 months but less than 12 months of the reporting date	4.67	4.52	6.44	6.02	3.19
<b>Cash and cash equivalents considered for cash flow statement</b>	<b>204.42</b>	<b>124.99</b>	<b>532.34</b>	<b>730.77</b>	<b>828.00</b>
<b>Cash and cash equivalents comprises of:</b>					
Cash on hand	1.87	41.78	3.36	5.31	3.00
Cheques on hand	-	2.21	245.40	71.62	3.90
Balances with banks					
on current accounts	190.99	81.00	283.58	543.84	761.10
on dividend accounts	7.56	-	-	-	-
Short term bank deposits	4.00	-	-	110.00	60.00
<b>TOTAL</b>	<b>204.42</b>	<b>124.99</b>	<b>532.34</b>	<b>730.77</b>	<b>828.00</b>

**Note:**

The above statement should be read with the notes annexed to and forming part of consolidated restated financial information and significant accounting policies as appearing in Annexures IV and V.





**CORPORATE INFORMATION:**

Nuziveedu Seeds Limited ("NSL" or "the Parent Company") is engaged in the research, production and sale of agricultural seeds through distributors and co-partners to farmers. NSL together with its subsidiaries referred as "Group".

**BASIS OF PREPARATION:**

The Consolidated Restated Financial Information relate to Group which have been extracted by the Management from the Special purpose consolidated financial statements for the nine months ended 31 December 2014 and from the consolidated financial statements for the years ended 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011 and have been prepared specifically for inclusion in the document to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with its proposed Initial Public Offering (IPO). The Consolidated Restated Financial information consist of the Consolidated Summary Statement of Assets and Liabilities, as Restated of the Company as at 31 December 2014, 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011, the related Consolidated Summary Statement of Profits and Losses, as Restated for the nine months ended 31 December 2014 and years ended 31 March 2014, 31 March 2013, 31 March 2012, 31 March 2011 and the related Consolidated Summary Statement of Cash Flows, as Restated for nine months ended 31 December 2014 and years ended 31 March 2014, 31 March 2013, 31 March 2012, 31 March 2011 and (hereinafter are collectively referred to as "Consolidated Restated Financial Information"). The Consolidated Restated Financial Information have been prepared to comply in all material respects with the requirements of Section 26 read with applicable provisions within rules 4 to 6 of the Companies, (Prospectus and Allotment of Securities) Rules, 2014 of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Regulations") notified by SEBI on August 26, 2009, as amended from time to time. The Company's management has recast the consolidated financial statements in the form required under Schedule III of the Companies Act, 2013 for the purpose of Consolidated Restated Financial Information. The Consolidated Restated Financial information is presented in Indian rupees and rounded off to the nearest million.

The summary of the restatements made to the audited consolidated financial statements for the respective period / years and its effect on the profits of the group for respective period / years is provided below:

**Impact of material adjustments:**

Particulars	Rupees in millions				
	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011
Profit after tax for the year, as per Audited Financial Statements	1,970.85	1,462.50	1,469.79	729.78	366.66
<b>Adjustments:</b>					
Bad and doubtful debts and other balances written off and recovered (refer note 1)	1.36	1.67	0.82	12.82	4.44
Provision for doubtful debts no longer required written back (refer note 2)	-	-	-	-	(7.70)
Sales Promotion expenses (refer note 3)	3.05	2.88	(3.34)	5.99	(7.42)
Insurance claims received (refer note 4)	-	(3.28)	1.42	(39.45)	(0.09)
Income tax expense (refer note 5)	0.82	16.15	-	-	0.04
Depreciation and amortisation (refer note 6)	-	1.87	2.03	1.19	5.18
IPO expenses (refer note 7)	-	27.82	(27.82)	-	-
Trait fee (refer note 8)	30.28	-	-	-	(30.28)
Amortisation of goodwill (refer note 9)	-	-	2.34	2.34	1.17
Credit balances written back (refer note 10)	(1.04)	(0.59)	(2.38)	-	-
<b>Total Adjustments</b>	<b>34.47</b>	<b>46.52</b>	<b>(26.93)</b>	<b>(17.11)</b>	<b>(34.66)</b>
Share of minority interest (refer note 11)	(0.51)	(0.39)	1.42	(5.13)	0.09
<b>Profit after tax, as restated</b>	<b>2,004.81</b>	<b>1,508.63</b>	<b>1,444.28</b>	<b>707.54</b>	<b>332.09</b>

**1 NOTES ON MATERIAL ADJUSTMENTS:****1 BAD AND DOUBTFUL DEBTS AND OTHER BALANCES WRITTEN OFF AND RECOVERED:**

Debts and other balances, which were considered doubtful and written off and bad debts recovered in the nine months ended 31 December 2014, years ended 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011, were adjusted in arriving at the profits for the years / period to which they relate irrespective of the year / period in which event triggering the profit or loss has occurred. To the extent such debts and other balances of Parent Company relate prior to the year ended 31 March 2011 have been adjusted to goodwill as accounted pursuant to a scheme of arrangement by the Parent Company. To the extent such debts of subsidiaries relates to the period prior to becoming a subsidiary, have been adjusted to Goodwill on Consolidation. Accordingly, adjustments have been made to the consolidated summary statement of profits and losses, as restated, for the nine months ended 31 December 2014, years ended 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011.

**2 PROVISION FOR DOUBTFUL DEBTS NO LONGER REQUIRED WRITTEN BACK:**

Provision for doubtful debts which were written back in the year ended 31 March 2011 was adjusted in arriving at the profits for the years to which they relate irrespective of the year in which event triggering the profit or loss has occurred. To the extent such debts relate prior to the year ended 31 March 2011 have been adjusted to goodwill as accounted pursuant to a scheme of arrangement by the Parent Company. Accordingly, adjustments have been made to the consolidated summary statement of profits and losses, as restated, for the year ended 31 March 2011.

**3 SALES PROMOTION EXPENSES:**

The Group is following the policy of accounting for market support expenses based on probable outcome and likelihood of amount to be incurred. For the purpose of this statement, the said expense has been appropriately adjusted in the respective years in which the related sales were made. To the extent such expenses of Parent Company relate prior to the year ended 31 March 2011, such expenses have been adjusted to goodwill arising pursuant to a scheme of arrangement by the Parent Company. To the extent such expenses of subsidiaries relates to the period prior to becoming a subsidiary, have been adjusted to Goodwill on Consolidation. Accordingly, adjustments have been made to consolidated summary statement of profits and losses, as restated, for the nine months ended 31 December 2014, years ended 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011.

**4 INSURANCE CLAIMS RECEIVED:**

The Group is following the policy of accounting for insurance claims on settlement with the insurers. For the purpose of this statement, the said income has been appropriately adjusted in the respective years in which the claims were lodged. To the extent such claims of Parent Company relate prior to the year ended 31 March 2011 have been adjusted to goodwill as accounted pursuant to a scheme of arrangement by the Parent Company. Accordingly, adjustments have been made to the consolidated summary statement of profits and losses, as restated, for the years ended 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011.



**5 INCOME TAX EXPENSE:**

During the year ended 31 March 2014, the Parent Company, on the basis of final assessment, provided for a tax liability of Rs. 16.96 pertaining to assessment year 2010-11 relating to seeds division of NSL Renewable Power Private Limited (refer note 1 of section II below). Since this tax liability relate prior to the year ended 31 March 2011, it has been adjusted to goodwill as accounted pursuant to a scheme of arrangement by the Company. To the extent such tax liability of subsidiaries relates to the period prior to becoming a subsidiary, have been adjusted to Goodwill on Consolidation. Accordingly, adjustments have been made to the consolidated summary statement of profits and losses, as restated, for the nine months ended 31 December 2014, years ended 31 March 2014 and 31 March 2011.

During the nine months ended 31 December 2014, the subsidiaries, Jubilee real estates private Limited and Pravardhan seeds Private Limited have provided for a tax liability of Rs.0.82 which is pertaining to assessment year 2014-15. Accordingly adjustments have been made to the consolidated summary of statement of profits and losses, as restated, for the year ended 31 March 2014.

**6 DEPRECIATION AND AMORTISATION:**

Pursuant to the notification of Schedule II of the Companies Act, 2013 ("the Act"), by the Ministry of Corporate Affairs effective 01 April 2014, the Management has internally reassessed, wherever necessary the useful lives to compute depreciation, to conform to the requirements of the Act. The assets with carrying value of Rs. 12.89 with nil revised remaining useful life as at 01 April 2014 is reduced from the retained earnings for the nine months ended 31 December 2014. To the extent such depreciation and amortisation relate prior to the year ended 31 March 2011 have been adjusted to goodwill as accounted pursuant to a scheme of arrangement by the Company. To the extent such depreciation of subsidiaries relates to the period prior to becoming a subsidiary, have been adjusted to Goodwill on Consolidation. Accordingly, adjustments have been made to the consolidated summary statement of profits and losses, as restated, for the nine months ended 31 December 2014 and years ended 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011.

**7 IPO EXPENSES:**

During the year ended 31 March 2013, the Parent Company has incurred certain expenses towards a proposed initial public offering which were charged off to the Consolidated Statement of Profit and Loss for the year ended 31 March 2014. Accordingly, adjustments have been made to the consolidated summary statement of profits and losses, as restated, for the years 31 March 2014 and 31 March 2013.

**8 TRAIT FEE:**

During the period ended 31 December 2014, the Company provided for a trait fee of Rs. 30.28 on account of rate difference pertaining to settlement with the service provider. Accordingly, adjustments have been made to the consolidated summary statement of profits and losses, as restated, for the nine months ended 31 December 2014 and year ended 31 March 2011.

**9 AMORTISATION OF GOODWILL:**

Consequent to the aforesaid adjustments stated in 1 to 6, goodwill accounted pursuant to scheme of arrangement by the Parent Company has undergone change. For the purpose of this statement, such differential goodwill is amortised based on the amortisation policy followed.

**10 CREDIT BALANCES WRITTEN BACK:**

During the years ended 31 March 2014 and 31 March 2013, the Group has written back balances pertaining to previous year which were adjusted in arriving at the profits for the years to which they relate irrespective of the year in which event triggering the profit or loss has occurred. To the extent such debts of subsidiaries relating to year before acquiring such subsidiary were adjusted to goodwill on consolidation. Accordingly, adjustments have been made to the summary statement of profits and losses, as restated, for the nine months ended 31 December 2014 and years ended 31 March 2014 and 31 March 2013.

**11 SHARE OF MINORITY INTEREST:**

Consequent to the aforesaid adjustments relating to subsidiaries, profit shared to minority shareholders of respective subsidiaries has undergone change. Accordingly, adjustments have been made to the consolidated summary statement of profits and losses, as restated, for the nine months ended 31 December 2014 and years ended 31 March 2014, 31 March 2013, 31 March 2012 and 31 March 2011.





**II OTHER SIGNIFICANT INFORMATION:****1 SCHEME OF ARRANGEMENT WITH NSL FERTILIZER VENTURES PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956 ("ACT"):**

(a) On 23 December 2013, the Board of Directors of the Parent approved a scheme of arrangement for transfer and vesting of the Business Undertaking (which means and includes assets and liabilities relating to fertilizer business, corporate deposits or corporate loans, trade credits etc., of group companies and any business other than seed business) to NSL Fertilizer Ventures Private Limited ("Resulting Company") from the Company ("Demerged Company") under sections 391 to 394 of the Act for a consideration of one fully paid up 1% non-cumulative redeemable preference share of Re. 1 each (redeemable at face value at expiry of 10 years) in the resulting company to the equity shareholders of the Company whose names appear in the Register of Members as on the effective date, for every one equity share of Rs. 10/- each held.

On 04 March 2014, the Parent Company filed a petition for approval of the Scheme with the Honorable High Court of Andhra Pradesh ('the High Court'). The High Court approved the Scheme vide its order dated 21 October 2014 with the appointed date as 01 July 2013 along with the conditions stipulated by the Secured Creditors of the Parent Company. The certified true copy of the Scheme was filed by the Company with Registrar of Companies on 27 November 2014 ('Effective date'). During the year ended 31 March 2014, the Parent Company has given effect to the Scheme as approved by the High Court.

(b) As per the terms of scheme, the Parent Company identified the Schedule of assets and liability of Business undertaking being transferred to the Resulting Company and submitted in its affidavit dated 15 September 2014 to the Honourable High Court of Judicature of Andhra Pradesh. The adjustment arising due to transfer of Business Undertaking to Resulting Company was debited first to Securities Premium Account to the extent available and then to general reserve and the balance remaining to the accumulated balance of surplus.

(c) Pursuant to the Scheme approved by the High Court, as mutually agreed between the Board of Directors of the Parent Company and Resulting Company, the following schedule of assets and liabilities of the Parent Company are transferred and vested to the Resulting Company.

Particulars of assets and liabilities transferred	Amount
Inter-corporate deposits (including interest accrued)	3,249.64
Security deposits	2.00
Advance to employees	0.01
Provision for employee benefits	(0.72)
<b>Net assets</b>	<b>3,250.93</b>
<b>Adjusted against</b>	
Securities Premium	1,572.54
General reserve	140.60
Surplus	1,537.79
<b>Total</b>	<b>3,250.93</b>

(d) The aforesaid accounting treatment has not been prescribed by the Accounting Standards referred to in subsection (3C) of Section 211 of the Companies Act, 1956. The adjustment of the net assets with securities premium is made by the Parent Company based on the accounting treatment laid out under the Scheme as sanctioned by the Honourable High Court.

(e) Pursuant to the scheme, the Resulting Company allotted the requisite preference shares on 17 December 2014 to the Shareholders of the Parent Company whose names appear in the Register of Members as at 27 November 2014.

**2 EXCEPTIONAL ITEMS:**

During the year ended 31 March 2014, the parent company acquired balance stake of 49% in Yaaganti Seeds Private Limited. As part of acquisition, technical team of the parent company has identified obsolete packing material and certain stocks in foundation seed, clean seed that do not have germination potential. Such stocks are carried in books of account at an approximate value of Rs. 85.98 which is charged off in books of accounts. As such events are non-recurrent and considering nature and materiality of the item the same is disclosed as exceptional item.

During the year ended 31 March 2012, the Board of Directors of the Parent Company has approved to make investments in Prestige Agri Inputs Private Limited (PAIPL) with a view to expand business in cotton ginning and processing operations. Subsequently, the Parent Company decided to be in core business and approved to merge PAIPL with its holding Company i.e., Mandava Holdings Private Limited. Pursuant to a scheme of merger approved on 19 April 2012 by the Honourable High Court of Andhra Pradesh, PAIPL has been merged with its holding company. As the Company's subsidiary merged with the Holding Company, no consideration was contemplated since a Company cannot hold shares in its holding company pursuant to section 42 of the Companies Act, 1956. As no consideration was received under the said scheme of merger against the investment in the PAIPL aggregating to Rs. 876.72, the Parent Company has written off the above mentioned investment in the books and disclosed as an exceptional item.

**3 SCHEME OF ARRANGEMENT WITH NSL RENEWABLE POWER PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956 ("ACT"):**

During the year ended 31 March 2011, the Parent Company has given effect to the scheme of arrangement as approved by Hon'ble High Court of New Delhi, and was vested with the seeds division of NSL Renewable Power Private Limited with effect from appointed date of 01 April 2010. Accordingly, the Parent Company has allotted 4,000,222 shares of Rs. 10/- each fully paid-up to the erstwhile shareholders of NSL Renewable Power Private Limited.

The Parent Company has accounted for the acquisition in accordance with the scheme as follows:

(a) Share capital account has been credited with the aggregate face value of the shares issued to the shareholders of NSL Renewable Power Private Limited

(b) The difference between the value of shares allotted and the value of the net assets taken over, after necessary adjustments and corrections as deemed fit by the Board of Directors has been debited to Goodwill account.

Pursuant to the scheme, the following assets and liabilities are transferred by NSL Renewable Power Private Limited and are vested with the Parent Company

Particulars	Amount
Excess of liabilities over assets taken over pursuant to scheme of arrangement	4,347.83
Adjustment for value of shares allotted (4,000,222 shares of Rs. 10/- each fully paid-up)	40.00
<b>Goodwill</b>	<b>4,387.83</b>

**4 SEGMENT INFORMATION:**

The Group is in the business of research, production and distribution of seeds and power generation except for one subsidiary. However, total revenue, results or assets from business other than research, production and distribution of seeds is less than 10% of total revenue, profit or assets of the group respectively and hence does not qualify as reportable business segment. Further, sales operations of the Group are in India and overseas. However, overseas revenue being less than 10% of total revenue does not qualify as a reportable segment.



**SIGNIFICANT ACCOUNTING POLICIES:**

Annexure - V

**a. Use of estimates**

**Rupees in millions**

The preparation of consolidated restated financial information in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

**b. Current and non-current classification**

All assets and liabilities are classified into current and non-current.

**Assets**

An asset is classified as current when it satisfies any of the following criteria:

- i. It is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- ii. It is held primarily for the purpose of being traded;
- iii. It is expected to be realised within 12 months after the reporting date; or
- iv. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

**Liabilities**

A liability is classified as current when it satisfies any of the following criteria:

- i. It is expected to be settled in the company's normal operating cycle;
- ii. It is held primarily for the purpose of being traded;
- iii. It is due to be settled within 12 months after the reporting date; or
- iv. The Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

**Operating cycle**

Company has ascertained its operating cycle as 12 months that is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.



**c. Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

- (i) Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, which based on the terms of the contract usually coincides with the delivery of the goods to the customers. Where a right to return exists, revenue is recognised when a reasonable estimate of the returns can be made, or when the right to return expires, whichever is earlier. Revenue from sale of goods is stated net of trade discounts, returns and sales tax, where applicable.
- (ii) Revenue from services is recognised on accrual basis as and when the services are rendered.
- (iii) Revenue from sale of power is recognised when power is supplied to the customer which coincides generation of power.
- (iv) Income from interest on deposits, loans and interest bearing securities is recognised on the time proportion basis taking into account the amount outstanding and interest rate applicable.
- (v) Dividend income is recognised when the unconditional right to receive the income is established.

**d. Tangible fixed assets and depreciation**

Tangible fixed assets are carried at the cost of acquisition or construction less accumulated depreciation, impairment losses. Tangible fixed assets acquired wholly or partly with specific grant / subsidy from government, are carried at net acquisition cost. The cost of fixed assets includes purchase price, non-refundable taxes, duties, freight and directly attributable cost of bringing the asset to its working condition for its intended use.

Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Tangible fixed assets under construction are disclosed as capital work-in-progress.

With effect from 01 April 2014, the Management has revised the estimated useful life of the assets as specified in Schedule II to the Companies Act, 2013. However, for the assets costing less than Rs. 0.05 based on internal assessment and materiality the management has estimated that the same shall be depreciated in the year of purchase. The Group was charging depreciation on tangible fixed assets except for leasehold land, using the written down value method as per the rates prescribed by Schedule XIV to the Companies Act, 1956 up to the previous financial year, as in the opinion of the management, these rates reflected the estimated useful life of these assets.

Leasehold land is amortised on a straight line basis over the period of lease.

Depreciation is calculated on a pro-rata basis from/up to the date the assets are purchased /sold. Individual assets costing less than Rs. 0.05 are depreciated in full in the year of acquisition.

**e. Government grants and subsidies**

Grants and subsidies from the government are recognised when there is reasonable assurance that the grant / subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognised as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant or subsidy relates to an asset, its value is deducted from the gross value of the asset in arriving at the carrying amount of the related asset.

**f. Intangible assets and amortization**

Goodwill arising on consolidation is reviewed for impairment whenever changes in business circumstances indicate the carrying amount may not be fully recoverable. If impairment is indicated, the goodwill is written down to its fair value.

Goodwill other than the above includes excess of consideration over the net assets taken over from NSL Renewable Power Private Limited pursuant to the scheme of arrangement for the transfer of the seed undertaking to the Company and is amortised in the proportion of 20:40:40 over the period of three years and acquired goodwill, which is amortised over a period of 10 years.

Intangible assets that are acquired by the Group are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates. Intangible assets other than Goodwill are amortised using written down value method.

The amortisation rates are as follows:

- (i) Trademark – 25%
- (ii) Computer Software – 40%

Research costs are expensed as incurred. Development expenses which meet defined criteria for capitalisation are capitalised if its ability to generate future economic benefits is reasonably certain. All other development costs are expensed as incurred. Any expenditure carried forward is amortised over the period of expected future economic benefits from the related project, not exceeding ten years. Capital expenditure incurred on research and development is capitalised as fixed assets and depreciated in accordance with the depreciation policy of the Group.



**g. Borrowing costs**

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized to the extent they relate to the period till such assets are ready and for its intended use. All other borrowing costs are expensed in the period they occur.

**h. Impairment of assets**

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Group estimates the recoverable amount of the asset which is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, impairment provision is created to bring down the carrying value to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment provision created earlier is reversed to bring it at the recoverable amount subject to a maximum of depreciated historical cost.

**i. Investments**

Investments are classified into current investments and long term investments.

Long-term investments are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment. The reduction in the carrying amount is reversed when there is a rise in the value of the investment or if the reason for the reduction no longer exists.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment.

**j. Inventories**

Inventories which comprise raw materials, work in progress, finished goods and stores and spares are carried at the lower of cost and net realisable value. Cost is determined on "First-in-First Out" basis. Cost of inventories comprise all costs of purchase / production, cost of conversion and other costs incurred in bringing the inventories to their present location and condition and is net of all allowance and any recoverable duties.

Cost of Work in progress and finished goods includes direct materials and labour and a proportion of fixed overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. The comparison of cost and net realisable value is made on an item-by-item basis.

Raw materials and stores and spares held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

**k. Employee benefits****Defined contribution plan**

The Group makes specified monthly contribution towards employee provident fund to Government administered provident fund scheme, which is a defined contribution scheme. The Group's contribution is recognised as an expense in the Consolidated Statement of Profit and Loss during the period in which the employee renders the related service.

**Defined benefit plan**

The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. Gratuity is covered under a scheme administered by the Life Insurance Corporation of India (Group Gratuity scheme) in few entities and the contributions made by the Group to the scheme are recognised in Statement of Profit and Loss. The liability recognised in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the Balance Sheet date less the fair value of plan assets. The calculation of the Group's obligation under the plan is performed annually by qualified independent actuary using the projected unit credit method. Actuarial gains and losses arising during the year are immediately recognised in the Consolidated Statement of Profit and Loss.

Short term compensated absences expected to be paid in exchange of services rendered by employee are recognised during the period when the employee renders the service. Provision for long term compensated absences is made on the basis of actuarial valuation at the balance sheet date using projected unit credit method. All actuarial gains and losses arising during the year are recognised in the Consolidated Statement of Profit and Loss of the year.



1. **Income taxes**

Income tax expense comprises current tax and deferred tax charge or credit.

**Current tax**

The current charge of income tax is calculated in accordance with the relevant tax regulations applicable to the Group.

**Deferred tax**

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognised to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and are written-down or written-up to reflect the amount that is reasonably certain to be realised. The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Group has a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws. Deferred income tax relating to items recognised in equity is recognised in equity and not in Consolidated Statement of Profit and Loss.

**Minimum Alternate Tax (MAT)**

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Consolidated Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the group will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

m. **Foreign currency transactions and balances**

Foreign currency transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign currency transactions settled during the year are recognised in the Consolidated Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date, not covered by forward exchange contracts, are translated at year end rates. The resultant exchange differences are recognised in the Consolidated Statement of Profit and Loss. Non-monetary assets are recorded at the rates prevailing on the date of the transaction.

n. **Leases**

Assets taken on lease where the Group acquires substantially the entire risks and rewards incidental to ownership are classified as finance lease. The amount recorded is the lesser of the present value of minimum lease rental and other incidental expenses during the lease term or the fair value of the assets taken on lease. The rental obligations, net of interest charges are reflected as finance lease obligations.

Leases that do not transfer substantially all the risks and rewards of ownership are classified as operating leases and recorded as expense as and when the payments are made over the lease term.

o. **Earnings per share**

The basic earnings per share ('EPS') is computed by dividing the net profit after tax for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit after tax for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date.

p. **Provisions and contingent liabilities**

The Group creates a provision when there is a present obligation as a result of a past event that requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

q. **Cash Flow Statement**

Cash flows are reported using the indirect method, whereby net profit / (loss) before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expense associated with investing or financing cash flows. The cash flows from regular revenue generating, investing and financing activities of the company are segregated.

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand, cheques in hand and short term investments with an original maturity of three months or less.





**RESTATED CONSOLIDATED STATEMENT OF OTHER INCOME:**

Annexure - VI

Particulars	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011	Nature (Recurring / Non Recurring)	Related / Not Related to Business Activity
Other income, as restated	7.02	187.53	653.64	181.71	71.02		
Net profit before tax, as restated	2,059.39	1,500.08	1,588.21	861.11	343.17		
Other income as a % of net profit	0.34%	12.50%	41.16%	21.10%	20.70%		
<b>Source of other income</b>							
Interest on bank deposits	0.89	2.02	2.26	7.92	0.50	Recurring	Not Related
Interest on intercorporate deposits	-	175.32	468.85	93.30	3.37	Recurring	Not Related
Interest on current investments	-	-	149.93	49.36	-	Recurring	Not Related
Interest - others	0.62	4.39	9.49	2.49	60.81	Recurring	Not Related
Dividend on mutual funds	-	-	10.58	25.13	-	Recurring	Related
Profit on sale of investments	-	-	6.92	0.62	-	Recurring	Related
Claims received	-	0.45	1.71	0.79	0.94	Non-recurring	Related
Rent received	0.38	0.57	0.60	0.22	0.19	Recurring	Related
Gain on foreign currency transactions (net)	-	-	-	0.26	1.63	Recurring	Related
Miscellaneous income	5.13	4.78	3.30	1.62	3.58	Recurring	Related
<b>TOTAL</b>	<b>7.02</b>	<b>187.53</b>	<b>653.64</b>	<b>181.71</b>	<b>71.02</b>		

**Notes:**

- 1 The above statement should be read with the notes annexed to and forming part of consolidated restated financial information and significant accounting policies as appearing in Annexures IV and V.
- 2 The classification of 'Other income' as Recurring / Non-recurring and Related / Not related to business activities is based on the current operations and business activities of the Company as determined by the Management.



**RESTATED CONSOLIDATED STATEMENT OF DIVIDEND:**

Particulars	Rupees in millions				
	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011
<b>Paid-up equity share capital</b>					
Amount of dividend on equity shares	965.00	965.00	962.75	97.50	97.50
Rate (%) of dividend	-	-	866.47	39.00	29.25
	0.00%	0.00%	90.00%	40.00%	30.00%
<b>Paid-up preference share capital</b>					
Amount of dividend on preference shares	-	-	250.00	2,500.00	2,500.00
Rate (%) of dividend	-	7.56	82.74	100.00	11.51
	-	4.00%	4.00%	4.00%	4.00%

**Note:**

The above statement should be read with the notes annexed to and forming part of consolidated restated financial information and significant accounting policies as appearing in Annexures IV and V.



**RESTATED CONSOLIDATED STATEMENT OF ACCOUNTING RATIOS:**

Annexure - VIII

Particulars	Numbers and Rupees in millions				
	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011
Basic Earnings Per Share (EPS) (Rs.)	20.77	15.73	15.08	6.74	57.73
Diluted Earnings Per Share (EPS) (Rs.)	20.77	15.59	14.86	6.74	56.77
Return on Net Worth (%)	63.00%	128.09%	38.32%	20.64%	11.52%
Net Asset Value Per Share (Rs.)	32.98	12.20	36.55	95.16	39.16
Weighted average number of equity shares of Rs. 10/- each considered for Basic EPS *	96.50	95.37	89.39	87.75	5.52
Weighted average number of equity shares of Rs. 10/- each considered for Diluted EPS *	96.50	96.74	97.22	88.80	5.85
Number of equity shares outstanding at the end of the year / period	96.50	96.50	96.28	9.75	9.75
Networth, as restated (A)	3,182.33	1,177.75	3,768.91	3,427.81	2,881.82
Less: Preference share capital (B)	-	-	250.00	2,500.00	2,500.00
Networth (C = A - B)	3,182.33	1,177.75	3,518.91	927.81	381.82
Profit after tax, as restated available to all shareholders	2,004.81	1,508.63	1,444.28	707.54	332.09
Less: Preference dividend and tax thereon	0.23	8.86	96.16	116.22	13.42
Profit after tax, as restated available to equity shareholders	2,004.58	1,499.77	1,348.12	591.32	318.67

\* effect of bonus issue given in year ended 31 March 2012

1 The ratios have been computed as below:

Earnings Per Share (Basic) (Rs)	Net profit after tax, as restated available to equity shareholders
	Weighted Average number of Equity Shares outstanding during the year
Earnings Per Share (Diluted) (Rs)	Net profit after tax, as restated available to all shareholders
	Weighted Average number of Diluted Equity Shares outstanding during the year
Return on Net worth (%)	Net profit after tax, as restated available to all shareholders
	Net Worth as restated at the end of the year
Net asset value per equity share (Rs)	Net Worth, as restated excluding preference share capital at the end of the year
	Number of Equity shares outstanding at the end of the year

2  $Networth = Equity\ Share\ Capital + Preference\ Share\ Capital + Reserves\ and\ Surplus$ 



**RESTATED CONSOLIDATED STATEMENT OF SHARE CAPITAL:**

Annexure - IX

Particulars	Numbers and Rupees in millions					
	As at 31 December 2014	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011	
<b>Authorised:</b>						
Equity shares of Rs. 10/- each (Numbers)	100.00	100.00	100.00	100.00	100.00	
Equity shares of Rs. 10/- each (Rs.)	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	
Preference shares of Rs. 1,000/- each (Numbers)	2.50	2.50	25.00	25.00	25.00	
Preference shares of Rs. 1,000/- each (Rs.)	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	
<b>Issued, subscribed and fully paid-up</b>						
Equity shares of Rs. 10/- each (Numbers)	96.50	96.50	96.28	97.50	97.50	
Equity shares of Rs. 10/- each (Rs.)	965.00	965.00	962.75	975.00	975.00	
Preference shares of Rs. 1,000/- each (Numbers)	-	-	0.25	2.50	2.50	
Preference shares of Rs. 1,000/- each (Rs.)	-	-	250.00	2,500.00	2,500.00	
	965.00	965.00	1,212.75	2,597.50	2,597.50	

**Reconciliation of number of shares outstanding:**

Particulars	As at 31 December 2014		As at 31 March 2014		As at 31 March 2013		As at 31 March 2012		As at 31 March 2011	
	No. of Shares	Rs.	No. of Shares	Rs.	No. of Shares	Rs.	No. of Shares	Rs.	No. of Shares	Rs.
<b>Equity Shares of Rs. 10/- each</b>										
At the commencement of the year	96.50	965.00	96.28	962.75	97.50	975.00	97.50	975.00	0.05	0.50
<b>Shares issued during the year:</b>										
Issued pursuant to scheme of arrangement	-	-	-	-	-	-	-	-	4.00	40.00
Shares issued during the year	-	-	-	-	-	-	-	-	5.70	57.00
Bonus shares issued during the year	-	-	-	-	78.01	780.02	-	-	-	-
Part conversion of 4% Compulsorily convertible cumulative preference shares of Rs. 1,000/- each, during the year	-	-	1.81	18.13	8.52	85.23	-	-	-	-
Less: Buyback of shares	-	-	1.59	15.88	-	-	-	-	-	-
<b>At the end of the year</b>	<b>96.50</b>	<b>965.00</b>	<b>96.50</b>	<b>965.00</b>	<b>96.28</b>	<b>962.75</b>	<b>97.50</b>	<b>975.00</b>	<b>9.75</b>	<b>97.50</b>
<b>4% Compulsorily convertible cumulative preference</b>										
<b>Shares of Rs. 1,000/- each</b>										
At the commencement of the year	-	-	0.25	250.00	2.50	2,500.00	2.50	2,500.00	-	-
Shares issued during the year	-	-	-	-	-	-	-	-	2.50	2,500.00
Shares converted into equity during the year	-	-	0.25	250.00	2.25	2,250.00	-	-	-	-
<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.25</b>	<b>250.00</b>	<b>2.50</b>	<b>2,500.00</b>	<b>2.50</b>	<b>2,500.00</b>

**Notes:****Rights, preferences and restrictions attached to equity shares:**

The Company has a single class of equity shares. All equity shares rank equally with regard to dividends and share in the company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Rights, preferences and restrictions attached to 4% compulsorily convertible cumulative preference shares:**

4% compulsorily convertible cumulative preference shares of Rs. 1,000 each are held by Black Stone CPV Capital Partners Mauritius V-C Limited as per the share subscription agreement. Preference shares carry a preferential right as to dividend over equity shareholders. Where dividend on 4% compulsorily convertible cumulative preference shares is not declared for a financial year, the entitlement thereto is carried forward. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Each holder of compulsorily convertible cumulative preference shares is entitled to one vote per share only on resolutions placed before the company which directly affect the rights attached to compulsorily convertible cumulative preference shares.

Term of the 4% compulsorily convertible cumulative preference shares of Rs. 1,000/- each is twenty years commencing from 18th February 2011, being the date of allotment, with an option to shareholders for earlier conversion at any time based on certain agreed profit criterion. These shares have been converted into equity shares in the financial years ended 31 March 2014 and 31 March 2013.



Shares held by holding, ultimate holding company and/or their subsidiaries/associates

Particulars	As at 31 December 2014		As at 31 March 2014		As at 31 March 2013		As at 31 March 2012		As at 31 March 2011	
	No. of Shares	Rs.	No. of Shares	Rs.	No. of Shares	Rs.	No. of Shares	Rs.	No. of Shares	Rs.
<b>Equity shares of Rs. 10/- each fully paid up held by Holding Company - Mandava Holdings Private Limited</b>	54.24	542.40	54.24	542.40	51.30	513.00	5.70	57.00	5.70	57.00
Subsidiary of holding company - Portrait Properties Private Limited	-	-	-	-	2.63	26.33	0.29	2.93	-	-
Subsidiary of holding company - Gooddeal Developers Private Limited	-	-	-	-	1.76	17.55	0.20	1.95	-	-
	<b>54.24</b>	<b>542.40</b>	<b>54.24</b>	<b>542.40</b>	<b>55.69</b>	<b>556.88</b>	<b>6.19</b>	<b>61.88</b>	<b>5.70</b>	<b>57.00</b>

Particulars of shareholders holding more than 5% shares of a class of shares:

Particulars	As at 31 December 2014		As at 31 March 2014		As at 31 March 2013		As at 31 March 2012		As at 31 March 2011	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
<b>Equity Shares of Rs. 10/- each fully paid-up</b>										
Holding Company - Mandava Holdings Private Limited	54.24	56.21%	54.24	56.21%	51.30	53.28%	5.70	58.46%	5.70	58.46%
M Prabhakara Rao	24.87	25.77%	24.87	25.77%	24.87	25.83%	2.76	28.34%	3.25	33.34%
Black Stone GPV Capital Partners Mauritius V-C Limited *	10.20	10.56%	10.20	10.56%	8.52	8.85%	-	0.00%	-	0.00%
M Asha Priya	6.95	7.20%	6.95	7.20%	6.95	7.21%	0.77	7.91%	0.77	7.91%
	<b>96.26</b>		<b>96.26</b>		<b>91.64</b>		<b>9.23</b>		<b>9.72</b>	

4% compulsorily convertible cumulative preference

Shares of Rs. 1,000/- each fully paid-up

Black Stone GPV Capital Partners Mauritius V-C Limited	-	-	-	0.25	100.00%	2.50	100.00%	2.50	100.00%
	<b>-</b>		<b>-</b>	<b>0.25</b>		<b>2.50</b>		<b>2.50</b>	

Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

Particulars	31 December 2014	31 March 2014	31 March 2013	31 March 2012	31 March 2011
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Equity shares bought back

Equity shares of Rs. 10/- each, fully paid up have been bought back at aggregate price of Rs.529/- per share as pursuant to Section 77A of the Companies Act, 1956 and the rules framed there under.

Bonus shares issued

Equity shares of Rs. 10/- each, fully paid up allotted as bonus shares by capitalisation of general reserve and surplus to the existing share holders in the proportion of 8 shares for every one share held.

Shares issued for consideration other than cash

Equity shares of Rs. 10/- each, fully paid up have been allotted as pursuant to a scheme of arrangement without any payment being received in cash.



Note:

The above statement should be read with the notes annexed to and forming part of consolidated restated financial information and significant accounting policies as appearing in Annexures IV and V.



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**RESTATED CONSOLIDATED STATEMENT OF RESERVES AND SURPLUS:**

Annexure - X

Particulars	Rupees in millions				
	As at 31 December 2014	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011
<b>Capital redemption reserve</b>					
Balance at the beginning of the year / period	15.88	-	-	-	-
Transferred from surplus towards Buyback of equity shares	-	15.88	-	-	-
Balance at the end of the year / period	<b>15.88</b>	<b>15.88</b>	-	-	-
<b>Securities premium account</b>					
Balance at the beginning of the year / period	-	2,164.79	0.01	0.01	-
Securities premium credited on account of issue of shares	-	231.87	2,164.78	-	0.01
Securities premium debited on account of Buyback of equity shares	-	(824.12)	-	-	-
Adjusted on account of scheme of arrangement [Refer note no. 1 of section II ("Other Significant Information") of Annexure IV]	-	(1,572.54)	-	-	-
Balance at the end of the year / period	-	-	<b>2,164.79</b>	<b>0.01</b>	<b>0.01</b>
<b>General reserve</b>					
Balance at the beginning of the year / period	41.57	182.17	100.68	41.94	-
Issue of bonus shares	-	-	(100.26)	-	-
Transferred from surplus in statement of profit and loss	-	-	181.75	58.74	41.94
Adjusted on account of scheme of arrangement [Refer note no. 1 of section II ("Other Significant Information") of Annexure IV]	-	(140.60)	-	-	-
Balance at the end of the year / period	<b>41.57</b>	<b>41.57</b>	<b>182.17</b>	<b>100.68</b>	<b>41.94</b>
<b>Surplus</b>					
Balance at the beginning of the year / period	155.30	209.20	729.62	242.37	(0.25)
Issue of bonus shares	-	-	(679.76)	-	-
Profit for the year / period	2,004.81	1,508.63	1,444.28	707.54	332.09
Profit available for appropriations	2,160.11	1,717.83	1,494.14	949.91	331.84
<b>Less: Appropriations</b>					
Transfer to general reserve	-	-	181.75	58.74	41.94
Interim equity dividend	-	-	866.47	39.00	29.25
Tax on interim equity dividend	-	-	140.56	6.33	4.86
Proposed preference dividend	-	7.56	82.74	100.00	11.51
Tax on proposed preference dividend	0.23	1.30	13.42	16.22	1.91
Transferred to capital redemption reserve towards buyback of equity shares	-	15.88	-	-	-
Adjusted on account of scheme of arrangement [Refer note no. 1 of section II ("Other Significant Information") of Annexure IV]	-	1,537.79	-	-	-
Balance at the end of the year / period	<b>2,159.88</b>	<b>155.30</b>	<b>209.20</b>	<b>729.62</b>	<b>242.37</b>
<b>TOTAL</b>	<b>2,217.33</b>	<b>212.75</b>	<b>2,556.16</b>	<b>830.31</b>	<b>284.32</b>

**Note:**

The above statement should be read with the notes annexed to and forming part of consolidated restated financial information and significant accounting policies as appearing in Annexures IV and V.



**RESTATED CONSOLIDATED STATEMENT OF LONG TERM BORROWINGS:**

Particulars	As at 31 December 2014			As at 31 March 2014			As at 31 March 2013			As at 31 March 2012			As at 31 March 2011		
	Non-current portion	Current maturities	Total	Non-current portion	Current maturities	Total	Non-current portion	Current maturities	Total	Non-current portion	Current maturities	Total	Non-current portion	Current maturities	Total
<b>Secured Long-term Borrowings</b>															
<i>Term loans from Banks</i>															
Axis Bank Limited	24.70	60.91	85.61	68.31	69.47	137.78	137.79	70.41	208.20	117.22	52.98	170.20	178.84	52.43	231.27
The South Indian Bank Limited	154.73	22.25	176.98	-	-	-	-	-	-	-	-	-	-	-	-
State Bank of Hyderabad	-	-	-	-	-	-	-	-	-	75.00	30.00	105.00	105.00	30.00	135.00
<b>Total term loans from Banks</b>			<b>262.59</b>			<b>137.78</b>			<b>208.20</b>			<b>275.20</b>			<b>366.27</b>
<i>Term loans from Government Authorities</i>															
Department of Biotechnology	9.28	0.73	10.01	7.81	0.73	8.54	8.53	0.73	9.26	5.33	-	5.33	3.42	-	3.42
<b>Total term loans from Government Authorities</b>			<b>10.01</b>			<b>8.54</b>			<b>9.26</b>			<b>5.33</b>			<b>3.42</b>
<b>Unsecured Long-term Borrowings</b>															
<i>Term loans from Government Authorities</i>															
Indo-German Science and Technology Centre	2.27	0.29	2.56	2.56	-	2.56	2.10	-	-	-	-	-	-	-	-
<b>Total term loans from Government Authorities</b>			<b>2.56</b>			<b>2.56</b>									
<i>Deferred payment liabilities</i>															
Sales tax deferment loan	0.14	0.57	0.71	0.71	0.75	1.46	1.46	0.89	2.35	2.22	0.76	2.98	2.97	0.62	3.59
<b>Total deferred payment liabilities</b>			<b>0.71</b>			<b>1.46</b>			<b>2.35</b>			<b>2.98</b>			<b>3.59</b>
<b>TOTAL</b>	<b>191.12</b>	<b>84.75</b>	<b>275.87</b>	<b>79.39</b>	<b>70.95</b>	<b>150.34</b>	<b>149.88</b>	<b>72.03</b>	<b>219.81</b>	<b>199.77</b>	<b>83.74</b>	<b>283.51</b>	<b>290.23</b>	<b>83.05</b>	<b>373.28</b>

**Notes:**

- The above statement should be read with the notes annexed to and forming part of consolidated restated financial information and significant accounting policies as appearing in Annexures IV and V.
- "Current maturities of long-term borrowings" are grouped under "Other current liabilities"





## RESTATED CONSOLIDATED STATEMENT OF PRINCIPAL TERMS AND CONDITIONS OF LONG TERM BORROWINGS:

Name of the lender	Outstanding as at 31 December 2014		Rate of interest p.a. (%)	Repayment Schedule	Securities offered	Rupees in millions	
	Disclosed under long-term borrowings	Disclosed under other current liabilities				Prepayment clauses	Penal Interest
<i>Term loans from banks</i>							
Axis Bank Limited	-	8.50	Base Rate + 2.25%	20 equal quarterly instalments of Rs. 3.50	First charge on the assets created out of the term loan and equitable mortgage of land situated at Kohur village, Medak District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	On terms and conditions decided by the bank	None
Axis Bank Limited	-	8.00	Base Rate + 2.25%	20 equal quarterly instalments of Rs. 3.00	First charge on the assets created out of the term loan and equitable mortgage of land situated at Kohur village, Medak District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	On terms and conditions decided by the bank	None
Axis Bank Limited	0.70	3.20	Base Rate + 2.2%	20 equal quarterly instalments of Rs. 0.80	First charge on the assets created out of term loan and equitable mortgage of land situated at Nandigaon Village, Mahabub Nagar District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	On terms and conditions decided by the bank	None
Axis Bank Limited	1.10	4.40	Base Rate + 2.2%	20 equal quarterly instalments of Rs. 1.10	First charge on the assets created out of term loan and extension of equitable mortgage of land situated at Bonda Village, Bargarh, Orissa and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	On terms and conditions decided by the bank	None
Axis Bank Limited	-	8.13	Base Rate + 2.2%	20 equal quarterly instalments of Rs. 1.63	First charge on the assets created out of the term loan and equitable mortgage of land situated at Kohur village, Medak District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	On terms and conditions decided by the bank	None
Axis Bank Limited	-	9.01	Base Rate + 2.2%	20 equal quarterly instalments of Rs. 1.88	First charge on the assets created out of term loan and extension of equitable mortgage of land situated at Bonda Village, Bargarh, Orissa and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	On terms and conditions decided by the bank	None
Axis Bank Limited	12.60	8.40	Base Rate + 2.25%	19 equal quarterly instalments of Rs. 2.10	First charge on the assets created out of the term loan and equitable mortgage of land situated at Kohur village, Medak District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	1% of principal outstanding if pre-closed by way of any means other than internal accruals.	2% per annum
Axis Bank Limited	10.30	4.00	Base Rate + 2.25%	19 equal quarterly instalments of Rs. 1.00	First charge on the assets created out of term loan and extension of equitable mortgage of land situated at Surpur Village, Idar Taluq, Sabarkantha District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	1% of principal outstanding if pre-closed by way of any means other than internal accruals.	2% per annum
Axis Bank Limited	-	6.52	Base Rate + 2.25%	19 equal quarterly instalments of Rs. 1.60	First charge on the assets created out of term loan and extension of equitable mortgage of land situated at Gatudevarapally Village, Manakondur Mandal, Karimnagar District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	1% of principal outstanding if pre-closed by way of any means other than internal accruals.	2% per annum
Axis Bank Limited	-	0.75	Base Rate + 2.25%	19 equal quarterly instalments of Rs. 0.70	First charge on the assets created out of term loan and extension of equitable mortgage of land and buildings situated at Surpur Village, Idar Taluq, Sabarkantha District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director).	1% of principal outstanding if pre-closed by way of any means other than internal accruals.	2% per annum
The South Indian Bank Limited	53.36	7.64	Base Rate + 1.75%	16 equal quarterly instalments of Rs. 3.82	First charge on the assets created out of term loan and extension of equitable mortgage of land and buildings situated at Aliveedu Village, West Godavari District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	Nil	2% per annum
The South Indian Bank Limited	15.21	2.17	Base Rate + 1.75%	16 equal quarterly instalments of Rs. 1.09	First charge on the assets created out of term loan and extension of equitable mortgage of land and buildings situated at Bandimuluram Village, Medak District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	Nil	2% per annum
The South Indian Bank Limited	11.11	1.59	Base Rate + 1.75%	16 equal quarterly instalments of Rs. 0.79	First charge on the assets created out of term loan and extension of equitable mortgage of land and buildings situated at Aliveedu Village, West Godavari District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	Nil	2% per annum

**RESTATED CONSOLIDATED STATEMENT OF PRINCIPAL TERMS AND CONDITIONS OF LONG TERM BORROWINGS:**

Name of the lender	Outstanding as at 31 December 2014		Rate of interest p.a. (%)	Repayment Schedule	Securities offered	Prepayment clauses	Penal Interest
	Disclosed under long-term borrowings	Disclosed under other current liabilities					
The South Indian Bank Limited	59.30	8.60	Base Rate + 1.75%	16 equal quarterly instalments of Rs. 4.30	First charge on the assets created out of term loan and extension of equitable mortgage of land owned by a Director and building situated at Kohur Village, Mulugu Mandal, Medak District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	Nil	2% per annum
The South Indian Bank Limited	15.75	2.25	Base Rate + 1.75%	16 equal quarterly instalments of Rs. 1.13	First charge on the assets created out of term loan and extension of equitable mortgage of land and buildings situated at Shahapur Mahigawan Pargana, Bijapur, Lucknow District and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	Nil	2% per annum
<b>Term loans from others</b>							
Biotechnology Industry Research Assistance Council	5.08	0.73	1.00%	10 equated annual instalments of Rs. 0.73	Hypothecation of assets acquired out of loan.	Nil	12% per annum
Biotechnology Industry Research Assistance Council	4.20	-	1.00%	10 equated annual instalments of Rs. 0.50	Hypothecation of assets acquired out of loan.	Nil	12% per annum
Indo-German Science and Technology Centre	2.27	0.29	3.00%	10 equated half yearly instalments of Rs. 0.29	Unsecured loan.	Nil	12% per annum
<b>Deferred payment liabilities</b>							
Government of Maharashtra	0.14	0.56	0.00%	5 yearly instalments commencing from April 2010.	Unsecured loan.	Nil	Not applicable
<b>Total</b>	<b>191.12</b>	<b>84.74</b>					

**Note:**

The above statement should be read with the notes annexed to and forming part of consolidated restated financial information and significant accounting policies as appearing in Annexures IV and V.



**RESTATED CONSOLIDATED STATEMENT OF SHORT TERM BORROWINGS:**

Annexure - XII

Particulars	Rupees in millions				
	As at 31 December 2014	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011
<b>Secured Short-term Borrowings</b>					
<i>Loans repayable on demand -</i>					
<i>Working capital loans from Banks</i>					
Canara Bank	1,988.93	1,987.99	-	-	-
Axis Bank Limited	1,302.88	614.98	420.92	-	333.28
Indian Overseas Bank	438.93	480.90	-	-	766.45
The South Indian Bank Limited	498.21	472.53	-	-	-
Yes Bank Limited	180.00	180.24	179.00	429.39	-
State Bank of Hyderabad	-	-	-	-	9.17
Andhra Bank	100.00	98.14	98.51	99.92	70.03
ING Vysya Bank Limited	-	-	-	-	70.37
The Ratnakar Bank Limited	-	-	-	-	50.00
<b>Unsecured Short-term Borrowings</b>					
<i>Loans repayable on demand -</i>					
<i>Working capital loans from Banks</i>					
Rabobank International (Cooperative Centrale Raiffeisen-Boerenleen Bank B.A.)	700.00	-	-	-	-
From holding company	-	-	-	0.60	-
<b>TOTAL</b>	<b>5,208.95</b>	<b>3,834.78</b>	<b>698.43</b>	<b>529.91</b>	<b>1,299.30</b>

**Note:**

The above statement should be read with the notes annexed to and forming part of consolidated restated financial information and significant accounting policies as appearing in Annexures IV and V.



**RESTATED CONSOLIDATED STATEMENT OF PRINCIPAL TERMS AND CONDITIONS OF SHORT TERM BORROWINGS:**

Annexure - XII A

Name of the lender	Outstanding as at 31 December 2014	Rate of interest p.a. (%)	Repayment Schedule	Securities offered	Rupees in millions		
					Prepayment clauses	Penal Interest	
Canara Bank	1,988.93	12.45%	Repayable on demand.	First charge on pari passu basis on all current assets of the company present and future along with other working capital bankers and further secured collaterally by way of pari passu charge on all movable and immovable unencumbered fixed assets and second pari passu charge on all movable encumbered fixed assets of the company and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	Nil	2% per annum	
Axis Bank Limited	1,302.88	11.15%	Repayable on demand.		Nil	2% per annum	
Indian Overseas Bank	438.93	11.75%	Repayable on demand.		Nil	2% per annum	
The South Indian Bank Limited	498.21	11.25%	Repayable on demand.		Nil	2% per annum	
Yes Bank Limited	180.00	12.25%	Repayable on demand.	Exclusive charge on current assets and movable fixed assets of the subsidiary, exclusive charge by way of equitable mortgage on land owned by subsidiary and personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Directors of Nuziveedu Seeds Limited).	Nil	2% per annum	
Andhra Bank	100.00	11.00%	Repayable on demand.	Secured by the hypothecation of stock of seeds of the subsidiary.	Nil	2% per annum	
Rabobank International (Cooperative Centrale F	700.00	10.60%	Repayable on demand.	Personal guarantee of Mr. M. Prabhakara Rao (Chairman and Managing Director) and M. Asha Priya (Director).	Nil	2% per annum	
<b>Total</b>	<b>5,208.95</b>						

**Note:**

The above statement should be read with the notes annexed to and forming part of restated consolidated financial information and significant accounting policies as appearing in Annexures IV and V.





**RESTATED CONSOLIDATED STATEMENT OF TRADE RECEIVABLES:**

Particulars	Rupees in millions				
	As at 31 December 2014	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011
<i>Receivables outstanding for a period exceeding six months from the date they became due for payment</i>					
Secured, considered good	8.60	4.56	4.31	2.29	2.11
Unsecured, considered good	1,147.92	342.02	136.77	164.57	103.25
Unsecured, considered doubtful	166.30	142.47	125.58	58.60	27.37
Less: Allowance for bad and doubtful debts	1,322.82	489.05	266.66	225.46	132.73
	166.30	142.47	125.58	58.60	27.37
	1,156.52	346.58	141.08	166.86	105.36
<i>Other receivables</i>					
Secured, considered good	17.52	7.98	7.16	5.20	8.34
Unsecured, considered good	1,692.62	1,134.83	613.94	293.40	326.49
	1,710.14	1,142.81	621.10	298.60	334.83
<b>TOTAL</b>	<b>2,866.66</b>	<b>1,489.39</b>	<b>762.18</b>	<b>465.46</b>	<b>440.19</b>

**Notes:****1 Trade receivables include:***Due from fellow subsidiaries:*

NSL Textiles Limited

NSL Cotton Corporation Private Limited

1.17	0.79	102.17	21.09	46.53
-	-	45.76	41.03	91.77

2 The above statement should be read with the notes annexed to and forming part of consolidated restated financial information and significant accounting policies as appearing in Annexures IV and V.



## RESTATEd CONSOLIDATED STATEMENT OF LONG TERM AND SHORT TERM LOANS AND ADVANCES:

Annexure - XIV

Rupees in millions

Particulars	As at 31 December 2014		As at 31 March 2014		As at 31 March 2013		As at 31 March 2012		As at 31 March 2011	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
<i>Unsecured, considered good unless other wise stated</i>										
<b>To parties other than related parties</b>										
Capital advances										
- considered good	27.60	-	38.41	-	38.62	-	12.85	-	40.95	-
- considered doubtful	1.13	-	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful advances	(1.13)	-	-	-	-	-	-	-	-	-
	27.60	-	38.41	-	38.62	-	12.85	-	40.95	-
Security deposits	23.90	-	27.47	-	28.37	-	21.64	-	19.27	-
Advance income tax (net)	70.72	-	64.16	-	42.65	-	-	-	50.13	-
MAT credit entitlement	15.83	-	13.95	-	2.33	-	2.33	-	1.18	-
Loans and advances to employees	1.92	20.85	1.40	11.82	2.53	12.88	3.36	14.83	0.50	10.24
Service tax refund receivable	8.17	-	8.17	-	8.17	-	-	19.42	19.42	-
Advances towards seed production / supply										
considered good	-	806.61	-	68.16	-	118.92	-	161.33	-	127.20
considered doubtful	-	-	-	-	-	-	-	18.09	-	18.09
	-	806.61	-	68.16	-	118.92	-	179.42	-	145.29
Less: Allowance for bad and doubtful advances	-	-	-	-	-	-	-	18.09	-	18.09
	-	806.61	-	68.16	-	118.92	-	161.33	-	127.20
<b>Other loans and advances</b>										
considered good	0.84	92.80	2.03	29.89	0.34	60.78	5.88	187.61	5.23	125.20
considered doubtful	0.44	-	0.44	-	0.44	-	-	0.60	-	0.44
	1.28	92.80	2.47	29.89	0.78	60.78	5.88	188.21	5.23	125.64
Less: Allowance for bad and doubtful advances	0.44	-	0.44	-	0.44	-	-	0.60	-	0.44
	0.84	92.80	2.03	29.89	0.34	60.78	5.88	187.61	5.23	125.20
<b>To related parties</b>										
Security deposit	4.33	-	4.34	-	4.00	-	4.00	-	4.00	-
Advance for purchase of investments	-	-	-	-	-	-	-	-	-	1,076.00
Inter corporate deposits	-	-	-	-	-	2,654.60	-	1,095.00	-	145.00
Other loans and advances										
considered good	-	6.51	8.61	3.92	7.84	153.20	6.08	46.12	3.84	6.17
considered doubtful	8.61	-	-	-	-	-	-	-	-	-
	8.61	6.51	8.61	3.92	7.84	153.20	6.08	46.12	3.84	6.17
Less: Allowance for bad and doubtful advances	8.61	-	-	-	-	-	-	-	-	-
	-	6.51	8.61	3.92	7.84	153.20	6.08	46.12	3.84	6.17
<b>TOTAL</b>	<b>153.31</b>	<b>926.77</b>	<b>168.54</b>	<b>113.79</b>	<b>134.85</b>	<b>3,000.38</b>	<b>56.14</b>	<b>1,524.31</b>	<b>144.52</b>	<b>1,489.81</b>

## Notes:

## Loans and advances include:

## Due from holding company

Mandava Holdings Private Limited - 0.31 - 876.00

## Due from associates

Swarnabharat Bio-technics Private Limited 6.33 - 6.33 - 5.03 - 4.15 - 1.92 -

Swadeshi Bio-technics Limited 2.28 - 2.28 - 2.28 - 1.74 - 1.73 -

Global Agrigenetics India Private Limited - - - 0.19 - 0.19 - 0.19 -

## Due from fellow subsidiaries:

NSL Textiles Limited 0.33 0.51 0.34 - 0.34 198.90 - 40.57 - 345.00

NSL Cotton Corporation Private Limited - - - - 32.87 - - -

NSL Estates Private Limited - - - - - - - 0.18

NSL Infratech Private Limited - - - - 90.00 - - -

NSL Renewable Power Private Limited - - - - - 5.55 - 5.97

NSL Conventional Power Private Limited - - - 2,453.09 - 1,095.00 - -

NSL Nagapatnam Power and Infratech Limited - 0.45 - 0.45 - 0.27 - - -

## Due from companies over which key management

## personnel exercise significant influence

NSL Properties Private Limited - - - - - - - 0.02

Nuziveedu Swathi Coastal Consortium - - - - 32.50 - - -

NSL Fertilizer Ventures Private Limited - 3.36 - 2.85 - - - -

NSL Renewable Power Private Limited - - - 0.14 - 0.17 - - -

NSL Tidong Power Generation Private Limited - - - 0.15 - - - -

Mandava Cold Storage Private Limited 4.00 - 4.00 - 4.00 - 4.00 - 4.00 -

Excel Cotton Company Private Limited - 0.05 - - - - - -

## Due from Key Managerial Personnel

P. Sateesh Kumar - 0.14 - 0.02 - - - - -

- 2 The above statement should be read with the notes annexed to and forming part of consolidated restated financial information and significant accounting policies as appearing in Annexures IV and V.



**RESTATED CONSOLIDATED STATEMENT OF INVESTMENTS:**

Annexure - XV

Particulars	Rupees in millions				
	As at 31 December 2014	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011
<i>Long-term Trade Investments unquoted at cost</i>					
<b>(a) In associate companies</b>					
<b>(i) In Equity Shares of Rs. 10/- each fully paid-up</b>					
Global Agrigenetics India Private Limited	-	-	0.02	0.03	0.04
Swadeshi Bio-technics Limited	0.20	0.20	0.20	0.21	0.14
<b>(ii) In Equity Shares of Rs. 100/- each fully paid-up</b>					
Swarnabharat Bio-technics Private Limited	-	-	-	0.67	0.72
<i>Long-term Other Investments quoted at cost</i>					
<b>Investments in mutual funds</b>					
JM Equity Fund	0.12	0.12	0.12	0.12	0.20
Birla Sun Life Midcap Fund	0.31	0.31	0.31	0.31	0.31
<i>Long-term Other Investments unquoted at cost</i>					
Investments in National Saving Certificates (Deposited with Government authorities)	0.06	0.05	0.05	0.03	-
<b>TOTAL - I</b>	<b>0.69</b>	<b>0.68</b>	<b>0.70</b>	<b>1.37</b>	<b>1.41</b>
<i>Current investments</i>					
Investment in trust securities (unquoted) at cost					
IDFC Crest Investment Trust Series I	-	-	-	516.74	-
IDFC Crest Investment Trust Series II	-	-	-	518.48	-
Investments in mutual funds, quoted (at lower of cost or fair value)	-	-	-	732.71	-
<b>TOTAL - II</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,767.93</b>	<b>-</b>
<b>GRAND TOTAL (I + II)</b>	<b>0.69</b>	<b>0.68</b>	<b>0.70</b>	<b>1,769.30</b>	<b>1.41</b>

Aggregate amount of quoted investments  
 Aggregate amount of unquoted investments  
 Market value of quoted investments

0.43  
 0.26  
 0.82

0.43  
 0.25  
 0.54

0.43  
 0.27  
 0.48

733.14  
 1,036.16  
 738.73

0.51  
 0.90  
 0.46

**Note:**

The above statement should be read with the notes annexed to and forming part of consolidated restated financial information and significant accounting policies as appearing in Annexures IV and V.



Nuziveedu Seeds Limited

**RESTATED CONSOLIDATED STATEMENT OF OTHER LONG TERM LIABILITIES, OTHER  
CURRENT LIABILITIES, OTHER NON-CURRENT ASSETS AND OTHER CURRENT ASSETS:**

Annexure - XVI

Rupees in millions

Particulars	As at 31 December 2014	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011
<i>Other long-term liabilities</i>					
Dealer deposits	163.55	131.11	118.52	95.29	55.73
Advance received from customers	-	-	-	-	-
Employee payables	-	-	-	2.33	2.51
	<b>163.55</b>	<b>131.11</b>	<b>118.52</b>	<b>97.62</b>	<b>58.24</b>
<i>Other current liabilities</i>					
Current maturities of long-term debt	84.75	70.95	72.03	83.74	83.05
Interest accrued but not due on borrowings and deposits	5.99	1.96	3.00	6.40	0.49
Advances received from customers	1,167.87	3,393.76	5,535.41	5,728.10	4,176.74
Capital creditors	7.04	25.69	11.99	19.94	8.61
Statutory liabilities	99.49	53.89	35.78	10.47	22.51
Preference dividend payable	7.56	-	-	-	-
Interim equity dividend payable	-	-	-	-	12.15
Tax payable on interim equity dividend	-	-	-	6.33	4.86
Dues to directors	6.76	0.24	6.53	21.70	1.26
Employee payables	100.45	114.21	100.12	92.48	43.36
Other current liabilities	0.02	0.85	0.02	8.36	0.17
Book overdraft	-	-	-	-	1.72
	<b>1,479.93</b>	<b>3,661.55</b>	<b>5,764.88</b>	<b>5,977.52</b>	<b>4,354.92</b>
<i>Other non-current assets</i> <i>(Unsecured, considered good)</i>					
Bank deposits due to mature after 12 months of the reporting date (held as margin money)	0.01	2.58	0.59	3.39	4.71
Subsidy receivable	7.24	21.42	14.04	-	-
Interest accrued	0.77	0.16	0.13	0.33	0.39
	<b>8.02</b>	<b>24.16</b>	<b>14.76</b>	<b>3.72</b>	<b>5.10</b>
<i>Other current assets</i> <i>(Unsecured, considered good)</i>					
Subsidy receivable	15.00	-	-	-	-
Interest accrued	0.16	4.72	32.74	51.12	2.92
Dividend receivable on investments	-	-	-	1.26	-
	<b>15.16</b>	<b>4.72</b>	<b>32.74</b>	<b>52.38</b>	<b>2.92</b>

**Note:**

The above statement should be read with the notes annexed to and forming part of consolidated restated financial information and significant accounting policies as appearing in Annexures IV and V.



**RESTATED CONSOLIDATED STATEMENT OF PROVISIONS:**

Annexure - XVII

Particulars	Rupees in millions									
	As at 31 December 2014		As at 31 March 2014		As at 31 March 2013		As at 31 March 2012		As at 31 March 2011	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
<b>Provision for employee benefits</b>										
Provision for gratuity (funded)	5.02	22.63	5.00	13.76	12.49	10.56	6.01	10.51	5.55	8.77
Provision for compensated absences (unfunded)	9.86	3.95	5.86	3.38	6.10	2.28	4.27	1.07	1.19	0.31
<b>Other provisions</b>										
Proposed preference dividend	-	-	-	7.56	-	1.92	-	100.00	-	11.51
Tax on proposed preference dividend	-	-	-	1.29	-	0.31	-	16.22	-	1.91
Provision for sales returns	-	245.50	-	136.80	-	25.02	-	10.94	-	5.80
Provision for taxation	-	19.46	-	11.71	-	0.20	-	25.61	-	0.80
<b>TOTAL</b>	<b>14.88</b>	<b>291.54</b>	<b>10.86</b>	<b>174.50</b>	<b>18.59</b>	<b>40.29</b>	<b>10.28</b>	<b>164.35</b>	<b>6.74</b>	<b>29.10</b>

**Note:**

The above statement should be read with the notes annexed to and forming part of consolidated restated financial information and significant accounting policies as appearing in Annexures IV and V.





**RESTATED CONSOLIDATED STATEMENT OF CONTINGENT LIABILITIES:**

Annexure - XVIII

Particulars	Rupees in millions			
	As at 31 December 2014	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
<b>Contingent liabilities in respect of Corporate guarantees given by Parent Company on behalf of</b>				
Holding company	-	1,000.00	2,000.00	2,000.00
Others	-	-	-	512.50
Claims not acknowledged as debts				
Income tax matters under dispute	118.74	118.74	-	-
Others (refer note 3)	367.34	356.20	316.97	7.20
<b>TOTAL</b>	<b>486.08</b>	<b>1,474.94</b>	<b>2,316.97</b>	<b>2,519.70</b>

**Notes:**

- The above statement should be read with the notes annexed to and forming part of consolidated restated financial information and significant accounting policies as appearing in Annexures IV and V.
- Claims against the group not acknowledged as debt (others) includes compensation claims from farmers and customers, demand from government departments. This represent the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be predicted accurately.
- Trait fee paid to technology service provider does not include Value Added Tax. On the basis of legal opinion obtained by the service provider and as communicated to the company the service provider has undertaken to contest the applicability of VAT on technology and consequently not charged VAT to the company effective 01 April 2009. In the event of technology service provider not succeeding in its appeal there could be liability on the company towards arrears on VAT and interest to be reimbursed to the service provider.
- Pursuant to the scheme of arrangement approved by the Honorable Delhi High Court, the Company has taken over the seed undertaking (all assets and liabilities including future liabilities pertaining to seed undertaking) from NSL Renewable Power Private Limited (formerly known as Nuziveedu Seeds Private Limited) ("the transferor"). During the financial year ended 31-March-13, the transferor has received certain claims / demands from Deputy Commissioner (CT) Guntur-II amounting to Rs. 4.37 which have been appealed by the transferor. In case the transferor loses the case, the Company may be required to make payment for the aforesaid matters.



## RESTATED CONSOLIDATED STATEMENT OF RELATED PARTIES AND TRANSACTIONS:

Annexure - XIX

Name of the related party	Nature of Relation as at				
	As at 31 December 2014	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011
Mandava Investments Private Limited	Ultimated Holding Company	Ultimated Holding Company	NA	NA	NA
Mandava Holdings Private Limited	Holding Company	Holding Company	Holding Company	Holding Company	Holding Company
Global Agrigenetics India Private Limited	Subsidiary	Subsidiary	Associate	Associate	Associate
Swarnabharat Bio-technics Private Limited	Associate	Associate	Associate	Associate	Associate
Swadeshi Bio-technics Limited	Associate	Associate	Associate	Associate	Associate
NSL Sugars Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary
NSL Sugars (Tungabhadra) Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary
NSL Textiles Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary
NSL Textiles (Edlapadu) Limited *	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary
Sree Venkataraya Cotton Mills Private Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	NA	NA
NSL Estate Private Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary
NSL Cotton Corporation Private Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary
NSL Infratech Private Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary
Apple Avenues Private Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary
Garden City Avenues Private Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary
Intellegentia Mansions Private Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary
NCC Matoshri Cotton Private Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary
NSL Conventional Power Private Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary
Ascendant Estates Private Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary
Gooddeal Developers Private Limited **	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary
Portrait Properties Private Limited **	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary
NSL SEZ (Hyderabad) Private Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary
NSL SEZ (Chennai) Private Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary
NSL Power and Infratech Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary
NSL Nagapatnam Power and Infratech Limited	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary	Fellow Subsidiary
NSL Renewable Power Private Limited	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Fellow Subsidiary
NSL Tidong Power Generation Private Limited	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Fellow Subsidiary
Solar Semiconductor Power Company (India) Private Limited	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	NA
Tangnu Romai Power Generation Private Limited	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Fellow Subsidiary
Indur Green Power Private Limited ^	NA	NA	NA	NA	Fellow Subsidiary
M. Prabhakara Rao (Chairman and Managing Director)	Key managerial personnel (KMP)	Key managerial personnel	Key managerial personnel	Key managerial personnel	Key managerial personnel
P. Sateesh Kumar	Key managerial personnel	Key managerial personnel	Key managerial personnel	NA	NA
M. Asha Priya	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director
M. Venkatram Chowdary	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director
M. Venkataramaiah	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director
M. Rama Devi	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director
M. Srinivas Rao	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director	Relative of Chairman and Managing Director
Mandava Cold Storage Private Limited	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence
NSL Properties Private Limited	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence
Excel Cotton Company Private Limited	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence
Sri Venkataramana Ginning Mills	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence



RESTATED CONSOLIDATED STATEMENT OF RELATED PARTIES AND TRANSACTIONS:

Annexure - XIX

Name of the related party	Nature of Relation as at				
	As at 31 December 2014	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012	As at 31 March 2011
NSL Fertilizer Ventures Private Limited	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Fellow Subsidiary	Fellow Subsidiary	NA
Nuziveedu Swathi Coastal Consortium	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence
Mandava Foundation (Trust)	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence	Entity over which KMP exercise significant influence

\* NSL Textiles (Edlapadu) Limited has been merged with NSL Textiles Limited effective 21 June 2011 with Appointed Date of 01 April 2010

^ Indur Green Power Private Limited has been merged with NSL Renewable Power Private Limited effective 07 September 2012 with Appointed Date of 01 April 2011

\*\* Gooddeal Developers Private Limited and Portrait Properties Private Limited has been merged with Mandava Holdings Private Limited effective 13 June 2013 with Appointed Date of 01 January 2013





**RESTATED CONSOLIDATED STATEMENT OF RELATED PARTIES AND TRANSACTIONS:**

Annexure - XX

**Related Party Transactions:**

Particulars	Rupees in millions				
	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011
<b>(i) Sale of goods (net of discounts and sales promotion):</b>					
NSL Textiles Limited	3.91	75.43	58.95	48.47	81.53
NSL Cotton Corporation Private Limited	-	-	4.73	1,680.57	547.93
Prabhat Agri Biotech Limited	-	-	-	-	145.38
<b>(ii) Service income:</b>					
Prabhat Agri Biotech Limited	-	-	-	-	5.82
<b>(iii) Purchase of seeds:</b>					
M. Asha Priya	-	-	-	-	3.14
Prabhat Agri Biotech Limited	-	-	-	-	3.59
<b>(iv) Purchase of packing material:</b>					
NSL Sugars Limited	-	3.91	-	-	-
<b>(v) Service charges paid:</b>					
Mandava Holdings Private Limited	-	-	-	-	3.53
NSL Textiles Limited	0.33	1.75	1.48	-	0.69
NSL Cotton Corporation Private Limited	0.10	0.28	0.10	0.81	0.08
Mandava Cold Storage Private Limited	18.73	23.89	20.76	21.63	20.76
<b>(vi) Rent / land lease paid:</b>					
Mandava Holdings Private Limited	3.98	5.22	5.18	4.16	7.71
NSL Sugars Limited	0.60	0.60	0.60	0.60	0.60
M. Prabhakara Rao	0.52	0.68	0.63	0.42	0.25
M. Venkataramaiah	0.05	0.09	0.08	0.07	0.07
M. Asha Priya	0.12	0.18	0.16	0.14	0.13
M. Venkatram Chowdary	0.03	0.05	0.02	-	-
M. Rama Devi	-	0.09	-	-	-
Ascendant Estates Private Limited	0.22	0.20	0.18	0.17	0.15
Apple Avenues Private Limited	0.06	0.11	0.10	0.09	0.08
NSL Textiles Limited	0.90	1.31	0.87	-	-
NCC Matoshri Cotton Private Limited	-	-	-	-	0.34
Garden City Avenues Private Limited	0.17	0.15	0.14	0.12	0.11
Intellegentia Mansions Private Limited	0.60	0.60	0.54	0.49	0.45
Mandava Cold Storage Private Limited	1.14	1.46	3.38	1.31	1.24
NSL Cotton Corporation Private Limited	-	-	-	0.05	-
NSL Renewable Power Private Limited	-	0.37	0.34	-	-
Indur Green Power Private Limited	-	-	-	0.31	0.28
Sri Venkataramana Ginning Mills	-	-	-	0.07	0.07
Excel Cotton Company Private Limited	0.16	0.20	0.18	0.18	0.17
NSL SEZ (Hyderabad) Private Limited	-	0.05	0.12	-	-
<b>(vii) Professional fee paid:</b>					
M. Venkataramaiah	0.45	0.60	0.60	0.60	0.40
Mandava Holdings Private Limited	50.46	58.01	48.27	16.76	-
<b>(viii) Remuneration to key managerial person:</b>					
M. Prabhakara Rao	13.13	17.46	17.44	18.30	18.05
P. Sateesh Kumar	5.64	7.36	7.66	-	-
<b>(ix) Directors sitting fee:</b>					
M. Asha Priya	0.20	0.07	0.13	0.10	0.06
P. Sateesh Kumar	-	-	0.04	-	-
<b>(x) Sales promotion expense:</b>					
NSL Textiles Limited	-	1.41	-	-	-
<b>(xi) Donation paid:</b>					
Mandava Foundation (Trust)	2.50	2.60	4.70	3.60	1.70



**RESTATED CONSOLIDATED STATEMENT OF RELATED PARTIES AND TRANSACTIONS:**

Annexure - XX

**Related Party Transactions:**

Particulars	in millions				
	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011
(xii) Dividend paid:			461.70	22.80	17.10
Mandava Holdings Private Limited	-	-	223.84	13.00	9.75
M. Prabhakara Rao	-	-	62.50	3.09	2.32
M. Asha Priya	-	-	2.22	0.11	0.08
M. Venkatram Chowdary	-	-	0.02	-	-
M. Srinivas Rao	-	-	23.69	-	-
Portrait Properties Private Limited	-	-	15.80	-	-
Gooddeal Developers Private Limited	-	-	-	-	-
(xiii) Reimbursement of expenses received:	0.02	0.26	0.13	0.31	0.39
NSL Textiles Limited	-	0.14	0.27	-	-
NSL Nagapatnam Power and Infotech Private Limited	-	0.03	0.01	0.03	0.04
NSL Cotton Corporation Private Limited	0.07	0.03	-	-	-
Mandava Cold Storage Private Limited	0.04	0.14	0.17	0.50	5.97
NSL Renewable Power Private Limited	-	0.05	0.14	-	-
NSL Sugars Limited	-	0.49	-	-	-
Mandava Holdings Private Limited	0.03	0.09	-	-	-
M. Asha Priya	-	0.01	-	-	-
M. Prabhakara Rao	0.03	-	-	-	-
M. Venkataramaiah	2.51	2.85	-	-	-
NSL Fertilizer Ventures Private Limited	-	-	-	-	0.10
Ascendant Estates Private Limited	-	-	-	-	0.18
NSL Estates Private Limited	-	-	-	-	4.28
Prabhat Agri Biotech Limited	-	-	-	-	0.02
NSL Properties Private Limited	-	-	-	-	-
(xiv) Reimbursement of expenses paid:	1.64	2.29	1.90	1.55	-
Mandava Holdings Private Limited	0.07	0.29	0.61	2.83	-
NSL Textiles Limited	-	0.06	-	0.05	-
NSL Cotton Corporation Private Limited	0.40	0.54	0.47	0.32	-
Mandava Cold Storage Private Limited	0.15	-	-	-	-
Excel Cotton Company Private Limited	0.08	0.56	-	0.33	-
NSL Renewable Power Private Limited	0.46	0.62	0.39	0.11	-
NSL Sugars Limited	-	-	1.50	21.14	-
M. Asha Priya	-	0.69	0.31	-	-
P. Sateesh Kumar	-	-	0.81	-	-
M. Prabhakara Rao	-	-	0.01	-	-
NSL SEZ (Chennai) Private Limited	-	-	0.03	-	-
NSL Power and Infotech Limited	-	-	-	-	-
(xv) Issue of share capital	-	-	-	-	57.00
Mandava Holdings Private Limited	-	-	-	-	32.26
M. Prabhakara Rao	-	-	-	-	7.47
M. Asha Priya	-	-	-	-	0.27
M. Venkatram Chowdary	-	-	-	-	-
M. Srinivas Rao	-	-	-	-	-
(xvi) Allotment of bonus shares without payment being received:	-	-	45.60	-	-
Mandava Holdings Private Limited	-	-	22.11	-	-
M. Prabhakara Rao	-	-	6.17	-	-
M. Asha Priya	-	-	0.22	-	-
M. Venkatram Chowdary	-	-	-	-	-
M. Srinivas Rao	-	-	2.34	-	-
Portrait Properties Private Limited	-	-	1.56	-	-
Gooddeal Developers Private Limited	-	-	-	-	-
(xvii) Buyback of shares held by:	-	765.64	-	-	-
Mandava Holdings Private Limited	-	-	-	-	-
(xviii) Purchase of shares from:	-	-	331.21	-	-
P. Sateesh Kumar	-	0.06	-	-	-
M. Prabhakara Rao	-	-	-	925.24	-
NSL Textiles Limited	-	-	-	0.10	-
NSL Estates Private Limited	-	-	-	-	-
Mandava Holdings Private Limited	-	-	-	-	-



**RESTATED CONSOLIDATED STATEMENT OF RELATED PARTIES AND TRANSACTIONS:**

Annexure - XX

**Related Party Transactions:**

Particulars	Rupees in millions				
	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011
<b>(xix) Advances given for purchase of investments:</b>					
Mandava Holdings Private Limited	-	-	-	-	876.00
NSL Textiles Limited	-	-	-	-	200.00
M. Prabhakara Rao	-	-	-	-	12.00
M. Asha Priya	-	-	-	-	3.50
<b>(xx) Refund of advance for purchase of shares:</b>					
M. Prabhakara Rao	-	-	-	-	12.00
M. Asha Priya	-	-	-	-	3.50
<b>(xxi) Share application money refunded:</b>					
M. Prabhakara Rao	-	-	-	-	5.00
<b>(xxii) Rent deposit:</b>					
NSL Textiles Limited	-	-	0.35	-	-
<b>(xxiii) Advances given:</b>					
Swarnabharat Bio-technics Private Limited	-	0.80	0.88	1.50	1.30
NSL Textiles Limited	-	-	84.10	40.57	-
NSL Cotton Corporation Private Limited	-	-	3.87	-	-
<b>(xxiv) Interest income:</b>					
NSL Textiles Limited	-	3.57	5.79	-	-
NSL Cotton Corporation Private Limited	-	0.10	0.31	-	-
<b>(xxv) Inter corporate deposit given:</b>					
NSL Textiles Limited	-	-	50.00	50.00	145.00
NSL Conventional Power Private Limited	-	50.00	1,870.00	2,145.00	-
NSL Sugars Limited	-	200.00	510.00	-	-
NSL Sugars (Tungabhadra) Limited	-	-	550.00	-	-
NSL Infratech Private Limited	-	-	90.00	-	-
Solar Semiconductor Power Company (India) Private Limited	-	-	270.00	-	-
Nuziveedu Swathi Coastal Consortium	-	-	32.50	-	-
NSL Cotton Corporation Private Limited	-	-	29.00	-	-
Tangnu Romai Power Generation Private Limited	-	-	50.00	-	-
Mandava Holdings Private Limited	-	1,300.00	-	-	30.00
<b>(xxvi) Inter corporate deposit refund received:</b>					
NSL Textiles Limited	-	-	-	195.00	-
NSL Conventional Power Private Limited	-	50.00	511.90	1,050.00	-
Mandava Holdings Private Limited	-	1,300.00	-	-	30.00
NSL Sugars Limited	-	200.00	510.00	-	-
NSL Sugars (Tungabhadra) Limited	-	-	550.00	-	-
Solar Semiconductor Power Company (India) Private Limited	-	-	270.00	-	-
Nuziveedu Swathi Coastal Consortium	-	32.50	-	-	-
<b>(xxvii) Interest income on inter corporate deposit:</b>					
Mandava Holdings Private Limited	-	72.77	-	-	0.45
NSL Sugars Limited	-	1.54	50.44	-	-
NSL Sugars (Tungabhadra) Limited	-	-	63.90	-	-
NSL Infratech Private Limited	-	3.24	10.93	-	-
NSL Conventional Power Private Limited	-	90.27	305.56	76.21	-
NSL Textiles Limited	-	1.80	5.98	17.09	2.92
NSL Cotton Corporation Private Limited	-	1.05	1.08	-	-
Solar Semiconductor Power Company (India) Private Limited	-	-	27.04	-	-
Tangnu Romai Power Generation Private Limited	-	-	1.15	-	-
Nuziveedu Swathi Coastal Consortium	-	4.65	2.76	-	-



**RESTATED CONSOLIDATED STATEMENT OF RELATED PARTIES AND TRANSACTIONS:**

Annexure - XX

**Related Party Transactions:**

Particulars	Rupees in millions				
	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011
(xxviii) Conversion of receivable / advance into inter-corporate deposit:					
NSL Textiles Limited	-	223.15	-	-	-
NSL Cotton Corporation Private Limited	-	285.97	-	-	-
(xxix) Sale of fixed Assets:					
NSL Tidong Power Generation Private Limited	-	0.15	-	-	-
Mandava Holdings Private Limited	-	-	-	0.10	-
(xxx) Purchase of fixed Assets:					
NSL Cotton Corporation Private Limited	-	-	-	0.62	-
Sree Venkataraya Cotton Mills Private Limited	0.27	-	-	-	-
(xxxi) Corporate guarantees given					
Mandava Holdings Private Limited	-	1,000.00	2,000.00	2,000.00	2,000.00

Detail of the scheme of arrangement with NSL Fertilizer Ventures Private Limited has been included in "Other significant information" as appearing in Annexure IV.

Detail of the scheme of arrangement with NSL Renewable Power Private Limited has been included in "Other significant information" as appearing in Annexure IV.

**Note:**

The above statement should be read with the notes annexed to and forming part of consolidated restated financial information and significant accounting policies as appearing in Annexures IV and V.



**RESTATED CONSOLIDATED STATEMENT OF COST OF MATERIALS CONSUMED:**

Annexure - XXI

Particulars	Rupees in millions			
	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012
<b>Own production</b>				
Opening stock	2,150.29	1,922.49	959.33	594.37
Add: Cost of seeds produced (including cost of foundation seeds produced)				
Land lease expenses	626.32	1,163.18	1,141.07	942.91
Service charges paid to farmers	170.12	142.01	360.71	337.53
Other agricultural and incidental expenses	1,388.19	3,230.81	4,316.08	2,573.52
Add: Cost of foundation seeds consumed (purchased)	1.92	32.33	26.83	17.73
Less: Closing stock of raw seeds produced	1,037.47	2,151.34	1,922.49	959.33
	<b>3,299.37</b>	<b>4,339.48</b>	<b>4,881.53</b>	<b>3,506.73</b>
<b>Purchased goods</b>				
Opening stock	0.99	4.54	6.35	7.82
Add: Purchased during the year	83.57	66.89	73.50	61.19
Less: Cost of foundation seeds consumed	1.92	32.33	26.83	17.73
Less: Closing stock of raw seeds purchased	14.09	0.99	3.36	6.35
	<b>68.55</b>	<b>38.11</b>	<b>49.66</b>	<b>44.93</b>
Packing and other material consumed	394.55	484.09	392.49	324.01
Inventory charged off	-	1.05	-	-
	<b>3,762.47</b>	<b>4,862.73</b>	<b>5,323.68</b>	<b>3,875.67</b>
				<b>3,496.22</b>

**Note:**

The above statement should be read with the notes annexed to and forming part of consolidated restated financial information and significant accounting policies as appearing in Annexures IV and V.





**RESTATED CONSOLIDATED STATEMENT OF CHANGES IN INVENTORIES:**

Annexure - XXII

Particulars	Rupees in millions				
	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011
<b>Work-in-progress</b>					
Opening stocks	2,143.19	2,629.05	2,334.40	1,572.58	355.20
Closing stocks	1,739.96	2,216.04	2,629.05	2,334.40	1,572.58
Inventory charged off	-	72.86	-	-	-
	<b>403.23</b>	<b>485.87</b>	<b>(294.65)</b>	<b>(761.82)</b>	<b>(1,217.38)</b>
<b>Finished goods</b>					
Opening stocks	3,382.28	2,527.71	1,161.88	1,095.11	1,386.04
Closing stocks	2,953.43	3,643.94	2,527.22	1,139.20	1,043.20
Inventory charged off	-	261.66	-	-	-
	<b>428.85</b>	<b>(854.57)</b>	<b>(1,365.34)</b>	<b>(44.09)</b>	<b>342.84</b>
Provision for estimated sales returns	(71.79)	(106.41)	(9.50)	(4.62)	(4.00)
Exceptional item	-	(73.27)	-	-	-
	<b>760.29</b>	<b>(548.38)</b>	<b>(1,669.49)</b>	<b>(810.53)</b>	<b>(878.54)</b>

**Note:**

The above statement should be read with the notes annexed to and forming part of consolidated restated financial information and significant accounting policies as appearing in Annexures IV and V.



**RESTATED CONSOLIDATED STATEMENT OF OTHER EXPENSES:**

Annexure - XXIII

Rupees in millions

Particulars	Nine months ended 31 December 2014	Year ended 31 March 2014	Year ended 31 March 2013	Year ended 31 March 2012	Year ended 31 March 2011
Sales promotion	2,394.73	2,486.34	1,774.50	1,340.30	1,296.90
Trait Fee	1,230.20	1,202.19	1,255.66	1,231.44	923.98
Production, processing and packing charges	173.50	192.44	256.38	184.22	146.50
Travelling and conveyance	190.54	265.31	261.25	176.64	133.10
Freight and transport	277.69	217.08	163.75	126.17	114.86
Legal and professional charges	93.59	129.12	132.85	79.40	76.82
Seed evaluation and trial expenses	80.17	88.56	120.17	88.85	47.87
Packing material written off	-	9.71	-	-	-
Power and fuel	65.18	64.79	51.71	43.20	31.88
Rent	35.37	50.48	44.04	38.63	42.41
Repairs to buildings	2.24	3.06	7.77	4.50	2.64
Repairs to plant and equipment	11.42	9.24	6.73	13.25	8.69
Repairs to others	12.69	17.91	19.37	13.17	6.87
Communication expenses	15.70	23.83	25.67	21.83	16.73
Rates and taxes	6.31	3.49	17.74	7.47	14.13
Provision for bad and doubtful debts	23.83	16.88	70.33	28.79	16.99
Provision for bad and doubtful advances	9.74	-	-	0.16	-
Printing and stationery	7.26	10.30	12.84	10.21	10.46
Insurance	14.11	17.40	12.95	10.34	8.68
Commission to directors	6.12	7.74	6.00	-	-
Donations	7.68	3.58	5.25	4.07	2.68
Payments to the auditor as*					
- auditor	3.33	3.72	5.12	2.22	1.63
- for reimbursement of expenses	0.36	0.10	0.16	0.07	0.30
- for other services	-	0.02	-	0.40	0.54
Loss on disposal of assets (net)	0.23	5.10	1.98	0.50	0.04
Net loss on foreign currency transaction	0.10	0.69	-	-	-
Bad debts / debit balances written off	0.18	0.15	0.58	0.83	2.18
Directors sitting fee	1.93	0.81	0.88	0.50	0.28
Loss on disposal of investments (net)	-	-	-	0.08	-
Miscellaneous expenses	61.24	81.39	89.01	81.87	67.87
	<b>4,725.44</b>	<b>4,911.43</b>	<b>4,342.69</b>	<b>3,509.11</b>	<b>2,975.03</b>

\* includes remuneration paid to auditors of respective consolidated entities

**Note:**

The above statement should be read with the notes annexed to and forming part of consolidated restated financial information and significant accounting policies as appearing in Annexures IV and V.



**Capitalisation Statement on a Restated and Standalone Basis**

<b>Particulars</b>	<b>Pre-Issue (as at December 31, 2014)</b>	<b>As adjusted for the Issue</b>
Short term Debt	4,928.95	[●]
Long term Debt	275.87	[●]
<u>Shareholders Funds</u>		
Share Capital	965.00	[●]
Reserves	2,210.90	[●]
<u>Total Shareholders Funds</u>	<b>3,175.90</b>	[●]
Long Term Debt/Equity	0.09	

**Capitalisation Statement on a Restated and Consolidated Basis**

<b>Particulars</b>	<b>Pre-Issue (as at December 31, 2014)</b>	<b>As adjusted for the Issue</b>
Short term Debt	5,208.95	[●]
Long term Debt	275.86	[●]
<u>Shareholders Funds</u>		
Share Capital	965.00	[●]
Reserves	2,217.33	[●]
<u>Total Shareholders Funds</u>	<b>3,182.33</b>	[●]
Long Term Debt/Equity	0.09	



## FINANCIAL INDEBTEDNESS

As on February 28, 2015, the Company and its Subsidiaries had total outstanding secured borrowings, comprising long term borrowings and short term borrowings, amounting to ₹281.55 million and ₹4316.23 million, respectively.

### A. Loans availed by our Company

#### Unsecured Loans

Please see “Unsecured Loans” on page 435 below for a brief description of unsecured loans availed by our Company.

#### Secured Term Loans and Other Credit Facilities

Provided below is a brief description of the secured term loans and other credit facilities obtained by our Company that are outstanding as on February 28, 2015:

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
<b>Secured Term Loans</b>				
1.	<b>Axis Bank Limited</b>  <b>Loan Documents:</b> <ol style="list-style-type: none"> <li>Sanction letter dated September 9, 2009;</li> <li>Term loan agreement dated September 15, 2009;</li> <li>Supplemental deed of hypothecation dated September 15, 2009;</li> <li>Supplemental deed of hypothecation dated November 20, 2010;</li> <li>Undertaking of the Company dated November 20, 2010;</li> <li>Record of mortgage by deposit of title deeds dated March 24, 2011;</li> <li>Memorandum of entry in connection with the mortgaged property dated March 24, 2011;</li> <li>Declaration-cum-confirmation in connection with the mortgaged property dated August 10, 2012;</li> <li>Personal guarantee of</li> </ol>	Term loan for ₹75 million*	₹5 million	<ol style="list-style-type: none"> <li><b>Purpose:</b> Construction of seed corn processing plant at Kothur, Medchal, Secunderabad, Telangana.</li> <li><b>Interest rate for the term loan:</b> Axis Bank Base Rate + 2.25% which was 12.40% p.a. as of February 28, 2015.</li> <li><b>Repayment:</b> The term loan is repayable in 20 quarterly instalments of ₹3.5 million each, along with accrued interest, commencing from the date falling six months after the first date of disbursement, or April 30, 2010, whichever is earlier. The remaining ₹5 million is to be adjusted from the subsidy amount received by our Company from NABARD.</li> <li><b>Prepayment:</b> If the Company decides to prepay, prepayment will be accepted on terms and conditions to be decided by the bank.</li> <li><b>Penalties:</b> The non-payment of</li> </ol>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
	<p>Mr. Mandava Prabhakara Rao dated November 20, 2010; and</p> <p>10. Personal guarantee of Mrs. Mandava Asha Priya dated November 20, 2010.</p>			<p>any amounts when due to the bank, costs, charges and expenses debited to the loan account, on the due date will attract a penal interest of 2.00% p.a.</p> <p>6. <u>Events of default</u>: Events of default under this facility include: (a) the Company committing any default in payment of interest, principal, or other charges, or any obligation and in the payment of any other amounts to the bank when due and payable; (b) the Company failing to pay any person other than the bank any amount when due and payable or if any person other than the bank, demands repayment of the loan or dues or liability of the Company to such person ahead of its repayment terms as previously agreed between the Company and such person; (c) the Company defaulting in performing any of its obligations under this agreement, or breaching any of the terms or conditions of this agreement or any other security documents, undertakings, etc. executed in favour of the bank; and (d) any information provided by the Company to avail the loan or any of its representations, or warranties being found to be or becoming incorrect or untrue.</p> <p>7. <u>Security</u>: The facility is secured by a primary security of a first charge on the assets of our Company created out of this loan, an extension of equitable mortgage on 8.27 acres of land located at Kothur Village, Mulugu Mandal, Medak District, Telangana, a personal guarantee from our Promoter Mr. Mandava</p>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				Prabhakara Rao and a personal guarantee from Mrs. Mandava Asha Priya, with a combined total net worth of ₹983.4 million, as on March 31, 2008.
2.	<b>Axis Bank Limited</b>  <b>Loan Documents:</b> <ol style="list-style-type: none"> <li>1. Sanction letter dated September 9, 2009;</li> <li>2. Term loan agreement dated September 15, 2009;</li> <li>3. Supplemental deed of hypothecation dated September 15, 2009;</li> <li>4. Supplemental deed of hypothecation dated November 20, 2010;</li> <li>5. Undertaking of the Company dated November 20, 2010;</li> <li>6. Record of mortgage by deposit of title deeds dated March 24, 2011;</li> <li>7. Memorandum of entry in connection with the mortgaged property dated March 24, 2011;</li> <li>8. Declaration-cum-confirmation in connection with the mortgaged property dated August 10, 2012;</li> <li>9. Personal guarantee of Mr. Mandava Prabhakara Rao dated November 20, 2010; and</li> <li>10. Personal guarantee of Mrs. Mandava Asha Priya dated November 20, 2010.</li> </ol>	Term loan for ₹65 million*	₹5 million	<ol style="list-style-type: none"> <li>1. <u>Purpose:</u> Construction of Biomass-Gas Based Wet Cob Drying Plant, at Kothur, Medchal, Secunderabad, Telangana.</li> <li>2. <u>Interest rate for the term loan:</u> Axis Bank Base Rate + 2.25% which was 12.40% p.a. as of February 28, 2015.</li> <li>3. <u>Repayment:</u> The term loan is repayable in 20 quarterly instalments of ₹3 million each, along with accrued interest, commencing from the date falling six months after the first date of disbursal, or April 30, 2010, whichever is earlier. The remaining ₹5 million is to be adjusted from the subsidy amount received by our Company from NABARD.</li> <li>4. <u>Prepayment:</u> If the Company decides to prepay, prepayment will be accepted on terms and conditions to be decided by the bank.</li> <li>5. <u>Penalties:</u> The non-payment of any amounts when due to the bank, costs, charges and expenses debited to the loan account, on the due date will attract a penal interest of 2.00% p.a.</li> <li>6. <u>Events of default:</u> Events of default under this facility include: (a) the Company committing any default in payment of interest, principal, or</li> </ol>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				<p>other charges, or any obligation and in the payment of any other amounts to the bank when due and payable; (b) the Company failing to pay any person other than the bank any amount when due and payable or if any person other than the bank, demands repayment of the loan or dues or liability of the Company to such person ahead of its repayment terms as previously agreed between the Company and such person; (c) the Company defaulting in performing any of its obligations under this agreement, or breaching any of the terms or conditions of this agreement or any other security documents, undertakings, etc. executed in favour of the bank; and (d) any information provided by the Company to avail the loan or any of its representations, or warranties being found to be or becoming incorrect or untrue.</p> <p><u>Security:</u> The facility is secured by a primary security of a first charge on the assets of our Company created out of this loan, an extension of equitable mortgage on 8.27 acres of land located at Kothur Village, Mulugu Mandal, Medak District, Telangana, a personal guarantee from our Promoter Mr. Mandava Prabhakara Rao and a personal guarantee from Mrs. Mandava Asha Priya.</p>
3.	<b>Axis Bank Limited</b>  <b>Loan Documents:</b> <ol style="list-style-type: none"> <li>1. Sanction letter dated February 7, 2012;</li> <li>2. Loan agreement dated August 10, 2012;</li> <li>3. Supplemental deed of hypothecation dated</li> </ol>	Term loan for ₹44.90 million (comprising a parent term loan of ₹39.90 million and a term loan	₹18.90 million	<ol style="list-style-type: none"> <li>1. <u>Purpose:</u> Setting up of cob drying plant at Kothur Village, Medchal Mandal, Ranga Reddy District, Telangana.</li> <li>2. <u>Interest rate for the term loan:</u> Axis Bank Base Rate + 2.25%, which was 12.40% p.a. as of February 28, 2015.</li> </ol>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
	<p>August 10, 2012;</p> <p>4. Declaration-cum-confirmation in connection with the mortgaged property dated August 10, 2012;</p> <p>5. Personal guarantee of Mr. Mandava Prabhakara Rao dated August 10, 2012; and</p> <p>6. Personal guarantee of Mrs. Mandava Asha Priya, dated August 10, 2012.</p>	in lieu of subsidy of ₹5 million)		<p>3. <u>Repayment</u>: The parent term loan is repayable in 19 quarterly instalments of ₹2.1 million each, commencing from the first day of the month succeeding the month of first disbursement. The term loan in lieu of subsidy is to be repaid in a bullet payment of ₹5 million at the end of the quarter after the final parent term loan instalment is paid.</p> <p>4. <u>Prepayment</u>: If the Company decides to prepay, preclosure charges at 1.00% p.a. (payable on the leftover balance) will be payable if the loan is pre-closed by any means other than internal accruals.</p> <p>5. <u>Penalties</u>: The non-payment of any amounts when due to the bank, costs, charges and expenses debited to the loan account, on the due date will attract a penal interest of 2.00% p.a.</p> <p>6. <u>Events of default</u>: Events of default under this facility include: (a) the Company committing any default in payment of interest, principal, or other charges, or any obligation and in the payment of any other amounts to the bank when due and payable; (b) the Company failing to pay any person other than the bank any amount when due and payable or if any person other than the bank, demands repayment of the loan or dues or liability of the Company to such person ahead of its repayment terms as previously agreed between the Company and such person; (c) the Company defaulting in performing any of</p>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				<p>its obligations under this agreement, or breaching any of the terms or conditions of this agreement or any other security documents, undertakings, etc. executed in favour of the bank; and (d) any information provided by the Company to avail the loan or any of its representations, or warranties being found to be or becoming incorrect or untrue.</p> <p><u>Security:</u> The facility is secured by a primary security of a first charge on the assets of our Company created out of this loan, an extension of the equitable mortgage on Ac 8.675cts of land located at Kothur Village, Mulugu Mandal, Medak District, Telangana, a personal guarantee from our Promoter Mr. Mandava Prabhakara Rao and a personal guarantee from Mrs. Mandava Asha Priya, with a combined total net worth of ₹1441.5 million, as on March 31, 2011.</p>
4.	<p><b>Axis Bank Limited</b></p> <p><b>Loan Documents:</b></p> <ol style="list-style-type: none"> <li>1. Sanction letter dated February 7, 2012;</li> <li>2. Loan agreement dated August 10, 2012;</li> <li>3. Supplemental deed of hypothecation dated August 10, 2012;</li> <li>4. Declaration-cum-confirmation in connection with the mortgaged property dated August 10, 2012;</li> <li>5. Personal guarantee of Mr. Mandava Prabhakara Rao dated August 10, 2012; and</li> <li>6. Personal guarantee of</li> </ol>	<p>Term loan for ₹35.40 million (comprising a parent term loan of ₹30.40 million and a term loan in lieu of subsidy of ₹5 million)</p>	<p>₹4.92 million</p>	<ol style="list-style-type: none"> <li>1. <u>Purpose:</u> Setting up of seed processing plant at Gattududdenapally Village, Manakondur Mandal, Karimnagar District, Telangana.</li> <li>2. <u>Interest rate for the term loan:</u> Axis Bank Base Rate + 2.25%, which was 12.40% p.a. as of February 28, 2015.</li> <li>3. <u>Repayment:</u> The parent term loan is repayable in 19 quarterly instalments of ₹1,600,000 each, commencing from the first day of the month succeeding the month of first disbursement. The term loan in lieu of subsidy is to be repaid in a bullet payment of ₹5 million at the end of the</li> </ol>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
	Mrs. Mandava Asha Priya, dated August 10, 2012.			<p>quarter after the final parent term loan instalment is paid.</p> <p>7. <u>Prepayment</u>: If the Company decides to prepay, preclosure charges at 1.00% p.a. (payable on the leftover balance) will be payable if the loan is pre-closed by any means other than internal accruals.</p> <p>4. <u>Penalties</u>: The non-payment of any amounts when due to the bank, costs, charges and expenses debited to the loan account, on the due date will attract a penal interest of 2.00% p.a.</p> <p>5. <u>Events of default</u>: Events of default under this facility include: (a) the Company committing any default in payment of interest, principal, or other charges, or any obligation and in the payment of any other amounts to the bank when due and payable; (b) the Company failing to pay any person other than the bank any amount when due and payable or if any person other than the bank, demands repayment of the loan or dues or liability of the Company to such person ahead of its repayment terms as previously agreed between the Company and such person; (c) the Company defaulting in performing any of its obligations under this agreement, or breaching any of the terms or conditions of this agreement or any other security documents, undertakings, etc. executed in favour of the bank; and (d) any information provided by the Company to avail the loan or any of its representations, or warranties being found to be or</p>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				<p>becoming incorrect or untrue.</p> <p>6. <u>Security</u>: The facility is secured by a primary security of a first charge on the assets of our Company created out of this loan, an equitable mortgage on Ac 9.145 guntas of land located at Gattududdenapally Village, Manakondur Mandal, Karimnagar District, Telangana, as well as by personal guarantees given by our Promoter Mr. Mandava Prabhakara Rao and by Mrs. Mandava Asha Priya, with a combined total net worth of ₹1441.5 million, as on March 31, 2011.</p>
5.	<p><b>Axis Bank Limited</b></p> <p><b>Loan Documents:</b></p> <ol style="list-style-type: none"> <li>1. Sanction letter dated January 27, 2011;</li> <li>2. Term loan agreement dated March 24, 2011;</li> <li>3. Declaration-cum-confirmation in connection with the mortgaged property, dated March 24, 2011 and August 11, 2012;</li> <li>4. Record of mortgage by deposit of title deeds, dated March 24, 2011;</li> <li>5. Composite hypothecation deed, dated March 24, 2011;</li> <li>6. Deed of guarantee executed by Mandava Prabhakara Rao dated March 24, 2011;</li> <li>7. Deed of guarantee executed by Mrs. Mandava Asha Priya, dated March 24, 2011;</li> <li>8. Undertaking issued by the Company, dated March 24, 2011;</li> <li>9. Affidavit issued by the</li> </ol>	Term loan for ₹37.50 million	₹7.14 million	<ol style="list-style-type: none"> <li>1. <u>Purpose</u>: Construction of seed processing plant at Bonda Village, Nunia Jampalli, Bargarh, Orissa.</li> <li>2. <u>Interest rate for the term loan</u>: Axis Bank Base Rate + 2.25% which was 12.40% p.a. as of February 28, 2015.</li> <li>3. <u>Repayment</u>: The term loan is repayable in 20 quarterly instalments of ₹1.87 million each along with accrued interest, commencing from April 30, 2011.</li> <li>4. <u>Prepayment</u>: If the Company decides to prepay, prepayment will be accepted on terms and conditions to be decided by the bank.</li> <li>5. <u>Penalties</u>: The non-payment of any amounts when due to the bank, costs, charges and expenses debited to the loan account, on the due date will attract a penal interest of 2.00% p.a.</li> </ol>



S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
	Company, dated March 24, 2011; and 10. Memorandum of entry, dated March 24, 2011.			<p>6. <u>Events of default</u>: Events of default under this facility include: (a) the Company committing any default in payment of interest, principal, or other charges, or any obligation and in the payment of any other amounts to the bank when due and payable; (b) the Company failing to pay any person other than the bank any amount when due and payable or if any person other than the bank, demands repayment of the loan or dues or liability of the Company to such person ahead of its repayment terms as previously agreed between the Company and such person; (c) the Company defaulting in performing any of its obligations under this agreement, or breaching any of the terms or conditions of this agreement or any other security documents, undertakings, etc. executed in favour of the bank; and (d) any information provided by the Company to avail the loan or any of its representations, or warranties being found to be or becoming incorrect or untrue.</p> <p>7. <u>Security</u>: The facility is secured by a primary security of a first charge on the assets of our Company created out of this loan, an equitable mortgage on Ac 6.22 Cts of land located at Bonda Village, Nunia Jampalli, Bargarh, Orissa, a personal guarantee from our Promoter Mr. Mandava Prabhakara Rao and a personal guarantee from Mrs. Mandava Asha Priya, with a combined total net worth of ₹1207.2 million as on March 31, 2010.</p>
6.	<b>Axis Bank Limited</b>	Term loan	₹6.50	1. <u>Purpose</u> : Construction of seed

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
	<p><b>Loan Documents:</b></p> <ol style="list-style-type: none"> <li>1. Sanction letter dated January 27, 2011;</li> <li>2. Term loan agreement dated March 24, 2011;</li> <li>3. Declaration-cum-confirmation in connection with the mortgaged property, dated March 24, 2011;</li> <li>4. Record of mortgage by deposit of title deeds, dated March 24, 2011;</li> <li>5. Hypothecation deed, dated March 24, 2011 and August 11, 2012;</li> <li>6. Deed of guarantee executed by Mandava Prabhakara Rao dated March 24, 2011;</li> <li>7. Deed of guarantee executed by Mrs. Mandava Asha Priya, dated March 24, 2011;</li> <li>8. Undertaking issued by the Company, dated March 24, 2011; and</li> <li>9. Memorandum of Entry, dated March 24, 2011.</li> </ol>	for ₹32.50 million	million	<p>processing plant at Kothur, Medchal, Secunderabad, Telangana.</p> <ol style="list-style-type: none"> <li>2. <u>Interest rate for the term loan:</u> Axis Bank Base Rate + 2.25% which was 12.40% p.a. as of February 28, 2015.</li> <li>3. <u>Repayment:</u> The term loan is repayable in 20 quarterly instalments of ₹1.62 million each, along with accrued interest, commencing from April 30, 2011.</li> <li>4. <u>Prepayment:</u> If the Company decides to prepay, prepayment will be accepted on terms and conditions to be decided by the bank.</li> <li>5. <u>Penalties:</u> The non-payment of any amounts when due to the bank, costs, charges and expenses debited to the loan account, on the due date will attract a penal interest of 2.00% p.a.</li> <li>6. <u>Events of default:</u> Events of default under this facility include: (a) the Company committing any default in payment of interest, principal, or other charges, or any obligation and in the payment of any other amounts to the bank when due and payable; (b) the Company failing to pay any person other than the bank any amount when due and payable or if any person other than the bank, demands repayment of the loan or dues or liability of the Company to such person ahead of its repayment terms as previously agreed between the Company and such person; (c) the Company</li> </ol>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				<p>defaulting in performing any of its obligations under this agreement, or breaching any of the terms or conditions of this agreement or any other security documents, undertakings, etc. executed in favour of the bank; and (d) any information provided by the Company to avail the loan or any of its representations, or warranties being found to be or becoming incorrect or untrue.</p> <p>8. <u>Security</u>: The facility is secured by a primary security of a first charge on the assets of our Company created out of this loan, an equitable mortgage of land measuring 8.675 acres of land located at Kothur Village, Mulugu Mandal, Medak District, Telangana, a personal guarantee from our Promoter Mr. Mandava Prabhakara Rao and a personal guarantee from Mrs. Mandava Asha Priya, with a combined total net worth of ₹1207.2 million as on March 31, 2010.</p>
7.	<p><b>Axis Bank Limited</b></p> <p><b>Loan Documents:</b></p> <ol style="list-style-type: none"> <li>1. Sanction letter dated February 7, 2012;</li> <li>2. Loan agreement dated August 10, 2012;</li> <li>3. Supplemental deed of hypothecation dated August 10, 2012;</li> <li>4. Declaration-cum-confirmation in connection with the mortgaged property dated August 18, 2012;</li> <li>5. Personal guarantee of Mr. Mandava Prabhakara Rao dated August 10, 2012; and</li> <li>6. Personal guarantee of</li> </ol>	<p>Term loan for ₹24 million (comprising one parent term loan of ₹19 million and one term loan in lieu of subsidy of ₹5 million)</p>	<p>₹13.30 million</p>	<ol style="list-style-type: none"> <li>1. <u>Purpose</u>: Setting up of seed processing plant at Surpur Village, Idar Taluq, Sabarkantha District, Gujarat.</li> <li>2. <u>Interest rate for the term loan</u>: Axis Bank Base Rate + 2.25%, which was 12.40% p.a. as of February 28, 2015.</li> <li>3. <u>Repayment</u>: The parent term loan is repayable in 19 quarterly instalments of ₹1 million each, commencing from the first day of the month following the month of first disbursement. The term loan in lieu of subsidy is to be repaid in a bullet payment of ₹5 million at the end of the quarter after the final parent term</li> </ol>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
	Mrs. Mandava Asha Priya, dated August 10, 2012			<p>loan instalment is paid.</p> <p>4. <u>Prepayment</u>: If the Company decides to prepay, preclosure charges at 1.00% p.a. (payable on the leftover balance) will be payable if the loan is pre-closed by any means other than internal accruals.</p> <p>5. <u>Penalties</u>: The non-payment of any amounts when due to the bank, costs, charges and expenses debited to the loan account, on the due date will attract a penal interest of 2.00% p.a.</p> <p>6. <u>Events of default</u>: Events of default under this facility include: (a) the Company committing any default in payment of interest, principal, or other charges, or any obligation and in the payment of any other amounts to the bank when due and payable; (b) the Company failing to pay any person other than the bank any amount when due and payable or if any person other than the bank, demands repayment of the loan or dues or liability of the Company to such person ahead of its repayment terms as previously agreed between the Company and such person; (c) the Company defaulting in performing any of its obligations under this agreement, or breaching any of the terms or conditions of this agreement or any other security documents, undertakings, etc. executed in favour of the bank; and (d) any information provided by the Company to avail the loan or any of its representations, or warranties being found to be or becoming incorrect or untrue.</p>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				<p>7. <u>Security</u>: The facility is secured by a primary security of a first charge on the assets of our Company created out of this loan, an equitable mortgage on 28,276 sq.m. of land located at Surpur Village, Idar Taluq, Sabarkantha District, Gujarat, a personal guarantee from our Promoter Mr. Mandava Prabhakara Rao and a personal guarantee from Mrs. Mandava Asha Priya, with a combined total net worth of ₹1441.5 million as on March 31, 2011.</p>
8.	<p><b>Axis Bank Limited</b></p> <p><b>Loan Documents:</b></p> <ol style="list-style-type: none"> <li>1. Sanction letter dated January 27, 2011;</li> <li>2. Term loan agreement dated March 24, 2011;</li> <li>3. Declaration-cum-confirmation in connection with the mortgaged property, dated March 24, 2011 and August 11, 2012;</li> <li>4. Record of mortgage by deposit of title deeds, dated March 24, 2011;</li> <li>5. Hypothecation deed, dated March 24, 2011;</li> <li>6. Deed of guarantee executed by Mandava Prabhakara Rao dated March 24, 2011;</li> <li>7. Deed of guarantee executed by Mrs. Mandava Asha Priya, dated March 24, 2011;</li> <li>8. Undertaking issued by the Company, dated March 24, 2011;</li> <li>9. Affidavit issued by the Company, dated March 24, 2011; and</li> </ol>	Term loan for ₹22.00 million	₹4.40 million	<ol style="list-style-type: none"> <li>1. <u>Purpose</u>: Construction of storage godown at Bonda Village, Nunia Jampalli, Bargarh, Orissa.</li> <li>2. <u>Interest rate for the term loan</u>: Axis Bank Base Rate + 2.25% which was 12.40% p.a. as of February 28, 2015.</li> <li>3. <u>Repayment</u>: The term loan is repayable in 20 quarterly instalments of ₹1.1 million each, along with accrued interest thereon, commencing from April 30, 2011.</li> <li>4. <u>Prepayment</u>: If the Company decides to prepay, prepayment will be accepted on terms and conditions to be decided by the bank.</li> <li>5. <u>Penalties</u>: The non-payment of any amounts when due to the bank, costs, charges and expenses debited to the loan account, on the due date will attract a penal interest of 2.00% p.a.</li> <li>6. <u>Events of default</u>: Events of default under this facility</li> </ol>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
	10. Memorandum of Entry, dated March 24, 2011.			<p>include: (a) the Company committing any default in payment of interest, principal, or other charges, or any obligation and in the payment of any other amounts to the bank when due and payable; (b) the Company failing to pay any person other than the bank any amount when due and payable or if any person other than the bank, demands repayment of the loan or dues or liability of the Company to such person ahead of its repayment terms as previously agreed between the Company and such person; (c) the Company defaulting in performing any of its obligations under this agreement, or breaching any of the terms or conditions of this agreement or any other security documents, undertakings, etc. executed in favour of the bank; and (d) any information provided by the Company to avail the loan or any of its representations, or warranties being found to be or becoming incorrect or untrue.</p> <p>7. <u>Security</u>: The facility is secured by a primary security of a first charge on the assets of our Company created out of this loan, an extension of the equitable mortgage on Ac 6.22 cts of land located at Bonda Village, Nunia Jampalli, Bargarh, Orissa, a personal guarantee from our Promoter Mr. Mandava Prabhakara Rao and a personal guarantee from Mrs. Mandava Asha Priya, with a combined total net worth of ₹1207.2 million as on March 31, 2010.</p>
9.	<b>Axis Bank Limited</b>	Term loan for ₹ 16.1	₹0.06 million	1. <u>Purpose</u> : Construction of storage godown at Surpur Village, Idar

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
	<b>Loan Documents:</b> 1. Sanction letter dated February 07, 2012; 2. Loan agreement dated August 10, 2012; 3. Supplemental deed of hypothecation dated August 10, 2012; 4. Declaration-cum-confirmation in connection with the mortgaged property dated August 20, 2012; 5. Personal guarantee of Mr. Mandava Prabhakara Rao dated August 10, 2012; and 6. Personal guarantee of Mrs. Mandava Asha Priya, dated August 10, 2012	million (comprising a parent term loan of ₹ 13.30 million and a term loan in lieu of subsidy of ₹ 2.8 million)		Taluq, Sabarkantha District, Gujarat.  2. <u>Interest rate for the term loan:</u> Axis Bank Base Rate + 2.25%, which was 12.40% p.a. as of February 28, 2015.  3. <u>Repayment:</u> The term loan is repayable in 19 quarterly instalments of ₹0.70 million each, commencing from the first day of the month succeeding the month of first disbursement. The term loan in lieu of subsidy is to be repaid in a bullet payment of ₹2.8 million at the end of the quarter after the final parent term loan instalment is paid.  4. <u>Prepayment:</u> If the Company decides to prepay, preclosure charges at 1.00% p.a. (payable on the leftover balance) will be payable if the loan is pre-closed by any means other than internal accruals.  5. <u>Penalties:</u> The non-payment of any amounts when due to the bank, costs, charges and expenses debited to the loan account, on the due date will attract a penal interest of 2.00% p.a.  6. <u>Events of default:</u> Events of default under this facility include: (a) the Company committing any default in payment of interest, principal, or other charges, or any obligation and in the payment of any other amounts to the bank when due and payable; (b) the Company failing to pay any person other than the bank any amount when due and payable or if any person other than the bank, demands

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				<p>repayment of the loan or dues or liability of the Company to such person ahead of its repayment terms as previously agreed between the Company and such person; (c) the Company defaulting in performing any of its obligations under this agreement, or breaching any of the terms or conditions of this agreement or any other security documents, undertakings, etc. executed in favour of the bank; and (d) any information provided by the Company to avail the loan or any of its representations, or warranties being found to be or becoming incorrect or untrue.</p> <p>7. <u>Security</u>: The facility is secured by a primary security of a first charge on the assets of our Company created out of this loan by way of an extension of equitable mortgage of land and structures and buildings to the extent of 28,276 sq.m. of land located at at Surpur Village, Idar Taluq, Sabarkantha District, Gujarat, a personal guarantee from our Promoter Mr. Mandava Prabhakara Rao and a personal guarantee from Mrs. Mandava Asha Priya, with a combined total net worth of ₹1441.5 million as on March 31, 2011.</p>
10.	<b>Axis Bank Limited</b>  <b>Loan Documents:</b> <ol style="list-style-type: none"> <li>Sanction letter dated January 27, 2011;</li> <li>Term loan agreement dated March 24, 2011;</li> <li>Declaration-cum-confirmation in connection with the mortgaged property, dated March 25, 2011</li> </ol>	Term loan for ₹16.00 million	₹3.10 million	<ol style="list-style-type: none"> <li><u>Purpose</u>: Construction of storage godown at Nandigaon Village, Mehaboob Nagar District, Telangana.</li> <li><u>Interest rate for the term loan</u>: Axis Bank Base Rate + 2.25% which was 12.40% p.a. as of February 28, 2015.</li> <li><u>Repayment</u>: The term loan is repayable in 20 quarterly</li> </ol>



S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
	<p>and August 11, 2012;</p> <p>4. Hypothecation deed, dated March 24, 2011; and</p> <p>5. Deed of guarantee executed by Mandava Prabhakara Rao dated March 24, 2011;</p> <p>6. Deed of guarantee executed by Mrs. Mandava Asha Priya, dated March 24, 2011;</p> <p>7. Undertaking issued by the Company, dated March 24, 2011; and</p> <p>8. Memorandum of entry, dated March 24, 2011.</p>			<p>instalments of ₹0.80 million each, along with accrued interest, commencing from April 30, 2011.</p> <p>4. <u>Prepayment</u>: If the Company decides to prepay, prepayment will be accepted on terms and conditions to be decided by the bank.</p> <p>5. <u>Penalties</u>: The non-payment of any amounts when due to the bank, costs, charges and expenses debited to the loan account, on the due date will attract a penal interest of 2.00% p.a.</p> <p>6. <u>Events of default</u>: Events of default under this facility include: (a) the Company committing any default in payment of interest, principal, or other charges, or any obligation and in the payment of any other amounts to the bank when due and payable; (b) the Company failing to pay any person other than the bank any amount when due and payable or if any person other than the bank, demands repayment of the loan or dues or liability of the Company to such person ahead of its repayment terms as previously agreed between the Company and such person; (c) the Company defaulting in performing any of its obligations under this agreement, or breaching any of the terms or conditions of this agreement or any other security documents, undertakings, etc. executed in favour of the bank; and (d) any information provided by the Company to avail the loan or any of its representations, or warranties being found to be or</p>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				<p>becoming incorrect or untrue.</p> <p>7. <u>Security</u>: The facility is secured by a primary security of a first charge on the assets of our Company created out of this loan, an extension of the equitable mortgage on Ac 3.85 acres of land located at Nandigaon Village, Mehaboob Nagar District, a personal guarantee from our Promoter Mr. Mandava Prabhakara Rao and a personal guarantee from Mrs. Mandava Asha Priya, with a combined total net worth of ₹1207.2 million as on March 31, 2010.</p>
11.	<p><b>Axis Bank Limited</b></p> <p><b>Loan Documents:</b></p> <ol style="list-style-type: none"> <li>1. Sanction letter dated February 07, 2012;</li> <li>2. Supplemental deed of hypothecation dated August 10, 2012;</li> <li>3. Declaration-cum-confirmation in connection with the mortgaged property dated August 10, 2012;</li> <li>4. Mortgage by deposit of title deeds dated August 11, 2012;</li> <li>5. Personal guarantee of Mr. Mandava Prabhakara Rao dated August 10, 2012; and</li> <li>6. Personal guarantee of Mrs. Mandava Asha Priya, dated August 10, 2012</li> </ol>	<p>Term loan for ₹15.2 million** (comprising a parent term loan of ₹ 12.35 million and a term loan in lieu of subsidy of ₹ 2.8 million)</p>	<p>Nil</p>	<ol style="list-style-type: none"> <li>1. <u>Purpose</u>: Construction of storage godown at Gattududdenapally Village, Manakondur Mandal, Karimnagar, Telangana.</li> <li>2. <u>Interest rate for the term loan</u>: Axis Bank Base Rate + 2.25%, which was 12.40% p.a. as of February 28, 2015.</li> <li>3. <u>Repayment</u>: The term loan is repayable in 19 quarterly instalments of ₹0.65 million each, commencing from the first day of the month succeeding the month of first disbursement. The term loan in lieu of subsidy is to be repaid in a bullet payment of ₹2.8 million at the end of the quarter after the final parent term loan instalment is paid.</li> <li>8. <u>Prepayment</u>: If the Company decides to prepay, preclosure charges at 1.00% p.a. (payable on the leftover balance) will be payable if the loan is pre-closed by any means other than internal accruals.</li> </ol>

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				<p>9. <u>Penalties</u>: The non-payment of any amounts when due to the bank, costs, charges and expenses debited to the loan account, on the due date will attract a penal interest of 2.00% p.a.</p> <p>4. <u>Events of default</u>: -</p> <p>5. <u>Security</u>: The facility is secured by a primary security of a first charge on the assets of our Company created out of this loan by way of an extension of the equitable mortgage on Ac 9.145 Gts. of land with structures and buildings at Gattududdenapally Village, Manakondur Mandal, Karimnagar District, Telangana, a personal guarantee from our Promoter Mr. Mandava Prabhakara Rao and a personal guarantee from Mrs. Mandava Asha Priya, with a combined total net worth of ₹1441.5 million as on March 31, 2011.</p>
12.	<p><b>South Indian Bank</b></p> <p>Loan documents:</p> <ol style="list-style-type: none"> <li>1. Sanction letter dated January 23, 2014;</li> <li>2. Sanction letter dated October 10, 2014;</li> <li>3. Credit facility agreement dated October 11, 2014;</li> <li>4. Agreement of hypothecation dated October 11, 2014;</li> <li>5. Agreement of guarantee executed by Mr. Mandava Prabhakara Rao dated October 11, 2014; and</li> <li>6. Agreement of guarantee executed by Mrs.</li> </ol>	Term loan of up to ₹69 million	₹67.90 million	<ol style="list-style-type: none"> <li>1. <u>Purpose</u>: Construction of cob drying plant and processing plant at Kothur, Medchal, Telangana.</li> <li>2. <u>Interest rate for term loan</u>: South Indian Bank Base Rate + 1.75%, which was 12.25% p.a. as of February 28, 2015.</li> <li>3. <u>Repayment</u>: The loan is repayable in 16 quarterly instalments of ₹ 4.3 million each, commencing 6 months from the date of disbursement of the loan.</li> <li>4. <u>Prepayment</u>: No prepayment charges if the loan is prepaid using own sources following the expiry of two years from the date of availment. If the loan is prepaid within the first two years from the</li> </ol>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
	Mandava Asha Priya dated October 11, 2014.			<p>date of availment using own sources, prepayment charges of 1.00% p.a. of the prepaid amount will apply; if the loan is prepaid at any time through take over by other banks or financial institutions, prepayment charges of 2.00% p.a. of the prepaid amount will apply. The bank may revise the rate of interest at its absolute liberty and discretion and if the rate of interest is so revised, or if the rate of interest increases on account of the directives of the Reserve Bank of India, and our Company neither accepts this revised rate of interest nor repays the entire balance outstanding under the loan within three months from the date of reset of the rate of interest, interest at the revised rate of interest is payable from the date of interest rate reset and in the event of prepayment of loan after three months from the date of reset, additional interest of 2.00% p.a. on the prepaid amount is payable, calculated from the end of the three-month period till the date of pre-closure.</p> <p>5. <u>Penalties</u>: Defaults and non-compliances of any of the terms of the sanction letter, other than the account becoming a non-performing asset, will attract penal interest of 2.00% p.a. on the overdue interest or instalment. In the event of the account being classified as a non-performing asset, our Company is liable to pay interest at an enhanced rate of 2.00% p.a. over and above the effective rate of interest. Non-maintenance of the debt service reserve account with ensuing one month interest and ensuing one quarter principal will attract a penalty of 2.00% p.a. Limits are to</p>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				<p>be renewed within 12 months or else 2.00% penal interest will be charged.</p> <p>6. <u>Events of default</u>: Events of default under this facility include: (a) the Company committing any default in payment of principal sums on the due dates (whether at maturity, by acceleration or otherwise) and/or payment of interest on the loan and/or any other monies payable under the loan documents, (b) the Company committing any default in the performance of any covenant, condition or agreement under the loan documentation; (c) any information or representations provided by the Company and/or any other person in relation to the facility proving to be misleading or incorrect.</p> <p>7. <u>Security</u>: The facility is secured amongst others, by a first charge on all project assets, including the land on which the cob drying units are to be constructed, which includes certain land owned by Mrs. Mandava Asha Priya, a personal guarantee from our Promoter Mr. Mandava Prabhakara Rao and a personal guarantee from Mrs. Mandava Asha Priya.</p>
13.	<p><b>South Indian Bank</b></p> <p>Loan documents:</p> <ol style="list-style-type: none"> <li>1. Sanction letter dated January 23, 2014;</li> <li>2. Sanction letter dated October 10, 2014;</li> <li>3. Credit facility agreement dated October 11, 2014;</li> <li>4. Agreement of hypothecation dated</li> </ol>	Term loan of up to ₹ 61.10 million	₹61.00 million	<ol style="list-style-type: none"> <li>1. <u>Purpose</u>: Construction of cob drying plant and processing plant at Vijayrai, Andhra Pradesh.</li> <li>2. <u>Interest rate for term loan</u>: South Indian Bank Base Rate + 1.75%, which was 12.25% p.a. as of February 28, 2015.</li> <li>3. <u>Repayment</u>: The loan is repayable in 16 quarterly instalments of ₹ 3.82 million each commencing six months after the date of</li> </ol>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
	<p>October 11, 2014;</p> <p>5. Agreement of guarantee executed by Mr. Mandava Prabhakara Rao dated October 11, 2014; and</p> <p>6. Agreement of guarantee executed by Mrs. Mandava Asha Priya dated October 11, 2014.</p>			<p>disbursement.</p> <p>4. <u>Prepayment:</u> No prepayment charges if the loan is prepaid using own sources following the expiry of two years from the date of availment. If the loan is prepaid within the first two years from the date of availment using own sources, prepayment charges of 1.00% p.a. of the prepaid amount will apply; if the loan is prepaid at any time through take over by other banks or financial institutions, prepayment charges of 2.00% p.a. of the prepaid amount will apply. The bank may revise the rate of interest at its absolute liberty and discretion and if the rate of interest is so revised, or if the rate of interest increases on account of the directives of the Reserve Bank of India, and our Company neither accepts this revised rate of interest nor repays the entire balance outstanding under the loan within three months from the date of reset of the rate of interest, interest at the revised rate of interest is payable from the date of interest rate reset and in the event of prepayment of loan after three months from the date of reset, additional interest of 2.00% p.a. on the prepaid amount is payable, calculated from the end of the three-month period till the date of pre-closure.</p> <p>5. <u>Penalties:</u> Defaults and non-compliances of any of the terms of the sanction letter, other than the account becoming a non-performing asset, will attract penal interest of 2.00% p.a. on the overdue interest or instalment. In the event of the account being classified as a non-performing asset, our Company is liable to</p>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				<p>pay interest at an enhanced rate of 2.00% p.a. over and above the effective rate of interest. Non-maintenance of the debt service reserve account with ensuing one month interest and ensuing one quarter principal will attract a penalty of 2.00% p.a. Limits are to be renewed within 12 months or else 2.00% penal interest will be charged.</p> <p>6. <u>Events of default</u>: Events of default under this facility include: (a) the Company committing any default in payment of principal sums on the due dates (whether at maturity, by acceleration or otherwise) and/or payment of interest on the loan and/or any other monies payable under the loan documents, (b) the Company committing any default in the performance of any covenant, condition or agreement under the loan documentation; (c) any information or representations provided by the Company and/or any other person in relation to the facility proving to be misleading or incorrect.</p> <p>7. <u>Security</u>: The facility is secured amongst others, by a first charge on all project assets, including the land on which the cob drying units are to be constructed, which includes certain land owned by Mrs. Mandava Asha Priya, a personal guarantee from our Promoter Mr. Mandava Prabhakara Rao and a personal guarantee from Mrs. Mandava Asha Priya.</p>
14.	<b>South Indian Bank</b>  Loan documents:	Term loan of up to ₹26.25 million	₹26.25 million	1. <u>Purpose</u> : Setting up cold storage units at Bandlamailaram Village, Medak District, Telangana.

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
	<ol style="list-style-type: none"> <li>Sanction letter dated January 23, 2014;</li> <li>Sanction letter dated October 10, 2014;</li> <li>Credit facility agreement dated October 11, 2014;</li> <li>Agreement of hypothecation dated October 11, 2014;</li> <li>Agreement of guarantee executed by Mr. Mandava Prabhakara Rao dated October 11, 2014; and</li> <li>Agreement of guarantee executed by Mrs. Mandava Asha Priya dated October 11, 2014.</li> </ol>			<ol style="list-style-type: none"> <li><u>Interest rate for term loan:</u> South Indian Bank Base Rate + 1.75%, which was 12.25% p.a. as of February 28, 2015.</li> <li><u>Repayment:</u> The loan is repayable in 16 quarterly instalments of ₹ 1.64 million each.</li> <li><u>Prepayment:</u> No prepayment charges if the loan is prepaid using own sources following the expiry of two years from the date of availment. If the loan is prepaid within the first two years from the date of availment using own sources, prepayment charges of 1.00% p.a. of the prepaid amount will apply; if the loan is prepaid at any time through take over by other banks or financial institutions, prepayment charges of 2.00% p.a. of the prepaid amount will apply. The bank may revise the rate of interest at its absolute liberty and discretion and if the rate of interest is so revised, or if the rate of interest increases on account of the directives of the Reserve Bank of India, and our Company neither accepts this revised rate of interest nor repays the entire balance outstanding under the loan within three months from the date of reset of the rate of interest, interest at the revised rate of interest is payable from the date of interest rate reset and in the event of prepayment of loan after three months from the date of reset, additional interest of 2.00% p.a. on the prepaid amount is payable, calculated from the end of the three-month period till the date of pre-closure.</li> <li><u>Penalties:</u> Defaults and non-compliances of any of the terms of the sanction letter, other than the</li> </ol>



S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				<p>account becoming a non-performing asset, will attract penal interest of 2.00% p.a. on the overdue interest or instalment. In the event of the account being classified as a non-performing asset, our Company is liable to pay interest at an enhanced rate of 2.00% p.a. over and above the effective rate of interest. Non-maintenance of the debt service reserve account with ensuing one month interest and ensuing one quarter principal will attract a penalty of 2.00% p.a. Limits are to be renewed within 12 months or else 2.00% penal interest will be charged.</p> <p>6. <u>Events of default</u>: Events of default under this facility include: (a) the Company committing any default in payment of principal sums on the due dates (whether at maturity, by acceleration or otherwise) and/or payment of interest on the loan and/or any other monies payable under the loan documents, (b) the Company committing any default in the performance of any covenant, condition or agreement under the loan documentation; (c) any information or representations provided by the Company and/or any other person in relation to the facility proving to be misleading or incorrect.</p> <p>7. <u>Security</u>: The facility is secured amongst others, by a first charge on all project assets, including the land on which the cold storage units are to be constructed, which includes certain land owned by Mrs. Mandava Asha Priya, a personal guarantee from our Promoter Mr. Mandava Prabhakara Rao and a personal</p>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				guarantee from Mrs. Mandava Asha Priya.
15.	<b>South Indian Bank</b>  Loan documents: <ol style="list-style-type: none"> <li>Sanction letter dated January 23, 2014;</li> <li>Sanction letter dated October 10, 2014;</li> <li>Credit facility agreement dated October 11, 2014;</li> <li>Agreement of hypothecation dated October 11, 2014;</li> <li>Agreement of guarantee executed by Mr. Mandava Prabhakara Rao dated October 11, 2014; and</li> <li>Agreement of guarantee executed by Mrs. Mandava Asha Priya dated October 11, 2014.</li> </ol>	Term loan of up to ₹18.02 million	₹18.00 million	<ol style="list-style-type: none"> <li><u>Purpose</u>: Setting up cold storage units at Shahapur Majhgawan, Pargana Bijnaur, Lucknow District, Uttar Pradesh.</li> <li><u>Interest rate for term loan</u>: South Indian Bank Base Rate + 1.75%, which was 12.25% p.a. as of February 28, 2015.</li> <li><u>Repayment</u>: The loan is repayable in 16 quarterly instalments of ₹ 1.12 million each.</li> <li><u>Prepayment</u>: No prepayment charges if the loan is prepaid using own sources following the expiry of two years from the date of availment. If the loan is prepaid within the first two years from the date of availment using own sources, prepayment charges of 1.00%p.a. of the prepaid amount will apply; if the loan is prepaid at any time through take over by other banks or financial institutions, prepayment charges of 2.00% p.a. of the prepaid amount will apply. The bank may revise the rate of interest at its absolute liberty and discretion and if the rate of interest is so revised, or if the rate of interest increases on account of the directives of the Reserve Bank of India, and our Company neither accepts this revised rate of interest nor repays the entire balance outstanding under the loan within three months from the date of reset of the rate of interest, interest at the revised rate of interest is payable from the date of interest rate reset and in the event of prepayment of loan after three months from the date of reset, additional interest of</li> </ol>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				<p>2.00% p.a. on the prepaid amount is payable, calculated from the end of the three-month period till the date of pre-closure.</p> <p>5. <u>Penalties</u>: Defaults and non-compliances of any of the terms of the sanction letter, other than the account becoming a non-performing asset, will attract penal interest of 2.00% p.a. on the overdue interest or instalment. In the event of the account being classified as a non-performing asset, our Company is liable to pay interest at an enhanced rate of 2.00% p.a. over and above the effective rate of interest. Non-maintenance of the debt service reserve account with ensuing one month interest and ensuing one quarter principal will attract a penalty of 2.00% p.a. Limits are to be renewed within 12 months or else 2.00% penal interest will be charged.</p> <p>6. <u>Events of default</u>: Events of default under this facility include: (a) the Company committing any default in payment of principal sums on the due dates (whether at maturity, by acceleration or otherwise) and/or payment of interest on the loan and/or any other monies payable under the loan documents, (b) the Company committing any default in the performance of any covenant, condition or agreement under the loan documentation; (c) any information or representations provided by the Company and/or any other person in relation to the facility proving to be misleading or incorrect.</p> <p>7. <u>Security</u>: The facility is secured amongst others, by a first charge</p>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				on all project assets acquired through the loan, including the land on which the cold storage units are to be constructed, which includes certain land owned by Mrs. Mandava Asha Priya, land at Shahpur Majhgawan, Pargana Bijnaur Lucknow District, Uttar Pradesh a personal guarantee from our Promoter Mr. Mandava Prabhakara Rao and a personal guarantee from Mrs. Mandava Asha Priya.
16.	<b>South Indian Bank</b>  Loan documents: <ol style="list-style-type: none"> <li>Sanction letter dated January 23, 2014;</li> <li>Sanction letter dated October 10, 2014;</li> <li>Credit facility agreement dated October 11, 2014;</li> <li>Agreement of hypothecation dated October 11, 2014;</li> <li>Agreement of guarantee executed by Mr. Mandava Prabhakara Rao dated October 11, 2014; and</li> <li>Agreement of guarantee executed by Mrs. Mandava Asha Priya dated October 11, 2014.</li> </ol>	Term loan of up to ₹ 17.38 million	₹17.38 million	<ol style="list-style-type: none"> <li><u>Purpose</u>: Setting up cold storage units at Bandlamailaram Village, Medak District, Telangana.</li> <li><u>Interest rate for term loan</u>: South Indian Bank Base Rate + 1.75%, which was 12.25% p.a. as of February 28, 2015.</li> <li><u>Repayment</u>: The loan is repayable in 16 quarterly instalments of ₹ 1.09 million each.</li> <li><u>Prepayment</u>: No prepayment charges if the loan is prepaid using own sources following the expiry of two years from the date of availment. If the loan is prepaid within the first two years from the date of availment using own sources, prepayment charges of 1.00%p.a. of the prepaid amount will apply; if the loan is prepaid at any time through take over by other banks or financial institutions, prepayment charges of 2.00% p.a. of the prepaid amount will apply. The bank may revise the rate of interest at its absolute liberty and discretion and if the rate of interest is so revised, or if the rate of interest increases on account of the directives of the Reserve Bank of India, and our Company neither accepts this</li> </ol>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				<p>revised rate of interest nor repays the entire balance outstanding under the loan within three months from the date of reset of the rate of interest, interest at the revised rate of interest is payable from the date of interest rate reset and in the event of prepayment of loan after three months from the date of reset, additional interest of 2.00% p.a. on the prepaid amount is payable, calculated from the end of the three-month period till the date of pre-closure.</p> <p>5. <u>Penalties</u>: Defaults and non-compliances of any of the terms of the sanction letter, other than the account becoming a non-performing asset, will attract penal interest of 2.00% p.a. on the overdue interest or instalment. In the event of the account being classified as a non-performing asset, our Company is liable to pay interest at an enhanced rate of 2.00% p.a. over and above the effective rate of interest. Non-maintenance of the debt service reserve account with ensuing one month interest and ensuing one quarter principal will attract a penalty of 2.00% p.a. Limits are to be renewed within 12 months or else 2.00% penal interest will be charged.</p> <p>6. <u>Events of default</u>: Events of default under this facility include: (a) the Company committing any default in payment of principal sums on the due dates (whether at maturity, by acceleration or otherwise) and/or payment of interest on the loan and/or any other monies payable under the loan documents, (b) the Company committing any default in the performance of any covenant,</p>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				<p>condition or agreement under the loan documentation; (c) any information or representations provided by the Company and/or any other person in relation to the facility proving to be misleading or incorrect.</p> <p>7. <u>Security</u>: The facility is secured amongst others, by a first charge on all project assets, including the land on which the cold storage units are to be constructed, which includes certain land owned by Mrs. Mandava Asha Priya, land at Bandlamailaram village, Medak Dist, Telangana, a personal guarantee from our Promoter Mr. Mandava Prabhakara Rao and a personal guarantee from Mrs. Mandava Asha Priya.</p>
17.	<p><b>South Indian Bank</b></p> <p>Loan documents:</p> <ol style="list-style-type: none"> <li>1. Sanction letter dated January 23, 2014;</li> <li>2. Sanction letter dated October 10, 2014;</li> <li>3. Credit facility agreement dated October 11, 2014;</li> <li>4. Agreement of hypothecation dated October 11, 2014;</li> <li>5. Agreement of guarantee executed by Mr. Mandava Prabhakara Rao dated October 11, 2014; and</li> <li>6. Agreement of guarantee executed by Mrs. Mandava Asha Priya dated October 11, 2014.</li> </ol>	Term loan of up to ₹12.69 million	₹12.69 million	<ol style="list-style-type: none"> <li>1. <u>Purpose</u>: Setting up cold storage units at Aliveedu village, West Godavari District, Andhra Pradesh.</li> <li>2. <u>Interest rate for term loan</u>: South Indian Bank Base Rate + 1.75%, which was 12.25% p.a. as of February 28, 2015.</li> <li>3. <u>Repayment</u>: The loan is repayable in 16 quarterly instalments of ₹0.79 million each.</li> <li>4. <u>Prepayment</u>: No prepayment charges if the loan is prepaid using own sources following the expiry of two years from the date of availment. If the loan is prepaid within the first two years from the date of availment using own sources, prepayment charges of 1.00%p.a. of the prepaid amount will apply; if the loan is prepaid at any time through take over by other banks or financial</li> </ol>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				<p>institutions, prepayment charges of 2.00% p.a. of the prepaid amount will apply. The bank may revise the rate of interest at its absolute liberty and discretion and if the rate of interest is so revised, or if the rate of interest increases on account of the directives of the Reserve Bank of India, and our Company neither accepts this revised rate of interest nor repays the entire balance outstanding under the loan within three months from the date of reset of the rate of interest, interest at the revised rate of interest is payable from the date of interest rate reset and in the event of prepayment of loan after three months from the date of reset, additional interest of 2.00% p.a. on the prepaid amount is payable, calculated from the end of the three-month period till the date of pre-closure.</p> <p>5. <u>Penalties</u>: Defaults and non-compliances of any of the terms of the sanction letter, other than the account becoming a non-performing asset, will attract penal interest of 2.00% p.a. on the overdue interest or instalment. In the event of the account being classified as a non-performing asset, our Company is liable to pay interest at an enhanced rate of 2.00% p.a. over and above the effective rate of interest. Non-maintenance of the debt service reserve account with ensuing one month interest and ensuing one quarter principal will attract a penalty of 2.00% p.a. Limits are to be renewed within 12 months or else 2.00% penal interest will be charged.</p> <p>6. <u>Events of default</u>: Events of default under this facility include:</p>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				<p>(a) the Company committing any default in payment of principal sums on the due dates (whether at maturity, by acceleration or otherwise) and/or payment of interest on the loan and/or any other monies payable under the loan documents, (b) the Company committing any default in the performance of any covenant, condition or agreement under the loan documentation; (c) any information or representations provided by the Company and/or any other person in relation to the facility proving to be misleading or incorrect.</p> <p>7. <u>Security</u>: The facility is secured amongst others, by a first charge on all project assets, including the land on which the cold storage units are to be constructed, which includes certain land owned by Mrs. Mandava Asha Priya, land at Aliveedu village, West Godavari District, Andhra Pradesh, a personal guarantee from our Promoter Mr. Mandava Prabhakara Rao and a personal guarantee from Mrs. Mandava Asha Priya.</p>
<b><u>Working Capital Facilities</u></b>				
18.	<b>Rabobank International</b>  <b>Loan Documents:</b>  1. Sanction letter dated May 21, 2014; 2. Loan facility agreement dated May 21, 2014; 3. Deed of guarantee executed by Mr. Mandava Prabhakara Rao, dated May 21, 2014; 4. Deed of guarantee	Working capital credit facilities of up to ₹850 million***		1. <u>Purpose</u> : Meeting working capital requirements or refinancing existing working capital loans.  2. <u>Interest rate for the facility</u> : Rabo Base Rate + interest margin, which was 10.6% p.a. as on February 28, 2015. In respect of overdue amounts interest shall be charged at the rate of 2.00% p.a. (or as determined by the bank) above the rate which would otherwise have been



S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
	<p>executed by Mrs. Mandava Asha Priya, dated May 24, 2014;</p> <p>5. Demand promissory note dated May 21, 2014</p>			<p>applicable to such overdue amount if such amount had been non-overdue principal (except that in the case of any amount that does not have an applicable interest rate, the rate charged shall be 18.00% p.a.) and shall be compounded on the last day of that and each successive interest period.</p> <p>3. <u>Repayment</u>: On due dates or on demand, whichever is earlier.</p> <p>4. <u>Prepayment</u>: The Company shall be allowed to prepay the amounts due under any facility, whether in part or in full, at the sole discretion of the bank, provided however that such prepayment may be allowed by the bank upon payment of prepayment fees/charges. Prepayment charges will be payable by the Company to the bank at such rate as may be demanded by the bank at the time of receipt of request of such repayment from the Company. Prepayment charges shall include such breakage cost as is to be borne by the Company as determined by the bank.</p> <p>5. <u>Penalties</u>: The non-creation of the stipulated security within the stipulated time and the occurrence of any event of default will attract a penal interest of 2.00% p.a. over the stipulated interest rate. In respect of overdue amounts, interest shall be charged at 2.00% p.a. above the stipulated interest rate. In case of any amount that does not have an applicable interest rate under the terms of the facility, interest at 18.00% p.a. shall be charged.</p> <p>6. <u>Events of default</u>: Events of</p>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				<p>default under this facility include (i) failure by the Company or the guarantors to utilise any of the facilities for the purpose towards which they have been sanctioned or to make any repayment of principal, or payment of interest or other money under the finance documents on its due date; or (ii) a breach by the Company or the guarantors in the performance of any other obligations, covenants or undertakings under or in connection with the finance documents.</p> <p>7. <u>Security</u>: The facility is secured, among others, by (i) a first <i>pari passu</i> charge by way of hypothecation over all current assets, present and future, and all movable assets present and future, of our Company, (except for those specifically excluded in point (ii) below); (ii) a second <i>pari passu</i> charge by way of hypothecation over all the movable assets of the Company, both present and future, located at Kothur, Medchal, Andhra Pradesh, Kothur, Nandigaon, Andhra Pradesh, Karim Nagar, Andhra Pradesh, Bargarh, Orissa and Idar, Gujarat; (iii) a first <i>pari passu</i> charge by way of mortgage over all immovable properties of our Company, present and future, (except for those specifically excluded in point (iv) below); (iv) a second <i>pari passu</i> charge by way of mortgage over all the immovable properties of the Company situated at (a) Nandigaon (2.30 acres), Andhra Pradesh (b) Nandigaon (1.04 Gts.), Andhra Pradesh, (c) Kottur (4.9 acres), Andhra Pradesh, (d) Kottur (8.27 acres), Andhra Pradesh, (e) 6.2 acres land at</p>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				Orissa, (f) Idar (1.92 acres), Gujarat, (g) freehold land of 20846 sq. mt., at Idar, Gujarat, and (h) freehold land of 9.36 acres, at Karimnagar, Andhra Pradesh, and (v) personal guarantees from the chairman and managing director, as well as a director of our Company.
19.	<p><b>Axis Bank Limited, Canara Bank, Indian Overseas Bank and South Indian Bank</b> (as the <b>Consortium</b>)</p> <p><b>Loan Documents</b></p> <ol style="list-style-type: none"> <li>Working capital consortium agreement dated July 2, 2014;</li> <li>Security trustee agreement dated July 2, 2014;</li> <li>Deed of hypothecation in favour of Axis Trustee Services Limited (the “<b>Security Trustee</b>”) dated July 2, 2014;</li> <li>Counter guarantee (in favour of Security trustee) dated July 2, 2014;</li> <li>Inter-se agreement among the participating banks of the consortium and the Security Trustee, dated July 2, 2014;</li> <li>Personal guarantee of Mr. Mandava Prabhakara Rao dated July 2, 2014;</li> <li>Personal guarantee of Mrs. Mandava Asha Priya dated July 2, 2014; and</li> <li>Declaration and undertaking in the matter of deposit of</li> </ol>	<p>Cash credit facilities, letter of credit facilities, and bank guarantee facilities, aggregating to ₹4,400 million, divided as follows:</p> <p>Axis Bank: cash credit facility of ₹1000 million; Canara Bank (the “<b>Lead Bank</b>”): cash credit facility of ₹2000 million; Indian Overseas Bank: cash credit facility of ₹900 million; and South Indian Bank: cash credit facility of</p>	₹4,118.01 million	<ol style="list-style-type: none"> <li><b>Purpose:</b> The purpose of the cash credit facility is to meet working capital requirements; the purpose of the letter of credit facility is to import/procure seeds; and the purpose of the bank guarantee facilities is to issue performance/financial guarantees to government authorities or to suppliers in connection with the business of our Company.</li> <li><b>Interest rate:</b> as specified under each facility.</li> <li><b>Repayment:</b> Unless otherwise agreed to by the lenders, the Company shall repay the facilities to each of the lenders forthwith on demand of all such amounts as may be standing at the foot of such account(s) together with interest, compound interest, additional interest, penal interest, costs, charges, expenses and other moneys thereon at the rate or rates as may be applicable thereto.</li> <li><b>Prepayment:</b> as specified under each facility.</li> <li><b>Penalties:</b> In the event of any irregularity in fund-based limits, the Company shall be charged an additional interest at the rate of 2.00% p.a. over and above the prescribed rate or rates of interest on the entire outstanding amount, till such irregularity is fully adjusted to the satisfaction of the</li> </ol>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
	mortgage deeds, dated September 11, 2014.	₹500 million		<p>lenders. The occurrence of any event of default, or the failure of the Company to (i) comply with any of the conditions of the financing documents or letters of sanction; (ii) submit financial statements, financial follow-up reports or any other statements required by the bank within prescribed time limits; (iii) submit renewal data for the period beyond one month from the due date or to renew or review the facilities within the due date for renewal; (iv) submit stock and debtor statements within 15 days of the succeeding month, shall attract an additional interest at 2.00% p.a. over and above the interest rate charges, on the total outstanding amount due to the lenders. Failure of the Company to submit <i>pari passu</i> letters from existing working capital bankers for ceding charge within 90 days from the date of the Working Capital Consortium Agreement will attract penal interest at the rate of 1.00% p.a. Failure to obtain credit risk rating of the facilities within six months from the date of the Working Capital Consortium Agreement will attract penal interest of 1.00%.</p> <p>6. <u>Events of default:</u> Events of default under this agreement include: (a) the Company committing any default in payment of interest and/or principal, to the lenders when due and payable; (b) the Company breaching any of the covenants to be observed or performed on its part and failing to remedy such breach; and (d) any change in the management of the Company without the prior consent of the lenders.</p>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				<p>7. <u>Security</u>: The facilities are secured, among others, by first <i>pari passu</i> charge on all the current assets of our Company, present and future, first <i>pari passu</i> charge on all unencumbered fixed assets of our Company, present and future, and second <i>pari passu</i> charge on all encumbered fixed assets of our Company, a personal guarantee from our Promoter Mr. Mandava Prabhakara Rao and a personal guarantee from Mrs. Mandava Asha Priya.</p>
19A.	<p><b>Canara Bank</b></p> <p><b>Loan documents:</b></p> <ol style="list-style-type: none"> <li>1. Sanction letter dated September 25, 2013;</li> <li>2. Common hypothecation agreement dated September 26, 2013;</li> <li>3. Guarantee cover letter and Agreement of Guarantee executed by Mrs. Mandava Asha Priya, dated September 26, 2013; and</li> <li>4. Guarantee cover letter and Agreement of Guarantee executed by Mr. Mandava Prabhakara Rao, dated September 26, 2013.</li> </ol>	Cash credit facility of ₹ 2000 million	₹1987.87 million	<ol style="list-style-type: none"> <li>1. <u>Purpose</u>: To meet working capital requirements.</li> <li>2. <u>Interest rate</u>: Canara Bank Base Rate + 2.25%, which was 12.45% p.a. as on February 28, 2015.</li> <li>3. <u>Repayment</u>: On demand.</li> <li>4. <u>Prepayment</u>: N.A.</li> <li>5. <u>Penalties</u>: In addition to the penalties specified in point number 19, sub-point 5 above, non-compliance of any of the sanction terms will attract a penal interest of 2.00% p.a. above the applicable rate of interest.</li> <li>6. <u>Events of default</u>: As specified in point number 19, sub-point 6 above.</li> <li>7. <u>Security</u>: The facility is secured, among others, by a first <i>pari passu</i> charge on all current assets of our Company, by way of hypothecation of such assets, and by a second <i>pari passu</i> charge on fixed assets of our Company, as well as a personal guarantee</li> </ol>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				from our Promoter Mr. Mandava Prabhakara Rao and a personal guarantee from Mrs. Mandava Asha Priya. In respect of unencumbered fixed assets, Canara bank may get the first <i>pari passu</i> charge, wherever Axis Bank is not holding first charge on such assets.
19B.	<b>Axis Bank Limited</b>  <b>Loan document</b>  1. Letter of arrangement for cash credit advances dated November 20, 2010; 2. Sanction letter dated October 15, 2013; 3. Sanction letter dated November 25, 2014; and 4. Letter modifying sanction terms, dated June 21, 2014.	<b>A.</b> Working capital facility of ₹ 1000 million	₹737.93 million	1. <u>Purpose</u> : To meet working capital requirements.  2. <u>Interest rate</u> : Axis Bank Base Rate + 1.00%, which was 11.15% p.a. as of February 28, 2015.  3. <u>Repayment</u> : Repayable on demand.  4. <u>Prepayment</u> : If the Company desires to prepay, a prepayment charge of 2.00%p.a. is applicable above the applicable interest rate.  5. <u>Penalties</u> : In addition to the penalties set out in point number 19, sub-point 5 above, penal interest up to a maximum of 2.00% above the stipulated rate of interest is applicable in the event of non-compliance of any of the terms of sanction or irregularity in the account. Penal interest shall be charged on the irregular portion or on total outstanding amount as devised by the bank.  6. <u>Events of default</u> : As specified in point number 19, sub-point 6 above.  7. <u>Security</u> : The facility is secured by a first <i>pari passu</i> charge on all current assets of our Company along with other working capital bankers, by a first <i>pari passu</i>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
		<p>charge on unencumbered fixed assets of our Company along with the working capital bankers, second <i>pari passu</i> charge on the encumbered fixed assets of the Company along with the working capital bankers, a personal guarantee from our Promoter Mr. Mandava Prabhakara Rao and a personal guarantee from Mrs. Mandava Asha Priya.</p> <p><b>B.</b> Bank guarantee of ₹ 50 million (a sub-limit of the cash credit facility)</p> <p><b>C.</b> Letter of credit (inland/import) (a sub-limit of the</p>		<p>1. <u>Purpose:</u> To provide performance/financial guarantees to government authorities/suppliers in relation to the business of our Company</p> <p>2. <u>Interest rate:</u> N.A.</p> <p>3. <u>Repayment:</u> Any amount claimed under the bank guarantee is to be reimbursed to the bank on demand.</p> <p>4. <u>Prepayment:</u> N.A.</p> <p>5. <u>Penalties:</u> As specified in point number 19, sub-point 5 above.</p> <p>6. <u>Events of default:</u> As specified in point number 19, sub-point 6 above.</p> <p>7. <u>Security:</u> All the primary and collateral securities available to the cash credit facilities under the Working Capital Consortium Agreement, as well as a counter-guarantee of our Company.</p> <p>1. <u>Purpose:</u> For purchase/import of seeds.</p> <p>2. <u>Interest rate:</u> N.A.</p>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
		cash credit facility)		<p>3. <u>Repayment</u>: Any amount claimed under a letter of credit shall be repaid to the bank on or before the maturity date of the said letter of credit.</p> <p>4. <u>Prepayment</u>: N.A.</p> <p>5. <u>Penalties</u>: In addition to the penalties set out in point number 19, sub-point 5 above, in the event of devolvement of bills or non-payment of any other charges/commission when due, penal interest of Bank Prime Lending Rate + 2.00% p.a. shall be charged for the period of delay/default.</p> <p>6. <u>Events of default</u>: As specified in point number 19, sub-point 6 above.</p> <p>7. <u>Security</u>: All the primary and collateral securities available to the cash credit facilities under the Working Capital Consortium Agreement, as well as the goods purchased under the letter of credit.</p>
19C.	<b>Indian Overseas Bank</b>  <b>Loan documents:</b> 1. Credit sanction advice dated March 2, 2010; and 2. Credit sanction advice dated December 3, 2013	Cash credit facility of ₹ 900 million*** *	₹892.44 million	<p>1. <u>Purpose</u>: To meet working capital requirements.</p> <p>2. <u>Interest rate</u>: Indian Overseas Bank Base Rate + 1.50%, which was 11.75% p.a. as of February 28, 2015.</p> <p>3. <u>Repayment</u>: Repayable on demand.</p> <p>4. <u>Prepayment</u>: Prepayment of the borrowal account will be subject to the applicable prepayment charge and revised terms and conditions.</p> <p>5. <u>Penalties</u>: In addition to the</p>



S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				<p>penalties set out in point number 19, sub-point 5 above, non-compliance of any of the sanction terms attracts a penal interest of 2.00% p.a. above the applicable rate. The bank reserves the right to withdraw partially/wholly or regulate the credit facility <i>inter alia</i> upon non-compliance with the terms and condition of sanction, indulging in drawings beyond sanctioned limits. In the event of the borrowal account being overdraw without prior agreement or exceeding the agreed borrowing limits or in the event of delay/non-submission of stock statement, the bank shall charge overdue interest at the rate specified from time to time, which, as on February 28, 2015 was 2.00% p.a. on the amount due.</p> <p>6. <u>Events of default</u>: In addition to the events of default set out in point number 19, sub-point 6 above, the bank reserves the right to withdraw partially or wholly or regulate this credit facility on the occurrence of any or all of the following: (i) non-compliance by the Company with the terms and conditions of the sanction; (ii) the Company indulging in drawings beyond sanctioned limits; (iii) the Company issuing cheques for purposes other than specifically agreed; (iv) the Company indulging in large cash withdrawals not commensurate with the requirement estimated; (v) indulging in activities detrimental to the image/interest of the bank, acts that are <i>mala fide</i>, etc.</p>

S.No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				7. <u>Security</u> : The facility is secured, among others, by a first <i>pari passu</i> charge on all current assets of our Company, a first <i>pari passu</i> charge on unencumbered fixed assets and second <i>pari passu</i> charge on encumbered fixed assets of our Company, along with other banks.
19D.	<b>South Indian Bank Limited</b>  Loan documents: <ol style="list-style-type: none"> <li>Sanction letter dated August 17, 2013;</li> <li>Credit facility agreement dated August 21, 2013;</li> <li>Deed of hypothecation dated August 21, 2013;</li> <li>Earmarking agreement dated August 21, 2013;</li> <li>Personal guarantee of Mr. Mandava Prabhakara Rao dated August 21, 2013;</li> <li>Personal guarantee of Mrs. Mandava Asha Priya, dated August 21, 2013</li> </ol>	Cash credit open loan of up to ₹500 million	₹499.77 million	<ol style="list-style-type: none"> <li><u>Purpose</u>: To meet working capital requirements.</li> <li><u>Interest rate for term loan</u>: South Indian Bank Base Rate + 0.75%, which was 11.25% p.a. as of February 28, 2015.</li> <li><u>Repayment</u>: The loan shall be repayable on demand.</li> <li><u>Prepayment</u>: Prepayment is permitted only with the permission of the bank and may be subject to such terms and conditions as may be stipulated by the bank including payment of prepayment or early closure charges.</li> <li><u>Penalties</u>: In addition to the penalties set out in point number 19, sub-point 5 above, defaults and non-compliances of any of the sanction stipulations will attract penal interest of 2.00% p.a. Limits are to be renewed/reviewed within 12 months or else 2.00% penal interest will be charged.</li> <li><u>Events of default</u>: In addition to the events of default set out in point number 19, sub-point 6 above, events of default under this facility include: (a) the Company committing any default in payment of interest and/or principal, when due and payable, (b) the Company breaching any of</li> </ol>

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				<p>the covenants to be observed or performed on its part and failing to remedy such breach; and (c) any change in the management of the Company without the prior consent of the lenders.</p> <p>7. <u>Security</u>: Primary security for this facility is a first <i>pari passu</i> charge on all current assets of the Company. The facility is also secured amongst others, by a first <i>pari passu</i> charge on all unencumbered fixed assets of our Company, and a second <i>pari passu</i> charge on all encumbered fixed assets of our Company, a personal guarantee from our Promoter Mr. Mandava Prabhakara Rao and a personal guarantee from Mrs. Mandava Asha Priya.</p>

\*The term loans of ₹75 million and ₹65 million respectively from Axis Bank have been fully paid and closed as of the date of this Draft Red Herring Prospectus.

\*\* The term loan of ₹15.2 million from Axis Bank has been fully paid and closed as of the date of this Draft Red Herring Prospectus.

\*\*\*Our Company had borrowed ₹850 million under this facility and repaid it in entirety, together with all accrued interest thereon. This facility has been terminated as of the date of this Draft Red Herring Prospectus.

\*\*\*\* Pursuant to credit sanction advice dated March 2, 2010, and credit sanction advice dated December 3, 2013, Indian Overseas Bank sanctioned a cash credit facility of ₹1000 million to our Company, which was reduced to ₹900 million by the Working Capital Consortium Agreement dated July 2, 2014.

## Financial assistance for Research and Development

### *Financial assistance under the SBIRI Scheme*

- Further to our agreement with the International Centre for Genetic Engineering and Biotechnology for a project entitled 'Stacking of candidate genes (validated in-planta) addressing different moisture stress resistance strategies in maize (zea mays), phase I and II', our Company has approached the Department of Biotechnology, Ministry of Science and Technology, Government of India, under its 'Small Business Innovation Research Initiative' Scheme (the "**SBIRI Scheme**"), for financial assistance. By order of the Department of Biotechnology dated September 12, 2008, and loan agreement dated September 24, 2009 between the Department of Biotechnology, our Company and the International Centre for Genetic Engineering and Biotechnology, the Department of Biotechnology has sanctioned a total loan of ₹12 million to this project. Of this, ₹4.5 million is a grant-in-aid to the International Centre for Genetic Engineering and Biotechnology, and ₹7.5 million is a loan to our Company, repayable in 10 equal annual instalments commencing six months from the date of completion of the project. Simple interest of 1.00% p.a. is payable on the loan amount up to ₹10 million and simple interest at 2.00% p.a. is payable on the

portion of the loan in excess of ₹10 million, from the date of release of funds. Any delay in repayment of loan (and interest) will entail payment of simple interest at 12.00% p.a. on the defaulted amounts for the period of delay. Two successive defaults will entail recall of the entire outstanding amount immediately. In case of failure to repay in time, without prejudice to any other means of recovery, the amount may be recovered as arrears of land revenue. Pursuant to a supplementary agreement dated May 9, 2014 between the Biotechnology Industry Research Assistance Council (“BIRAC”), our Company, and the International Centre for Genetic Engineering and Biotechnology, the SBIRI Scheme has been taken over by BIRAC and all duties, rights and obligations of the Department of Biotechnology are transferred to BIRAC. The loan of ₹7.5 million was originally secured by hypothecation in favour of the Department of Biotechnology of all movable and immovable properties acquired by the Company from the loan amount, which hypothecation is now in favour of BIRAC. The total amount outstanding as on February 28, 2015 under this loan was ₹5.81 million.

2. Pursuant to an order of the Department of Biotechnology, Government of India, dated January 15, 2013, and agreement dated January 15, 2013 between our Company and the Department of Biotechnology, our Company has been sanctioned financial assistance of ₹8.82 million towards a project titled ‘Biofortification of maize with  $\beta$ -carotene and high quality protein using functional genomics and molecular breeding approaches (Phase I).’ Of this, ₹3.82 million is in the form of a grant while the remaining ₹5 million is a loan, repayable by our Company in 10 equal annual instalments commencing after six months from the scheduled completion of the project. In the event of any delay in repayment of the loan, default interest of 12.00% p.a. is payable on the defaulted amounts for the period of delay. Two successive defaults will entail recall of the total outstanding amount immediately. Pursuant to a supplementary agreement dated May 30, 2014 between the Biotechnology Industry Research Assistance Council (“BIRAC”), and our Company, the SBIRI Scheme has been taken over by BIRAC and all duties, rights and obligations of the Department of Biotechnology are transferred to BIRAC. The loan of ₹5 million has been secured by a personal guarantee from our Promoter Mr. Mandava Prabhakara Rao. The capital assets acquired through the loan sanctioned by the Department of Biotechnology were hypothecated to the Department of Biotechnology, which are now hypothecated to BIRAC by way of a supplementary deed of hypothecation dated June 30, 2014, and shall remain so until the entire loan and accrued interest is repaid and assets acquired through grants-in-aid shall remain the property of BIRAC. The total amount outstanding as on February 28, 2015 under this loan was ₹4.20 million.

### ***Unsecured Loans***

#### ***Collaboration with the Indo-German Science and Technology Centre***

Pursuant to an agreement dated February 20, 2012, the Indo-German Science and Technology Centre has agreed to provide an unsecured loan of ₹2.9 million to our Company in relation to a project titled ‘Developing sustainable transgenic crop plants tolerant for drought or a combination of drought and heat stress by manipulating ABA signalling and ascorbate-glutathione pathways’. The loan carries overhead charges of 3.00% p.a. on the outstanding amount and is repayable by our Company in 10 half-yearly instalments commencing May 2015. In the event of any delay in repayment of the loan, default interest of 12.00% p.a. is payable on the defaulted amounts for the period of delay. The total amount outstanding as of February 28, 2015 under this loan was ₹2.90 million, compounded monthly.

### **Sales tax deferment loan**

Our Company received a sales tax deferment loan from the Sales Tax Department, Government of Maharashtra, under Rule 31C of the Bombay Sales Tax Rules, 1959, with respect to sales tax payable by the Company for the assessment years 1999-2000, 2000-2001, and 2001-2002, with a maximum limit of ₹3.77 million. The total amount outstanding under this loan as of February 28, 2015 was ₹0.71 million.

### **Defaults by our Company in respect of term loans and other credit facilities**

In the past there have been delays in complying with certain terms and conditions of our Company’s term loans and other credit facilities, for example, delayed payments in installments of term loans and related interest

expenses, delays in creation of charges on security. In addition to any defaults that could have been triggered under the relevant facility documentation, certain of these delays have resulted in defaults under other loan documents and penal interest being levied by the relevant lenders on our Company, although these delays have been subsequently waived by all our current lenders. For further details, please see “*Risk Factors - Our Company has failed to comply with certain financial and other covenants and restrictions imposed under the terms of its borrowings in the past, and if such failures were to occur in the future, it could materially and adversely affect our business, results of operations and financial condition.*” on page 33 of this Draft Red Herring Prospectus.

## **Vehicle loans**

Our Company had no vehicle loans outstanding as of February 28, 2015.

## ***B. Loans availed by our Subsidiaries***

### **1) Loans availed by Pravardhan Seeds Private Limited**

#### ***Unsecured Loans***

As on February 28, 2015, there were no unsecured loans availed by Pravardhan Seeds Private Limited that were outstanding.

#### ***Secured Term Loans and Other Credit Facilities***

Set forth below is a brief description of the secured term loan and other credit facilities obtained by Pravardhan Seeds Private Limited that are outstanding as on February 28, 2015.

<b>S. No.</b>	<b>Name of the lender and loan documentation</b>	<b>Nature of facility and sanctioned amount</b>	<b>Total outstanding amount as on February 28, 2015</b>	<b>Key terms and conditions</b>
1.	<b>Andhra Bank</b>  <b>Loan documents</b> <ol style="list-style-type: none"> <li>1. Sanction letter dated February 27, 2015;</li> <li>2. Sanction letter dated March 15, 2012;</li> <li>3. Renewal letter dated September 28, 2013;</li> <li>4. Corporate guarantee of our Company dated September 29, 2013;</li> <li>5. Composite agreement dated</li> </ol>	Renewal of open cash credit for ₹ 100 million*	₹98.53 million	<ol style="list-style-type: none"> <li>1. <u>Purpose</u>: To meet working capital requirements for production and procurement of seed material, in particular, cotton seeds.</li> <li>2. <u>Interest rate</u>: Andhra Bank Base Rate + 0.75% p.a., which was 11.00% p.a. as of February 28, 2015.</li> <li>3. <u>Repayment</u>: On demand.</li> <li>4. <u>Prepayment</u>: -</li> <li>5. <u>Penalties</u>: In case of the failure of the borrower to repay the dues as and when required, 2% additional interest will be payable on the amounts due to the bank, as per the rules in force. If the audited balance sheet is not submitted with six months from the date of closure of the</li> </ol>

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
	September 29, 2010 creating pledge and hypothecating goods, book debts and all other movable assets; 6. Composite agreement dated February 28, 2015; and 7. Corporate guarantee of our Company dated February 28, 2015.			financial year, an additional interest of 1.00% shall be charged from October 1 onwards, until the submission of the audited balance sheet to the branch. The borrower shall pay penal interest charges for non-submission/delayed submission of stock statement, MSOD, and certified book debts, etc.  8. <u>Events of default</u> : Events of default under this facility include: (a) the borrower failing or neglecting to pay to the bank on demand the balance then due to the bank or any instalment of the principal monies remaining unpaid upon the respective due date for payment thereof, or interest accrued or remaining unpaid, (b) any representation or statement of the borrower's proposal being found incorrect, or the borrower committing any breach or default in the performance or observance of any terms and conditions or provisions contained in the composite agreement, or the borrower's proposal or the security or any other terms/conditions relating to the advance.  6. <u>Security</u> : This facility is secured by hypothecation of stock of seed material of different crops and book debts not older than 90 days, and a corporate guarantee from our Company for ₹100 million.

\*This cash credit facility was reduced to ₹ 98 million by way of sanction letter dated February 27, 2015; however, the reduction in limit is effective only from March 20, 2015 onwards.

## 2) Loans availed by Yaaganti Seeds Private Limited

### *Unsecured Loans*

As on February 28, 2015, there were no unsecured loans availed by Yaaganti Seeds Private Limited that were outstanding.

### *Secured Term Loans and Other Credit Facilities*

Set forth below is a brief description of the secured term loan and other credit facilities obtained by Yaaganti Seeds Private Limited that are outstanding as on February 28, 2015.

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
1.	<b>Yes Bank</b>  <b>Loan documents</b>  1. Master facility agreement dated September 19, 2011; 2. Deed of undertaking dated February 24, 2015; 3. Supplemental master facility agreement dated February 28, 2015; 4. Addendum to facility letter dated August 6, 2014, dated January 28, 2015; 5. Addendum to the facility letters dated November 19, 2012 and September 7, 2013, dated August 6, 2014; 6. Facility letter dated September 9, 2011; 7. Deed of hypothecation dated September 28, 2011; and 8. Deed of guarantee dated October 4, 2011.	Working capital demand loan of ₹180 million.	₹99.69 million	1. <u>Purpose</u> : To finance seed production expenses.  2. <u>Interest rate</u> : YBL Base Rate + 1.35% p.a., which was 12.10% p.a. as of February 28, 2015.  3. <u>Repayment</u> : On demand.  4. <u>Prepayment</u> : If the Company decides to prepay, prepayment charges will be applicable on the amount prepaid.  5. <u>Penalties</u> : Additional interest of 2% per annum will be applicable in case of default in payment or breach of any conditions/covenants as mentioned in the facility letter or any drawal of amounts in excess of drawing power. Additional interest of up to 2% per annum shall be payable on all the outstanding facilities if the certified declaration of unhedged foreign currency exposure as of the last quarter is not submitted on a quarterly basis, and/or the audited annual certificate with respect to unhedged foreign currency exposure is not provided within 15 days from the date of closure of the annual audited results. Additional interest of up to 0.25% per annum may be charged on all the outstanding facilities in case the bank is required regulatorily to provide for any applicable incremental provision or risk-weighted assets on account of unhedged foreign currency exposure as stated in the declaration. Additional interest shall be attracted upon breach of any covenant or provision of the master facility agreement or any representation or warranty therein being false, incorrect, omitted or misleading or in the event of any default in the creation and perfection of securities under the agreement within 105 days from the date of disbursement.  6. <u>Events of default</u> : Events of default under this facility include: (a) the borrower

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
		A. Cash credit facilities of up to ₹ 180 million (a sub-limit of the working capital demand loan)		<p>failing to pay/repay on the due date thereof the indebtedness or other sum whatsoever in accordance with the terms and conditions of the master facility agreement; (b) any statement, representation, warranty or confirmation made in the master facility agreement or borrower's proposal/application or otherwise on the part of the borrower is found to be untrue or incorrect or subsequently becomes untrue or incorrect; (c) there is a breach or default by the borrower of any covenant or other obligations in the master facility agreement or in the facility letters or under any security or other documents executed by the borrower with the bank; (d) the borrower is in breach of any agreement with any person who has provided loans, deposits, advances, guarantees or other financial facilities to the borrower.</p> <p>7. <u>Security</u>: This facility is secured, among others, by an exclusive charge on current assets and movable fixed assets of Yaaganti Seeds Private Limited, an exclusive charge on industrial property valued at ₹79.6 million, and a corporate guarantee from our Company.</p> <p>1. <u>Purpose</u>: To finance seed production expenses.</p> <p>2. <u>Interest rate</u>: YBL Base Rate + 1.50% p.a., which was 12.25% p.a. as of February 28, 2015.</p> <p>3. <u>Repayment</u>: On demand.</p> <p>4. <u>Prepayment</u>: If the borrower decides to prepay, prepayment charges will be applicable on the amount prepaid.</p> <p>5. <u>Penalties</u>: Additional interest of 2% per annum will be applicable in case of default in payment or breach of any conditions/covenants as mentioned in the</p>



S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				<p>facility letter or any drawal of amounts in excess of drawing power. Additional interest of up to 2% per annum shall be payable on all the outstanding facilities if the certified declaration of unhedged foreign currency exposure as of the last quarter is not submitted on a quarterly basis, and/or the audited annual certificate with respect to unhedged foreign currency exposure is not provided within 15 days from the date of closure of the annual audited results. Additional interest of up to 0.25% per annum may be charged on all the outstanding facilities in case the bank is required regulatorily to provide for any applicable incremental provision or risk-weighted assets on account of unhedged foreign currency exposure as stated in the declaration.</p> <p>6. <u>Events of default</u>: Events of default under this facility include: (a) the borrower failing to pay/repay on the due date thereof the indebtedness or other sum whatsoever in accordance with the terms and conditions of the master facility agreement; (b) any statement, representation, warranty or confirmation made in the master facility agreement or borrower's proposal/application or otherwise on the part of the borrower is found to be untrue or incorrect or subsequently becomes untrue or incorrect; (c) there is a breach or default by the borrower of any covenant or other obligations in the master facility agreement or in the facility letters or under any security or other documents executed by the borrower with the bank; (d) the borrower is in breach of any agreement with any person who has provided loans, deposits, advances, guarantees or other financial facilities to the borrower.</p> <p>7. <u>Security</u>: This facility is secured by an exclusive charge on current assets and movable fixed assets of Yaaganti Seeds Private Limited, an exclusive charge on</p>

S. No.	Name of the lender and loan documentation	Nature of facility and sanctioned amount	Total outstanding amount as on February 28, 2015	Key terms and conditions
				industrial property valued at ₹79.6 million, and a corporate guarantee from our Company.

#### **Restrictive covenants with respect to borrowings of our Company and its Subsidiaries**

Under secured financing arrangements, our Company and its Subsidiaries cannot take the following actions, amongst others, without the lender's prior written consent during the pendency of the loan:

- b. effect any change in the Company's or the Subsidiary's (as the case may be) ownership or make any changes in their management set up and formulate any scheme of amalgamation or reconstitution;
- c. conclude any fresh borrowings or create any further charge over their fixed assets;
- d. invest by way of share capital in, or lend or advance to, or place deposits with any other concerns;
- e. undertake guarantee obligations on behalf of other companies;
- f. sell, assign, mortgage or otherwise dispose of any of its fixed assets;
- g. pay any dividend if there are any defaults in principal or interest servicing;
- h. make any change in the Company's or the Subsidiary's (as the case may be) Memorandum and Articles of Association; and
- i. pay any consideration or commission to any guarantors, whose guarantees have been required to secure the financing arrangements.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*Unless otherwise specifically mentioned, the following discussion should be read together with the information in the section titled "Summary Financial Information", and our audited restated consolidated financial statements as of and for the fiscal years ended March 31, 2011, 2012, 2013, 2014 and the nine months ended December 31, 2014 along with the related schedules thereto and the reports thereon, included in the section titled "Financial Statements" on page F-1. Unless otherwise stated, references in this section to "we", "our" or "us" are to Nuziveedu Seeds Limited ("NSL") and its Subsidiaries. The financial statements in this Draft Red Herring Prospectus have been prepared in accordance with Indian GAAP, the notified accounting standards under the Companies (Accounting Standards) Rules, 2006, as amended, the relevant provisions of the Companies Act read with The Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, the SEBI ICDR Regulations and the guidance note on "Reports in Company's Prospectus (Revised)" issued by the Institute of Chartered Accountants of India and may differ in certain significant respects from generally accepted accounting principles in other countries, including IFRS and U.S. GAAP. Our fiscal year ends on March 31 of each year. Accordingly, references to "Fiscal 2010", "Fiscal 2011", "Fiscal 2012", "Fiscal 2013" and "Fiscal 2014" are to the fiscal year ended March 31 of the relevant year. Unless otherwise stated, all figures provided in this section are on a consolidated basis.*

*Statements contained in this discussion that are not historical facts may be forward-looking statements. Such statements are subject to certain risks, uncertainties and assumptions that could cause actual results to differ materially from those forward-looking statements. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by us or any other person, or that these results will be achieved or are likely to be achieved. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors and contingencies that could affect our financial condition, results of operations and cash flows. You are also advised to read the sections titled "Forward-looking Statements" and "Risk Factors" on pages 25 and 27, respectively, which discuss a number of factors or contingencies that could affect our financial condition and results of operations. Prospective investors in the Equity Shares are cautioned not to place undue reliance on these forward-looking statements.*

### OVERVIEW

We are a technology driven seeds company that develops, produces, processes and sells seeds for a range of field crops and vegetables and, through predecessor entities, have more than 30 years of experience in the Indian seeds industry. According to the CARE April 2015 Report, we were the largest private sector seeds company in India in terms of revenue in Fiscal 2012, Fiscal 2013 and Fiscal 2014. We, or our predecessor entities, have also been consistently ranked as one of the top 10 biotech companies by revenue in India by the Biospectrum-ABLE Indian biotech industry survey from Fiscal 2008 to Fiscal 2013, the date of the most recent survey. We integrate traditional breeding techniques with biotechnology tools and seek to produce hybrid and open pollinated variety crop and vegetable seeds that deliver higher yields, enhanced product quality and higher levels of pest and disease tolerance over naturally occurring varieties. Our seeds are suitable for varying agro-climatic conditions, such as water availability, crop duration and soil attributes, across different geographic regions in India.

We produced, as of December 31, 2014, seeds for 27 different field crops and vegetables and have operations in 19 states across India. According to the CARE April 2015 Report, we were the largest private sector producer of cotton seeds in India in volume terms in Fiscal 2014. The sale of cotton seeds contributes the majority of our revenue from operations, contributing 66.58% and 69.73% of our revenue from operations in Fiscal 2014 and the nine months ended December 31, 2014, respectively. We were the largest private sector producer, in terms of volume, of cotton seeds in India, with approximately 21.00% of the Indian cotton seed market in Fiscal 2014, and have been one of the market leaders in cotton seeds since 1995. (Source: CARE April 2015 Report) Our other significant products are open pollinated variety and hybrid seeds for paddy and hybrid seeds for maize. Our product portfolio includes field crop seeds for wheat, sorghum and pearl millet, and vegetable seeds for okra, tomato, chilli, cucumber, cabbage, cauliflower and watermelon.

Our research and development activities include conventional breeding programmes and the use of innovative biotechnology tools, which we believe have driven the development of our diverse repository of germplasm, which has enabled us to develop an extensive portfolio of products and helped us to gain greater market share across various product categories and regions across the country. In Fiscal 2014 and the nine months ended December 31, 2014, our Company incurred ₹262.60 million and ₹200.81 million, respectively, in research and development expenses. We believe that we possess one of the largest germplasm banks among private sector seed companies in India, which strengthens our breeding programmes, provides a platform for our research and development efforts and has helped us to accelerate the development of and regularly introduce new products that are suitable for different agro-climatic conditions and geographical regions in India. We also engage in research activities through arrangements entered into with various international and Indian research institutions. As of December 31, 2014, our Company had filed a total of 635 applications for its products to be registered and protected under the PPV & FR Act, and had received 33 certificates of registration pursuant to such applications. 392 of our Company's applications are in the testing stage, the final stage prior to certification. Through our research, we have successfully developed and commercialised several hybrid seed products for cotton, such as *Mallika* and *Bunny*, which we believe met with commercial success because of their superior quality and yields relative to other cotton seed products at the time of their launch into the market.

As of May 2012, we had developed and received approvals from the Genetic Engineering Appraisal Committee of India (“**GEAC**”) for the highest number of Bt. cotton hybrids granted to any entity. (*Source: CARE April 2015 Report*) As of the date of this Draft Red Herring Prospectus, 23 varieties of our products, including cotton, paddy, maize and sweet corn, have also been notified by the Government of India, pursuant to Section 5 of the Seeds Act 1966, for having passed certain quality and performance assessments conducted by the Indian Council of Agricultural Research (“**Notified**”), and a further 2 of our products have been recommended by the Varietal Identification Committee for Notification. Our Notified seed products have also been included, among a total of 109 seed varieties from India (as of September 2014), in the list of seed products considered eligible for varietal certification by the Organisation for Economic Co-operation and Development (“**OECD**”) (“**OECD Certification**”). OECD Certification recognises a seed product's adherence to international standards of quality, as prescribed by the OECD. As of September 2014, only 7 cotton products from both the private and public sector had been Notified by the Government of India and included in the list of products eligible for OECD Certification. Our products, *Bunny* and *Mallika*, comprised 2 of the 7 Notified cotton products which are included in the list of products eligible for OECD Certification. Furthermore, our cotton hybrid seed product, *Bunny*, has high yields and fibre quality and, according to the CARE April 2015 Report, is considered an industry benchmark.

We have entered into a non-exclusive technology sub-licence agreement with Mahyco Monsanto Biotech (India) Limited (“**MMBL**”) in 2004 to sub-licence Bt. traits for our hybrid cotton seeds and to use the related *Bollgard* trademark. Our initial sub-licence agreement expired in February 2014. However, MMBL had extended the validity of our sub-licence agreement from time to time, with our mutual consent, until March 31, 2015. We signed new sub-licence agreements with MMBL on March 10, 2015 (the “**Sub-licence Agreements**”), which are effective from April 1, 2015 for an initial term of five years and are renewable for an additional period of three years by our and MMBL's mutual agreement. We have integrated the Bt. trait into our key hybrid cotton seed products such as *Mallika*, *Raghav*, *Bhakti*, *Suraksha*, *Uttam*, *Flux*, *Ganesh*, *Denim*, *Ambuja* and *Malini*, which we believe have been commercially successful in the cotton-growing regions of India.

We are also one of the leading private sector seeds companies in India for open pollinated paddy, hybrid paddy and hybrid maize. (*Source: CARE April 2015 Report*) In Fiscal 2014 and the nine months ended December 31, 2014, sales of paddy seeds contributed 9.95% and 10.20%, respectively, and sales of maize seeds contributed 14.35% and 11.33%, respectively, of our revenue from operations. Our key hybrid maize seed products include *Bond*, *Dragon*, *Sunny*, *Suvarna*, and *Sandhya*; our key open pollinated paddy seed products include *Moti*, *Kanak*, *Saurabh*, *Sonal*, and *Suma*; and our key hybrid paddy seed products include *Badshah*, *Karishma*, *Champion* and *Raja*.

The sales of seeds for field crops other than cotton, paddy and maize, such as wheat, pearl millet, sunflower, sorghum, fodder sorghum, mustard, castor and sweet corn, and vegetables such as okra, tomato, chillies, and cucumbers presently constitute the remaining portion of our business. Since Fiscal 2010, we have registered significant growth in our sales of vegetable seeds and seeds of field crops other than cotton. The contribution of

our revenue from operations excluding cotton sales to our revenue from operations has increased from 17.85% in Fiscal 2011 to 33.42% in Fiscal 2014.

In Fiscal 2014, we produced 89,602 MT of raw seeds, comprising 75 cotton hybrids and 149 open pollinated varieties and hybrids of vegetables and field crops other than cotton, and in the nine months ended December 31, 2014, we produced 80,596 MT of raw seeds, comprising 37 cotton hybrids and 124 open pollinated varieties and hybrids of vegetables and field crops other than cotton. As of December 31, 2014, we had access to farmland in 11 states in India, primarily through contractual arrangements with over 70,000 Seed Growing Farmers. As of December 31, 2014, we operated 14 processing facilities in six states in India with a combined processing capacity of 150 MT per hour and an aggregate ambient storage capacity of 845,130 square feet (which can store 84,513 MT of seeds). In addition, we had access to temperature-controlled, or conditioned, storage facilities to store seeds that have a short shelf life, with capacity to store 33,700 MT of seeds. We also operated six specialised maize cob-drying units with an aggregate capacity of 4,306 MT per batch.

Our extensive sales, distribution and marketing network comprised, as of December 31, 2014, nine regional offices, one head office and approximately 2,400 distributors. Our 36 strategically located distribution and storage facilities (including conditioned storage facilities), which include seven carrying and forwarding agent warehouses, help us meet the varying requirements of our customers in 19 states in India. In addition, our marketing arrangements with certain agricultural input companies such as Krishak Bharati Cooperative Limited (“**Kribhco**”) and Tata Chemicals Limited (“**Tata Chemicals**”) provide us access to their distribution facilities and network.

Until April 1, 2010, our business was part of the business of a Group Company, NSL Renewable Power Private Limited (“**NRPPL**”). NRPPL completed a restructuring exercise in Fiscal 2011, pursuant to which its seed business was transferred to and vested with our Company with effect from April 1, 2010. Until the transfer of the seed business to our Company, our Company did not have any material business or assets. As a result, we have meaningful financial statements only from and including Fiscal 2011.

## **SIGNIFICANT FACTORS AFFECTING RESULTS OF OPERATIONS AND FINANCIAL CONDITION**

Our results of operations, financial condition and cash flow are significantly affected by a number of factors, including:

***Cotton seed demand and prices.*** Sales of cotton seeds contributed 66.58% and 69.73% of our total revenue from operations in Fiscal 2014 and in the nine months ended December 31, 2014, respectively. As a result, a significant portion of our net profits are determined largely by the prices at which we are able to sell cotton seeds, and the volume of cotton seeds we sell. The volume of our sales and the price we receive for our cotton seeds sold, is influenced by:

- ***Weather conditions:*** Adverse weather conditions, such as insufficient rainfall, can reduce the area under cultivation for cotton as farmers will not seek to plant crops if agro-climatic conditions are unfavourable. In certain cases, adverse climatic conditions may increase demand for our cotton seeds because of bad weather necessitating extensive re-sowing of plants to replace damaged crops. Adverse weather conditions may also reduce the yield of our Seed Growing Farmers, and thus the quantity of cotton seeds we are able to produce for sale.
- ***Price and demand movements in global and domestic markets for cotton and its derivative products:*** The market prices for cotton as a commodity in India are linked to global cotton price movements and global cotton stocks. According to the CARE April 2015 Report, cotton prices in India are expected to be subdued in the near-term due weak global demand for cotton, particularly from China, and high global inventories, but prices are also expected to recover due to an increase in global cotton consumption in the medium-term.
- ***Government regulation or price controls:*** As of the date of this Draft Red Herring Prospectus, certain state governments, including Maharashtra, Andhra Pradesh and Telangana, have imposed price controls on cotton seeds. The price of Bt. cotton seeds has remained unchanged in the three years since Fiscal 2012. (Source: CARE April 2015 Report). If cotton seed prices are not revised upwards, this may affect

our net realisation and profit margins. The Government of India also sets minimum support prices (“MSP”) for certain key crops, such as cotton. The MSP acts as the effective floor price for cotton, and would affect farmer demand with respect to cotton as compared to other field crops. According to the CARE April 2015 Report, farmers’ income for key crops, including cotton, has increased due to a significant increase in MSP as compared to the general increase in the price of other agricultural products, resulting in higher demand for cotton seeds.

- *Agronomic practices:* High density planning and mechanized harvesting are agronomic practices that could increase the productivity of cotton farmers in India. If farmer productivity were to increase, farmer demand for seeds suited to such agronomic practices is expected to increase. For details on high density planning and other productivity initiatives, see the section titled “*Our Business—Research and Development*” on page 196.
- *Our products’ ability to address farmers’ requirements:* The demand for our products is driven by changes in farmer preferences and new agro-climatic challenges in our existing and new markets. Therefore, the traits our products exhibit may need to change to meet these new challenges or preferences. For example, we have seen sustained demand since Fiscal 2014 for cotton types that exhibit sucking pest tolerance, and our newer brands which we have recently released, such as *Bhakti* and *Malini*, are designed to exhibit such tolerance.
- *Customer distribution:* We typically sell our cotton seeds to distributors who in turn on-sell such products to farmers. We have sought to increase our sales through other channels as well. For example, we may seek to enter into new marketing arrangements with additional marketing partners.

***Growth in our portfolio of seeds for vegetables and field crops other than cotton.*** While we continue to expect cotton seeds to remain a key product going forward, we intend to continue to increase our market share in other field crops and vegetables. We believe that the production of hybrid seeds for crops such as paddy, maize and pearl millet and vegetables such as okra, tomatoes and chillies and the production of open pollinated seeds for paddy and mustard continue to present significant growth potential for us in the future and will also enable us to continue to de-risk our business from dependence on cotton seeds.

Our revenue from operations excluding cotton sales contributed 24.52%, 33.42% and 30.27% of our revenue from operations in Fiscal 2013, Fiscal 2014 and the nine months ended December 31, 2014, respectively. Our revenue from the sale of seeds of vegetables and field crops other than cotton has increased at a compounded annual growth rate of 38.87% from Fiscal 2011 to Fiscal 2014. The table below sets forth our compounded annual growth rates achieved in certain key products from Fiscal 2011 to Fiscal 2014.

Crop	Fiscal 2011 Revenue (₹ in millions)	Fiscal 2014 Revenue (₹ in millions)	Compounded Annual Growth Rate
Maize	291.43	1,717.62	80.63%
Paddy	458.22	1,190.72	37.48%
Vegetables	200.78	331.55	18.20%

We recognize that certain seed markets for vegetables and field crops other than cotton have not been fully penetrated by hybrid or open pollinated seeds and have low seed replacement rates, due to the extensive use of farm-saved seeds, and we believe that these markets present an opportunity for us to grow our market share. The seed replacement rate represents the percentage of crops sown using seeds other than farm-saved seeds, such as hybrid or open pollinated seeds. A seed replacement rate of 100% indicates that no seeds are saved and that the farmer will repurchase the entire set of seeds, typically branded seeds, from a seed supplier for the next growing season. With respect to hybrids, the use of farm-saved seeds reduces crop performance and productivity, and hybrids thus have a seed replacement rate of 100%. According to the CARE April 2015 Report, there has been an increase in seed replacement rates in India for open pollinated varieties as well, on account of farmers’ desire to achieve consistency in their agricultural yields from season to season. Farmers can achieve such consistency through the use of commercially available hybrid or open pollinated seeds over farm-saved seeds because commercially available seeds must meet legally enforced minimum standards of physical purity, genetic purity and germination to establish a good crop stand, and thereby are likely to produce crops with desirable traits, such as high yield, pest or disease tolerance or drought resistance, in a more reliable

manner than farm-saved seeds, where such characteristics are subject to deterioration from one generation to the next. We believe that as farmers switch to hybrids, and to a lesser extent, our open pollinated varieties, this will lead to higher seed replacement rates, which would potentially increase our revenues as there will be greater demand for such seeds going forward. The following table sets out the market penetration of hybrid and open pollinated seeds in the Indian seed market for paddy and maize.

Crop	Hybrid	Open Pollinated	Farm-saved
Paddy	5%	38%	57%
Maize	60%	23%	17%

Source: CARE April 2015 Report

The demand for our seed products for vegetables and field crops other than cotton, which affects the volume and price we receive for such seeds, is directly influenced by:

- the dominant traits in our non-cotton seed products and how well they address farmers' current requirements,
- our customer distribution and our participation in government subsidy programs for non-cotton seed products or selling to new customers, such as industry feed producers, that will purchase our paddy and maize seed products in bulk,
- the impact of global prices for commodities such as rice and maize which would affect the relative profitability of growing such field crops in India, and
- weather conditions, which can affect the planting area and yield of a particular crop because of a delayed or erratic monsoon particularly in rain fed parts of the country, adversely affecting farmer demand for our seeds or the yields of our Seed Growing Farmers, thereby reducing the amount of seeds we have available for sale.

In addition, the demand, price and sales volumes of our non-cotton seed products are also influenced by the activities of our specialized marketing teams which focus on the sale of our non-cotton seed products. As we have invested significant resources in our marketing teams, we believe this has helped us in expanding our brand acceptance and increasing our market share across various geographic and product markets in India.

**Seasonality in demand for our products.** Demand for our products is largely influenced by the seasonal nature of crop cultivation in India. As is typical in the Indian seeds industry, our results of a reporting period that is less than a full fiscal year may not be necessarily comparable with the preceding or succeeding reporting periods. During periods of lower sales activity, we may continue to incur substantial operating expenses and we may also experience fluctuations in our working capital requirements during the planting and harvesting cycles.

According to the CARE April 2015 Report, *kharif* is the main crop season in India and constituted approximately 70.00% of the total grain acreage during Fiscal 2014. We typically experience significant demand for our cotton, paddy and maize seed products in the *kharif* crop season, which coincides with the first half of our fiscal year, between the months of April and September. As a consequence, in the first half of Fiscal 2014, we recorded revenue from operations of ₹10,193.16 million that represented 85.18% of our total revenues for that fiscal year. We expect this trend to continue as long as our product portfolio is dominated by cotton, paddy, maize and other predominantly *kharif* crops. As a result, we experience and may continue to experience significant quarterly variability in our revenues, operating cash flows, operating expenses and profits. For further details on the seasonality of specific products, see “Our Business—Business Process—Production of Seeds—Seed Production Cycle” on page 201.

**Advances from customers.** We sell our seeds primarily to distributors that in turn sell to farmers, who are the end consumers of our products. Because of the length of time necessary to produce commercial quantities of seeds, we make production decisions well in advance of sales. Our customers also generally make advance purchasing decisions for our products based on market prices, economic and weather conditions and certain other factors. For example, our total outstanding advances as of March 31, 2014 and December 31, 2014 was ₹3,393.76 million and ₹1,167.87 million, respectively. These advance orders are placed well in advance of delivery of the product and often during the last quarter of a fiscal year or the first quarter of the next fiscal year.

Upon delivery of the product, most of which occurs during the first half of the fiscal year, we receive the balance of the purchase amount net of any discounts or adjustments that we may extend to our customers. We believe that our customers' willingness to place advance orders and make advance payments for our seed products is reflective of our reputation and trustworthiness in the market and helps us to lock in customers to our products. These advance payment arrangements are also beneficial to our cash flows and helps to manage our working capital requirements. We have also experienced relatively lower advance payments in certain fiscal periods. For example, Maharashtra, a state which accounted for 28.86%, 26.11% and 27.19% of our revenue from operations in Fiscal 2013, Fiscal 2014 and the nine months ended December 31, 2014, banned the collection of advance payments in Fiscal 2012 for Bt. cotton seeds, which affected the quantum of advance payments we received. In fiscal periods where we receive relatively lower advance payments from our customers, we may need to seek additional working capital financing to meet our liquidity requirements.

***Sub-licensing of technology from MMBL.*** We have entered into non-exclusive sub-licensing agreements with MMBL for the right to use the Bt. trait in our hybrid cotton seeds and the related *Bollgard* trademark. These arrangements with MMBL have enabled us to use the Bt. trait in our hybrid cotton seeds, such as *Mallika*, *Raghav*, *Malini* and *Suraksha*, which we believe have been commercially successful in the Indian market. As of May 2012 we had developed and received approvals for 217 hybrid cotton seeds, which, according to the CARE April 2015 Report, represented 22.00% of the total number of such approvals granted by the GEAC. All of our cotton hybrids incorporate the Bt. trait licensed from MMBL. As consideration for the sub-license, we are required to pay MMBL a fixed initial fee of ₹5.00 million and are required to pay a trait fee on every packet of cotton seeds we sell based on mutually agreed terms. For further details, see the sections titled “*Our Business—Business Process—Research and Development—Technology License Arrangements with MMBL*” and “*History and Certain Corporate Matters*” on pages 197 and 222, respectively. Any material adverse alteration in the terms of the sub-license agreement, any other commercially agreed terms regarding the amount of trait fees to be paid including any discounts we may receive from time to time, or the overall terms of our relationship with MMBL, will materially and adversely affect our results of operations. Our ability to renew this sub-licensing agreement, enter into further arrangements for access to other existing and new technology or gain access to such technology before our competitors, will affect our competitiveness in the market, sales, results of operations and prospects.

***Inventory management.*** Production of seeds that we intend to sell for a particular growing season is typically decided a year in advance, as we are required to coordinate with our Seed Growing Farmers to ensure that sufficient amounts of the desired seed are produced to meet the demand in the following season. As a result, a key factor in ensuring effective inventory management is to accurately estimate the demand and supply for our products across all field crops, including cotton, and vegetables. In fiscal periods where we are unable to accurately forecast demand, or where our actual crop yield is more than the estimated yield, we may be left with excess inventory in periods where we had insufficient sales or we may be unable to sell as many products as we could have if our supply is insufficient to meet actual demand. In cases of excess inventory, we risk the loss of seeds through natural spoilage and incur costs in maintaining such inventory, while cases of insufficient supply may create an opportunity for our competitors to increase their market share at our expense.

Any seeds that we sell to our distributors that remain unsold at the end of each crop season may be returned to us. In addition, our marketing partners may also return a proportion, in some cases up to 10%, of unsold seeds. Such returns typically occur in the second quarter of the fiscal year, after the end of the *kharif* crop season. We create provisions in each reporting period, which is typically quarterly, for expected returns for sales made in the previous quarter, by relying on historical data and business interactions with our customers. The return provisions are either utilised or reversed in subsequent reporting periods once we know the amount and value of the product returned. In Fiscal 2013, Fiscal 2014 and the nine months ended December 31, 2014, seeds amounting to sales of ₹4,847.27 million, ₹7,964.03 million and ₹6,747.72 million, respectively, were returned, which represented 28.08%, 38.47% and 33.57%, respectively, of our gross sales of seeds. Gross sales of seeds represent our total seeds sold in the particular fiscal period without taking into account any actual or provisions for returns. We carefully monitor our expected returns as well as our inventory levels so as to minimize any adverse impact on our business. However, where returns are significantly higher or lower than we had estimated, this will have an adverse impact on our inventory levels. For further details, see the section titled “*Risk Factors—Internal Risks—We may have to reverse certain sales revenue if the return of seeds by our*



*distributors and marketing partners is higher than initially estimated, which may adversely affect our business, financial condition and results of operations.”*

Parts of our supply chain, such as our Seed Growing Farmers, also operate on a seasonal basis and we have to maintain and manage our inventories to meet seasonal demand for our products. As a result, we have expanded our conditioned storage network to different parts of India in an effort to provide suitable conditioned storage facilities to prolong the shelf life of our seeds to meet seasonal demand and provide a reliable and timely supply of our products. We have incurred significant capital expenditures in connection with the growth and maintenance of our storage network and other parts of our supply chain. Any further expansion and the continued maintenance of our existing storage network may affect our results of operations going forward.

**Active life cycle management and research and development.** The life cycles of our products are often finite because of changes in agro-climatic conditions, pest resistance to existing products, soil and water conditions and improvements in technology, all of which result in customers demanding new products every few years, which requires us to continue to develop our existing products and introduce new products to the market. We take a number of steps to ensure a smooth transition from one generation of our products to the next, such as closely monitoring our products’ performance in the field, the products released by our competitors and farmers’, who are the end consumers of our products, preferences. In addition, our active life cycle management entails continuing to develop high quality proprietary hybrids and open pollinated varieties for the key markets in which we operate and to actively pursue the development of new technologies through our research and development efforts. For example, we have introduced and launched a number of new cotton seed hybrid products in Fiscal 2013 and Fiscal 2014 which provide additional sucking pest tolerance as compared with one of our largest and oldest significant product brands, *Mallika*. The introduction of these new products are in response to changing customer preferences and we intend for these new brands to increase their market share in the cotton hybrid seed market while *Mallika*’s own sales decreases over time as it enters the “mature” phase of its life cycle. Our ability to effectively manage such product transitions will affect our sales and results of operations.

In Fiscal 2012, Fiscal 2013, Fiscal 2014 and the nine months ended December 31, 2014, our Company incurred ₹248.96 million, ₹276.68 million, ₹262.60 million and ₹200.81 million, respectively, on research and development which accounted for 2.35%, 2.36%, 2.19% and 1.60% of our revenue from operations in those periods, respectively. We have, and intend to continue, arrangements or partnerships with global biotechnology companies, such as MMBL, national and international research institutions, state agricultural universities and government sponsored organisations in India, all of which provide us with access to evolving technology for the development of our existing product portfolio and the introduction of new products. Because the entire process of research and development, testing and commercial launch can take a number of years, we must anticipate trends effectively and well in advance to ensure effective life cycle management. Our ability to anticipate changes in our end consumers’ preferences and to apply new research to develop products to address such changes will affect our sales and results of operations.

**Taxation.** Our results of operations are based on our reliance on certain exemptions and tax benefits available under Indian tax regulations. Income derived from agricultural operations is exempt under Section 10(1) of the I.T. Act from taxation. Our Company is of the view that it is entitled to the exemption available in relation to agricultural income under the provisions of the I.T. Act and that this exemption would be available to income generated from our business. We therefore incur tax liability only in respect of our non-agricultural income. For further details, see the sections titled “*Risk Factors—Internal Risks— The Indian income tax authorities have challenged and may continue to challenge our use of certain income tax exemptions. If these exemptions become unavailable to us, our tax liability could increase significantly and, in turn, our results of operations, financial condition and cash flows could be materially and adversely affected.*” and “*Statement of Tax Benefits*” on pages 28 and 149, respectively. There are varying judicial views in India relating to the taxability of income derived from the production, marketing and sale of seeds. These views have not yet been settled by the Supreme Court of India. For the assessment year 2011-2012, the Deputy Commissioner of Income Tax, Hyderabad, rejected our claim for tax exemption for agricultural income. However, as a result of our appeal, the Office of the Commissioner of Income Tax (Appeals) allowed our claim for the agricultural income tax exemption. The Deputy Commissioner of Income Tax appealed against this order to the Income Tax Appellate Tribunal, Hyderabad. This appeal was rejected by the Office of the Income Tax Appellate Tribunal by an order dated

March 20, 2015 and it also allowed our claim for tax exemption for agricultural income (the “**Appellate Order**”). However, even after the Appellate Order, on March 30, 2015 the Deputy Commissioner of Income Tax, Hyderabad, rejected our claim for agricultural income tax exemption for the assessment year 2012-2013. We intend to appeal against this order. For further details, see the section titled “*Outstanding Litigation and Material Developments*” on pages 469 of this Draft Red Herring Prospectus. We have provided for our income tax liability for the assessment years 2012-2013, 2013-2014 and 2014-2015 on the basis that assumes that we would be entitled to the tax exemption for agricultural income. Accordingly, as of December 31, 2014, the provision for our Company’s net tax expense for assessment years 2012-2013, 2013-2014 and 2014-2015 was ₹66.29 million, ₹174.12 million and ₹(1.12) million, respectively, or an effective tax rate for our Company of 10.90%, 11.17% and -0.06%, respectively. If the tax exemption for agricultural income were not available, we estimate that our Company’s standard tax rate would be 32.45%, 32.45% and 33.99%, respectively, for those assessment years. Accordingly, should this tax exemption not be available going forward, our current provisions for these and future assessment years may be inadequate as our future tax liability could increase significantly and, in turn, materially and adversely affect our financial condition and results of operations. In addition, if the Indian tax authorities are successful in their challenge and we are required to pay the amount demanded of ₹232.14 million under the DCIT Order, our results of operations and financial condition may be materially and adversely affected as our current provisions may be inadequate.

**Competition.** Our ability to maintain our position as one of the leading seed players in India will affect our ability to retain a large market share as we currently are able to ensure a certain level of demand due to our role as a leader in the market. Based on the CARE April 2015 Report, while we were the largest private sector seed company in India in terms of revenue in Fiscal 2014, the market share held by our competitors was not far behind our market share. In cotton seeds, our most significant product, we have maintained our leadership in India despite the fact that Bt. traits had been sub-licensed by MMBL to more than 40 seed companies as of Fiscal 2013 and are now commonly found in all cotton seed products. We believe our continued market leadership in cotton seeds is a result of the performance of our products which are generated by our core strengths of research and development in conventional plant breeding built on a foundation of large germplasm. We believe that being a leader in the market provides us with customer recognition for our product brands, which in turn provides us with a strong platform to maintain and increase our revenues in cotton and other products, which will affect our sales, cost of sales and results of operations.

## **EFFECTS OF SCHEMES OF ARRANGEMENT**

Pursuant to a scheme of arrangement approved by the High Court of Hyderabad for the State of Telangana and the State of Andhra Pradesh (“High Court of Hyderabad”), with an appointed date of July 1, 2013, the assets and liabilities of our fertilizer business were transferred to NSL Fertilizer Ventures Private Limited, in consideration for which the shareholders of our Company received, unless they waived their right to, one fully paid up 1% non-cumulative redeemable preference shares of face value of ₹1 each in NSL Fertilizer Ventures Private Limited for every Equity Share held by them in our Company as on the date of the scheme becoming effective. The net assets transferred out of our Company aggregated to ₹3,249.64 million, which, among other things, included inter-corporate deposits (including interest receivable) and any business undertakings other than the seed business. As a result, an aggregate amount of ₹3,250.93 million was deducted from our Company’s securities premium account (₹1,572.54 million), our Company’s general reserve (₹140.60 million) and our Company’s accumulated balance of surplus (₹1,537.79 million). This accounting treatment was not prescribed by the Accounting Standards referred to in subsection (3C) of Section 211 of the Companies Act, 1956. The adjustment of net assets against securities premium was made by our Company based on the accounting treatment set out under the scheme of arrangement as sanctioned by the High Court of Hyderabad.

Pursuant to a scheme of arrangement approved by the High Court of New Delhi, with an appointed date of April 1, 2010, the seed business of NSL Renewable Power Private Limited was demerged and vested into our Company as consideration for the allotment of 4,000,222 shares of ₹10 each to the former shareholders of NSL Renewable Power Private Limited. At the time of such demerger, the seeds business liabilities of NSL Renewable Power Private Limited exceeded its assets by ₹4,347.83 million. As a result, a total amount of ₹4,387.83 million was charged to the goodwill account of our Company in Fiscal 2011. Pursuant to our accounting policies, such goodwill was amortized over the period of three years at a proportion of 20%, 40%

and 40% for the first, second and third year, respectively. As a result, our goodwill arising out of this acquisition was written down to nil in Fiscal 2013.

For further details on the schemes described above, see Note II(1) and Note II(3) in Annexure IV of our Restated Consolidated Financial Statements included elsewhere in this Draft Red Herring Prospectus.

Also, see the section titled “*Risk Factors—Internal Risks—There are potential conflicts of interest with our Group Companies and members of our Promoter Group. Furthermore, we have entered into related party transactions and we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties.*” on page 55, “*—Exceptional Items—Fiscal 2012*” on page 453, “*—Related Party Transactions*” on page 465 and “*—Summary of Reservations, Qualifications and Adverse Remarks of Auditors—Fiscal 2014*” on page 468.

## **CRITICAL ACCOUNTING POLICIES**

**Revenue recognition.** Revenue is recognised to the extent that it is probable that the economic benefits will flow to us and the revenue can be reliably measured. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, which is in turn based on the terms of the contract and which usually coincides with the delivery of the goods to our customers. Where a right to return exists, revenue is recognised when a reasonable estimate of the returns can be made or when such right to return expires, whichever is earlier. Revenue from the sale of goods is stated net of trade discounts, returns and value added or sales tax, where applicable.

Revenue from services is recognised on accrual basis as and when the services are rendered. Revenue from the sale of power is recognised when power is supplied to the customer. Income from interest on deposits, loans and interest bearing securities is recognised on the time proportion basis taking into account the amount outstanding and interest rate applicable. Dividend income is recognised when the unconditional right to receive the income is established.

**Inventories.** Inventories, which comprise raw materials, work in progress, finished goods and stores and spares, are valued at the lower of the cost of the inventory and the net realisable value. Cost is determined on a “first-in, first-out” basis. Cost of inventories comprise of all cost of purchase/production, cost of conversion and other costs incurred to transport the inventory to its present location and is net of all allowance and recoverable duties.

Cost of work-in-progress and finished goods include direct materials, labour and a proportionate share of fixed overhead costs based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated cost to affect the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. The comparison of cost and net realisable value is made on an item-by-item basis. We believe these are critical accounting estimates because inventories represent a significant portion of our assets.

Raw materials, stores and spares held for use in the production of finished products are not written down below cost except in cases where raw material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

**Impairment of assets.** We assess at each balance sheet date whether there is any indication that an asset may be impaired based on internal or external factors. If any such indication exists, we estimate the recoverable amount of the asset, which is the greater of the asset’s net selling price and the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. If the recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, impairment provision is created to bring down the carrying value to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment provision created earlier is reversed to reflect the recoverable amount, subject to a maximum of depreciated historical cost. We believe this is a critical

accounting estimate because a change in the method for estimating the value in use or the net selling price of our assets could materially affect our financial condition.

***Intangible assets and amortisation.*** Goodwill arising on consolidation is tested for impairment whenever changes in business circumstances indicate that the carrying amount may not be fully recoverable. If impairment is indicated, the goodwill is written down to its fair value.

Goodwill arising otherwise than on consolidation includes excess of consideration over the net assets taken over from NSL Renewable Power Private Limited pursuant to the scheme of arrangement for the transfer of the seed undertaking to the Company and is amortised in the proportion of 20:40:40 over the period of three years. Acquired goodwill is amortised over a period of ten years.

Intangible assets that are acquired by us are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates. Intangible assets other than Goodwill are amortised using written down value method.

The amortisation rates are as follows:

- i. Trademark – 25%
- ii. Computer Software – 40%.

Research costs are expensed as incurred. Development expenses which meet defined criteria for capitalisation are capitalised if its ability to generate future economic benefits is reasonably certain. All other development costs are expensed as incurred. Any expenditure carried forward is amortised over the period of expected future economic benefits from the related project, not exceeding ten years. Capital expenditure incurred on research and development is capitalised as fixed assets and depreciated in accordance with our depreciation policy.

We believe these are critical accounting estimates because any change in the amortisation period could materially affect our financial condition and results of operations.

## **PRINCIPAL COMPONENTS OF STATEMENT OF PROFIT AND LOSS**

### **Revenue**

***Revenue from operations.*** We derive our revenue from operations primarily from the sale of seeds. The sale of seeds consists primarily of revenue from the sale of hybrid seeds for cotton, open pollinated and hybrid seeds for paddy and hybrid seeds for maize. In addition, we also sell seeds for other field crops, including wheat, sunflower, sorghum, pearl millet, mustard and castor, and vegetables such as tomato, chillies, brinjal, sweet corn, okra, bitter gourd, bottle gourd, cauliflower and cabbage. Revenue from the sale of seeds is generally recognised upon the delivery of the seeds to our customers in the relevant fiscal reporting period, which is typically quarterly. We give substantially all of our customers the right to return seeds, which typically extends to the end of the relevant growing season in which the seeds were sold. In addition, our marketing partners may also return a proportion, in some cases up to 10%, of unsold seeds. In the reporting period following the sale and delivery of the seeds, we provide for any sales returns which we estimate based on actual returns to date, historical data available to us and our business interactions with our customers. We consequently adjust revenue recognised based on such provisions. The provisions are reset each reporting period and are utilized or reversed depending on actual returns. Revenue is stated net of returns, trade discounts and sales tax, where applicable.

Our sources of revenue from operations other than from the sale of seeds primarily include the sale of lint, the sale of services and the sale of power.

***Other income.*** Our other income primarily includes income from interest on deposits, loans and interest-bearing securities and dividend income on mutual funds. The interest income is recognised using the time proportion method and dividend income is recognised when the unconditional right to receive the income is established.

### **Expenses**

**Cost of materials consumed.** Our cost of materials consumed consists primarily of the costs for seed production, cost of packing and other materials. Costs for seed production include compensation for land usage, service charges paid to farmers, expenditure on farm labour and agricultural inputs, the cost of the stock of raw seed produced from previous years, the cost of foundation seeds produced and the cost of foundation seeds purchased and consumed, adjusting for the cost of any stock seeds at the beginning and end of the year.

**Changes in inventories of work-in-progress and finished goods.** We include the net of our opening and closing stocks for work-in-progress and finished goods as an expense. We also include a provision for returns of seeds from our customers, estimated based on our assessment of market and agricultural conditions, demand, advance orders cancelled, amounts of returns in previous years and total orders for the current year.

**Employee benefits expense.** Our employee benefits expenses consist primarily of salaries, wages, bonuses and other allowances, leave encashment and gratuity expenses, contributions to provident and other funds, and staff welfare expenses.

**Finance Costs.** Our finance costs primarily consist of interest on short-term and long-term loans from banks and other finance expenses.

**Other expenses.** Our other expenses primarily consist of sales promotion costs, production, processing and packing charges, travelling and conveyance costs, freight and transport costs, seed evaluation and trial expenses, legal and professional charges, power and fuel expenses, rent, provision for bad and doubtful debts and other miscellaneous expenses.

## **Depreciation and amortisation**

**Depreciation expense.** Our depreciation expense consists of depreciation expenses relating to tangible assets.

**Amortisation expense.** Our amortisation expense consists of amortisation expenses relating to intangible assets.

## **Tax expense**

**Current tax expense.** Our current income tax expenses are calculated in accordance with tax regulations relevant to our business. For further information on our effective tax rate, see “—Significant Factors Affecting Results of Operations and Financial Condition—Taxation”.

**MAT credit entitlement.** Minimum Alternative Tax (“MAT”) under the provisions of the Income-tax Act, 1961 is recognised as current tax in the statement of profit and loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that we will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

**Deferred tax expense/(benefit).** Our deferred tax expense and benefit reflects the tax effects of timing differences between accounting and taxable income for the period.

## **Minority interest**

**Minority interest.** Minority interest represents the income or losses attributable to the minority shareholders in our non-wholly owned consolidated subsidiaries.

## **EXCEPTIONAL ITEMS**

### **Fiscal 2014**

In Fiscal 2014, pursuant to our acquisition of equity shares in Yaaganti Seeds Private Limited to increase our shareholding to 100%, we identified obsolete seeds stocks of inventory, which did not have germination potential, aggregating to ₹85.98 million and was written off. Given this event's materiality and non-recurring nature, we have disclosed it as an exceptional item.

### ***Fiscal 2012***

In Fiscal 2012, pursuant to a scheme of merger approved on April 19, 2012 by the High Court of Andhra Pradesh, our subsidiary, Prestige Agri Inputs Private Limited, was merged with MHPL, our holding company with effect from January 1, 2012. Since our subsidiary merged with our holding company, no consideration was payable to us in shares because a company cannot hold shares in its holding company pursuant to applicable Indian laws and no cash consideration was provided. Consequently, our investment of ₹876.72 million has been written off. Given this event's materiality and non-recurring nature, we have disclosed it as an exceptional item.

## **RESULTS OF OPERATIONS**

The following table shows the breakdown of our results of operations and each item as a percentage of our total revenue for Fiscal 2012, Fiscal 2013, Fiscal 2014 and the nine months ended December 31, 2014.

	<b>Fiscal</b>						<b>Nine months ended December 31,</b>	
	<b>2012</b>		<b>2013</b>		<b>2014</b>		<b>2014</b>	
	<b>₹</b>	<b>% of total revenue</b>	<b>₹</b>	<b>% of total revenue</b>	<b>₹</b>	<b>% of total revenue</b>	<b>₹</b>	<b>% of total revenue</b>
	<i>(in millions, except percentages)</i>							
<b>Revenue from operations</b>	<b>10,605.11</b>	<b>98.32</b>	<b>11,735.26</b>	<b>94.72</b>	<b>11,966.12</b>	<b>98.46</b>	<b>12,549.45</b>	<b>99.94</b>
Sale of seeds	11,335.13	105.08	12,267.60	99.02	12,330.31	101.45	13,145.66	104.69
Less: Rebates and trade discounts	787.85	7.30	770.78	6.22	785.68	6.46	826.81	6.58
Sale of seeds (net)	10,547.28	97.78	11,496.82	92.80	11,544.63	94.99	12,318.85	98.11
Sale of lint	48.13	0.45	222.84	1.80	408.16	3.36	218.10	1.74
Sale of services	0.00	—	—	—	0.88	0.01	—	—
Sale of power (net)	4.07	0.04	3.99	0.03	3.99	0.03	3.22	0.03
Other operating revenues	5.63	0.05	11.61	0.09	8.46	0.07	9.28	0.07
Other Income	181.71	1.68	653.64	5.28	187.53	1.54	7.02	0.06
<b>Total Revenue</b>	<b>10,786.82</b>	<b>100.00</b>	<b>12,388.90</b>	<b>100.00</b>	<b>12,153.65</b>	<b>100.00</b>	<b>12,556.47</b>	<b>100.00</b>
<b>Expenses</b>								
Cost of materials consumed	3,875.67	35.93	5,323.68	42.97	4,862.73	40.01	3,762.47	29.96
Changes in inventories of work-in-progress and finished goods	(810.53)	(7.51)	(1,669.49)	(13.48)	(548.38)	(4.51)	760.29	6.05
Employee benefits expense	479.32	4.44	676.40	5.46	751.84	6.19	605.99	4.83
Other expenses	3,509.11	32.53	4,342.69	35.05	4,911.43	40.41	4,725.44	37.63
<b>Total expenses</b>	<b>7,053.57</b>	<b>65.39</b>	<b>8,673.28</b>	<b>70.01</b>	<b>9,977.62</b>	<b>82.10</b>	<b>9,854.19</b>	<b>78.48</b>
<b>Profit before finance costs, depreciation, amortisation and tax</b>	<b>3,733.25</b>	<b>34.61</b>	<b>3,715.62</b>	<b>29.99</b>	<b>2,176.03</b>	<b>17.90</b>	<b>2,702.28</b>	<b>21.52</b>
Finance Costs	137.11	1.27	242.10	1.95	450.92	3.71	487.17	3.88
Depreciation expense	105.26	0.98	128.59	1.04	136.04	1.12	151.09	1.20
<b>Profit before amortisation, exceptional items and</b>	<b>3,490.88</b>	<b>32.36</b>	<b>3,344.93</b>	<b>27.00</b>	<b>1,589.07</b>	<b>13.07</b>	<b>2,064.02</b>	<b>16.44</b>

	Fiscal						Nine months ended December 31,	
	2012		2013		2014		2014	
	₹	% of total revenue	₹	% of total revenue	₹	% of total revenue	₹	% of total revenue
	(in millions, except percentages)							
<b>tax</b>								
Amortisation of expense	1,753.05	16.25	1,756.72	14.18	3.01	0.02	4.63	0.04
<b>Profit before exceptional item and tax</b>	<b>1,737.83</b>	<b>16.11</b>	<b>1,588.21</b>	<b>12.82</b>	<b>1,586.06</b>	<b>13.05</b>	<b>2,059.39</b>	<b>16.40</b>
Exceptional item	876.72	8.13	—	—	85.98	0.71	—	—
<b>Profit before tax</b>	<b>861.11</b>	<b>7.98</b>	<b>1,588.21</b>	<b>12.82</b>	<b>1,500.08</b>	<b>12.34</b>	<b>2,059.39</b>	<b>16.40</b>
Tax Expense								
Current tax expense	89.86	0.83	174.61	1.41	18.38	0.15	19.97	0.16
Less: MAT credit entitlement	(1.15)	(0.01)	—	—	(11.63)	(0.10)	(1.88)	(0.01)
Net Current tax	88.71	0.82	174.61	1.41	6.75	0.06	18.09	0.14
Deferred tax expense / (benefit)	(0.19)	0.00	(22.60)	(0.18)	(1.59)	(0.01)	23.46	0.19
<b>Total tax expense</b>	<b>88.52</b>	<b>0.82</b>	<b>152.01</b>	<b>1.23</b>	<b>5.16</b>	<b>0.04</b>	<b>41.55</b>	<b>0.33</b>
Profit after tax but before minority interest and share of net loss of associate	772.59	7.16	1,436.20	11.59	1,494.92	12.30	2,017.84	16.07
Minority interest	64.63	0.60	(8.87)	(0.07)	(13.10)	(0.11)	13.03	0.10
Share of net profit/(loss) of associate	0.42	0.00	0.79	0.01	(0.61)	(0.01)	—	—
<b>Profit for the year</b>	<b>707.54</b>	<b>6.56</b>	<b>1,444.28</b>	<b>11.66</b>	<b>1,508.63</b>	<b>12.41</b>	<b>2,004.81</b>	<b>15.97</b>

<sup>(1)</sup> Our profit before finance costs, depreciation and tax (“**PBFD**”) and profit before tax and amortisation expense (“**PBTA**”) are supplemental measures of performance and liquidity and are not required by or presented in accordance with Indian GAAP, and should not be considered an alternative to profit, operating revenue or any other performance measures derived in accordance with Indian GAAP or an alternative to cash flow from operations as a measure of our liquidity. Other companies or entities may calculate PBFD and PBTA differently from us, limiting its usefulness as a comparative measure.

#### **Nine Months Ended December 31, 2014 Revenue**

We had total revenue of ₹12,556.47 million for the nine months ended December 31, 2014, 99.94% of which was derived from revenue from operations of ₹12,549.45 million.

**Revenue from operations.** Our revenue from operations for the nine months ended December 31, 2014, totalled ₹12,549.45 million, 99.90% of which was derived from sales revenue, primarily from the net sale of seeds of ₹12,318.85 million and the sale of lint of ₹218.10 million. For the nine months ended December 31, 2014, our sales from cotton, maize and paddy accounted for 69.73%, 11.33%, and 10.20%, respectively, of our revenue from operations.

- **Cotton.** Our sales volume of cotton seeds was 9.92 million packets in the nine months ended December 31, 2014 and our revenue from the sale of cotton seeds was ₹8,750.63 million. The primary factor affecting our sales of cotton seeds in the nine months ended December 31, 2014 was an increase in sales of newly launched products that met a relatively new consumer preference for sucking pest

tolerance characteristics in cotton plants, which was partially offset by a decrease in sales of one of our largest and oldest significant cotton seed brands.

- **Maize.** Our sales volume of maize seeds was 9,304 tons in the nine months ended December 31, 2014 and our revenue from the sale of maize seeds was ₹1,421.97 million. The primary factors affecting our sales of maize seeds in the nine months ended December 31, 2014 were (i) a poor monsoon in Fiscal 2015 that affected key maize-growing states such as Karnataka, Andhra Pradesh, Maharashtra and Bihar, which led to poor sales for the *kharif* season, (ii) a poor water table for the *rabi* season as a result of the poor monsoons, which led to reduced sales for the *rabi* season and (iii) a global oversupply of maize, which led to reduced demand for export maize, which adversely affected the demand and profitability of maize in India, which shifted farmer preferences to other crops, thus reducing demand for maize seeds.
- **Paddy.** Our sales volume of open pollinated and hybrid paddy seeds was 13,633 tons in the nine months ended December 31, 2014 and our revenue from the sale of open pollinated and hybrid paddy seeds was ₹1,280.48 million. The primary factor affecting our sales of paddy seeds in the nine months ended December 31, 2014, was the poor monsoon throughout both growing seasons in Fiscal 2015 which led to reduced demand for paddy seeds, partially offset by an increase in the sale of our hybrid paddy seeds which are less water hungry than open pollinated paddy seeds and were better suited for growing conditions as a result of the poor monsoon.

## Expenses

Our total expenses excluding finance costs, depreciation, amortisation and tax expenses were ₹9,854.19 million for the nine months ended December 31, 2014, which comprised other expenses, cost of materials consumed, changes in inventories of work-in-progress and finished goods and employee benefits expense.

**Cost of materials consumed.** Our cost of materials consumed totalled ₹3,762.47 million for the nine months ended December 31, 2014. This was primarily due to the cost of raw seeds produced including other agricultural and incidental expenses, compensation for land usage, service charges paid to farmers and the cost of packing materials consumed.

**Changes in inventories of work-in-progress and finished goods.** Our work-in-progress inventories decreased by ₹403.23 million and our finished goods inventories decreased by ₹428.85 million for the nine months ended December 31, 2014. The decreases reflected sales of inventory during the *kharif* season, which is the main crop season in India, and netting off of sales return provision of ₹71.79 million.

**Employee benefits expense.** Our expenses related to employee benefits totalled ₹605.99 million for the nine months ended December 31, 2014. This was primarily due to salaries, wages, bonus and other allowances of ₹547.34 million for the nine months ended December 31, 2014 and contributions to provident and other funds of ₹41.48 million for the nine months ended December 31, 2014.

**Other expenses.** Our other expenses totalled ₹4,725.44 million for the nine months ended December 31, 2014, primarily due to sales promotion expenses, trait fees, freight and transport expenses, travelling and conveyance expenses and processing charges.

## Profit before finance costs, depreciation, amortisation and tax

Our profit before finance costs, depreciation, amortisation and tax were ₹2,702.28 million for the nine months ended December 31, 2014. As a percentage of total revenue, our profit before finance costs, depreciation, amortisation and tax was 21.52% for the nine months ended December 31, 2014.

## Finance costs



Our finance cost totalled ₹487.17 million for the nine months ended December 31, 2014, which was primarily due to interest expense on our long-term and short-term borrowings.

### **Depreciation and amortisation**

**Depreciation expense.** Our depreciation expense totalled ₹151.09 million for the nine months ended December 31, 2014, which was primarily due to depreciation charges on tangible assets.

### **Profit before tax and Profit for the year**

For the foregoing reasons, our profit before tax was ₹2,059.39 million and our profit for the year was ₹2,004.81 million for the nine months ended December 31, 2014.

### **Fiscal 2014 Compared to Fiscal 2013**

#### **Revenue**

Our total revenue decreased by 1.90% to ₹12,153.65 million in Fiscal 2014 from ₹12,388.90 million in Fiscal 2013, primarily due to a decrease in revenue from interest income, offset by an increase in revenue from operations.

**Revenue from operations.** Our revenue from operations increased by 1.97% to ₹11,966.12 million in Fiscal 2014 from ₹11,735.26 million in Fiscal 2013, primarily due to an increase in revenue from the sale of lint and an increase in net revenue from the sale of seeds. For Fiscal 2014, our sales from cotton, maize and paddy accounted for 66.58%, 14.35%, and 9.95%, respectively, of our revenue from operations, as compared with 75.48%, 9.80%, and 6.22%, respectively, in Fiscal 2013.

- **Cotton.** Our sales volume of cotton seeds decreased by 11.10% to 9.05 million packets in Fiscal 2014 from 10.18 million packets in Fiscal 2013 and revenue from sales of cotton seeds decreased by 10.06% to ₹7,967.14 million in Fiscal 2014 from ₹8,858.25 million in Fiscal 2013. Our sales of cotton seeds decreased due to (i) a change in customer preferences for products that exhibited sucking pest tolerance, and we had limited volumes of such products available for sale in Fiscal 2014 because our relevant products were newly launched and (ii) increased competition, particularly in Andhra Pradesh, which affected sales of one of our largest and oldest significant cotton seed brands. According to the CARE April 2015 Research Report, we remained the largest private producer of cotton seeds in Fiscal 2014 in volume terms.
- **Maize.** Our sales volume of maize seeds increased by 41.51% to 12,307 tons in Fiscal 2014 from 8,697 tons in Fiscal 2013 and revenue from sales of maize seeds increased by 49.40% to ₹1,717.62 million in Fiscal 2014 from ₹1,149.64 million in Fiscal 2013. Our sales of maize seeds increased due to (i) an increase in the overall market size for maize seeds in India, (ii) the continued success of our specialized market team for field crops other than cotton that was established in Fiscal 2013, and (iii) sales of Notified hybrid maize seeds which were sold pursuant to government subsidy programs in Madhya Pradesh, Gujarat and Chhattisgarh.
- **Paddy.** Our sales volume of open pollinated and hybrid seeds for paddy increased by 49.25% to 15,356 tons in Fiscal 2014 from 10,289 tons in Fiscal 2013 and revenue from sales of open pollinated and hybrid seeds for paddy increased by 63.09% to ₹1,190.72 million in Fiscal 2014 from ₹730.09 million in Fiscal 2013. Our sales of open pollinated and hybrid paddy seeds increased due to (i) a favourable monsoon which improved potential growing conditions for paddy and increased demand for our paddy seeds, and (ii) the continued success of our specialized market team for field crops other than cotton that was established in Fiscal 2013, which allowed us to (a) better establish our brands, (b) increase the geographic scope of our sales to Karnataka, Tamil Nadu, Odisha and West Bengal and (c) increase our average prices.

Our revenue from the sale of lint increased by 83.16% to ₹408.16 million in Fiscal 2014 from ₹222.84 million in Fiscal 2013 on account of higher quantities of lint sold due to higher production of cotton seeds in Fiscal 2014. Lint is a by-product of cotton production.

**Other income.** Our other income decreased by 71.31% to ₹187.53 million in Fiscal 2014 from ₹653.64 million in Fiscal 2013, primarily due to a decrease in interest income from interest-bearing inter-corporate deposits to ₹175.32 million in Fiscal 2014 from ₹468.55 million in Fiscal 2013, because certain of our interest-bearing inter-corporate deposits were transferred pursuant to a scheme of arrangement in Fiscal 2014 and a decrease in income from interest-bearing current investments to nil in Fiscal 2014 from ₹149.93 million in Fiscal 2013 as a result of liquidating our interest-bearing investments in Fiscal 2013. We also received decreased dividend income from investments in mutual funds.

## **Expenses**

Our total expenses excluding finance costs, depreciation, amortisation and tax increased by 15.04% to ₹9,977.62 million in Fiscal 2014 from ₹8,673.28 million in Fiscal 2013, primarily due to an increase in sales promotion expense, a decrease in the inventories of work-in-progress and finished goods and an increase in employee benefits expenses, partially offset by a decrease in cost of materials consumed.

**Cost of materials consumed.** Our cost of materials consumed decreased by 8.66% to ₹4,862.73 million in Fiscal 2014 from ₹5,323.68 million in Fiscal 2013, primarily due to a (i) decrease in other agricultural and incidental expenses of 25.14% to ₹3,230.81 million in Fiscal 2014 from ₹4,316.08 million in Fiscal 2013 and (ii) a decrease in service charges paid to Seed Growing Farmers of 60.63% to ₹142.01 million in Fiscal 2014 from ₹360.71 million in Fiscal 2013 because of a decrease in production acreage for cotton seeds as a result of a lower production target for Fiscal 2014 and increased cotton seeds inventory in Fiscal 2013. These decreases were partially offset by an increase in closing stock of raw seeds produced of 11.90% to ₹2,151.34 million in Fiscal 2014 from ₹1,922.49 million in Fiscal 2013 and an increase in packing and other materials consumed of 23.34% to ₹484.09 million in Fiscal 2014 from ₹392.49 million in Fiscal 2013 on account of increased sales volumes of maize and paddy seeds, which have relatively higher packaging costs per unit as compared with cotton seeds.

**Changes in inventories of work-in-progress and finished goods.** In Fiscal 2014, work-in-progress inventories decreased by ₹485.87 million and finished goods inventories increased by ₹854.57 million. The decrease in work-in-progress inventories in Fiscal 2014 was primarily due to high opening stocks. The increase in finished goods inventories was partially due to a decrease in the volume of cotton seeds sold by 11.10% in Fiscal 2014 as compared with Fiscal 2013 and a resulting increase in cotton seeds inventory at the end of Fiscal 2014. In Fiscal 2013, work-in-progress inventories increased by ₹294.65 million and finished goods inventories increased by ₹1,365.34 million. The increase in finished goods inventory of finished goods was primarily due to an increase in our cotton seeds inventory in Fiscal 2013.

**Employee benefits expense.** Our expenses related to employee benefits increased by 11.15% to ₹751.84 million in Fiscal 2014 from ₹676.40 million in Fiscal 2013, primarily due to an annual rise in salaries, wages, bonuses and other allowances of 14.00% to ₹694.92 million in Fiscal 2014 from ₹609.58 million in Fiscal 2013, which was partially offset by a decrease in the number of full-time employees as of March 31, 2014 as compared to March 31, 2013.

**Other expenses.** Our other expenses increased by 13.10% to ₹4,911.43 million in Fiscal 2014 from ₹4,342.69 million in Fiscal 2013, primarily due to an increase in sales promotion expenses of 40.11% to ₹2,486.34 million in Fiscal 2014 from ₹1,774.50 million in Fiscal 2013 due to (i) an increase in promotional discounts given to distributors, (ii) an increase in publicity expenses to increase sales volumes in Fiscal 2014 as compared with Fiscal 2013 and (iii) an increase in freight and transport expense of 32.57% to ₹217.08 million in Fiscal 2014 from ₹163.75 million in Fiscal 2013 as a result of increased sales volumes of maize and paddy which are relatively bulkier products than cotton, partially offset by a decrease in trait fees by 4.26% to ₹1,202.19 million in Fiscal 2014 from ₹1,255.66 million in Fiscal 2013 due to reduced cottons sales volumes and a decrease in

production, processing and packing charges of 24.94% to ₹192.44 million in Fiscal 2014 from ₹256.38 million in Fiscal 2013 due to a decrease in cotton seeds processed, which have a relatively higher processing cost on account of greater manual labour requirements, as compared to maize and paddy seeds.

#### **Profit before finance costs, depreciation, amortisation, exceptional items and tax**

Our profit before finance costs, depreciation, amortisation, exceptional items and tax decreased by 41.44% to ₹2,176.03 million in Fiscal 2014 from ₹3,715.62 million in Fiscal 2013 for the reasons described above. As a percentage of total revenue, our profit before finance costs, depreciation, amortisation, exceptional items and tax was 17.90% in Fiscal 2014 as compared to 29.99% in Fiscal 2013.

#### **Finance costs**

We had long-term borrowings including current maturities amounting to ₹150.34 million as of March 31, 2014 and ₹221.91 million as of March 31, 2013. Our short-term borrowings amounted to ₹3,834.78 million as of March 31, 2014 and ₹698.43 million as of March 31, 2013, as a result of reduced advances received which led to increased working capital financing requirements. Further, in Fiscal 2014 we had to utilise borrowing facilities at a higher interest rate than in Fiscal 2013. As a result, our finance costs increased by 86.25% to ₹450.92 million in Fiscal 2014 from ₹242.10 million in Fiscal 2013.

#### **Depreciation and amortisation**

**Depreciation expense.** Our depreciation expense increased by 5.79% to ₹136.04 million in Fiscal 2014 from ₹128.59 million in Fiscal 2013, primarily due to new storage facilities being commissioned in Fiscal 2014.

**Amortisation expense.** Our amortisation expense decreased by 99.83% to ₹3.01 million in Fiscal 2014 from ₹1,756.72 million in Fiscal 2013, primarily due to Fiscal 2013 being the final year of goodwill amortization in connection with the demerger undertaken in Fiscal 2011. For further information, see “—Effects of Schemes of Arrangement” and “—Critical Accounting Policies—Intangible assets and amortisation” above.

#### **Tax expense**

**Current tax expense.** Our net current tax expense decreased by 96.13% to ₹6.75 million in Fiscal 2014 from ₹174.61 million in Fiscal 2013 primarily due to lower profits from non-agricultural operations in Fiscal 2014 as compared with Fiscal 2013.

#### **Profit before tax and Profit for the year**

For the foregoing reasons, principally the increase in revenue from operations and decreases in cost of materials consumed, and tax and amortisation expenses, our profit before tax decreased by 5.55% to ₹1,500.08 million in Fiscal 2014 from ₹1,588.21 million in Fiscal 2013 and our profit for the year as restated increased by 4.46% to ₹1,508.63 million in Fiscal 2014 from ₹1,444.28 million in Fiscal 2013.

#### **Fiscal 2013 Compared to Fiscal 2012**

##### **Revenue**

Our total revenue increased by 14.85% to ₹12,388.90 million in Fiscal 2013 from ₹10,786.82 million in Fiscal 2012, primarily due to an increase in revenue from the sale of seeds and an increase in interest income.

**Revenue from operations.** Our revenue from operations increased by 10.66% to ₹11,735.26 million in Fiscal 2013 from ₹10,605.11 million in Fiscal 2012, primarily due to (i) an increase in net revenue from the sale of seeds and (ii) an increase in revenue from the sale of lint. For Fiscal 2013, our sales from cotton, maize and paddy accounted for 75.48%, 9.80%, and 6.22%, respectively, of our revenue from operations, as compared with 81.08%, 7.64%, and 4.67%, respectively, in Fiscal 2012.

- *Cotton.* Our sales volume of cotton seeds marginally increased by 0.89% to 10.18 million packets in Fiscal 2013 from 10.09 million packets in Fiscal 2012 and revenue from sales of cotton seeds increased by 3.02% to ₹8,858.25 million in Fiscal 2013 from ₹8,598.43 million in Fiscal 2012. We believe the relative lack of growth in sales volumes of cotton seeds in Fiscal 2013 as compared to Fiscal 2012 was due to a change in farmers' preferences as a result of a decrease in the price of cotton, which led to a shift in the types of field crops grown and a decrease in the cotton crop market size.
- *Maize.* Our sales volume of seeds for maize increased by 1.91% to 8,697 tons in Fiscal 2013 from 8,534 tons in Fiscal 2012 and revenue from sales of hybrid seeds for maize increased by 41.95% to ₹1,149.64 million in Fiscal 2013 from ₹809.86 million in Fiscal 2012. Our revenue from the sale of maize seeds increased primarily because of the establishment of our marketing team for field crops other than cotton in Fiscal 2013, which we believe was primarily responsible for increasing demand for our maize seeds beyond what we had initially anticipated for Fiscal 2013. As a result, although we sold maize seeds at an increase price in Fiscal 2013 as compared with Fiscal 2012, we had insufficient maize seeds available to fully take advantage of the increase in demand for our products.
- *Paddy.* Our sales volume of open pollinated and hybrid seeds for paddy increased by 14.11% to 10,289 tons in Fiscal 2013 from 9,017 tons in Fiscal 2012 and revenue from sales of open pollinated varieties and hybrid seeds for paddy increased by 47.31% to ₹730.09 million in Fiscal 2013 from ₹495.62 million in Fiscal 2012. Our sales of open pollinated and hybrid paddy seeds increased due to (i) the establishment of our marketing team for field crops other than cotton in Fiscal 2013, which we believe helped to increase brand awareness and allow increased prices for our products, and (ii) a favourable monsoon in Fiscal 2013 which led to improved conditions for paddy growth and an overall increase in market demand for paddy seeds.
- *Lint.* Our revenue from the sale of lint increased to ₹222.84 million in Fiscal 2013 from ₹48.13 million in Fiscal 2012 on account of higher volumes of lint sold due to higher production of cotton seeds.

**Other income.** Our other income increased to ₹653.64 million in Fiscal 2013 from ₹181.71 million in Fiscal 2012, primarily due to (i) an increase in interest income from interest-bearing inter-corporate deposits to ₹468.85 million in Fiscal 2013 from ₹93.30 million in Fiscal 2012 and (ii) an increase in interest income from current investments to ₹149.93 million in Fiscal 2013 from ₹49.36 million in Fiscal 2012.

## Expenses

Our total expenses excluding finance costs, depreciation, amortisation and tax increased by 22.96% to ₹8,673.28 million in Fiscal 2013 from ₹7,053.57 million in Fiscal 2012, primarily due to (i) an increase in the cost of materials consumed and (ii) an increase in employee benefits expenses and sales promotion expenses in Fiscal 2013, partially offset by an increase in inventories of work-in-progress and finished goods.

**Cost of materials consumed.** Our cost of materials consumed increased by 37.36% to ₹5,323.68 million in Fiscal 2013 from ₹3,875.67 million in Fiscal 2012, primarily due to an increase in other agricultural and incidental expenses of 67.71% to ₹4,316.08 million in Fiscal 2013 from ₹2,573.52 million in Fiscal 2012 due to (i) an increase in the volume of seeds produced and (ii) higher payments to Seed Growing Farmers for increased labour costs, higher payments to supervisors of Seed Growing Farmers, partially offset by an increase in closing stock of raw seeds produced to ₹1,922.49 million in Fiscal 2013 from ₹959.33 million in Fiscal 2012 on account of increased cotton seed production in Fiscal 2013.

**Changes in inventories of work-in-progress and finished goods.** In Fiscal 2013, work-in-progress inventories increased by ₹294.65 million and finished goods inventories increased by ₹1,365.34 million. The increases reflected our anticipation of higher demand for our products in general, as well as the increased production of hybrid and open pollinated seeds for paddy and hybrid seeds for maize. We also created larger buffer stocks during the year. In Fiscal 2012, work-in-progress inventories increased by ₹761.82 million and finished goods inventories increased by ₹44.09 million. The increases were on account of a higher expected sales growth in Fiscal 2013.

**Employee benefits expense.** Our expenses related to employee benefits increased by 41.12% to ₹676.40 million in Fiscal 2013 from ₹479.32 million in Fiscal 2012, primarily due to an increase in the number of full-time employees and an annual rise in salaries and incentives from Fiscal 2012 to Fiscal 2013, resulting in an increase in expenses for salaries, wages, bonuses and other allowances of 39.96% to ₹609.58 million in Fiscal 2013 from ₹435.55 million in Fiscal 2012. The number of full-time employees had increased as of March 31, 2013 as compared to March 31, 2012.

**Other expenses.** Our other expenses increased by 23.75% to ₹4,342.69 million in Fiscal 2013 from ₹3,509.11 million in Fiscal 2012, primarily due to an increase in sales promotion expenses of 32.40% to ₹1,774.50 million in Fiscal 2013 from ₹1,340.30 million in Fiscal 2012 due to a higher volume of sales in cotton, maize and paddy products. Further, there was an increase in travelling and conveyance expenses of 47.90% to ₹261.25 million in Fiscal 2013 from ₹176.64 million in Fiscal 2012 on account of an increase in the number of marketing staff and an increase in production, processing and packing charges of 39.17% to ₹256.38 million in Fiscal 2013 from ₹184.22 million in Fiscal 2012 as a result of an increase in production volumes.

### **Profit before finance costs, depreciation, amortisation, exceptional items and tax**

Our profit before finance costs, depreciation, amortisation, exceptional items and tax decreased by 0.47% to ₹3,715.62 million in Fiscal 2013 from ₹3,733.25 million in Fiscal 2012 for the reasons described above. As a percentage of total revenue, our profit before finance costs, depreciation, amortisation, exceptional items and tax was 29.99% in Fiscal 2013 as compared to 34.61% in Fiscal 2012.

### **Finance costs**

We had long-term borrowings including current maturities amounting to ₹221.91 million as of March 31, 2013 as compared with ₹283.51 million as of March 31, 2012. We had short-term borrowings amounting to ₹698.43 million as of March 31, 2013 as compared with ₹529.91 million as of March 31, 2012. Primarily, as a result of an increase in principal amount and tenor of short-term borrowings, our finance costs increased by 76.57% to ₹242.10 million in Fiscal 2013 from ₹137.11 million in Fiscal 2012.

### **Depreciation and amortisation**

**Depreciation expense.** Our depreciation expense increased by 22.16% to ₹128.59 million in Fiscal 2013 from ₹105.26 million in Fiscal 2012, primarily due to an increase in processing capacities, storage facilities and investments in bar-coding equipment and technology systems to improve our sales accounting and supply chain management.

**Amortisation expense.** Our amortisation expense increased by 0.21% to ₹1,756.72 million in Fiscal 2013 from ₹1,753.05 million in Fiscal 2012. For further details see “—Effects of Schemes of Arrangement” and “—Critical Accounting Policies—Intangible assets and amortisation” above.

### **Tax expense**

**Current tax expense.** Our net current tax expense increased by 96.83% to ₹174.61 million in Fiscal 2013 from ₹88.71 million in Fiscal 2012 primarily due to an increase in income from non-agricultural operations, such as interest income.

### **Profit before tax and Profit for the year**

For the foregoing reasons our profit before tax increased by 84.44% to ₹1,588.21 million in Fiscal 2013 from ₹861.11 million in Fiscal 2012 and our profit for the year as restated increased to ₹1,444.28 million in Fiscal 2013 from ₹707.54 million in Fiscal 2012.

## LIQUIDITY AND CAPITAL RESOURCES

We fund our requirements through a variety of sources, including cash from operations and short- and long-term lines of credit from lenders. We believe that after taking into account the expected cash to be generated from our business and our existing working capital loans, we have sufficient working capital for our present requirements and anticipated requirements for capital expenditures and other cash requirements for 12 months following the date of this Draft Red Herring Prospectus.

### Net Cash Flows

	Fiscal			Nine months ended December 31
	2012	2013	2014	2014
	(₹ in millions)			
Cash flow from/(used in) operating activities	4,419.58	1,138.24	(1,950.31)	(815.60)
Cash flow from/(used in) investing activities	(3,516.33)	18.93	(228.52)	(120.31)
Cash flow from/(used in) financing activities	(1,055.46)	(1,355.60)	1,771.32	1,015.34
Net increase/(decrease) in cash and cash equivalents	(152.21)	(198.43)	(407.51)	79.43

### *Cash Flows from/(used in) Operating Activities*

In the nine months ended December 31, 2014, cash flow used in operating activities was ₹815.60 million and consisted of net profit before taxation of ₹2,059.39 million, as adjusted for a number of items, primarily (i) finance costs of ₹487.17 million in connection with interest-bearing loans that we have incurred and (ii) depreciation and amortisation expense of ₹155.72 million. Changes in working capital were primarily due to (a) a decrease in trade payables, liabilities and provisions of ₹3,416.10 million and (b) an increase in trade receivables of ₹1,400.75 million, partially offset by a decrease in inventories of ₹2,015.30 million primarily due to *kharif* season sales.

In Fiscal 2014, cash flow used in operating activities was ₹1,950.31 million and consisted of net profit before taxation of ₹1,500.08 million, as adjusted for a number of items, primarily (i) finance costs of ₹450.92 million in connection with interest-bearing loans that we have incurred, (ii) inventory charged off of ₹335.57 million and (iii) depreciation and amortisation expense of ₹139.05 million, partially offset by interest income primarily from inter-corporate deposits of ₹181.74 million. Changes in working capital were primarily due to (a) a decrease in trade payables, liabilities and provisions of ₹3,382.97 million due a decrease in advances received from customers, (b) an increase in inventories of ₹975.67 million relating to relatively lower sales volumes of cotton seeds in Fiscal 2014 than we had previously estimated, and (c) an increase in trade receivables of ₹879.31 million, partially offset by a decrease in loans and advances and other assets of ₹1,042.22 million.

In Fiscal 2013, cash flow from operating activities was ₹1,138.24 million, and consisted of net profit before taxation of ₹1,588.21 million, as adjusted for a number of items, primarily (i) depreciation and amortisation expense of ₹1,885.31 million primarily relating to amortisation of goodwill in connection with our scheme of arrangement in Fiscal 2011, and (ii) finance costs of ₹242.10 million primarily relating to interest-bearing loans that we have incurred, partially offset by interest income of ₹630.53 million. Changes in working capital were primarily due to (a) an increase in inventories of ₹2,654.71 million and (b) an increase in trade receivables of ₹364.29 million, partially offset by an increase in trade payables, liabilities and provisions of ₹1,199.64 million primarily due to payables owed to our Seed Growing Farmers.

In Fiscal 2012, cash flow from operating activities was ₹4,419.58 million and consisted of net profit before taxation of ₹861.11 million, as adjusted for a number of items, primarily (i) depreciation and amortisation

expense of ₹1,858.31 million primarily relating to amortisation of goodwill in connection with our scheme of arrangement in Fiscal 2011, (ii) investment write-offs of ₹876.72 million relating to the merger of our former subsidiary, Prestige Agri Inputs Private Limited, with our Promoter, MHPL, and (iii) finance costs of ₹137.11 million primarily relating to our utilisation of short-term borrowing facilities, partially offset by interest income of ₹153.06 million from inter-corporate deposits. Changes in working capital were primarily due to an increase in inventories of ₹1,184.50 million, partially offset by (a) an increase in trade payables, liabilities and provisions of ₹1,906.94 million primarily due to advances received from customers and (b) a decrease in trade receivables of ₹159.06 million.

#### ***Cash Flows from/(used in) Investing Activities***

In the nine months ended December 31, 2014, cash flows used in investing activities was ₹120.31 million primarily on account of acquisition of fixed assets of ₹129.29 million in connection with capacity additions to our storage facilities.

In Fiscal 2014, cash flows used in investing activities was ₹228.52 million, primarily on account of (i) the acquisition of fixed assets of ₹318.67 million in connection with capacity additions to our processing and storage facilities, and (ii) the purchase of investments aggregating to ₹40.06 million in connection with our acquisition of our subsidiary, Yaaganti Seeds, partially offset by interest income of ₹94.83 million received on account of inter corporate deposits.

In Fiscal 2013, cash flows from investing activities was ₹18.93 million, primarily on account of (i) inter-corporate deposits refunded by Group Companies of ₹1,946.90 million, (ii) proceeds from sale of investments such as mutual funds of ₹1,775.51 million and (iii) interest income of ₹649.11 million in connection with inter-corporate deposits and current investments, substantially offset by (a) inter-corporate deposits given to Group Companies of ₹3,506.50 million and (b) the purchase of the remaining outstanding equity shares in our subsidiary, Prabhat Agri Biotech Limited, of ₹689.80 million.

In Fiscal 2012, cash flows used in investing activities was ₹3,516.33 million, primarily on account of (i) purchase of investments of ₹2,493.90 million related to our acquisitions of various subsidiaries, (ii) inter-corporate deposits given to Group Companies of ₹2,195.00 million and (iii) acquisition of fixed assets of ₹396.98 million in connection with processing and storage facilities, partially offset by (a) inter-corporate deposits refunded by Group Companies of ₹1,245.00 million and (b) proceeds from the sale of investments made in short-term mutual funds of ₹194.27 million.

For further details on the Subsidiaries and Associates acquired, see sections titled “*History & Certain Corporate Matters*” on page 222.

#### ***Cash Flows from/(used in) Financing Activities***

In the nine months ended December 31, 2014, cash flows from financing activities was ₹1,015.34 million as a result of proceeds from (i) net proceeds from short-term borrowings of ₹1,374.11 million and (ii) net proceeds from long-term borrowings of ₹125.53 million, partially offset by (a) interest cost of ₹482.79 million primarily on account of borrowings and (b) dividend tax of ₹1.51 million on account of preference share dividends.

In Fiscal 2014, cash flows from financing activities was ₹1,771.32 million as a result of net proceeds from short-term borrowings of ₹3,136.34 million, decreased by (i) shares buy-backs aggregating to ₹840.00 million on account of shares bought back from the then existing shareholders of the Company who participated in the buy-back, including from Blackstone, (ii) interest costs of ₹451.20 million primarily on account of borrowings and (iii) repayment of long term borrowings of ₹71.57 million.

In Fiscal 2013, cash flows used in financing activities was ₹1,355.60 million, primarily as a result of (i) dividends paid of ₹1,047.29 million on equity and preference shares, (ii) dividend tax paid of ₹176.54 million,

(iii) interest costs of ₹238.71 million primarily on account of borrowings and (iv) repayment of long term borrowings of ₹78.75 million, partially offset by proceeds from net short term borrowings of ₹185.69 million.

In Fiscal 2012, cash flows used in financing activities was ₹1,055.46 million, primarily as a result of (i) repayment of net borrowings of ₹859.77 million, (ii) interest costs of ₹126.26 million primarily on account of borrowings and (iii) dividend and dividend taxes paid of ₹69.43 million on account of equity and preference share dividends.

### Indebtedness

The following table sets forth our total outstanding indebtedness as of March 31, 2012, March 31, 2013, March 31, 2014, and December 31, 2014.

	As of March 31			As of December 31
	2012	2013	2014	2014
	(₹ in millions)			
Working Capital Loans from Banks	529.91	698.43	3,834.78	5,208.95
Term Loans from Banks	275.20	208.20	137.78	262.59
Loans from Other Parties	5.33	11.36	11.10	12.57
Other	2.98	2.35	1.46	0.71
<b>Total</b>	<b>813.42</b>	<b>920.34</b>	<b>3,985.12</b>	<b>5,484.82</b>

Our borrowings as of December 31, 2014 are primarily variable interest-bearing and consist of lines of credit from various domestic banks. We do not have any foreign currency loans and all of our outstanding debt is in Indian rupees.

Our Company has, in the past, failed to comply with certain covenants and restrictions under certain of its financing agreements with various lenders, for example, covenants and restrictions on making repayments of principal or interest within the time period stipulated under its financing agreements, not creating or perfecting security interests. In addition to any defaults that could have been triggered under the relevant facility documentation, certain of these delays have resulted in defaults under other loan documents and penal interest being levied by the relevant lenders on our Company. Our Company has sought and received waivers from its current lenders for such failures and defaults. Although these lenders have not declared our Company to be in default under any of these facilities for these reasons or any under any other circumstances, any future failures to comply with restrictions under our borrowings may lead to an event of default, which may have a material adverse effect on our business, financial condition and results operations. For further details, see the section titled “Risk Factors—Internal Risks—Our Company has failed to comply with certain financial and other covenants and restrictions imposed under the terms of its borrowings in the past, and if such failures were to occur in the future, it could materially and adversely affect our business, results of operations and financial condition”.

### Contractual Obligations

The following table sets forth a summary of the maturity profile for our outstanding long term borrowings and operating lease obligations as of December 31, 2014.

Payments Due by Period:	Total	Less than one year	1-3 years	3-5 years	More than five years
	(₹ in millions)				
Long-term borrowings	275.87	84.75	60.61	128.13	2.38
Operating leases	8.59	2.54	1.98	4.07	-
<b>Total</b>	<b>284.46</b>	<b>87.29</b>	<b>62.59</b>	<b>132.20</b>	<b>2.38</b>

\* This table excludes our working capital loans, which are repayable on demand.



## Working Capital Position

We experience significant fluctuations in our working capital levels on a semi-annual basis due to the seasonality of our business. We generally experience cash inflows in the second half of the fiscal year when our customers make advance orders for the products they intend to purchase in the subsequent fiscal year. In the first half of the subsequent fiscal year we receive cash payment for the remaining amount upon delivery of the product. Subsequently, our customers may return products, upon which we may provide cash refunds, which would typically be in the second half of the fiscal year. We also typically receive a significant portion of advance payments from December to March of each year. For further details, see the sections titled “Significant Factors Affecting Results of Operations and Financial Condition—Seasonality in demand for our products” and “Significant Factors Affecting Results of Operations and Financial Condition—Advance from our customers”. During the period from February to June when we have significant cash outflows towards seed production expenses, we typically rely on short-term working capital facilities from banks.

## Capital Expenditure

Our cash outflows on account of capital expenditure was ₹172.05 million, ₹318.67 million and ₹129.29 million for Fiscal 2013, Fiscal 2014 and the nine months ended December 31, 2014, respectively, primarily due to acquisitions of land, buildings and plant and machinery.

We expect to continue to make investments in our operations and research and development over the next several years, including committed capital expenditures for expansion and upgrading of production and storage facilities, research and development and product development programmes. Our actual capital expenditure may vary from projected amounts due to various factors, including changes in market conditions, unplanned cost overruns, our ability to generate sufficient cash flows from operations, our ability to obtain adequate financing for planned capital expenditure, demand for our products and the state of the agriculture industry in India. In addition, our planned capital expenditure does not include any expenditure for acquisitions of potential companies or assets that we may pursue from time to time.

We expect to meet our capital expenditure requirements through cash generated from operations. We believe that we have sufficient resources available to us to meet our planned capital requirements. However, our sources of funding could be adversely affected by an economic slowdown in India, regulatory controls and other factors affecting our business, the Indian agricultural sector or the Indian economy generally. Further, a decrease in the demand for our products and services could lead to an inability to obtain funds from external sources on acceptable terms, in a timely manner, or at all. For further details, see “—Significant Factors Affecting Results of Operations and Financial Condition” on page 444.

## Commitments

As of December 31, 2014, our total capital expenditure commitment amounted to ₹ 94.09 million.

## CONTINGENT LIABILITIES AND MATERIAL LITIGATION

Our contingent liabilities as of December 31, 2014 were as follows:

	<b>Total</b>
	<b>( ₹ in millions)</b>
Income tax matters under dispute	118.74
Other claims not acknowledged as debts *	367.34
<b>Total</b>	<b>486.08</b>

\* This includes compensation claims from farmers and customers and demand from government departments.

**Income tax matters under dispute.** For the assessment year 2011-2012, the Deputy Commissioner of Income Tax, Hyderabad, rejected our claim for tax exemption for agricultural income. However, as a result of our appeal, the Office of the Commissioner of Income Tax (Appeals) allowed our claim for the agricultural income tax exemption. The Deputy Commissioner of Income Tax appealed against this order to the Income Tax Appellate Tribunal, Hyderabad. This appeal was rejected by the Office of the Income Tax Appellate Tribunal by an order dated March 20, 2015 and it also allowed our claim for tax exemption for agricultural income (the “**Appellate Order**”). However, even after the Appellate Order, on March 30, 2015 the Deputy Commissioner of Income Tax, Hyderabad, rejected our claim for agricultural income tax exemption for the assessment year 2012-2013 (“**DCIT Order**”). We intend to appeal against this order. Our contingent liabilities as of December 31, 2014 do not reflect the amounts demanded under the DCIT Order as the order was received after December 31, 2014. However, our contingent liabilities in future periods may increase as a result of the DCIT Order. For further details, see “—*Significant Factors Affecting Results of Operations and Financial Condition—Taxation*” on page 448 above and see the sections titled “*Risk Factors—Internal Risks— The Indian income tax authorities have challenged and may continue to challenge our use of certain income tax exemptions. If these exemptions become unavailable to us, our tax liability could increase significantly and, in turn, our results of operations, financial condition and cash flows could be materially and adversely affected.*” and “*Outstanding Litigation and Material Developments*” on pages 28 and 469, respectively.

**VAT tax matters.** In addition, in respect of the trait fees that we pay to MMBL, no VAT has been charged since April 1, 2009 by MMBL based on its determination, which is in turn based on a legal opinion obtained by it, that no payment of VAT is required on such transactions. However, in the event the sales tax department rejects MMBL’s contention in this regard and determines that VAT, along with any interest, penalties or costs in respect thereof is payable on the trait fee paid by us, we may be liable to pay the amounts so determined to MMBL.

For further details, see Annexure XVIII to our restated consolidated financial statements in the section titled “*Financial Statements*” on page F-1.

## **OFF-BALANCE SHEET ARRANGEMENTS**

We do not have any off-balance sheet arrangements, derivative instruments or other relationships with unconsolidated entities, which are reasonably likely to have a current or future material effect on results of operations or financial condition.

## **RELATED PARTY TRANSACTIONS**

We have entered into transactions with certain related parties, including the following transactions in Fiscal 2011, Fiscal 2012, Fiscal 2013, Fiscal 2014 and the nine months ended December 31, 2014:

**Sale of goods (net of discounts).** We have sold goods to Group Companies such as NSL Cotton Corporation Private Limited, NSL Textiles Limited and Prabhat Agri Biotech Limited (a Group Company at the time of the sale) in Fiscal 2011, Fiscal 2012, Fiscal 2013, Fiscal 2014 and the nine months ended December 31, 2014. The amounts of such sales constituted 10.29%, 16.77%, 0.54%, 0.68%, and 0.03% of our revenue from operations for those respective periods.

**Inter-corporate deposits.** We have made interest-bearing inter-corporate deposits with our Group Companies in Fiscal 2011, Fiscal 2012, Fiscal 2013 and Fiscal 2014. The total inter-corporate deposits made for Fiscal 2011, Fiscal 2012, Fiscal 2013 and Fiscal 2014 was ₹395.00 million, ₹2,195.00 million, ₹3,506.50 million and ₹1,550.00 million, respectively. In addition, we converted certain receivables or advances aggregating ₹509.12 million due from NSL Textiles Limited and NSL Cotton Corporation Private Limited into inter-corporate deposits in Fiscal 2014. We have received interest income on such deposits.

Where such deposits have been refunded by our Group Companies, refunds are typically made in the same year or the next fiscal year. The aggregate refunds received in Fiscal 2011, Fiscal 2012, Fiscal 2013 and Fiscal 2014 were ₹250.00 million, ₹1,245.00 million, ₹1,946.90 million and ₹1,582.50 million, respectively. A substantial portion of our inter-corporate deposits were transferred from our accounts pursuant to a scheme of arrangement

approved by the High Court of Hyderabad in Fiscal 2014. For further details, see “—Effects of Schemes of Arrangement”.

No inter-corporate deposits were made or refunded in the nine months ended December 31, 2014.

We have also entered into related party transactions in connection with, among other things, professional fees paid to our Promoter, MHPL, in connection with management consultancy services relating to finance, IT and secretarial services; rent and land lease fees paid to various Group Companies in connection with various facilities used for our operations; and service charges paid in connection with the lease of land for research and development and corporate infrastructure services.

For further details in relation to our related party transactions, see “*Risk Factors—Internal Risks—There are potential conflicts of interest with our Group Companies and Members of our Promoter Group. Furthermore, we have entered into related party transactions, and may continue to do so in the future, and we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties or that we will be able to recover the amounts due from our related parties.*”, “—Effects of Schemes of Arrangement”, and Annexure XX to our restated consolidated financial statements in the section titled “*Financial Statements*” on pages 55, 449 and F-78, respectively.

## **QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK**

### **Interest Rate Risk**

Our exposure to interest rate risk relates primarily to our short-term debt including current maturities of long-term debt, which is 96.51% of our total debt as of December 31, 2014, primarily utilised to finance our working capital requirements. As of December 31, 2014, most of our total debt is at variable interest rates. Increases in interest rates would not only make existing floating rate borrowings (both short-term and long-term) more expensive to service, but may also make it more costly for us to refinance our short-term debt obligations. Taking into account our variable rate borrowings, at December 31, 2014, if interest rates had been 50 basis points lower/higher, with all other variables held constant, our profit for the period would have been ₹19.17 million lower/higher.

### **Commodity Price Risk**

We are exposed to fluctuations in prices of commodities as demand for our seed products can vary with related commodity prices. For example, if demand for a particular commodity is low, then there may not be demand for seed for such products. As a result, commodity price movements generally have a direct bearing on demand for our products, which will affect revenue for our products.

## **OTHER QUALITATIVE FACTORS**

### **Unusual or Infrequent Events or Transactions**

To our knowledge there have been no events or transactions that may be described as “unusual” or “infrequent” that may have taken place in the last three years, except as disclosed in “—Results of Operations—Fiscal 2013 Compared to Fiscal 2012—Exceptional Item” on page 460, Annexure IV to our restated consolidated financial statements in the section titled “*Financial Statements*” on page F-1 and elsewhere in this Draft Red Herring Prospectus.

### **Dependence on a Few Customers and Suppliers**

We do not depend on any particular customer or supplier or group of customers or suppliers.

### **Total Turnover of Each Major Industry Segment**

We are currently operating in only a single segment within the same geography. For further details, see the section titled “*Financial Statements*” on page F-1.

### **Future Relationship Between Costs and Income**

Other than as described in the section titled “*Risk Factors*” on page 27 and elsewhere in this Draft Red Herring Prospectus, to our knowledge there are no known factors which will have a material adverse impact on our operations and finances.

### **The Extent to Which Material Increases in Net Sales or Revenue are Due to Increased Sales Volume, Introduction of New Products or Services or Increased Sales Prices**

Changes in income from operations in the last two fiscal years are as explained in this section.

### **Known Trends or Uncertainties**

Other than as described in the sections titled “*Risk Factors*” and this section titled “*Management's Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 27 and 442, respectively, and elsewhere in this Draft Red Herring Prospectus, to the best of our knowledge there are no known trends or uncertainties that have had, or are expected to have, a material adverse impact on our revenues or income from continuing operations.

### **New Product or Business Segment**

Other than as described in the section titled “*Business*” beginning on page 184, to our knowledge, there are no new products or business segments.

### **Competitive Conditions**

For further details, please refer to the discussions of our competition in the sections titled “*Risk Factors*” and “*Business*” on pages 27 and 184, respectively.

## **SUMMARY OF RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS OF AUDITORS**

Set forth below is a summary of reservations, qualifications and adverse remarks of our auditors in our consolidated financial statements in the last five fiscal years:

**Fiscal 2014.** Our auditors drew attention to the scheme of arrangement sanctioned by the High Court of Hyderabad with an appointed date of July 1, 2013. The accounting standards do not prescribe the accounting treatment of such scheme, however the net assets amounting to ₹3,250.93 million has been adjusted in accordance with the scheme approved by the High Court of Hyderabad. For further details, see “—*Effects of Schemes of Arrangement*” on page 449.

Our auditors also reported that there had been a slight delay in a few cases in depositing undisputed statutory dues relating to tax and insurance contributions.

**Fiscal 2013.** Our auditors reported that there had been a slight delay in a few cases in depositing undisputed statutory dues relating to tax and insurance contributions.

**Fiscal 2012.** Our auditors drew attention to write-off of investments in a subsidiary, which has been disclosed as an exceptional item in Fiscal 2012. For further details, see “—*Exceptional Items—Fiscal 2012*” on page 453.

**Fiscal 2011.** Our auditors reported that the process of reconciling quantitative movements during the year needed to be strengthened.

## **SIGNIFICANT DEVELOPMENTS**

Except as discussed above and as stated elsewhere in this Draft Red Herring Prospectus, in the opinion of our Board, no circumstances have arisen since the date of the last financial statements as disclosed in this Draft Red Herring Prospectus which materially and adversely affect or are likely to affect our trading and profitability, the value of our assets or our ability to pay our liabilities within the next 12 months.

## OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as described below and other than as disclosed in the section “*Financial Statements*” on page F-1, as of April 17, 2015, there are no outstanding litigations, suits or criminal or civil proceedings or tax liabilities against us, our Promoters, Directors or Group Companies or any other person, whose outcome would have a material adverse effect on our business and there are no defaults, non-payment or overdues of statutory dues, institutional or bank dues or dues payable to holders of any debentures, bonds and fixed deposits, and arrears of preference shares issued by our Company, defaults in creation of full security as per terms of issue/other liabilities, that could have a material adverse effect on our business as of April 17, 2015. Furthermore, except as stated below, in the last five years preceding April 17, 2015 there have been (a) no instances of material frauds committed against our Company or its Subsidiaries; (b) no inquiries, inspections or investigations initiated or conducted under the Companies Act or any previous companies law in the case of our Company or its Subsidiaries and, no prosecutions have been filed (whether pending or not), fines imposed or compounding of offences for the Company or the Subsidiaries; (c) no litigation or legal action pending or taken by any ministry or department of the government or any statutory body against the Promoters.

Except as described below, as of April 17, 2015, there are no proceedings initiated for economic or civil offences (including past cases if found guilty) or any disciplinary action taken by SEBI or any stock exchange, penalties imposed by any authorities against our Company, the Subsidiaries and Directors and no adverse findings in respect of our Company or Subsidiaries, as regards compliance with securities laws. Further, except as described below, as of April 17, 2015, there are no instances where our Company, the Subsidiaries or Directors have been found guilty in suits or criminal or civil prosecutions, or proceedings initiated for economic or civil offences or any disciplinary action by SEBI or any stock exchange, or tax liabilities.

Except as disclosed below, as of April 17, 2015, there are no (i) litigations against the Directors involving violation of statutory regulations or alleging criminal offence; (ii) past cases in which penalties were imposed by the relevant authorities on the Company, the Subsidiaries and the Directors; (iii) outstanding litigations or defaults relating to matters likely to affect the operations and finances of the Company and the Subsidiaries, including disputed tax liabilities and prosecution under any enactment in respect of Schedule V to the Companies Act, 2013; and (iv) outstanding dues to small scale undertaking(s) or any other creditors that have been incurred other than in the ordinary course of business.

Unless stated to the contrary, the information provided below is as of April 17, 2015 and reflects litigation for which notice has been served on us, our Promoters, Directors or Group Companies, as the case may be, on or prior to April 17, 2015.

### **I. Contingent Liabilities**

There are no contingent liabilities not provided for and outstanding guarantees (except as disclosed in our restated summary statements) for the financial years ended March 31, 2010, 2011, 2012, 2013 and 2014 and the nine month period ended December 31, 2014. For details of contingent liabilities and tax matters in which the Company or its Subsidiaries are involved, please see the sections titled “*Financial Statements – Restated Standalone Statement of Contingent Liabilities*” on page F-33 and *Financial Statements – Restated Consolidated Statement of Contingent Liabilities*” on page F-75 of this Draft Red Herring Prospectus.

### **II. Litigation involving our Company and material developments**

#### **A. Outstanding litigation**

##### ***Litigation against our Company***

##### ***Summons from the Enforcement Directorate***

Our Promoter and Managing Director, Mandava Prabhakara Rao, had been served with a summons dated August 30, 2011 by the Assistant Director, Directorate of Enforcement, Government of India (“ED”) in connection with an investigation against our Company under the provisions of FEMA. The summons sought

certain information relating to foreign direct investment in our Company and its Subsidiaries, land holdings of our Company and its Subsidiaries, bank account details, details of proceeds from exports of our Company, details of overseas investment by our Company and details of foreign currency denominated equity or debt capital raised by our Company, and in this regard, required Mandava Prabhakara Rao to appear before the ED on September 08, 2011. Our Company furnished the requisite details to the ED by its letter dated September 05, 2011, and Mandava Prabhakara Rao also appeared in person before the ED in terms of these summons. We have not received any further communication from the ED in this regard, nor have any specific allegations been made against us in contravention of the FEMA.

#### *Civil cases*

- (a) Raasi Seeds Private Limited and Sathya Narayana Reddy have filed a suit bearing O.S. No. 172 of 2010 before the City Civil Court at Hyderabad against our Company and eight others, seeking a sum of ₹ 30 million as damages, and costs of the suit. Raasi Seeds Private Limited and Sathya Narayana Reddy have alleged that dishonest and fraudulent criminal complaints filed by our Company and others have led to defamation and have damaged their social standing and reputation. Raasi Seeds Private Limited and Sathya Narayana Reddy have alleged that our Company and others have illegally seized material worth ₹20 million from the possession of Raasi Seeds Private Limited and Sathya Narayana Reddy, which has caused damages to the extent of ₹30 million. The matter is currently pending.
- (b) K. Lakshmi Narayana Reddy has filed a suit bearing O.S. No. 16 of 2010 before the District Court Kurnool against our Company, seeking a sum of ₹ 1.33 million with interest at the rate of 18% per annum from the date of legal notice and the costs of the suit. K. Lakshmi Narayana Reddy has alleged that several false allegations were made against him by our Company, which has resulted in reputational damage and pursuant to these false allegations, he has filed his resignation with our Company. Our Company did not accept the resignation and pending the dispute did not pay ₹ 9,760 per annum to K.Lakshmi Narayana Reddy as subsistence allowance after March, 2007. Our Company has in its written statement contended that it is not liable to pay the aforementioned subsistence allowance as the same had been paid to him for six months in accordance with the rules prevailing in the Company until he insisted on resigning and our Company became aware that he was engaged in other profitable employment. The First Additional District Judge at Kurnool found in favour of K. Lakshmi Narayana Reddy and by its order dated June 6, 2013, ordered our Company to pay him total compensation of approximately ₹ 0.6 million towards subsistence allowance and damages for causing ill health and mental agony. Against this, our Company has filed an appeal A.S. No. 806 of 2013 before the High Court of Andhra Pradesh. The High Court of Andhra Pradesh has on September 20, 2013 granted an interim stay conditional upon our Company depositing one-fourth of the decretal amount together with costs. The matter is currently pending.
- (c) Metahelix Life Sciences Private Limited (“**Metahelix**”) filed an arbitration suit bearing A.S. No. 57 of 2009 dated July 21, 2009 before the City Civil Court, Bengaluru against our Company seeking to set aside the arbitral award of the arbitrator dated March 30, 2009, in respect of certain specific issues arising out of the agreement dated December 3, 2001 between our Company and Metahelix. These issues include the right of first refusal claimed by our Company under this agreement, and liquidated damages payable by Metahelix for alleged violation of this right. Metahelix has alleged that the arbitral award of ₹ 1.5 million is neither payable by it, nor is our Company entitled to make a claim for such an amount. Our Company further filed an execution petition no. 2163 of 2009 before the Court of Principal City Civil Judge, Bengaluru, for execution of the portion of the arbitral award under which ₹ 1.5 million is payable by Metahelix. As Metahelix failed to pay the amount, our Company filed winding up petition C.O.P. no. 190 of 2010, requiring that Metahelix be wound up. This petition was rejected by the High Court of Karnataka pursuant to an order dated March 1, 2014. Our Company has now filed appeal O.S.A. 25 of 2014 before the High Court of Karnataka in this regard.

- (d) Kohinoor Seeds Fields India Private Limited filed a suit bearing F.A.O. No. 24 of 2007 before the High Court of Delhi against our Company seeking that the order dated November 27, 2006, passed by the Additional District Judge Delhi in suit No. 12 of 2006 be set aside or quashed and that an injunction be granted restraining our Company from using the trademark 'KOHINOOR'. Kohinoor Seeds Fields India Private Limited alleged that the use of the trademark 'KOHINOOR' by our Company is with malafide and fraudulent intention to trade upon the reputation and goodwill of Kohinoor Seeds Fields India Private Limited and to create confusion and deception in the minds of the consumers. F.A.O. No. 24 of 2007 was dismissed by the High Court of Delhi on August 17, 2010, on account on non-appearance of parties and non-prosecution. The matter is now being amicably settled between Kohinoor Seeds Fields India Private Limited and our Company.
- (e) M. Sudhakar has filed a writ petition bearing W.P No. 9924 of 2012 before the High Court of Andhra Pradesh against the Government of Andhra Pradesh, the Commissioner and Director of Agriculture, Hyderabad, and our Company seeking a writ of mandamus directing the state of Andhra Pradesh and the Commissioner and Director of Agriculture, Hyderabad to take action against our Company for packing red gram seeds in place of non Bt. cotton seed for the purpose of refugia seeds in contravention of the Government orders G.O. Rt. 559 dated May 21, 2011 and G.O. Rt. 224 dated February 27, 2012 and letter no. S.R.C. (2) 668/2011 dated December 13, 2011. M. Sudhakar also alleges that our Company has violated the Government order and gained undue financial benefit at the cost of poor farmers. The matter is currently pending.
- (f) Rajesh Gulabrao Jogi, an ex-employee of our Company, has filed W.C.A. Case No. 02 of 2013 against our Company and three others, being the vice-president and deputy general manager and area manager of our Company, before the Court of the Commissioner for Workmen's Compensation in the Labour Court at Amravati, for non-payment of compensation for an alleged injury suffered by him during the course of employment with our Company. The total amount claimed by him is approximately ₹1.12 million, together with interest, any penalty and costs. The complaint is currently pending.
- (g) Manjunathagowda, ex-employee of the Company, has filed Case No. DWCFN 162 of 2010 against our Company under the Workmen's Compensation Act, 1923, before the Court of the Labour Officer and Commissioner for Workmen's Compensation at Haveri in Karnataka (the "Court"), claiming compensation for injuries suffered while riding a motorcycle during the course of his employment with our Company. The Court on July 31, 2012, found in his favour and ordered our Company to pay him compensation of approximately ₹0.13 million, together with interest. Our Company has filed appeal bearing M.F.A. No. 23265 of 2013 against this order in the High Court of Karnataka. The matter is currently pending.
- (h) Various farmers have filed Special Civil Application No. 3568 of 2012 and Special Civil Application No. 1003 of 2012 in the High Court of Gujarat at Ahmedabad, against the State of Gujarat, our Company, and others, seeking payment by our Company and other seed companies of the balance purchase price on certain Bt. cotton seeds, which these farmers allege has not been paid in contravention of the Gujarat Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixing of Sale Prices) Act, 2008, a notification dated June 11, 2008, in which the Department of Agriculture and Cooperation of the Government of Gujarat had fixed the maximum sale price for Bt. cotton seeds, and an undertaking given by the companies to the State of Gujarat dated April 20, 2011. These petitions were dismissed by the High Court of Gujarat, and the petitioners then filed a Letters Patent Appeal bearing no. 1418 of 2013 before the High Court of Gujarat. The matter is currently pending.



- (i) Kaveri Seeds Company Limited has filed O.S. 372 of 2013, before the City Civil Court, Hyderabad, against our Company, and also filed I.A. No. 178 of 2013 for declaration and injunction against our Company restraining us from selling our hybrid seed “Bhakti NCS-245 BG II” and alleging infringement of their rights in Bt. cotton hybrid “Jaadoo KCH-14K59 BG-II” and obtained an ex-parte injunction in this regard. Our Company filed C.M.A. 440 of 2013 before the Division Bench of the High Court of Andhra Pradesh. The Division Bench set aside the impugned order and remanded back the matter to the trial court directing to dispose off I.A. No.178 of 2013. The trial court passed an order on July 11, 2013 rejecting I.A. No. 1231 of 2013 (which was earlier I.A. No.178 of 2013) filed by Kaveri Seeds Company Limited. Kaveri Seeds Company Limited then filed civil miscellaneous appeal bearing no. 912 of 2013 against the dismissal of its I.A. No.1231 of 2013, before the Division Bench of the High Court of Andhra Pradesh. The Division Bench dismissed this appeal. The Division Bench observed that unless the DUS Test is conducted with respect to the disputed seeds of the parties and the test reports obtained, it cannot assess who is copying whose variety and therefore delving into the claim of Kaveri Seeds Company Limited at that stage is unwarranted. Meanwhile our Company filed interim application no. 1774 of 2013 before the City Civil Court, Hyderabad seeking testing of both companies’ hybrids and parental lines and alleging that Kaveri Seeds Company Limited has developed its hybrid Jaadoo by illegally using our Company’s parent lines. Kaveri Seeds Company Limited also filed an interim application no. 1618 of 2013 before the City Civil Court, Hyderabad seeking that only the hybrids be tested and not parental lines. The City Civil Court vide order dated October 03, 2013 allowed I.A. No.1618 of 2013 and I.A. No.1774 of 2013 and directed both the parties to submit seeds of respective hybrids along with the seeds of their parent lines. The matter is currently pending.
- (j) Sungro Seeds Limited has filed C.S. (OS) No. 1163 of 2013 before the High Court of Delhi, against our Company and two of its employees, alleging that one of our hybrids is a copy of their hybrid SCFH-130 and praying for a permanent injunction against the sale of our hybrid. The matter is currently pending.

*Criminal Complaints filed against our Company*

- (k) The State of Punjab, through the Fertilizer Inspector, Budhlada, has filed a criminal complaint before the Judicial Magistrate of First Class at Budhlada, Punjab, against our Company for contravention of Clauses 2, 7, 8, 9, 19 and 35 of the Fertilizer Control Order, 1985 and Section 3 of the Essential Commodities Act, 1955. The complainant has alleged, based on a sample, that fertilizer N.P.K (20:20:20) Drava Khad Brand imported and marketed by our Company was sub-standard and has sought penalty under Section 7 of the Essential Commodities Act, 1955. Section 7 of the Essential Commodities Act, 1955 provides for an imprisonment for a minimum of three months and upto seven years. The matter is currently pending.
- (l) The State of Chattisgarh, through the Joint Director, Department of Agriculture, Raipur, has filed a criminal complaint before the Judicial Magistrate First Class at Raipur against Mr. Pranjal Pratim Deka Barua in his capacity as Regional Manager (Marketing) of our Company, for alleged sale of seeds of the variety Paddy-NP-209 by our Company in the year 2014. This variety was not covered under the license to carry on the business of a dealer in seeds granted to our Company by the Seed Licensing Authority, Raipur on July 02, 2011 and amended by letter dated January 26, 2012 (the “Seed License”). By way of an order dated June 02, 2014, the Department of Agriculture suspended the Seed License. Thereafter, our Company stopped selling Paddy-NP-209 but continued to sell the other varieties included in the Seed License, due to which the Department of Agriculture seized a stock of 124,134 kilograms of seeds produced by our Company on June 21, 2014 and filed F.I.R. No. 135 of 2014 on July 09, 2014, with the police at D.D. Nagar, Raipur, under Section 188 of the Indian Penal Code, 1860 against our Company for disobeying an order duly promulgated by a public servant, as well as under Section 3 and Section 7 of the Essential Commodities Act, 1955. Section 188 of the Indian Penal Code, 1860 provides for a punishment of simple imprisonment

for a term which may extend to one month or a fine which may extend to two hundred rupees, or both. Section 7 of the Essential Commodities Act, 1955 provides for a punishment of imprisonment for a minimum of three months and up to seven years, and also for a fine. Our Company has however been granted a fresh seed license on September 29, 2014. The matter is currently pending.

- (m) The Department of Weights and Measures of the Government of Maharashtra, has filed S.C.C. No. 2973 of 2007 against the Managing Director and the Board of Directors of our Company for alleged contravention of Sections 39, 63 and 74 of the Standard Weights and Measures Act, 1976 and the rules made thereunder and Sections 174, 175, 176, 179 and 188 of the Indian Penal Code, 1860. The Department of Weights and Measures has alleged that packets of Super Bunny NCS-999 seeds produced by our Company and on sale in a shop in Latur, Maharashtra, were not in compliance with the Weights and Measures Act, 1976 and the rules made thereunder as the maximum retail price inclusive of all taxes was not clearly written on the packets, thereby confusing customers. The maximum punishment under these provisions of the Indian Penal Code, 1860 is simple imprisonment for a period of up to six months, or a fine of up to ₹ 1,000 in respect of each offence, or both. The punishment under the Weights and Measures Act, 1976 is simple imprisonment for a period of up to six months, or a fine of up to ₹ 1,000 in respect of each offence, or both, for the first offence, and imprisonment for a term which may extend to two years, and a fine, for the second or subsequent offence. The matter is currently pending.
- (n) The Department of Legal Metrology has filed C.C. 188 of 2008 against our Company before the court of the Judicial Magistrate First Class at Daryapur for alleged contravention of Sections 39 and 63 of the Standard Weights and Measures Act, 1976. The matter is currently pending.
- (o) The Labour Officer has filed C.C. 75 of 2010 against our Company before the court of the First Class Magistrate, Idar, for alleged contravention of the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, alleging that our Company did not provide the Labour Department with *inter alia* details of landholders, financial transactions with producers, as required. The matter is currently pending.
- (p) The Agricultural Department, Dhamtari District has filed F.I.R. 615 of 2014 before the First Class Magistrate at Kurud against Mr. Pritam Deka Baruah, an employee of our Company, under Section 420 of the Indian Penal Code, alleging that he has cheated certain farmers by making false promises with respect to certain seeds produced by our Company. The matter is currently pending.

#### *Criminal Complaints under the Seeds Act, 1966*

- (a) The Assistant Director of Agriculture (Regular), Adoni, Andhra Pradesh, appointed by the State Department of Agriculture, has filed a criminal complaint bearing number S.T.C. 75 of 2011, before the Judicial Magistrate First Class at Kurnool, Andhra Pradesh, against our Company for contravention of Section 6(a) and 7(b) of the Seeds Act, 1966, alleging that certain paddy seeds produced by our Company were sub-standard, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (b) The Assistant Director of Agriculture (Regular), Adoni, Andhra Pradesh, appointed by the State Department of Agriculture, has filed a criminal complaint bearing number S.T.C. 76 of 2011, before the Additional Judicial Magistrate of First Class at Kurnool, Andhra Pradesh, against our Company for contravention of Section 6(a) and 7(b) of the Seeds Act, 1966, and Rules 7 and 8 of the Seed Rules, 1968,

alleging that certain paddy seeds produced by our Company were sub-standard, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.

- (c) The Assistant Director of Agriculture (Regular), Kurnool, Andhra Pradesh, appointed by the State Department of Agriculture, has filed a criminal complaint bearing number S.T.C. 6 of 2012, before the Judicial Magistrate of First Class at Kurnool, Andhra Pradesh, against our Company for contravention of Section 6(a) and 7(b) of the Seeds Act, 1966, alleging that certain cotton seeds produced by our Company were sub-standard, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (d) The Assistant Director of Agriculture (Regular) Yemmiganur, Andhra Pradesh, appointed by the State Department of Agriculture, has filed a criminal complaint bearing number S.T.C. 65 of 2011, before the Judicial Magistrate of First Class at Kurnool, Andhra Pradesh, against our Company for contravention of Section 7 of the Seeds Act, 1966 and Clause 8A of the Seeds (Control) Order, 1983, alleging that certain cotton seeds produced by our Company were sub-standard, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (e) The Assistant Director of Agriculture (Regular) Nandyal, Andhra Pradesh, appointed by the State Department of Agriculture, has filed a criminal complaint bearing number 119 of 2013, before the Judicial Magistrate of First Class at Kurnool, Andhra Pradesh, against our Company for contravention of Section 7(b) of the Seeds Act, 1966 alleging that certain cotton seeds produced by our Company were sub-standard, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (f) The Assistant Director of Agriculture (Regular) Jaggayyapet – Krishna District, Andhra Pradesh, appointed by the State Department of Agriculture, has filed a criminal complaint bearing number 395 of 2010, before the First Additional Chief Metropolitan Magistrate court at Vijayawada, Andhra Pradesh, against our Company for contravention of Section 10(3), read with Sections 8(2) and 12 (2) Andhra Pradesh Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Act, 2007 and Rule 2 of the Andhra Pradesh Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Rules 2007 alleging that certain cotton seeds produced by our Company were sub-standard, and has sought penalty under Section 12 (2) of the Andhra Pradesh Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Act, 2007. The aforesaid Section 12(2) provides for an imprisonment up to three years or fine up to ₹ 5,000 or both. The matter is currently pending.
- (g) The Assistant Director of Agriculture (Regular) Nandigama – Krishna District, Andhra Pradesh, appointed by the State Department of Agriculture, has filed a criminal complaint bearing number 34 of 2012, before the First Additional Chief Metropolitan Magistrate at Vijayawada, Andhra Pradesh, against our Company for contravention of Section 7(b) of the Seeds Act, 1966 alleging that certain cotton seeds produced by our Company were sub-standard, and has sought penalty under Section 19 of the Seeds Act, 1966 and Clause 13(c) of the Seeds (Control) Order, 1983. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.

- (h) The Assistant Director of Agriculture (Regular), Macherla, Guntur, has filed a complaint bearing number C.C. 663 of 2012 against the Company and Fortune Hybrid Seeds Limited before the court of the IV Additional Munsiff Magistrate, Guntur contending that certain cotton seeds produced by the Company and marketed by Fortune Hybrid Seeds Limited and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and the Seeds (Control) Order, 1983, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (i) The Assistant Director of Agriculture (Regular) Macherla – Guntur District, Andhra Pradesh, appointed by the State Department of Agriculture, has filed a criminal complaint bearing number 649 of 2012, before the IV Additional Munisiff Magistrate at Guntur, Andhra Pradesh, against our Company for contravention of Section 7(b) of the Seeds Act, 1966 alleging that certain cotton seeds produced by our Company were sub-standard and has sought penalty under Section 19 of the Seeds Act, 1966 and Clause 13(c) of the Seeds (Control) Order, 1983. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (j) The Assistant Director of Agriculture (Regular) Tiruvuru, Andhra Pradesh, appointed by the State Department of Agriculture, has filed a criminal complaint bearing number 71 of 2013, before the First Additional Chief Metropolitan Magistrate at Vijayawada, Andhra Pradesh, against our Company for contravention of Sections 6(a) and 7(b) of the Seeds Act, 1966 alleging that certain cotton seeds produced by our Company were sub-standard, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (k) The Assistant Director of Agriculture, Piduguralla has filed a complaint bearing number C.C. 151 of 2012 against our Company and Fortune Hybrid Seeds Limited before the court of the IVth Additional Junior Civil Judge, Guntur contending that certain cotton seeds produced by our Company and marketed by Fortune Hybrid Seeds Limited and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and the Seeds (Control) Order, 1983, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (l) The Seed Inspector and District Quality Control Inspector, Akola, Maharashtra, filed an application under Section 15(4)(b) of the Seeds Act, 1966, bearing number 537 of 2008, against our Company, before the Chief Judicial Magistrate, Akola, Maharashtra, seeking custody of certain hybrid cotton seeds which were seized by the applicant for being sub-standard and in contravention of Sections 6 and 7 of the Seeds Act, 1966. The matter is currently pending.
- (m) The District Quality Control Officer, Yavatmal, Maharashtra, has filed a criminal complaint bearing number 679 of 2000, before the Judicial Magistrate of First Class at Pandharkawada, Maharashtra, against the Managing Director of our Company for contravention of Section 7(b) of the Seeds Act, 1966 alleging that certain cotton seeds produced by our Company were sub-standard, and has sought penalty under Section 19 of the Seeds Act, 1966 read with Section 34 of the Indian Penal Code, 1860. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.

- (n) The Assistant Director of Agriculture (Regular), Karimnagar, Telangana, has filed a criminal complaint bearing number 241 of 2013, before the Additional Judicial Magistrate of First Class, Karimnagar, Telangana, against our Company and Prabhat Agri Biotech Limited for contravention of Section 7(b) of the Seeds Act, 1966 alleging that certain cotton seeds produced by our Company and marketed by Prabhat Agri Biotech Limited do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (o) The Assistant Director of Agriculture, Kothagudem, Telangana, has filed a criminal complaint bearing number 168 of 2011, before the Additional Judicial Magistrate of First Class, Khammam, Telangana, against our Company for contravention of Sections 6(a) and 7(b) of the Seeds Act, 1966 alleging that certain cotton seeds produced by our Company do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (p) The Assistant Director of Agriculture, Kothagudem, Telangana, has filed a criminal complaint bearing number 162 of 2011, before the Additional Judicial Magistrate of First Class, Khammam, Telangana, against our Company for contravention of Sections 6(a) and 7(b) of the Seeds Act, 1966 alleging that certain cotton seeds produced by our Company do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (q) The Assistant Director of Agriculture, Madhira, Telangana, has filed a criminal complaint bearing number 293 of 2011, before the Judicial Magistrate of First Class, Khammam, Telangana, against our Company for contravention of Sections 6(a) and 7(b) of the Seeds Act, 1966 alleging that certain cotton seeds produced by our Company do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (r) The Assistant Director of Agriculture has filed criminal complaint bearing S.T.C. 23 of 2012 before the Judicial Magistrate First Class at Kurnool, Andhra Pradesh, against the Company and Asian Agri Genetics Limited, alleging that certain cotton seeds produced by our Company and marketed by Asian Agri Genetics Limited and distributed through various distributors do not meet the minimum prescribed standards of germination under Sections 6 and 7 of the Seeds Act, 1966 and Rules 7 and 8 of the Seeds (Rules), 1968 and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The complaint is currently pending.
- (s) The Agricultural Officer, Gondal, Gujarat, has filed a complaint bearing number C.C. 1144 of 2012 against the Company and Fortune Hybrid Seeds Limited before the court of the Judicial Magistrate First Class at Gondal contending that certain cotton seeds produced by the Company and marketed by Fortune Hybrid Seeds Limited distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.

- (t) The Agricultural Officer, Himatnagar, Gujarat, has filed a complaint bearing number C.C. 3676 of 2012 against the Company before the court of the First Class Magistrate at Himatnagar contending that certain cotton seeds produced by the Company and distributed through various distributors do not meet the minimum prescribed standards of germination under Sections 6 and 7 of the Seeds Act, 1966, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (u) The Agricultural Officer, Jamkandorna, Gujarat, has filed a complaint bearing number C.C. 663 of 2013 against the Company and Yaaganti Seeds Private Limited before the court of the Judicial Magistrate First Class at Dharaji contending that certain cotton seeds produced by the Company and marketed by Yaaganti Seeds Private Limited and distributed through various distributors do not meet the minimum prescribed standards of germination under Sections 6(a) and 7(b) of the Seeds Act, 1966 and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (v) The Agricultural Officer, Modasa, Gujarat, has filed a complaint bearing number C.C. 1942 of 2013 against the Company and Yaaganti Seeds Private Limited before the court of the Judicial Magistrate at Modasa contending that certain cotton seeds produced by the Company and marketed by Yaaganti Seeds Private Limited and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and the Seeds (Control) Order, 1983, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (w) The Seeds Inspector and Assistant Agricultural Director, Hubballi, has filed a complaint bearing number C.C. 73 of 2008 against the Company before the court of the Judicial Magistrate First Class at Hubballi contending that certain maize seeds produced by the Company and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and the rules made thereunder, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (x) The Agricultural Officer, Darawada, has filed a complaint bearing number C.C. 572 of 2010 against the Company before the court of the Judicial Magistrate First Class at Darawada contending that certain maize seeds produced by the Company and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (y) The Seeds Inspector, Suraba, has filed a complaint bearing number C.C. 42 of 2011 against the Managing Director of our Company before the court of the Judicial Magistrate First Class at Suraba contending that certain maize seeds produced by the Company and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966, and has sought penalty under the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in

case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.

- (z) The Agricultural Officer and Seed Inspector, Kottur, has filed a complaint bearing number C.C. 828 of 2011 against the Company before the court of the First Class Magistrate at Kodlege contending that certain maize seeds produced by the Company and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (aa) The Assistant Director of Agriculture, Ranebennur, has filed a complaint bearing number C.C. 138 of 2014 against the Managing Director of our Company before the court of the Judicial Magistrate First Class at Ranebennur contending that certain maize seeds produced by the Company and distributed through various distributors do not meet the minimum prescribed standards of germination under Sections 6 and 7 of the Seeds Act, 1966, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. Our Company has, through its Managing Director, filed criminal petition number 8274 of 2014 and I.A. No. 1/2014 for stay of proceedings before the High Court of Karnataka seeking to quash all proceedings in C.C. 138 of 2014. The proceedings were stayed for a period of four weeks and the matter is currently pending.
- (bb) The Assistant Director of Agriculture, Jadcherla, has filed a complaint bearing number C.C. 24 of 2011 against the Company before the court of the Judicial Magistrate First Class at Mahabubnagar contending that certain paddy seeds produced by the Company and distributed through various distributors do not meet the minimum prescribed standards of germination under Section 7(b) of the Seeds Act, 1966, and Clause 13(c) of the Seeds (Control) Order, 1983, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (cc) The Assistant Director of Agriculture, Karimnagar has filed a complaint bearing number S.T.C. 240 of 2013 against our Company and Fortune Hybrid Seeds Limited before the court of the Additional Judicial Magistrate First Class, Karimnagar contending that certain cotton seeds produced by our Company and marketed by Fortune Hybrid Seeds Limited and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and the Seeds (Control) Order, 1983, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (dd) The Agricultural Officer, Chittorgarh has filed a complaint bearing number C.C. 190 of 2009 against our Company before the court of the ACJM, Kapasan contending that certain seeds produced by our Company do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and the Seeds (Control) Order, 1983, and has sought penalty under the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (ee) The Seeds Inspector has filed a complaint bearing number C.C. 287 of 2009 against our Company before the court of the CJM, Alwar contending that certain seeds produced by our Company do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and has sought penalty under the

Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.

- (ff) The Assistant Director of Agriculture, Bhilwara has filed a complaint bearing number C.C. 227 of 2011 against our Company before the court of the Judicial Magistrate First Class, Mandalgarh contending that certain corn seeds produced by our Company and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and the Seeds (Control) Order, 1983, and also contravene provisions of the Essential Commodities Act, 1955, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (gg) The Assistant Director of Agriculture has filed a complaint bearing number C.C. 115 of 2011 against our Company before the court of the A.C.J.M., Gulabpura contending that certain seeds produced by our Company do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and the Seeds (Control) Order, 1983, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (hh) The Assistant Director of Agriculture, Bengu, Chittorgarh has filed a complaint bearing number C.C. 164 of 2006 against our Company before the court of the Civil Judge and Chief Judicial Magistrate, Bengu, Chittorgarh contending that the 'sarson flower Basanti' seeds produced by our Company and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and the Seeds (Control) Order, 1983, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (ii) The Agricultural Officer has filed a complaint bearing number C.C. 23 of 2000 against our Company before the court of the Chief Judicial Magistrate, Nimbahera contending that certain seeds produced by our Company do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and the Seeds (Control) Order, 1983, and has sought penalty under the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (jj) The Agricultural Officer, Ajmer has filed a complaint bearing number C.C. 638 of 2010 against our Company before the court of the Chief Judicial Magistrate, Kekri contending that certain seeds produced by our Company and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and the Seeds (Control) Order, 1983, and has sought penalty under the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (kk) The Assistant Director of Agriculture, Pratapgarh has filed a complaint bearing number C.C. 07 of 2013 against our Company before the court of the Chief Judicial Magistrate First Class, Pratapgarh contending that certain maize seeds produced by our Company and distributed through various distributors do not meet



the minimum prescribed standards of germination under the Seeds Act, 1966 and the Seeds (Control) Order, 1983, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.

(ll) The Assistant Director of Agriculture, Pratapgarh has filed a complaint bearing number C.C. 08 of 2013 against our Company before the court of the Chief Judicial Magistrate, Pratapgarh contending that certain maize seeds produced by our Company and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and the Seeds (Control) Order, 1983, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.

(mm) The Assistant Director of Agriculture has filed criminal complaint bearing C.C. No. 17 of 2013 before the Additional Junior Civil Judge at Guntur, Andhra Pradesh, against our Company and Asian Agri Genetics Limited, contending that certain cotton seeds produced by our Company and distributed by Asian Agri Genetics Limited do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The complaint is currently pending.

(nn) The Assistant Director of Agriculture, Sricilla has filed criminal complaint bearing S.T.C. 90 of 2014 before the Additional Judicial Magistrate First Class, Karimnagar against our Company, contending that certain cotton seeds produced by our Company and distributed by various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The complaint is currently pending. Our Company has filed a criminal petition before the High Court of Andhra Pradesh and Telangana to quash this complaint. This petition is also currently pending.

(oo) The Assistant Agricultural Director and Seed Inspector, Haveri, has filed criminal complaint bearing C.C. 1389 of 2014 against the Managing Director of our Company before the court of the First Class Magistrate at Ranebennur, contending that certain maize seeds produced by our Company and distributed by various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The complaint is currently pending.

(pp) The Seed Inspector has filed criminal complaint bearing C.C. 600 of 2008 against our Company before the CJM at Jalgaon, contending that certain seeds produced by our Company and distributed by various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and has sought penalty under the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The complaint is currently pending.

(qq) Our Company has received a summons in the matter C.C. 124 of 2015 from the Junior Civil Judge, Ongole, in connection with alleged contravention of the Seeds Act, 1966, and directing our Company to appear in the matter on March 09, 2015. The matter is currently pending.

### *Tax matters*

- (a) Our Company has received an appellate order, dated August 11, 2014, issued by the Office of the Commissioner of Income Tax (Appeals), allowing our claim for agricultural income tax exemption under the Income Tax Act, 1961 for the Assessment Year 2011-2012. The Deputy Commissioner of Income Tax has filed an appeal with Income Tax Appellate Tribunal, Hyderabad and the case was heard on February 25, 2015. The Income Tax Appellate Tribunal has in ITA No. 1594/Hyd/14 passed an order on March 20, 2015 partly upholding the order of the Commissioner of Income Tax (Appeals) which was in favour of our Company in respect of the Assessment Year 2011-2012 and allowed exemption of income of ₹392.6 million on grounds of it being agricultural income. The Income Tax Appellate Tribunal however modified the order of the Commissioner of Income Tax (Appeals) and restored the disallowance made by the assessing officer under Rule 14A read with Rule 8D of the Income Tax Rules, 1962 to the extent of approximately ₹0.50 million.
- (b) Our Company has received a notice under Section 143(2) of the I.T. Act from the Deputy Commissioner of Income Tax, Circle 16(1), Hyderabad, on August 10, 2013, requesting a representative of our Company to appear at the office of the Income Tax Officer on August 28, 2013 to answer queries in connection with the return of tax submitted in respect of Assessment Year 2012-13 and a further notice under Section 142(1) of the I.T. Act on July 04, 2014 requesting a representative of our Company to appear at the office of the Income Tax Officer on July 21, 2014 to answer queries in the same regard. The Deputy Commissioner of Income Tax, Circle 16(1), Hyderabad has issued an assessment order dated March 30, 2015 under Section 143(3) of the I.T. Act and disallowed the exemption under Section 10(1) of the I.T. Act aggregating to ₹509.47 million and under Section 14A of the I.T. Act read with Rule 8D of the Income Tax Rules, 1962, aggregating to ₹10.01 million for the Assessment Year 2012-13. Further to this order, the Deputy Commissioner of Income Tax has issued notice of demand under Section 156 of the I.T. Act aggregating to ₹232.14 million. Our Company intends to dispute the order as per applicable law. The matter is currently pending.
- (c) The Income Tax Appellate Tribunal, Hyderabad Bench 'B' has on March 11, 2015 passed an order bearing number ITA/1586/Hyd/14 with respect to the weighted deduction on account of research and development expenditure under Section 35(2AB) of the I.T. Act claimed by NSL Renewable Power Private Limited for the Assessment Year 2010-2011 (the "**Claim**"). Pursuant to a scheme of arrangement, approved by the High Court of Delhi vide its order dated May 13, 2010, the entire seed business of NSL Renewable Power Private Limited was transferred to our Company, and all proceedings pending by or against NSL Renewable Power Private Limited in relation to the seed business were to be continued and enforced by or against our Company. The Commissioner of Income Tax (Appeals) had passed an order dated August 11, 2014 allowing the Claim. The Income Tax Appellate Tribunal set aside this order and restored the matter to the file of the Assessing Officer, to be decided afresh after verifying Form 3CL, in accordance with law and after giving the assessee sufficient opportunity of hearing. The matter is currently pending.

### *Income Tax notices*

Our Company has received a notice under Section 143(2) of the I.T. Act from the Deputy Commissioner of Income Tax, Circle 16(1), Hyderabad, on September 02, 2014, requesting a representative of our Company to appear at the office of the Income Tax Officer on September 30, 2014 to answer queries in connection with the return of tax submitted in respect of Assessment Year 2013-14. The matter is currently pending.

### *Showcause Notices*

- (a) Our Company has received a showcause notice bearing No. SC/3360/11, from the Joint Director of Agriculture at Karimnagar, Andhra Pradesh, asking it to respond to alleged contravention of Section 7 of the Seeds Act, 1966 and Clause 8A of the Seeds (Control) Order, 1983 relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (b) Our Company has received a showcause notice bearing No. D3/6009/2011, from the Joint Director of Agriculture at Kurnool, Andhra Pradesh, asking it to respond to alleged contravention of Section 6(a) of the Seeds Act, 1966 relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (c) Our Company has received a showcause notice bearing No. AO/QBPR/QC/14/2012-13, from the Agriculture Officer at Ranga Reddy District, Andhra Pradesh, asking it to respond to alleged contravention of Section 6 of the Seeds Act, 1966, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (d) Our Company has received a showcause notice bearing No. C2/SS/2462/2012, from the Joint Director of Agriculture at Adilabad, Andhra Pradesh, asking it to respond to alleged contravention of Section 7 of the Seeds Act, 1966 and Clause 8A of the Seeds (Control) Order, 1983 relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (e) Our Company has received a showcause notice bearing No. SC/2206/13, from the Joint Director of Agriculture at Karimnagar, Andhra Pradesh, asking it to respond to alleged contravention of Section 7 (b) of the Seeds Act, 1966 and Clause 8A of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (f) Our Company has received a showcause notice bearing No. SC/2605/13, from the Joint Director of Agriculture at Karimnagar, Andhra Pradesh, asking it to respond to alleged contravention of Section 7 (b) of the Seeds Act, 1966 and Clause 8A of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (g) Our Company has received a showcause notice bearing No. SC/2966/13, from the Joint Director of Agriculture at Karimnagar, Andhra Pradesh, asking it to respond to alleged contravention of Section 7 (b) of the Seeds Act, 1966 and Clause 8A of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (h) Our Company has received a showcause notice bearing No. C2/SS/1318/2013, from the Joint Director of Agriculture at Adilabad, Andhra Pradesh, asking it to respond to alleged contravention of Section 7 of the Seeds Act, 1966 and Clause 8A of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (i) Our Company has received a showcause notice bearing No. C5/SR/527/2013, from the Joint Director of Agriculture at Khammam, Andhra Pradesh, asking it to respond to alleged contravention of Section 6(b) of the Seeds Act, 1966, relating to substandard germination of certain paddy seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (j) Our Company has received a showcause notice bearing Rc. No. Plg/V/4387/2013, from the Joint Director of Agriculture at Guntur, Andhra Pradesh, asking it to respond to alleged contravention of Section 6 and Clause 7 of the Seeds Act, 1966 and Clause 13(1) of the Seeds (Control) Order, 1983, relating to

substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.

- (k) Our Company has received a showcase notice bearing Report No. SCTL/490/14-15, from the Mandal Agricultural Officer at Inkollu, Andhra Pradesh, asking it to respond to alleged contravention of Section 6 and Section 7 of the Seeds Act, 1966 and Clause 13(1) of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (l) Our Company has received a showcase notice bearing Rc. No. A/9/2014, from the Assistant Director of Agriculture at Vizianagaram, Andhra Pradesh, asking it to respond to alleged contravention of Section 7 (b) of the Seeds Act, 1966 and Clause 8A of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (m) Our Company has received a showcase notice on August 05, 2014, from the Agriculture Officer at Inkollu, Andhra Pradesh, asking it to respond to alleged contravention of Section 6 and Section 7 of the Seeds Act, 1966 and Clause 13(1) of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (n) Our Company has received a showcase notice bearing V/4769/14, from Joint Director of Agriculture at Guntur, Andhra Pradesh, asking it to respond to alleged contravention of Section 10 and Section 19(b) of the Environment (Protection) Act, 1986, relating to non-conformity with prescribed minimum seed standards with respect to certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (o) Our Company has received a showcase notice bearing Rc. No. MAO/PAR/SS/2014-15, from the Mandal Agriculture Officer at Parchur, Andhra Pradesh, asking it to respond to alleged contravention of Section 6 and Section 7 of the Seeds Act, 1966, and Clause 13(1) of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (p) Our Company and Yaaganti Seeds Private Limited have received a showcase notice bearing No. S(3)/1900/3/2014, from the Joint Director of Agriculture at Ranga Reddy District, Andhra Pradesh, asking them to respond to alleged contravention of Section 7(b) of the Seeds Act, 1966, and Clause 8A of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds produced by our Company. Our Company and Yaaganti Seeds Private Limited have responded to this notice denying this allegation. The matter is currently pending.
- (q) Our Company has received a showcase notice bearing No. C5/1833/2014-15/3, from the Joint Director of Agriculture at Warangal District, Telangana, asking it to respond to alleged contravention of Section 6 and Section 7 of the Seeds Act, 1966, and Clause 13(c) of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (r) Our Company has received a showcase notice bearing Roc. No. D2/2448/2014, from the Joint Director of Agriculture at Kurnool, Andhra Pradesh, asking it to respond to alleged contravention of Section 7(b) of the Seeds Act, 1966, and Clause 8(A) of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (s) Our Company has received a showcase notice bearing No. C2/SS/1175/2014, from the Joint Director of Agriculture at Adilabad, Andhra Pradesh, asking it to respond to alleged contravention of Section 7(b) of the Seeds Act, 1966, and Clause 8(A) of the Seeds (Control) Order, 1983, relating to substandard

germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.

- (t) Our Company has received a showcause notice bearing No. E3/964/2014, from the Joint Director of Agriculture at Mahabubnagar District, Andhra Pradesh, asking it to respond to alleged contravention of the Seeds Act, 1966, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (u) Our Company has received a showcause notice bearing Roc. No. D2/2428/2014, from the Joint Director of Agriculture at Kurnool, Andhra Pradesh, asking it to respond to alleged contravention of Section 7(b) of the Seeds Act, 1966 and Clause 8(a) of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (v) Our Company has received a showcause notice bearing Roc. No. D2/2255/2014, from the Joint Director of Agriculture at Kurnool, Andhra Pradesh, asking it to respond to alleged contravention of Section 7(b) of the Seeds Act, 1966 and Clause 8(A) of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (w) Our Company has received a showcause notice bearing Roc. No. SCTL/753/14-15, from the Mandal Agricultural Officer, Karamchedu, Andhra Pradesh, asking it to respond to alleged contravention of Section 6 and Section 7 of the Seeds Act, 1966, and Clause 8(A) of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (x) Our Company has received a showcause notice bearing Roc. No. D2/3028/2014, from the Joint Director of Agriculture, SCTL at Kurnool, Andhra Pradesh, asking it to respond to alleged contravention of Section 7(b) of the Seeds Act, 1966, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (y) Our Company has received a showcause notice bearing No. S(3)387/2010, from the Joint Director of Agriculture at Ranga Reddy District, Andhra Pradesh, asking it to respond to alleged contravention of Section 7 of Seeds Act, 1966 and Clause 8A of Seeds (Control) Order, 1983, relating to substandard germination of certain tomato seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (z) Our Company has received a showcause notice bearing Rc. No. Plg. V/1600/2009, from the Joint Director of Agriculture at Guntur, Andhra Pradesh, asking it to respond to alleged contravention of Rule 3, 4 and 5 of the Andhra Pradesh Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Rules, 2007, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (aa) Our Company has received a showcause notice bearing Rc. No. Plg. V/1113/2009, from the Joint Director of Agriculture at Guntur, Andhra Pradesh, asking it to respond to alleged contravention of Rule 3, 4 and 5 of the Andhra Pradesh Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Rules, 2007, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (bb) Our Company has received a showcause notice bearing Rc. No. Plg. V/1515/2009, from the Joint Director of Agriculture at Guntur, Andhra Pradesh, asking it to respond to alleged contravention of Rule 3, 4 and 5 of the Andhra Pradesh Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Rules, 2007, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.

- (cc) Our Company has received a showcause notice bearing Rc. No. Plg. V/1516/2009, from the Joint Director of Agriculture at Guntur, Andhra Pradesh, asking it to respond to alleged contravention of Rule 3, 4 and 5 of the Andhra Pradesh Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Rules, 2007, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (dd) Our Company has received a showcause notice bearing Rc. No. Plg. V/1599/2009, from the Joint Director of Agriculture at Guntur, Andhra Pradesh, asking it to respond to alleged contravention of Rule 3, 4 and 5 of the Andhra Pradesh Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Rules, 2007, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (ee) Our Company has received a showcause notice bearing Rc. No. Plg. V/1112/2009, from the Joint Director of Agriculture at Guntur, Andhra Pradesh, asking it to respond to alleged contravention of Rule 3, 4 and 5 of the Andhra Pradesh Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Rules, 2007, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (ff) Our Company has received a showcause notice bearing Rv. No. AO/QBPR/Seeds/32/10-11, from the Agriculture Officer at Ranga Reddy District, Andhra Pradesh, asking it to respond to alleged contravention of Section 6 of the Seeds Act, 1966, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (gg) Our Company has received a showcause notice bearing Memo No. C5/1949/10, from the Joint Director of Agriculture at Khammam, Andhra Pradesh, asking it to respond to alleged contravention of Section 7 (b) of the Seeds Act, 1966, relating substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (hh) Our Company has received a showcause notice bearing Roc. No. B6/2364/09, from the Joint Director of Agriculture at Ananthapur, Andhra Pradesh, asking it to respond to alleged contravention of Section 6 and Section 7 of the Seeds Act, 1966 and Clause 13 (a) of the Seeds (Control) Order, 1983, relating to substandard germination of certain maize seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (ii) Our Company has received a showcause notice bearing No. C5/2109/10, from the Joint Director of Agriculture at Khammam, Andhra Pradesh, asking it to respond to alleged contravention of Section 7(b) of Seeds Act, 1966, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (jj) Our Company has received a showcause notice bearing No. C5/2155/10, from the Joint Director of Agriculture at Khammam, Andhra Pradesh, asking it to respond to alleged contravention of Section 7(b) of Seeds Act, 1966, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (kk) Our Company has received a showcause notice bearing No. C2/2125/2010, from the Joint Director of Agriculture, Adilabad, Andhra Pradesh, asking it to respond to alleged contravention of Section 6(a) and Section 7(b) of Seeds Act, 1966, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (ll) Our Company has received a showcause notice bearing Rc. No. Plg. V/1805/2010, from the Joint Director of Agriculture at Guntur, Andhra Pradesh, asking it to respond to alleged contravention of Section 6 and Section 7 of Seeds Act, 1966 and Clause 13 of Seed (Control) Order, 1983, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.

- (mm) Our Company has received a showcase notice bearing Roc. No. D3/4847/2010, from the Joint Director of Agriculture at Kurnool, Andhra Pradesh, asking it to respond to alleged contravention of Section 6(a) of Seeds Act, 1966, relating to substandard germination of certain cluster bean seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (nn) Our Company has received a showcase notice bearing No. D1/1990/2010, from the Joint Director of Agriculture at Nalgonda, Andhra Pradesh, asking it to respond to alleged contravention of Section 6 and Section 7 of the Seeds Act, 1966, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (oo) Our Company has received a showcase notice bearing Rc. No. D3/6799/2010, from the Joint Director of Agriculture at Kurnool, Andhra Pradesh, asking it to respond to alleged contravention of Section 6 of the Seeds Act, 1966, relating to substandard germination of certain paddy seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (pp) Our Company has received a showcase notice bearing No.E3/293/2011, from the Joint Director of Agriculture at Mahabubnagar, Andhra Pradesh, asking it to respond to alleged contravention of Section 6 of Seed Act, 1966, relating to substandard germination of certain paddy seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (qq) Our Company has received a showcase notice bearing No.D1/620/2011, from the Joint Director of Agriculture at Nalgonda, Andhra Pradesh, asking it to respond to alleged contravention of Section 6 and Section 7 of the Seeds Act, 1966 and Clause 13 of the Seeds (Control) Order, 1983, relating to substandard germination of certain tomato seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (rr) Our Company has received a showcase notice bearing Lr. No. Ao/QBPR/QC/Seeds/12/11-12, from the Agriculture Officer at Quthbullapur Mandal, Ranga Reddy District, Andhra Pradesh, asking it to respond to alleged contravention of Section 6 of the Seeds Act, 1966, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (ss) Our Company has received a showcase notice bearing No. CS/1463/2011, from the Joint Director of Agriculture, Khammam, Andhra Pradesh, asking it to respond to alleged contravention of Section 6(b) and Section 7(c) of the Seeds Act, 1966 and Rule 13 of Seed Rules, 1968, relating to packing and labelling of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (tt) Our Company has received a showcase notice bearing No. MAO/MDL/Seed/02/2011-2, from the Agriculture Officer, Ranga Reddy District, Andhra Pradesh, asking it to respond to alleged contravention of Section 6 and Section 15 of the Seeds Act, 1966, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (uu) Our Company has received a showcase notice bearing No. SC/01/2011, from the Mandal Agricultural Officer, Kataram, Andhra Pradesh, asking it to respond to alleged contravention of Section 7 of the Seeds Act, 1966 and Clause 8A of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (vv) Our Company has received a showcase notice bearing No.C5/2227/11, from the Joint Director of Agriculture, Khammam, Andhra Pradesh, asking it to respond to alleged contravention of Section 7(b) of

the Seeds Act, 1966, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.

- (ww) Our Company has received a showcause notice bearing Lr. No.A2/Seeds/2011, from the Assistant Director of Agriculture, Khammam, Andhra Pradesh, asking it to respond to alleged contravention of Section 7(b) of the Seeds Act, 1966, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (xx) Our Company has received a showcause notice bearing Lr No. Tech(2)/1697/2011, from the Joint Director of Agriculture, Nizamabad, Andhra Pradesh, asking it to respond to alleged contravention of Section 7(b) of the Seeds Act, 1966 and Clause 13(1)(c) and (d) of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (yy) Our Company has received a showcause notice bearing No.C5/1766/2011, from the Joint Director of Agriculture, Warangal, Andhra Pradesh, asking it to respond to alleged contravention of Section 6 and 7 of Seeds Act, 1966, and Clause 13 of Seeds (Control) Order, 1983 relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (zz) Our Company has received a showcause notice bearing Rc. No. Plg. V/2328/2011, from the Joint Director of Agriculture, Guntur, Andhra Pradesh, asking it to respond to alleged contravention of Sections 6 and 7 of the Seeds Act, 1966, and Clause 13 of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (aaa) Our Company has received a showcause notice bearing Roc. No. E7/3861/11, from the Joint Director of Agriculture, Chittoor, Andhra Pradesh, asking it to respond to alleged contravention of Section 7 of Seeds Act, 1966, relating to substandard germination of certain tomato seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (bbb) Our Company has received a showcause notice bearing Rc. No. Plg. V/8096/14, from the Joint Director of Agriculture, Guntur, Andhra Pradesh, asking it to respond to alleged contravention of Section 10 (c) of the Environment (Protection) Act, 1986, relating to inspection of allegedly substandard cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (ccc) Our Company has received a showcause notice bearing No. SC/3314/14, from the Joint Director of Agriculture, Karimnagar, Telangana, asking it to respond to alleged contravention of Section 7(b) of Seeds Act, 1966, and Clause 8A of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (ddd) Our Company has received a showcause notice bearing Roc. No. D2/2727/2014, from the Joint Director of Agriculture, Kurnool, Andhra Pradesh, asking it to respond to alleged contravention of Section 7(b) of the Seeds Act, 1966, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (eee) Our Company has received a showcause notice bearing No. C5/2021/2014/10, from the Joint Director of Agriculture, Warangal, asking it to respond to alleged contravention of Section 6 and Section 7 of the Seeds Act, 1966, and Clause 13 of the Seeds (Control) Order, 1983 relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.



- (fff) Our Company has received a showcause notice bearing No. SRC(2) 733/2013, from the Additional Director of Agriculture, Hyderabad, asking it to respond to alleged contravention of Section 6(b) of the Seeds Act, 1966, relating to substandard germination of certain paddy seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (ggg) Our Company has received a showcause notice bearing No. Agri/Seed/786/2010, from the Seed Inspector and Agriculture Officer, Nashik, asking it to respond to alleged contravention of Sections 6(a) and 7(b) of the Seeds Act, 1966, relating to substandard germination of certain maize seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (hhh) Our Company has received a showcause notice from the District Quality Control Inspector, Sangli, asking it to respond to alleged contravention of the Seeds Act, 1966, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (iii) Our Company has received a showcause notice bearing No. SAO/QC/Seed/Nuziveedu/4363/2012, from the District Superintending Agricultural Officer, Aurangabad, asking it to respond to alleged contravention of the Seeds Act, 1966, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (jjj) Our Company has received a showcause notice from the Agricultural Officer cum Taluka Quality Control Inspector, Parshivani, asking it to respond to alleged contravention of the Seeds Act, 1966, relating to substandard germination of certain soybean seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (kkk) Our Company has received a showcause notice bearing Rc.No.Plg.V/7703/14, from Joint Director of Agriculture at Guntur, Andhra Pradesh, asking it to respond to alleged contravention of Section 10 of the Environment (Protection) Act, 1986, relating to non-conformity with prescribed minimum seed standards with respect to certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (lll) Our Company has received a showcause notice bearing No. E3/1365/2014, from the Joint Director of Agriculture, Mahabubnagar, asking it to respond to alleged contravention of the Seeds Act, 1966, relating to substandard germination of certain paddy seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (mmm) Our Company has received a showcause notice bearing No. C1/268/2015, from the Joint Director of Agriculture, Medak District, asking it to respond to alleged contravention of the Seeds Act, 1966, relating to substandard germination of certain cotton seeds produced by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (nnn) Our Company has received a showcause notice bearing Lr No. B/1997/15, from the Deputy Director of Seed Inspection at Trichy, Tamil Nadu, asking it to respond to alleged contravention of Section 7(b) read with Section 6(a) of the Seeds Act, 1966 relating to substandard germination of certain cotton seeds produced by our Company. Our Company is yet to respond to this notice. The matter is currently pending.
- (ooo) Our Company has received a showcause notice bearing Lr No. B/2001/15, from the Deputy Director of Seed Inspection at Trichy, Tamil Nadu, asking it to respond to alleged contravention of Section 7(b) read with Section 6(a) of the Seeds Act, 1966 relating to substandard germination of certain cotton seeds produced by our Company. Our Company is yet to respond to this notice. The matter is currently pending.
- (ppp) Our Company has received a showcause notice bearing Letter No. 457 from the Chief Agricultural Officer at Bhatinda, asking it to respond to alleged contravention of Section 6(b) of the Seeds Act, 1966 for not following instructions given in the approval received by it with respect to the sale of BT cotton seeds. Our Company is yet to respond to this notice. The matter is currently pending.

*Notices under the Legal Metrology Act, 2009 (the “Legal Metrology Act”)*

- (a) Our Company and all its Directors have received a notice bearing number IIm/Saoner/FCR/Notice/2014/346 from the Inspector of Legal Metrology, Saoner Division, Nagpur District, asking it to respond to alleged contravention of the Legal Metrology Act and the Legal Metrology Rules, 2011, relating to certain declarations on packages. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (b) Our Company has received a notice bearing number ILM/KWD/Notice/2014/368 from the Inspector of Legal Metrology, Kurduwadi Division, Solapur, asking it to respond to alleged contravention of the Legal Metrology Act and the Legal Metrology Rules, 2011, relating to certain declarations on packages. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (c) Our Company has received a notice bearing number ILM/Prosecution/2014/369 from the Inspector of Legal Metrology, Kurduwadi Division, Solapur, asking it to respond to alleged contravention of the Legal Metrology Act and the Legal Metrology Rules, 2011, relating to certain declarations on packages. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (d) Our Company has received a notice bearing number ILM/KWD/Notice/2014/370 from the Inspector of Legal Metrology, Kurduwadi Division, Solapur, asking it to respond to alleged contravention of the Legal Metrology Act and the Legal Metrology Rules, 2011, relating to certain declarations on packages. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (e) Our Company and all its Directors have received a notice bearing number ILM/Chan.Rly/PCRComp/2014/255/02 from the Inspector of Legal Metrology, Chandur Railway Division, asking it to respond to alleged contravention of the Legal Metrology Act and the Legal Metrology Rules, 2011, relating to certain declarations on packages. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (f) Our Company has received a notice bearing number ILM/Prosecution/2012/371 from the Inspector of Legal Metrology, Kurduwadi Division, Solapur, requiring our Director Mr. Ashok Kumar Jha to appear before the court at Madha on October 7, 2014, in connection with alleged contravention of the Legal Metrology Act by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (g) Our Company has received a notice bearing number ILM/KWD/Notice/2014/372 from the Inspector of Legal Metrology, Kurduwadi Division, Solapur, asking it to respond to alleged contravention of the Legal Metrology Act and the Legal Metrology Rules, 2011, relating to certain declarations on packages. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (h) Our Company has received a notice bearing number ILM/Prosecution/2012/373 from the Inspector of Legal Metrology, Kurduwadi Division, Solapur, requiring our Director Mr. Satishkumar Puligundla to appear before the court at Madha on October 7, 2014, in connection with alleged contravention of the Legal Metrology Act by our Company. Our Company has responded to this notice denying this

allegation. The matter is currently pending.

- (i) Our Company has received a notice bearing number ILM/Kurduwadi/Prosecution/2014/426 from the Inspector of Legal Metrology, Kurduwadi Division, Solapur, requiring our Director Mr. Pamidi Kottaiah to appear before the court at Madha on November 18, 2014, in connection with alleged contravention of the Legal Metrology Act by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (j) Our Company has received a notice bearing number ILM/Kurduwadi/Prosecution/2014/427 from the Inspector of Legal Metrology, Kurduwadi Division, Solapur, requiring our Director Mr. Gopalkrishna Muddusetti to appear before the court at Madha on November 18, 2014, in connection with alleged contravention of the Legal Metrology Act by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (k) Our Company has received a notice bearing number ILM/Kurduwadi/Prosecution/2014/425 from the Inspector of Legal Metrology, Kurduwadi Division, Solapur, requiring our Director Mr. Satishkumar Puligundla to appear before the court at Madha on November 18, 2014, in connection with alleged contravention of the Legal Metrology Act by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (l) Our Company and all our Directors have received a notice bearing number ILM/CHAN-RLY/PCR/PROS/2014/404/01 from the Inspector of Legal Metrology, Chandur Railway Division, requiring all our Directors to appear before the Judicial Magistrate First Class at Chandur Railway on December 08, 2014, in connection with alleged contravention of the Legal Metrology Act by our Company. Our Company is yet to respond to this notice. The matter is currently pending.
- (m) Our Company has received a notice bearing number ILM/Chan.Rly/PCR/COMP/2014/390/02 from the Inspector of Legal Metrology, Chandur Railway Division, requiring our Company to explain in writing an alleged contravention of the Legal Metrology Act by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (n) Our Company has received a notice bearing number ILM/Chan.Rly/PCR/COMP/2014/220/02 from the Inspector of Legal Metrology, Chandur Railway Division, requiring our Company to explain in writing an alleged contravention of the Legal Metrology Act by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.

#### *Consumer cases*

- (a) 69 consumer cases have been filed before the various district consumer disputes redressal fora in India against our Company by customers (farmers) against our Company alleging poor performance of the seeds supplied to them, resulting in low yields and loss to them. Through these cases the customers have sought compensation against our Company towards damages for loss and mental agony. The aggregate amount claimed in these matters is approximately ₹24.2 million. These consumer disputes are currently pending at various stages of adjudication before district/state consumer disputes redressal fora in India.
- (b) There are 21 consumer cases filed before the District Consumer Forum at Warangal, Telangana, against Mohan Krishna Agro Agencies (the “**Dealer**”), our Company, and its Subsidiary, Yaaganti Seeds Private Limited (the Dealer, our Company and Yaaganti Seeds Private Limited together being

the “**Respondents**”). These cases have been filed by customers (farmers) against our Company and Yaaganti Seeds Private Limited alleging poor performance of cotton seeds supplied to them resulting in low yields and loss to them in the year 2009-10. The District Consumer Forum at Warangal in each case found in favour of the respective complainants and against the Respondents, finding the Respondents jointly and severally liable to pay compensation aggregating to approximately ₹3.98 million. Against these orders, the Respondents filed appeals before the Andhra Pradesh State Consumer Disputes Redressal Commission. The Andhra Pradesh State Consumer Disputes Redressal Commission disposed of all these appeals by way of a common order dated May 01, 2014, confirming the orders of the District Consumer Forum at Warangal against our Company and Yaaganti Seeds Private Limited but set aside these orders insofar as they were applicable to the Dealer. Against this common order, our Company and Yaaganti Seeds Private Limited have filed revision petitions before the National Consumer Disputes Redressal Commission. Pursuant to orders dated October 13, 2014, 13 revision petitions were allowed while 8 revision petitions were dismissed by the National Consumer Disputes Redressal Commission. The 13 revision petitions are currently pending.

*Cases under the Protection of Plant Varieties and Farmers’ Rights Act, 2001 (“PPV&FR Act”)*

- (a) Bioseed Research India Limited (“**Bioseed**”) has filed a complaint against our Company in relation to our variety NCS-855 Raghav Bt 2, before the Registrar, Protection of Plant Varieties and Farmers’ Rights Authority (“**PPV&FR Authority**”) under Section 24(5) of the PPV&FR Act alleging, *inter alia*, that NCS-855 Raghav Bt 2 is identical to 6488-2-BG II. Bioseed has sought, *inter alia*, a restraint on us indirectly or directly dealing in NCS 855 Bt 2. This is pending before the Registrar, PPV&FR Authority.
- (b) Maharashtra Hybrid Seeds Company Limited (“**Mahyco**”) has filed a complaint bearing Application No. 1 of 2008 against our Company and others in relation to variety MRC-7351 of Mahyco, before the PPV&FR Authority under Section 24(5) of the PPV&FR Act alleging abusive acts in contravention of the PPV&FR Act. This is pending before the Registrar, PPV&FR Authority.
- (c) Mahyco filed W.P. No. 4527 of 2010 before the High Court of Delhi challenging the order of the Registrar, PPV&FR Authority, in which the Registrar, PPV&FR Authority, had granted an extension of time to our Company for filing an opposition against a certain variety of cotton produced by Mahyco. Further, our Company had filed W.P. No. 640 of 2012 before the High Court of Delhi, challenging Rule 32 of the PPV&FR Rules as ultra vires. Both the writ petitions were dismissed by the High Court of Delhi which stated that there was no need to strike down Rule 32. Mahyco filed special leave petitions S.L.P. No. 22138 of 2013 and S.L.P. No. 22139 of 2013 against these orders before the Supreme Court of India, in which our Company has been named as a respondent.
- (d) Bioseed Research India Limited has filed an application before the PPV&FR Authority for revocation of the certificate of registration granted by the PPV&FR Authority to our Company’s non-Bt Cotton hybrids NCS-145 Bunny. The matter is currently pending.
- (e) Bioseed Research India Limited has filed an application before the PPV&FR Authority for revocation of the certificate of registration granted by the PPV&FR Authority to our Company’s non-Bt Cotton hybrid NCS – 207 Mallika. The matter is currently pending.

*Cases filed by our Company*

- (a) Our Company has filed O.S. 277 of 2015 before the XVI District Judge, Ranga Reddy District, against Aadhaar Seeds Private Limited under Sections 27, 28, 29 and 135 of the Trademarks Act, 1999,

seeking permanent injunction and mandatory injunction against Aadhaar Seeds Private Limited, restraining it from using the name 'RAJA BG-II' with respect to seeds and seedlings which is deceptively similar to our Company's registered trademark 'NMH-909 RAJA' and the name 'RAJA NCS-954' in respect of which our Company has applied for trademark registration. The matter is currently pending.

- (b) Our Company has filed O.S. 276 of 2015 before the XVI Additional District Judge, Ranga Reddy District, against Rohini Seeds Private Limited under Sections 27, 28, 29 and 135 of the Trademarks Act, 1999, seeking permanent injunction and mandatory injunction against Rohini Seeds Private Limited, restraining it from using the name 'POOJA-9' with respect to seeds and seedlings which is deceptively similar to our Company's registered trademark 'NBH-4599 PUJA'. The matter is currently pending.
- (c) Our Company has filed a writ petition bearing W.P No.14698 of 2010 before the High Court of Andhra Pradesh against the Government of Andhra Pradesh and three others seeking a writ of mandamus declaring the seizure of seed packets from our Company's personnel on May 11, 2010 by the Mandal Agricultural Officer ("**Fourth Respondent**") and the order of the Joint Collector and Additional District Magistrate, Guntur ("**Third Respondent**") directing sale of the said packets as illegal, as being without jurisdiction and violative of the Seeds Control Order, 1983. Our Company also sought to set aside proceedings in E.C. Act Case No. 146/2010-S7. Our Company alleged that the proceedings initiated by the Third Respondent and Fourth Respondent under the provision of Seed Control Order, 1983, cognizance of the same, issuance of a notice under the Essential Commodities Act, 1955 passing orders of sale of the seized stocks and calling for explanation are without jurisdiction, and that the allegations contained in the notice by the Third Respondent against our Company are false. The High Court of Andhra Pradesh, by an interim order dated June 25, 2010 directed the Third Respondent, to return 120 seed packets which are found to be in accordance with due specifications to our Company, subject to our Company furnishing a bank guarantee of ₹ 90,000. The Joint Collector in E.C. Act Case No.311/2013-S7 dated June 18, 2014, ordered confiscation of 100% of the seized stocks. The High Court of Andhra Pradesh has now by order dated August 28, 2014 closed the writ petition, setting aside the order in E.C.Act Case No. 146/2010-S7 and giving our Company leave to appeal against the order of the Joint Collector and the Third Respondent in E.C. Act Case No.311/2013-S7. The matter is currently pending.
- (d) Our Company has filed a writ petition bearing W.P. No. 34708 of 2012 before the High Court of Andhra Pradesh, challenging the vires of (i) Section 5(1)(b) and Section 7 of the A.P. Cotton Seeds (Regulation, Supply, Distribution, Sale and Fixation of Sale Price) Act, 2007 (the "**Cotton Seeds Act**") and Rules 27, 28 and 29 of the A.P. Cotton Seeds (Regulation, Supply, Distribution, Sale and Fixation of Sale Price) Rules, 2007 (the "**Cotton Seeds Rules**") as being unconstitutional, as well as (ii) the proceedings of the Chairman of the District Level Committee, Guntur (appointed under the Cotton Seeds Act) dated October 3, 2012, directing our Company to pay an amount of approximately ₹ 0.63 million to various farmers as compensation for allegedly providing seeds that were below seed certification standards as being unlawful and unconstitutional. The High Court of Andhra Pradesh, by order dated November 7, 2012, ordered that the District Level Committee's order be suspended, subject to our Company depositing the amount to be awarded with the District Level Committee. The amount has been deposited by our Company and the matter is currently pending.

- (e) Our Company has filed a writ petition, bearing W.P. No. 36673 of 2012 before the High Court of Andhra Pradesh, seeking a writ of mandamus declaring (i) Section 7 of the Cotton Seeds Act and Rules 27, 28 and 29 of the Cotton Seeds Rules I, as well as (ii) the notice of the District Level Committee, Guntur (appointed under the Cotton Seeds Act) dated November 21, 2012, deputing senior scientists to certain fields to investigate the complaints made by certain farmers with regard to the failure of crops allegedly caused by defective seeds supplied by our Company as being unconstitutional. The High Court of Andhra Pradesh has by its order dated November 28, 2012 directed the respondent-authorities not to pass a final order in the above-mentioned matter without its leave. However, the authorities are permitted to take any necessary steps in this matter. The matter is currently pending.
- (f) Our Company has filed a writ petition, bearing W.P. No. 38327 of 2013 respectively, before the High Court of Andhra Pradesh, seeking a writ of mandamus declaring (i) Section 7 of the Cotton Seeds Act and Rules 27, 28 and 29 of the Cotton Seeds Rules, as well as (ii) the notice of the District Level Committee, Guntur (appointed under the Cotton Seeds Act) dated December 23, 2013, deputing senior scientists to certain fields to investigate the complaints made by certain farmers with regard to the failure of crops allegedly caused by defective seeds supplied by our Company as being unconstitutional. The High Court of Andhra Pradesh has by its order dated December 26, 2013, directed the respondent-authorities not to pass a final order in the above-mentioned matter without its leave. However, the authorities are permitted to take any necessary steps in this matter. The matter is currently pending.
- (g) Our Company has filed a writ petition bearing W.P. No. 366 of 2014 before the High Court of Andhra Pradesh, challenging the proceedings initiated by the Joint Director of Agriculture on December 23, 2013, directing our Company to pay compensation of approximately ₹ 1.97 million for losses caused to certain farmers allegedly by defective seeds provided by our Company. The High Court of Andhra Pradesh has passed an interim order on January 3, 2014, suspending these proceedings pending disposal of W.P. No. 366 of 2014.
- (h) Our Company has filed a writ petition bearing W.P. No. 7038 of 2014 before the High Court of Andhra Pradesh, challenging the proceedings initiated by the Joint Director of Agriculture on February 19, 2014, alleging substandard germination of certain seeds produced by our Company. The High Court of Andhra Pradesh has on March 11, 2014 passed an interim order restraining the District Level Committee from adjudicating upon the matter.
- (i) Our Company and Prabhat Agri Biotech Limited (“**Petitioners**”), have filed a writ petition bearing W.P. No. 8642 of 2009 before the High Court of Andhra Pradesh against the Union of India, through the Ministry of Environment and Forests, and five others (“**Respondents**”) seeking a writ of mandamus declaring the actions of the Respondents in deferring consideration for granting commercial approval of 34 hybrids of Bt cotton seeds as being arbitrary, illegal and unreasonable, and also directing the Respondents to consider the applications submitted by the Petitioners and accordingly the necessary approval be given to enable the Petitioners to market their hybrid seeds varieties. The Petitioners have alleged that the Government of India and the authorities acting under it have acted in an arbitrary manner without seeking the response of the Petitioners. The Petitioners have also alleged that the matter under dispute pertains only to one product, and as such the action of the Government of India in deferring several other hybrids which are not involved in the dispute is arbitrary. The High Court of Andhra Pradesh has passed an interim order in W.P.M.P. No. 11317 of 2009 in W.P. No. 8642 of 2009 dated April 27, 2009 directing the Chairman, Standing Committee of the GEAC to consider the application filed by our Company on March 25, 2009 and accord approval within one week from the date of the receipt of the order. The writ petition is currently pending.

- (j) Our Company has filed a winding-up petition bearing C.O.P No. 190 of 2010 before the High Court of Karnataka against Metahelix Life Science Private Limited (“**Metahelix**”). The parties to the suit were parties to arbitration in C.M.P No. 24 of 2006 in relation to a dispute arising from an agreement entered into by them under which Metahelix was to develop transgenic cotton lines carrying specified genes. Our Company alleged that by the virtue of the award passed by the sole arbitrator dated March 30, 2009, Metahelix was obligated to pay an amount of ₹ 1.5 million along with the interest at 12 % per annum from the date of the award. Our Company also alleged that despite the lapse of fifteen months Metahelix has failed to pay the award, proving its insolvency. This winding-up petition was dismissed by the High Court of Karnataka. Our Company has now filed appeal O.S.A. 25 of 2014 before the High Court of Karnataka in this regard. The appeal is currently pending.
- (k) Our Company has filed an arbitration suit bearing A.S. No. 45 of 2009 before the court of Principal Civil Judge, Bengaluru against Metahelix seeking to (i) set aside the impugned portion of the arbitral award dated March 30, 2009, which held our Company to be in violation of certain terms of its agreement dated December 3, 2001 with Metahelix, and (ii) allowing the counter claim filed by our Company. Our Company has alleged that the impugned portion of the award is opposed to law and public policy and incorrectly goes into the question of reasonableness of liquidated damages prescribed in the contract. Our Company has also alleged that the award ignores an integral part of the agreement between the parties. The suit is currently pending.
- (l) Our Company filed O.S. No. 121 of 2001 against Sri Rama Seeds and Pesticides Corporation (“**SRSPC**”) before the District Judge, Guntur for, *inter alia*, recovery of ₹ 1 million towards damages and for permanent injunction against production and marketing of hybrid cotton seed akin to the variety NCS-145 Bunny under the brand name of “Saraswati SRCH-55”. Our Company had entered into an agreement with SRSPC for taking up seed production of cotton NCS-145 Bunny in 1999. Our Company contended that SRSPC delivered a much lower quantity of seed compared to the expected normal production, and it was later found that SRSPC was selling NCS-145 Bunny seeds, branding them as “Saraswati SRCH-55”. Our Company has alleged that SRSPC was in breach of the terms of its agreement with our Company due to misuse of our Company’s parent lines and illegal production, and sale of NCS-145 Bunny under a different brand name, causing damage to our Company’s business. The Additional District Judge, Guntur dismissed the case on January 17, 2008. Our Company has filed an appeal A.S. No. 427 of 2010 before the High Court of Andhra Pradesh. The appeal is currently pending.
- (m) Our Company has filed a writ petition bearing W.P. No. 21924 of 2012 before the High Court of Andhra Pradesh against the Assistant Commissioner (CT), VMU I, Guntur, Deputy Commissioner (CT), Guntur and the State of Andhra Pradesh seeking a writ of certiorari or direction or order quashing the order of the Deputy Commissioner (CT), Guntur dated June 06, 2012 levying purchase tax under Section 4(4) of the Andhra Pradesh Value Added Tax Act, 2005 on the cotton kappas being sold by our Company. Our Company has contended that the said levy is illegal, arbitrary and contrary to Article 286(3)(a) of the Constitution of India and Sections 14 and 15 of the Central Sales Tax Act, 1956 and cotton is considered to be a good of special importance and thus the power of the state governments to levy tax on the same is subject to restrictions imposed by the Parliament. Further, our Company has alleged that the cotton seed sold by it is exempt under entry 44j of Schedule I of the Andhra Pradesh Value Added Tax Act, 2005 and it has paid all necessary taxes in this regard. Our Company has further sought a stay on the order passed by the Deputy Commissioner (CT), Guntur including any proceeding for recovery of the disputed tax amounts of approximately ₹ 1.56 million,

₹ 1.42 million and ₹ 1.38 million pending disposal of the writ petition. The petition is currently pending.

- (n) Our Company has filed a civil miscellaneous appeal bearing C.M.A. No. 497 of 2007 before the High Court of Andhra Pradesh against the Employees State Insurance Corporation, challenging the order of the Labour Court in case E.S.I. No. 16 of 1999 dated January 29, 2007, wherein our Company was held liable to pay approximately ₹ 0.67 million as a shortfall in the employees' state insurance contribution for the period from June 1999 to March 2007. The High Court of Andhra Pradesh passed an interim order against this order, directing our Company to deposit 50% of the awarded amount. Our Company has deposited this amount and the matter is currently pending before the High Court of Andhra Pradesh.
- (o) Our Company filed writ petitions bearing W.P. 26824 of 2009, W.P. 26825 of 2009, W.P. 26826 of 2009, and W.P. 26855 of 2009 before the High Court of Andhra Pradesh contesting the order passed by the PPV&FR Authority on October 29, 2009, wherein the PPV&FR Authority refused to notify certain varieties of seeds developed by our Company as parental lines of extant hybrid varieties. While these writ petitions involving our Company were pending before the High Court of Andhra Pradesh, the Government of India issued a memorandum on June 4, 2013, clarifying that the parent lines of notified hybrids are also deemed to be notified along with the hybrid. On this basis, our Company approached the Registrar, PPV&FR Authority, to treat the parent lines mentioned in the pending writ petitions as extant notified varieties. But the Registrar, PPV&FR Authority refused to do so, citing the pendency of the writ petitions. Our Company therefore filed W.P. No. 26025 of 2013 in the High Court of Andhra Pradesh and the High Court of Andhra Pradesh directed the Registrar, PPV&FR Authority to consider the representations made by our Company and take a decision thereon without reference to the pendency of W.P. 26825 of 2009. However, the Registrar, PPV&FR Authority, found once again that the parent lines were not extant notified varieties. Against this decision, our Company has filed writ petition bearing W.P. No. 32462 of 2013 before the High Court of Andhra Pradesh against the Registrar, PPV&FR Authority, and the Government of India. The matter is currently pending.
- (p) Our Company has filed O.S. No. 761 of 2012 before the City Civil Judge at Hyderabad, against Shriram Bioseed Genetics for illegally developing, producing and selling transgenic versions of our Company's non-Bt cotton hybrids NCS-145 Bunny (NCHH-145) and NCS-207 Mallika (NCHH-207), which are registered and protected under the provisions of the PPV&FR Act. Our company also filed an interim application before the City Civil Judge at Hyderabad, seeking directions of the court to submit samples of hybrids and parent lines of both the parties for sending to the Registrar, PPV & FR Authority for conducting DUS tests. The City Civil Judge allowed the interim application by order dated October 07, 2013 and issued directions accordingly. Against this, Shriram Bioseed Genetics has filed a revision petition bearing number C.R.P. 5302 of 2013 before the High Court of Andhra Pradesh. C.R.P. 5302 has been disposed of and the order in this regard is awaited. O.S. 761 of 2012 is pending.
- (q) Our Company has filed 31 criminal complaints against various distributors under Section 138 of the Negotiable Instruments Act, 1881, for the bouncing of cheques issued by these distributors towards payment of dues owed to our Company. These proceedings are pending at various stages of adjudication before various courts in India. The aggregate amount involved in these matters is approximately ₹ 12.01 million along with interest thereon. In accordance with the judgement of the Supreme Court of India in (2014) 9 SCC 129, the place or venue of the judicial inquiry and trial of an offence under Section 138 of the Negotiable Instruments Act, 1881, must be restricted to where the



drawee bank is located. Accordingly, certain of the complaints filed by our Company are in the process of being transferred to the locations of the respective drawee banks.

- (r) Our Company has filed a civil suit bearing number C.S. 1084 of 2008 before the District Judge, Tis Hazari Court against Bhavani Agrotech Private Limited for the recovery of an amount of approximately ₹ 0.32 million along with interest and costs owed to our Company. The matter is currently pending.
- (s) Our Company has filed a civil suit bearing number C.S. 616 of 2008 before the Senior Civil Judge, Tis Hazari Court against Narender Kumar, proprietor of Punjab Beej Bhandar, for the recovery of an amount of approximately ₹0.15 million owed to our Company. The matter is currently pending.

*Cases under the PPV&FR Act*

- (a) Our Company has filed an opposition against Mahyco in relation to the C-5193 plant variety of Mahyco under the PPV&FR Act before the PPV&FR Authority, opposing applications made by Mahyco for registration of this variety. The matter is currently pending.
- (b) Our Company has filed an opposition against Mahyco in relation to the C-5195 plant variety of Mahyco under the PPV&FR Act before the PPV&FR Authority, opposing applications made by Mahyco for registration of this variety. The matter is currently pending.
- (c) Our Company has filed an opposition against Mahyco in relation to the C-5096 plant variety of Mahyco under the PPV&FR Act before the PPV&FR Authority, opposing applications made by Mahyco for registration of this variety. The matter is currently pending.
- (d) Our Company has filed an opposition against Mahyco in relation to the MRC 7017 plant variety of Mahyco under the PPV&FR Act before the PPV&FR Authority, opposing applications made by Mahyco for registration of this variety. The matter is currently pending.
- (e) Our Company has filed an opposition against Mahyco in relation to the MRC 7031 plant variety of Mahyco under the PPV&FR Act before the PPV&FR Authority, opposing applications made by Mahyco for registration of this variety. The matter is currently pending.
- (f) Our Company has filed an opposition against Mahyco in relation to the C-5196 plant variety of Mahyco under the PPV&FR Act before the PPV&FR Authority, opposing applications made by Mahyco for registration of this variety. The matter is currently pending.
- (g) Our Company has filed an opposition against Monsanto Genetics India Private Limited in relation to the G4321920 plant variety of Monsanto Genetics India Private Limited under the PPV&FR Act before the PPV&FR Authority, opposing applications made by Monsanto Genetics India Private Limited for registration of this variety. The matter is currently pending.
- (h) Our Company has filed an opposition against Monsanto Genetics India Private Limited in relation to the G8855424 plant variety of Monsanto Genetics India Private Limited under the PPV&FR Act before the PPV&FR Authority, opposing applications made by Monsanto Genetics India Private Limited for registration of this variety. The matter is currently pending.

- (i) Our Company has filed an opposition against Mahyco in relation to the MRC 7347 BG II plant variety of Mahyco under the PPV&FR Act before the PPV&FR Authority, opposing applications made by Mahyco for registration of this variety. The matter is currently pending.
- (j) Our Company has filed an opposition against Mahyco in relation to the MRC 7045 BG II plant variety of Mahyco under the PPV&FR Act before the PPV&FR Authority, opposing applications made by Mahyco for registration of this variety. The matter is currently pending.
- (k) Our Company has filed an opposition against Mahyco in relation to the MRC 6029 BG II plant variety of Mahyco under the PPV&FR Act before the PPV&FR Authority, opposing applications made by Mahyco for registration of this variety. The matter is currently pending.
- (l) Our Company has filed an opposition against Mahyco in relation to the MRC 7929 BG II plant variety of Mahyco under the PPV&FR Act before the PPV&FR Authority, opposing applications made by Mahyco for registration of this variety. The matter is currently pending.
- (m) Our Company has filed an opposition against Mahyco in relation to the MRC 7301 BG II plant variety of Mahyco under the PPV&FR Act before the PPV&FR Authority, opposing applications made by Mahyco for registration of this variety. The matter is currently pending.
- (n) Our Company has filed an opposition against Mahyco in relation to the MRC 6918 Bt plant variety of Mahyco under the PPV&FR Act before the PPV&FR Authority, opposing applications made by Mahyco for registration of this variety. The matter is currently pending.
- (o) Our Company has filed an opposition against Mahyco in relation to the MRC 6322 Bt plant variety of Mahyco under the PPV&FR Act before the PPV&FR Authority, opposing applications made by Mahyco for registration of this variety. The matter is currently pending.
- (p) Our Company has filed an opposition against Mahyco in relation to the MRC 7383 BG II plant variety of Mahyco under the PPV&FR Act before the PPV&FR Authority, opposing applications made by Mahyco for registration of this variety. The matter is currently pending.
- (q) Our Company has filed an opposition against Mahyco in relation to the MRC 7351 BG II plant variety of Mahyco under the PPV&FR Act before the PPV&FR Authority, opposing applications made by Mahyco for registration of this variety. The matter is currently pending.
- (r) Our Company has filed an opposition against Sungro Seeds Research Limited in relation to the SCFH-130 Cauliflower hybrid variety of Sungro Seeds Research Limited under the PPV&FR Act before the PPV&FR Authority, opposing applications made by Sungro Seeds Research Limited for registration of this variety. The matter is currently pending.
- (s) Our Company has filed an opposition against Bharthi Seeds in relation to the 4206336B plant variety of Bharthi Seeds under the PPV&FR Act before the PPV&FR Authority, opposing applications made by Bharthi Seeds for registration of this variety. The matter is currently pending.
- (t) Our Company has filed an application under Section 34 of the PPV&FR Act before the PPV&FR Authority, for revocation of the certificate of registration granted by the PPV&FR Authority to Kaveri Seeds Company Limited for its cotton hybrid “Jaadoo KCH-14K59 BG II”, for unauthorised use by Kaveri Seeds Company Limited of the parent line developed by our Company, in developing this hybrid. The matter is currently pending.

- (u) Our Company filed a writ petition bearing number W.P. 26855 of 2009 before the High Court of Andhra Pradesh challenging the order of the PPV&FR Authority dated October 29, 2009 rejecting the request made by our Company for the registration of the NC-71 as an extant notified variety.
- (v) Our Company filed a writ petition bearing number W.P. 26826 of 2009 before the High Court of Andhra Pradesh challenging the order of the PPV&FR Authority dated October 29, 2009 rejecting the request made by our Company for the registration of the parent line of NC-102 as an extant notified variety.
- (w) Our Company filed a writ petition bearing number W.P. 26825 of 2009 before the High Court of Andhra Pradesh challenging the order of the PPV&FR Authority dated October 29, 2009 rejecting the request made by our Company for the registration of the parent line of NC-108 as an extant notified variety.
- (x) Our Company filed a writ petition bearing number W.P. 26824 of 2009 before the High Court of Andhra Pradesh challenging the order of the PPV&FR Authority dated October 29, 2009 rejecting the request made by our Company for the registration of the parent line of NC-99 Bunny as an extant notified variety.
- (y) During the pendency of the four matters W.P. 26855 of 2009, W.P. 26826 of 2009, W.P. 26825 of 2009 and W.P. 26824 of 2009 (listed above) the Government of India issued a memorandum dated June 4, 2013 clarifying that the parent lines of notified hybrids were also deemed to be notified along with the hybrid. Thereafter our Company approached the PPV&FR Authority to treat the parent lines, NC-71, NC-99, NC-102 and NC-108 as extant notified varieties. However, the Registrar citing the pendency of above four writ petitions did not consider our Company's representations. Thereafter our Company filed a writ petition bearing number W.P. No. 26825 of 2013 before the High Court of Andhra Pradesh, which was disposed off by the High Court by way of an order dated September 05, 2013, directing the PPV&FR Authority to consider the representations made by our Company and take decision thereon without reference to pendency of above four writ petitions. The Registrar by way of an order dated October 28, 2013 held that the parent lines do not fall under the category of notified extant variety. Thereafter, our Company has filed a writ petition bearing number W.P. 32462 of 2013 before the High Court of Andhra Pradesh challenging the order of the PPV&FR Authority dated October 28, 2013. The matter is currently pending.
- (z) Our Company and Prabhat Agri Biotech Limited have filed a writ petition before the High Court of Delhi vide W.P. No 250 of 2009, wherein our Company and Prabhat Agri Biotech Limited have challenged the legal validity of Section 24(5) of the PPV&FR Act and a notice issued under Section 24(5) of PVP&FR Act. The matter is currently pending.
- (aa) Our Company has filed a writ petition vide W.P. No. 4315 of 2014, wherein our Company has challenged the publication of advertisement of Mahyco's varieties C-5193 and C-5196 in the Plant Varieties Journal on the grounds that the advertisement was not in accordance with the provisions of PPV&FR Act and the rules made thereunder. This petition was originally filed as W.P. 27663 of 2010 before the High Court of Andhra Pradesh, which dismissed it on grounds of lack of jurisdiction. Our Company then filed special leave petition 13167 of 2012 before the Supreme Court of India, and the Supreme Court of India, without going into the merits of the matter, passed orders transferring this writ petition from the High Court of Andhra Pradesh to the High Court of Delhi, where it is currently pending.

- (bb) Our Company has filed a writ petition vide W.P. No. 4313 of 2014, wherein our Company has challenged the rejection of application filed by our Company for condonation of delay in filing opposition (Form PV-3) against Mahyco's variety C-5196. This petition was originally filed as W.P. 8031 of 2010 before the High Court of Andhra Pradesh, which dismissed it on grounds of lack of jurisdiction. W.A. 651 of 2011 filed by our Company appealing against this order was also dismissed on grounds of forum non conveniens. Our Company then filed special leave petition 13286 of 2012 before the Supreme Court of India, and the Supreme Court of India, without going into the merits of the matter, passed orders transferring this writ petition from the High Court of Andhra Pradesh to the High Court of Delhi, where it is currently pending.
- (cc) Our Company has filed a writ petition vide W.P. No. 4312 of 2014, wherein our Company has challenged the procedural flaws of the Registrar, PPV & FR Authority in implementation of PPV & FR Act. This petition was originally filed as W.P. 16892 of 2010 before the High Court of Andhra Pradesh, which dismissed it on grounds of lack of jurisdiction. W.A. 537 of 2011 filed by our Company appealing against this order was also dismissed on grounds of forum non conveniens. Our Company then filed special leave petition 13276 of 2012 before the Supreme Court of India, and the Supreme Court of India, without going into the merits of the matter, passed orders transferring this writ petition from the High Court of Andhra Pradesh to the High Court of Delhi, where it is currently pending.
- (dd) Our Company has filed a writ petition vide W.P. No. 4314 of 2014, wherein our Company has challenged certain advertisements of Mahyco's hybrid variety published in the Plant Varieties Journal of May, 2010 on the grounds that the said advertisements are not according to the provisions of the PPV & FR Act. This petition was originally filed as W.P. 20326 of 2010 before the High Court of Andhra Pradesh, which dismissed it on grounds of lack of jurisdiction. W.A. 539 of 2011 filed by our Company appealing against this order was also dismissed on grounds of forum non conveniens. Our Company then filed special leave petition 13289 of 2012 before the Supreme Court of India, and the Supreme Court of India, without going into the merits of the matter, passed orders transferring this writ petition from the High Court of Andhra Pradesh to the High Court of Delhi, where it is currently pending.
- (ee) A writ petition bearing W.P. No. 5503 of 2010 is pending before the High Court of Andhra Pradesh, wherein our Company and Prabhat Agri Biotech Limited have challenged a decision of the Registrar, PPV&FR Authority. Mahyco filed an application under section 24(5) of the PPV&FR Act against our Company and Prabhat Agri Biotech Limited alleging abusive acts in contravention of the PPV&FR Act on the part of our Company and Prabhat Agri Biotech Limited. The Registrar, PPV & FR Authority passed an order on November 12, 2009, finding in favour of the Maharashtra Hybrid Seeds Company Limited and rejecting the objections raised by our Company and Prabhat Agri Biotech Limited. These orders were challenged in the present writ petition which is pending before the High Court of Andhra Pradesh.
- (ff) Our Company has filed an application bearing number Application 1 of 2009 in relation to variety C-5193 of Mahyco before the Protection of Plant Varieties and Farmers' Rights Authority, under Section 24(5) of the PPV&FR Act alleging abusive acts by Mahyco in contravention of the PPV&FR Act. These are currently pending before the Protection of Plant Varieties and Farmers' Rights Authority.
- (gg) Our Company has filed an application bearing number Application 2 of 2009 in relation to variety MRC-7351 of Mahyco before the Protection of Plant Varieties and Farmers' Rights Authority, under

Section 24(5) of the PPV&FR alleging abusive acts by Mahyco in contravention of the PPV&FR. The matter is currently pending.

- (hh) Our Company has filed an application under section 24(5) of the PPV&FR Act before the PPV&FR Authority against the abusive act of Shriram Bioseeds Genetics in developing, producing and commercializing Bioseed Bajrang BG II (BIO-110-2) alleging that this is an exact illegal replica of our Company's Bunny NCS-145 BG-II. The matter is currently pending.
- (ii) Our Company has filed an application under section 24(5) of the PPV&FR Act before the PPV&FR Authority against the abusive act of Shriram Bioseeds Genetics in developing, producing and commercializing Bioseed Gabbar BG II (BIO-322-2), alleging that this is an exact illegal replica of our Company's Mallika NCS 207 BG-II. The matter is currently pending.
- (jj) Our Company has filed an application against Bioseed against Bioseed's abusive act of illegally developing, producing and commercializing BIO-6488-2 BG-II which is an unauthorized transgenic version of our Company's non-Bt Cotton Hybrid NCS-555 before the PPV&FR Authority, under Section 24(5) of the PPV&FR alleging abusive acts by Bioseed in contravention of the PPV&FR. The matter is currently pending.
- (kk) Our Company has filed an application under Section 24(5) of the PPV&FR Act against Kaveri Seeds for its abusive act of illegally developing a transgenic version of our Company's non Bt Cotton parent line NC 102, assigning false denomination of KCS-89 BG-II, applying for its registration fraudulently claiming it as its own and illegally using it for development of hybrid "Jaadoo KCH-14K59 BG-II", which is pending before the PPV & FR Authority.
- (ll) Our Company has filed Application 1 of 2015 against M/s DCM Shriram Limited and Shriram Bioseeds Genetics under section 24(5) of the PPV&FR Act seeking an order restraining Shriram Bioseeds Genetics as well as its servants, employees, agents, dealers from selling or marketing any seed and more particularly BIO-7215-2 YUVA BG-II and BIO-7213-2 BINDAS BGII, alleging that Shriram Bioseeds Genetics has illegally developed these lines by using our Company's parent line NC-157. The matter is currently pending.

#### *Penalties imposed on our Company in the past*

Various penalties have been imposed on our Company in the past, including penalties imposed (a) by various traffic police against vehicles owned by the Company, (b) by the Inspector of Factories and (c) for delayed payment of tax deducted at source. The aggregate amount of such penalties is approximately ₹0.33 million.

#### **Material developments**

Except as stated in the DRHP, to the Company's knowledge, no circumstances have arisen since December 31, 2014, which could materially and adversely affect, or are likely to affect, its profitability, financial condition or ability to pay its material liabilities within the next 12 months.

### **III. Litigation involving Directors**

#### *Cases filed against Mandava Prabhakara Rao*

Please refer to "- Litigation involving Promoters – Mandava Prabhakara Rao - Cases filed against Mandava Prabhakara Rao" under "" on page 516 below.

#### *Cases filed against our Directors*

The Department of Weights and Measures of the Government of Maharashtra, has filed S.C.C. No. 2973 of 2007 against the Managing Director and the Board of Directors of our Company for alleged contravention of Sections 39, 63 and 74 of the Standard Weights and Measures Act, 1976 and the rules made thereunder and

Sections 174, 175, 176, 179 and 188 of the Indian Penal Code, 1860. The Department of Weights and Measures has alleged that packets of Super Bunny NCS-999 seeds produced by our Company and on sale in a shop in Latur, Maharashtra, were not in compliance with the Weights and Measures Act, 1976 and the rules made thereunder as the maximum retail price inclusive of all taxes was not clearly written on the packets, thereby confusing customers. The maximum punishment under these provisions of the Indian Penal Code, 1860 is simple imprisonment for a period of up to six months, or a fine of up to ₹ 1,000 in respect of each offence, or both. The punishment under the Weights and Measures Act, 1976 is simple imprisonment for a period of up to six months, or a fine of up to ₹ 1,000 in respect of each offence, or both, for the first offence, and imprisonment for a term which may extend to two years, and a fine, for the second or subsequent offence. The matter is currently pending.

*Showcause notices against our Directors*

- (a) Our Company has received a notice bearing number ILM/Prosecution/2012/371 from the Inspector of Legal Metrology, Kurduwadi Division, Solapur, requiring our Director Mr. Ashok Kumar Jha to appear before the court at Madha on October 7, 2014, in connection with alleged contravention of the Legal Metrology Act by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (b) Our Company has received a notice bearing number ILM/Prosecution/2012/373 from the Inspector of Legal Metrology, Kurduwadi Division, Solapur, requiring our Director Mr. Satishkumar Puligundla to appear before the court at Madha on October 7, 2014, in connection with alleged contravention of the Legal Metrology Act by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (c) Our Company has received a notice bearing number ILM/Kurduwadi/Prosecution/2014/426 from the Inspector of Legal Metrology, Kurduwadi Division, Solapur, requiring our Director Mr. Pamidi Kottaiah to appear before the court at Madha on November 18, 2014, in connection with alleged contravention of the Legal Metrology Act by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (d) Our Company has received a notice bearing number ILM/Kurduwadi/Prosecution/2014/427 from the Inspector of Legal Metrology, Kurduwadi Division, Solapur, requiring our Director Mr. Gopalkrishna Muddusetti to appear before the court at Madha on November 18, 2014, in connection with alleged contravention of the Legal Metrology Act by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (e) Our Company has received a notice bearing number ILM/Kurduwadi/Prosecution/2014/425 from the Inspector of Legal Metrology, Kurduwadi Division, Solapur, requiring our Director Mr. Satishkumar Puligundla to appear before the court at Madha on November 18, 2014, in connection with alleged contravention of the Legal Metrology Act by our Company. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (f) Our Company and all our Directors have received a notice bearing number ILM/CHAN-RLY/PCR/PROS/2014/404/01 from the Inspector of Legal Metrology, Chandur Railway Division, requiring all our Directors to appear before the Judicial Magistrate First Class at Chandur Railway on December 08, 2014, in connection with alleged contravention of the Legal Metrology Act by our Company. Our Company is yet to respond to this notice. The matter is currently pending.
- (g) Our Company and all its Directors have received a notice bearing number IIm/Saoner/FCR/Notice/2014/346 from the Inspector of Legal Metrology, Saoner Division, Nagpur District, asking it to respond to alleged contravention of the Legal Metrology Act and the Legal Metrology Rules, 2011, relating to certain declarations on packages. Our Company has responded to this notice denying this allegation. The matter is currently pending.
- (h) Our Company and all its Directors have received a notice bearing number

ILM/Chan.Rly/PCRComp/2014/255/02 from the Inspector of Legal Metrology, Chandur Railway Division, asking it to respond to alleged contravention of the Legal Metrology Act and the Legal Metrology Rules, 2011, relating to certain declarations on packages. Our Company has responded to this notice denying this allegation. The matter is currently pending.

#### **IV. Litigation involving Subsidiaries**

##### **Prabhat Agri Biotech Limited**

##### ***Cases filed against Prabhat Agri Biotech Limited***

##### ***Consumer cases***

There is one consumer case pending before the district consumer disputes redressal forum in Hyderabad against, *inter alia*, Prabhat Agri Biotech Limited, alleging poor performance of certain cotton seeds supplied to the consumer, resulting in low yields and loss to him. The aggregate amount claimed as compensation in this matter is approximately ₹0.53 million along with interest thereon. The matter is currently pending.

##### ***Criminal complaints***

- (a) The Assistant Director of Agriculture, Addanki has filed a complaint bearing number C.C. 475 of 2012 before the JCJ, Ongole contending that the PMH-2201 seeds produced by Prabhat Agri Biotech Limited and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and the Seeds (Control) Order, 1983. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (b) The Assistant Director of Agriculture, Jagayyapet has filed a complaint bearing number C.C. 4 of 2009 before the First Additional Chief Metropolitan Magistrate, Vijaywada contending that the PCH-115-HIMA seeds produced by Prabhat Agri Biotech Limited and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and the Seeds (Control) Order, 1983. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (c) The Assistant Director of Agriculture, Qutbullapur has filed a complaint bearing number C.C. 400 of 2011 before the Second Metropolitan Magistrate, L.B. Nagar, Andhra Pradesh contending that the PCH-205-BT2-GANESH seeds produced by Prabhat Agri Biotech Limited and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and the Seeds (Control) Order, 1983. Prabhat Agri Biotech filed a substitution petition bearing CrI. M.P. No. 751 of 2012 for replacement of nominated person for representing the company, which was dismissed by the court by an order dated April 24, 2012. Prabhat Agri Biotech Limited has filed a criminal revision petition bearing number CrI. R.C. 794 of 2012 before the High Court of Andhra Pradesh and Telangana. The matters are currently pending.
- (d) The Assistant Director of Agriculture (Regular), Karimnagar, Telangana, has filed a criminal complaint bearing number S.T.C. 241 of 2013, before the Additional Judicial Magistrate of First Class, Karimnagar, Telangana, against our Company and Prabhat Agri Biotech Limited for contravention of Section 7(b) of the Seeds Act, 1966. The complainant has alleged, based on a sample, that Marvel (PCH-2171) BG-II cotton seeds produced by our Company and marketed by Prabhat Agri Biotech Limited do not conform to the prescribed standards of minimum limits of germination and has sought

penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.

- (e) The Mandal Agricultural Officer, Macherla, has filed E.C. Act Case No. 226/2013-S7 against Prabhat Agri Biotech Limited in the court of the Joint Collector and Additional District Magistrate at Guntur, alleging that Prabhat Agri Biotech Limited violated Clause 3(1) of the Seeds (Control) Order, 1983 by transporting stocks of seeds without a valid seed license. The court permitted confiscation and sale of the stocks concerned under Section 6-A of the Essential Commodities Act, 1955, and directed the Mandal Agricultural Officer, Macherla, to sell the seized stocks to the needy farmers and to remit the sale proceeds under revenue deposits and to send the original challan of the sale proceeds to the court, pending a final decision under the Essential Commodities Act, 1955. The matter is currently pending.
- (f) Sher Singh, a distributor of Prabhat Agri Biotech Limited, has filed C.C. 2655 of 2008 against Prabhat Agri Biotech Limited before the Chief Judicial Magistrate at Kannauj under Section 420 of the Indian Penal Code, 1860, alleging that Prabhat Agri Biotech Limited cheated him by supplying sub-standard seeds and thereby causing him loss. The aggregate amount involved is approximately ₹ 0.7 million. Section 420 of the Indian Penal Code, 1860 prescribes a punishment of imprisonment of up to seven years, as also fine. Prabhat Agri Biotech Limited then filed a criminal miscellaneous application 27354 of 2009 before the High Court of Allahabad to quash this complaint. The High Court of Allahabad has granted an interim stay of all further proceedings in C.C. 2655 of 2008. Sher Singh filed a criminal miscellaneous stay vacation application to vacate this ex-parte stay order. The matter is pending before the High Court of Allahabad for final hearing.

#### *Civil cases*

Thammareddy Seeds and Agro Products, a distributor of Prabhat Agri Biotech Limited, has filed O.S. 365 of 2014 against Prabhat Agri Biotech Limited before the Second Additional Senior Civil Judge at Vijayawada, alleging *inter alia* that it suffered losses on account of non-supply of material by Prabhat Agri Biotech Limited. The aggregate amount involved is approximately ₹ 1 million. The matter is currently pending.

#### *Cases under the PPV&FR Act*

Mahyco has filed a complaint bearing Application No. 2 of 2008 against Prabhat Agri Biotech Limited and others in relation to variety MRC-7351 of Mahyco, before the PPV&FR Authority under Section 24(5) of the PPV&FR Act alleging abusive acts in contravention of the PPV&FR Act. The matter is currently pending.

#### *Income Tax matters*

- (a) The Deputy Commissioner of Income Tax, Circle-16(2), Hyderabad, passed an order on June 26, 2014 under Section 143(3) of the Income Tax Act, 1961 (the “**I.T. Act**”), in favour of Prabhat Agri Biotech Limited in respect of Assessment Year 2011-12, holding that income earned by Prabhat Agri Biotech Limited is eligible for exemption under Section 10(1) of the I.T. Act. The Assistant Commissioner of Income Tax has now filed an appeal bearing number 1616/HYD/14 before the Income Tax Appellate Tribunal at Secunderabad against this order. The matter is currently pending.
- (b) The Additional Commissioner of Income Tax, Circle 16(2), Hyderabad, passed an assessment order under



Section 143(3) of the I.T. Act on March 30, 2015 against Prabhat Agri Biotech Limited disallowing certain expenditure under Section 14A of the I.T. Act aggregating to ₹2.72 million for the Assessment Year 2012-13 and sent a notice under Section 274 read with Section 271 of the I.T. Act to Prabhat Agri Biotech Limited on March 30, 2015, requesting a representative of Prabhat Agri Biotech Limited to appear at the office of the Additional Commissioner of Income Tax on April 13, 2015 to show cause why an order imposing penalty should not be imposed on Prabhat Agri Biotech Limited, in relation to the aforementioned disallowance of expenditure. A notice of demand under Section 156 of the I.T. Act was also served on Prabhat Agri Biotech Limited for approximately ₹1.2 million. The matter is currently pending.

#### *Income Tax notices*

- (a) The Deputy Commissioner of Income Tax, Circle 16(3), Hyderabad has sent a notice under Section 143(2) of the I.T. Act to Prabhat Agri Biotech Limited on September 5, 2014, requesting a representative of Prabhat Agri Biotech Limited to appear at the office of the Deputy Commissioner of Income Tax on October 7, 2014 to answer queries in connection with the return of tax submitted in respect of Assessment Year 2013-14. The matter is currently pending.

#### *Cases filed by Prabhat Agri Biotech Limited*

- (a) Prabhat Agri Biotech Limited has filed 6 criminal complaints under Section 138 of the Negotiable Instruments Act, 1881, for dishonour of cheques issued by its customers against amounts payable to Prabhat Agri Biotech Limited. These proceedings are pending adjudication at various stages in different courts in India. The aggregate amount involved in these matters is approximately ₹13.47 million. In accordance with the judgement of the Supreme Court of India in (2014) 9 SCC 129, the place or venue of the judicial inquiry and trial of an offence under Section 138 of the Negotiable Instruments Act, 1881, must be restricted to where the drawee bank is located. Accordingly, certain complaints filed by Prabhat Agri Biotech Limited are in the process of being transferred to the locations of the respective drawee banks.
- (b) Prabhat Agri Biotech Limited has filed a suit for recovery bearing number O.S. 533 of 2010 against Siri Seeds Corporation, a distributor before the City Civil Court at Hyderabad, for recovery of dues owed to Prabhat Agri Biotech Limited by the distributor. The aggregate amount involved in this matter is approximately ₹ 2.43 million, together with interest thereon. The City Civil Court at Hyderabad passed an order in favour of Prabhat Agri Biotech Limited on October 15, 2012. The matter is currently pending.
- (c) Prabhat Agri Biotech Limited has filed a suit for recovery bearing number O.S. 845 of 2014 against Vijaylakshmi Seeds and Pesticides, a distributor, before the City Civil Court at Hyderabad, for recovery of dues owed to Prabhat Agri Biotech Limited by the distributor. The aggregate amount involved in this matter is approximately ₹ 1.78 million, together with interest thereon. The matter is currently pending.
- (d) Prabhat Agri Biotech Limited has filed a suit for recovery bearing number O.S.S.R. 1639 of 2014 against Sri Gowri Sankar Seeds, a distributor, before the City Civil Court at Hyderabad, for recovery of dues owed to Prabhat Agri Biotech Limited by the distributor. The aggregate amount involved in this matter is approximately ₹0.18 million, together with interest thereon. The matter is currently pending.
- (e) Prabhat Agri Biotech Limited, together with the Seedsmen Association, Kaveri Seed Company Limited and others (the “**Petitioners**”), filed writ petition bearing W.P. No. 10589 of 2013 before the High Court of Andhra Pradesh, praying for a writ, order or direction declaring the order G.O. Rt. No. 457 of March 7,

2013, passed by the Department of Agriculture and Cooperation (F.P. II), Government of Andhra Pradesh, for the year 2013-14, as unconstitutional and contrary to Section 11 of the Andhra Pradesh Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Act, 2007, and consequently redirecting the Department of Agriculture to re-fix the maximum sale price for certain cotton seeds taking into account actual overheads and trait fees required to be paid by seed companies to their technology providers. The Petitioners further filed an application W.P.M.P. No. 17317 of 2013 for interim directions, which was allowed by the High Court of Andhra Pradesh, permitting the Petitioners to charge their consumers the actual trait fees being paid by them to the technology providers. This interim order has been challenged by the Government of Andhra Pradesh and the Commissioner and Director of Agriculture in W.A. No. 828 of 2013. The matter is currently pending.

- (f) Prabhat Agri Biotech Limited, together with the Seedsmen Association and Kaveri Seed Company Limited (the “**Petitioners**”), filed writ petition bearing W.P. No. 11211 of 2014 before the High Court of Andhra Pradesh, praying for a writ, order or direction declaring the order G.O. Rt. No. 199 of March 4, 2014, passed by the Department of Agriculture and Cooperation (F.P. II), Government of Andhra Pradesh, for the year 2014-15, as unconstitutional and contrary to Section 11 of the Andhra Pradesh Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Act, 2007, and consequently redirecting the Department of Agriculture to re-fix the maximum sale price for certain cotton seeds taking into account actual overheads and trait fees required to be paid by seed companies to their technology providers. The Petitioners further filed an application W.P.M.P. No. 14215 of 2014 for interim suspension of G.O. Rt. No. 199, which was dismissed by the High Court of Andhra Pradesh. This dismissal has been appealed by the Petitioners in W.A. No. 1058 of 2014. The matter is currently pending.
- (g) A writ petition bearing W.P. No. 5503 of 2010 is pending before the High Court of Andhra Pradesh, wherein our Company and Prabhat Agri Biotech Limited have challenged a decision of the PPV&FR Authority. Mahyco had filed an application under section 24(5) of the PPV&FR against our Company and Prabhat Agri Biotech Limited alleging abusive act on the part of our Company and Prabhat Agri Biotech Limited. The Registrar, PPV & FR Authority passed an order on November 12, 2009, finding in favour of Mahyco and rejecting the objections raised by our Company and Prabhat Agri Biotech Limited. These orders were challenged in the present writ petition which is pending before the High Court of Andhra Pradesh.
- (h) Our Company and Prabhat Agri Biotech Limited (“**Petitioners**”), have filed a writ petition bearing W.P. No. 8642 of 2009 before the High Court of Andhra Pradesh against the Union of India, through the Ministry of Environment and Forests, and five others (“**Respondents**”) seeking a writ of mandamus declaring the actions of the Respondents in deferring consideration for granting commercial approval of 34 hybrids of Bt cotton seeds as being arbitrary, illegal and unreasonable, and also directing the Respondents to consider the applications submitted by the Petitioners and accordingly the necessary be given approval to enable the Petitioners to market their hybrid seeds varieties. The Petitioners have alleged that the Government of India and the authorities acting under it have acted in an arbitrary manner without seeking the response of the Petitioners. The Petitioners have also alleged that the matter under dispute pertains only to one product, and as such the action of the Government of India in deferring several other hybrids which are not involved in the dispute is arbitrary. The High Court of Andhra Pradesh has passed an interim order in W.P.M.P. No. 11317 of 2009 in W.P. No. 8642 of 2009 dated April 27, 2009 directing the Chairman, Standing Committee of the GEAC to consider the application filed by our Company on March 25, 2009 and accord approval within one week from the date of the receipt of the order. The writ petition is currently pending.
- (i) Prabhat Agri Biotech Limited has filed an application under Section 34 of the PPV&FR Act before the

PPV&FR Authority, for revocation of a certificate of registration granted by the PPV&FR Authority to Kaveri Seed Company Limited in relation to its cotton hybrid “Jaadoo KCH-14K59 BG-II” for alleged unauthorised use of the parent line owned by Prabhat Agri Biotech Limited. The matter is currently pending.

- (j) Prabhat Agri Biotech Limited has filed an application under Section 34 of the PPV&FR Act before the PPV&FR Authority, for revocation of a certificate of registration granted by before the PPV&FR Authority, to Kaveri Seed Company Limited in relation to its cotton hybrid JC-348 for alleged unauthorised use of the parent line owned by Prabhat Agri Biotech Limited. The matter is currently pending.
- (k) Our Company and Prabhat Agri Biotech Limited have filed a writ petition before the High Court of Delhi vide W.P. No 250 of 2009, wherein our Company and Prabhat Agri Biotech Limited have challenged the legal validity of Section 24(5) of the PPV&FR Act and a notice issued under Section 24(5) of PVP&FR Act. The matter is currently pending.
- (l) Prabhat Agri Biotech Limited has filed application 5 of 2013 before the PPV&FR Authority, under Section 24(5) of the PPV&FR Act against Kaveri Seed Company Limited alleging that Kaveri Seed Company Limited developed its varieties JC-348 and KCH-14K59 BG-II by making unauthorised use of Prabhat Agri Biotech Limited’s variety PC-P3812, in contravention of the PPV&FR Act. This application is currently pending before the PPV&FR Authority.

#### *Income Tax matters*

Prabhat Agri Biotech Limited has filed an appeal before the High Court of Andhra Pradesh and Telangana, Hyderabad, against the order dated August 20, 2014 passed by the Income Tax Appellate Tribunal Benches ‘A’, Hyderabad, in relation to disallowance of expenditure under section 14A aggregating to ₹0.18 million for the assessment year 2010-11. The matter is currently pending.

#### ***Penalties imposed on Prabhat Agri Biotech Limited in the past***

Various penalties have been imposed on Prabhat Agri Biotech Limited in the past, including penalties imposed various traffic police against vehicles owned by Prabhat Agri Biotech Limited. The aggregate amount of such penalties is approximately ₹1,740.

#### **Pravardhan Seeds Private Limited**

#### ***Cases filed against Pravardhan Seeds Private Limited***

##### *Criminal cases*

- (a) The Seeds Inspector and Additional Director of Agriculture (R) has filed a criminal complaint bearing number C.C. 21 of 2013 before the JFCM, Guntur contending that the Brahmas-135 seeds produced by Pravardhan Seeds Private Limited and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966, and the Seeds (Control) Order, 1983. In this matter, the complainant has sought penalty under Section 19 of the Seeds Act, 1966, which provides for fine up to ₹ 500 for first offence and, in case of second offence imprisonment up to six months or fine up to ₹ 1,000 or both. This matter is pending.
- (b) The Seeds Inspector and Additional Director of Agriculture (R) has filed a criminal complaint bearing number C.C. 1749 of 2013 before the Civil Judge and Judicial Magistrate (F.C.), Amreli contending that certain cotton seeds produced by Pravardhan Seeds Private Limited and distributed through various

distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966, and the Seeds (Control) Order, 1983. In this matter, the complainant has sought penalty under Section 19 of the Seeds Act, 1966, which provides for fine up to ₹ 500 for first offence and, in case of second offence imprisonment up to six months or fine up to ₹ 1,000 or both. This matter is pending.

- (c) The Seeds Inspector and Additional Director of Agriculture (R) has filed a criminal complaint bearing number C.C. 32069 of 2014 before the Judicial Magistrate First Class, Vadodara contending that certain cotton seeds produced by Pravardhan Seeds Private Limited and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966, and the Seeds (Control) Order, 1983. In this matter, the complainant has sought penalty under Section 19 of the Seeds Act, 1966, which provides for fine up to ₹ 500 for first offence and, in case of second offence imprisonment up to six months or fine up to ₹ 1,000 or both. This matter is pending.
- (d) The Seeds Inspector and Sub-Divisional Agricultural Officer, Bhiwani, has filed a criminal complaint bearing number C.C. 4969 of 2014 before the Chief Judicial Magistrate, Bhiwani contending that certain bajra seeds produced by Pravardhan Seeds Private Limited and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966, and the Seeds (Control) Order, 1983. In this matter, the complainant has sought penalty under Section 19 of the Seeds Act, 1966, which provides for fine up to ₹ 500 for first offence and, in case of second offence imprisonment up to six months or fine up to ₹ 1,000 or both. This matter is pending.

#### *Consumer cases*

Jagtar Singh has filed a consumer case bearing number C.C. 247 of 2013 before the district consumer disputes redressal forum in Fatehabad, Haryana, against Pravardhan Seeds Private Limited, alleging poor performance of the seeds of the 'Tinde' plant supplied to him, resulting in low yields and loss to him. The amount claimed in these matters is approximately ₹ 0.18 million. This consumer dispute is currently pending before the district consumer disputes redressal forum in Fatehabad, Haryana.

#### *Showcause notices against Pravardhan Seeds Private Limited*

- (a) Pravardhan Seeds Private Limited has received a showcause notice bearing number C5/2777/2009, from the Joint Director of Agriculture, Warangal, asking it to respond to alleged contravention of the Andhra Pradesh Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Ordinance, 2007 and the Andhra Pradesh Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Rules, 2007, relating to substandard germination of certain cotton seeds. Pravardhan Seeds Private Limited has responded to this notice denying this allegation. The matter is currently pending.
- (b) Pravardhan Seeds Private Limited has received a showcause notice bearing number C5/2709/2009, from the Joint Director of Agriculture, Khammam, asking it to respond to alleged contravention of Rule 3 of the Andhra Pradesh Cotton Seeds (Regulation of Supply, Distribution, Sale and Fixation of Sale Price) Rules, 2007, relating to substandard germination of certain cotton seeds. Pravardhan Seeds Private Limited has responded to this notice denying this allegation. The matter is currently pending.
- (c) Pravardhan Seeds Private Limited has received a showcause notice bearing number D1/1874/2009, from the Joint Director of Agriculture, Nalgonda, asking it to respond to alleged contravention of Sections 6 and 7 of the Seeds Act, 1966, and Clause 13 of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds. Pravardhan Seeds Private Limited has responded to this notice denying this allegation. The matter is currently pending.

- (d) Pravardhan Seeds Private Limited has received a showcause notice bearing number D1/2260/2009, from the Joint Director of Agriculture, Nalgonda, asking it to respond to alleged contravention of Sections 6 and 7 of the Seeds Act, 1966, and Clause 13 of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds. Pravardhan Seeds Private Limited has responded to this notice denying this allegation. The matter is currently pending.
- (e) Pravardhan Seeds Private Limited has received a showcause notice bearing number E3/2881/2009, from the Joint Director of Agriculture, Mahabubnagar, asking it to respond to alleged contravention of the Seeds Act, 1966, and the Andhra Pradesh Cotton Seeds Act, 2007, relating to substandard germination of certain cotton seeds. Pravardhan Seeds Private Limited has responded to this notice denying this allegation. The matter is currently pending.
- (f) Pravardhan Seeds Private Limited has received a showcause notice bearing number C2/1995/2009, from the Joint Director of Agriculture, Adilabad, asking it to respond to alleged contravention of Rules 7, 8, 9 and 10 of the Rules for Manufacture, Use, Export, Import, and Storage of Hazardous Microorganisms, Genetically Engineered Organisms or Cells, 1989, read with the Environment (Protection) Act, 1986 and the Environment (Protection) Rules, 1986, relating to alleged supply of Roundup Herbicide Tolerant Cotton Seeds by Pravardhan Seeds Private Limited to certain farmers. Pravardhan Seeds Private Limited has responded to this notice denying this allegation. The matter is currently pending.
- (g) Pravardhan Seeds Private Limited has received a showcause notice bearing number C2/1592/2011, from the Joint Director of Agriculture, Adilabad, asking it to respond to alleged contravention of Section 7 of the Seeds Act, 1966, and Clause 8(A) of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds. Pravardhan Seeds Private Limited has responded to this notice denying this allegation. The matter is currently pending.
- (h) Pravardhan Seeds Private Limited has received a showcause notice bearing number SC/3049/2011, from the Joint Director of Agriculture, Karimnagar, asking it to respond to alleged contravention of Section 7 of the Seeds Act, 1966, and Clause 8(A) of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds. Pravardhan Seeds Private Limited has responded to this notice denying this allegation. The Assistant Director of Agriculture, Karimnagar filed a chargesheet before the Additional Judicial Magistrate First Class in Karimnagar and a summons was issued to Pravardhan Seeds Private Limited to appear in the matter on January 20, 2015. The matter is currently pending.
- (i) Pravardhan Seeds Private Limited has received a showcause notice bearing number Rc. No. Plg. V/622/2012, from the Joint Director of Agriculture, Guntur, asking it to respond to alleged contravention of Sections 6 and 7 of the Seeds Act, 1966, and Clause 13(C) of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds. Pravardhan Seeds Private Limited has responded to this notice denying this allegation. The matter is currently pending.
- (j) Pravardhan Seeds Private Limited has received a showcause notice bearing number Lr. No. Tech (2) 1253/2012, from the Joint Director of Agriculture, Nizamabad, asking it to respond to alleged contravention of Section 7(b) of the Seeds Act, 1966, and Clause 13 of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds. Pravardhan Seeds Private Limited has responded to this notice denying this allegation. The matter is currently pending.
- (k) Pravardhan Seeds Private Limited has received a showcause notice bearing number Rc. No. Plg. V./3166/2012, from the Joint Director of Agriculture, Guntur, asking it to respond to alleged contravention

of Sections 6 and 7 of the Seeds Act, 1966, and Clause 13 of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds. Pravardhan Seeds Private Limited has responded to this notice denying this allegation. The matter is currently pending.

- (l) Pravardhan Seeds Private Limited has received a showcause notice bearing number Roc. No. D2/3833/2012, from the Joint Director of Agriculture, Kurnool, asking it to respond to alleged contravention of the Seeds Act, 1966, and the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds. Pravardhan Seeds Private Limited has responded to this notice denying this allegation. The matter is currently pending.
- (m) Pravardhan Seeds Private Limited has received a showcause notice bearing number C5/SR/527/2013, from the Joint Director of Agriculture, Khammam, asking it to respond to alleged contravention of Section 7(b) of the Seeds Act, 1966, relating to substandard germination of certain cotton seeds. Pravardhan Seeds Private Limited has responded to this notice denying this allegation. The matter is currently pending.
- (n) Pravardhan Seeds Private Limited has received a showcause notice bearing number Roc No. D2/2448/2014, from the Joint Director of Agriculture, Kurnool, asking it to respond to alleged contravention of Section 7(b) of the Seeds Act, 1966, and Clause 8(A) of the Seeds (Control) Order, 1983 relating to substandard germination of certain cotton seeds. Pravardhan Seeds Private Limited has responded to this notice denying this allegation. The matter is currently pending.
- (o) Pravardhan Seeds Private Limited has received a letter from the Mandal Agricultural Officer, Jammalamadugu, asking it to authorise a responsible person to attend court in relation to a matter involving alleged contravention of the Seeds Act, 1966, relating to substandard germination of certain cotton seeds. The Joint Director of Agriculture, Y.S.R. District, had sent a showcause notice bearing number Roc. No. C7/1626/2014 to Sree Moulika Agro Agencies, Jammalamadugu, for supplying substandard Bt Cotton PRCH 709 Bt 2 Hybrid seeds to certain farmers. Sree Moulika Agro Agencies, Jammalamadugu replied to this notice stating that the seeds were procured from Pravardhan Seeds Private Limited. The matter is currently pending.
- (p) Pravardhan Seeds Private Limited has received a showcause notice bearing number Roc. No. D2/2255/2014, from the Joint Director of Agriculture, Kurnool, asking it to respond to alleged contravention the Seeds Act, 1966, and Clause 8(A) of the Seeds (Control) Order, 1983 relating to substandard germination of certain cotton seeds. Pravardhan Seeds Private Limited has responded to this notice denying this allegation. The matter is currently pending.
- (q) Pravardhan Seeds Private Limited has received a showcause notice bearing Roc. No. D2/3028/2014, from the Joint Director of Agriculturat Kurnool, Andhra Pradesh, asking it to respond to alleged contravention of Section 7(b) of the Seeds Act, 1966, relating to substandard germination of certain cotton seeds. Pravardhan Seeds Private Limited has responded to this notice denying this allegation. The matter is currently pending.

#### ***Cases filed by Pravardhan Seeds Private Limited***

##### ***Criminal complaint***

Pravardhan Seeds Private Limited has filed one criminal complaint under Section 138 of the Negotiable Instruments Act, 1881, for dishonour of cheques issued by its customer against an amount payable to Pravardhan Seeds Private Limited. This proceeding was pending adjudication at the court of the XI

Metropolitan Magistrate, Cyberabad. The amount involved in this matter is approximately ₹ one million. In accordance with the judgement of the Supreme Court of India in (2014) 9 SCC 129, the place or venue of the judicial inquiry and trial of an offence under Section 138 of the Negotiable Instruments Act, 1881, must be restricted to where the drawee bank is located. Accordingly, this complaint is in the process of being transferred to the location of the drawee bank.

#### ***Penalties imposed on Pravardhan Seeds Private Limited***

Various penalties have been imposed on Pravardhan Seeds Private Limited in the past, including penalties imposed by various traffic police against vehicles owned by Pravardhan Seeds Private Limited. The aggregate amount of such penalties is approximately ₹1,305.

#### ***Yaaganti Seeds Private Limited***

#### ***Cases filed against Yaaganti Seeds Private Limited***

##### *Consumer cases*

- (a) There are 21 consumer cases filed before the District Consumer Forum at Warangal, Telangana, against Mohan Krishna Agro Agencies (the “**Dealer**”), our Company, and Yaaganti Seeds Private Limited (the Dealer, our Company and Yaaganti Seeds Private Limited together being the “**Respondents**”). These cases have been filed by customers (farmers) against our Company and Yaaganti Seeds Private Limited alleging poor performance of cotton seeds supplied to them resulting in low yields and loss to them in the year 2009-10. The District Consumer Forum at Warangal in each case found in favour of the respective complainants and against the Respondents, finding the Respondents jointly and severally liable to pay compensation aggregating to approximately ₹3.98 million. Against these orders, the Respondents filed appeals before the Andhra Pradesh State Consumer Disputes Redressal Commission. The Andhra Pradesh State Consumer Disputes Redressal Commission disposed of all these appeals by way of a common order dated May 01, 2014, confirming the orders of the District Consumer Forum at Warangal against our Company and Yaaganti Seeds Private Limited but set aside these orders insofar as they were applicable to the Dealer. Against this common order, our Company and Yaaganti Seeds Private Limited have filed revision petitions before the National Consumer Disputes Redressal Commission. Pursuant to orders dated October 13, 2014, 13 revision petitions were allowed while 8 revision petitions were dismissed by the National Consumer Disputes Redressal Commission. The order dated October 13, 2014 was recalled pursuant to an order dated November 28, 2014. The 13 revision petitions are currently pending.
- (b) There are two consumer cases pending before various district consumer disputes redressal fora in India against Yaaganti Seeds Private Limited, alleging poor performance of certain cotton seeds supplied to the consumers, resulting in low yields and loss to them. The aggregate amount claimed as compensation in this matter is approximately ₹0.19 million along with interest thereon. The matter is currently pending.

##### *Criminal complaints*

- (a) The Assistant Director of Agriculture has filed a complaint before the Additional Judicial Magistrate First Class in Hungund, Karnataka, against Yaaganti Seeds Private Limited and two others, contending that a particular variety of seeds produced by Yaaganti Seeds Private Limited does not meet the minimum prescribed standards of germination under the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.

- (b) The Agricultural Officer, Jamkandorna, Gujarat, has filed a complaint bearing number C.C. 663 of 2013 against the Company and Yaaganti Seeds Private Limited before the court of the Judicial Magistrate First Class at Dharaji contending that certain cotton seeds produced by the Company and marketed by Yaaganti Seeds Private Limited and distributed through various distributors do not meet the minimum prescribed standards of germination under Sections 6(a) and 7(b) of the Seeds Act, 1966, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (c) The Agricultural Officer, Modasa, Gujarat, has filed a complaint bearing number C.C. 1942 of 2013 against the Company and Yaaganti Seeds Private Limited before the court of the Judicial Magistrate at Modasa contending that certain cotton seeds produced by the Company and marketed by Yaaganti Seeds Private Limited and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and the Seeds (Control) Order, 1983, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.

#### *Showcause Notices*

Our Company and Yaaganti Seeds Private Limited have received a showcause notice bearing No. S(3)/1900/3/2014, from the Joint Director of Agriculture at Ranga Reddy District, Andhra Pradesh, asking them to respond to alleged contravention of Section 7(b) of the Seeds Act, 1966, and Clause 8A of the Seeds (Control) Order, 1983, relating to substandard germination of cotton BG II hybrid seeds. Our Company and Yaaganti Seeds Private Limited have responded to this notice denying this allegation. The matter is currently pending.

#### *Notices under the Legal Metrology Act*

- (a) Yaaganti Seeds Private Limited has received a notice bearing number ILM/KWO/Notice/2014/366 from the Inspector of Legal Metrology, Kurduwadi Division, Solapur District, asking it to respond to alleged contravention of the Legal Metrology Act and the Legal Metrology Rules, 2011, relating to certain declarations on packages. Yaaganti Seeds Private Limited has responded to this notice denying this allegation. The matter is currently pending.
- (b) Yaaganti Seeds Private Limited has received a notice bearing number ILM/Prosecution/2014/367 from the Inspector of Legal Metrology, Kurduwadi Division, Solapur District, requiring our Promoter Mr. Mandava Prabhakara Rao and Mr. Kollipara Venkata Rao to appear before the court at Madha on October 7, 2014, in connection with alleged contravention of the Legal Metrology Act by Yaaganti Seeds Private Limited. Yaaganti Seeds Private Limited has responded to this notice denying this allegation. The matter is currently pending.

#### *Cases filed by Yaaganti Seeds Private Limited*

Nil

#### *Penalties imposed on Yaaganti Seeds Private Limited*

Various penalties have been imposed on Yaaganti Seeds Private Limited in the past, including penalties imposed by the Department of Legal Metrology, and penalties imposed by various traffic police against vehicles



owned by Yaaganti Seeds Private Limited. The aggregate amount of such penalties is approximately ₹0.02 million.

**Jubilee Real Projects (India) Private Limited**

***Cases filed against Jubilee Real Projects (India) Private Limited***

Nil

***Cases filed by Jubilee Real Projects (India) Private***

Nil

***Penalties imposed on Jubilee Real Projects (India) Private Limited***

Nil

**Fortune Hybrid Seeds Limited**

***Cases filed against Fortune Hybrid Seeds Limited***

- (a) There are 127 consumer cases filed before the various district consumer disputes redressal fora in India against Fortune Hybrid Seeds Limited. These cases have been filed by various farmers against Fortune Hybrid Seeds Limited alleging poor performance of the seeds supplied to them resulting in low yields and loss to them. Through these cases the customers have sought compensation from Fortune Hybrid Seeds Limited towards damages for the loss and mental agony. The aggregate amount claimed in these matters is approximately ₹ 15.96 million. These matters are currently pending at various stages of adjudication before district/state consumer disputes redressal fora in India. 79 of these consumer cases were combined before the Andhra Pradesh State Consumer Disputes Redressal Commission and the order of the District Consumer Disputes Redressal Forum against Fortune Hybrid Seeds Limited was upheld, making Fortune Hybrid Seeds Limited liable to pay 79 farmers compensation at the rate of ₹24,000 per acre, against which Fortune Hybrid Seeds Limited filed a revision petition before the National Consumer Disputes Redressal Commission. These matters are currently pending.
- (b) The Assistant Director of Agriculture has filed a complaint bearing number C.C. 372 of 2011 against Fortune Hybrid Seeds Limited before the court of the Ist Additional Judicial Magistrate, Yellandu contending that certain cotton seeds produced by Fortune Hybrid Seeds Limited and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and the Seeds (Control) Order, 1983, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (c) The Assistant Director of Agriculture, Piduguralla has filed a complaint bearing number C.C. 151 of 2012 against our Company and Fortune Hybrid Seeds Limited before the court of the IVth Additional Junior Civil Judge, Guntur contending that certain cotton seeds produced by our Company and marketed by Fortune Hybrid Seeds Limited and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and the Seeds (Control) Order, 1983, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (d) The Assistant Director of Agriculture, Karimnagar has filed a complaint bearing number S.T.C. 240 of 2013 against our Company and Fortune Hybrid Seeds Limited before the court of the Additional Judicial Magistrate First Class, Karimnagar contending that certain cotton seeds produced by our Company and marketed by Fortune Hybrid Seeds Limited and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and the Seeds (Control) Order,

1983, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.

- (e) The Assistant Director of Agriculture, Piduguralla has filed a complaint bearing number C.C. 175 of 2014 against Fortune Hybrid Seeds Limited before the court of the Judicial Magistrate First Class, Guntur contending that certain cotton seeds produced by Fortune Hybrid Seeds Limited and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and the Seeds (Control) Order, 1983, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (f) The Assistant Director of Agriculture, Macherla has filed a complaint bearing number C.C. 663 of 2012 against the Company and Fortune Hybrid Seeds Limited before the court of the IV Additional Munsiff Magistrate, Guntur contending that certain cotton seeds produced by the Company and marketed by Fortune Hybrid Seeds Limited and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and the Seeds (Control) Order, 1983, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (g) The Mandal Agricultural Officer, Macherla, has filed E.C. Act Case No. 234/2013-S7 against Fortune Hybrid Seeds Limited in the court of the Joint Collector and Additional District Magistrate at Guntur, alleging that Fortune Hybrid Seeds Limited violated the Seeds (Control) Order, 1983 by transporting stocks of PCH 886 Bt 2 seeds without a valid seed license. The stocks concerned were seized by the Mandal Agricultural Officer but released upon submission of a bank guarantee of ₹ 150,000 by Fortune Hybrid Seeds Limited. The matter is currently pending.
- (h) The Agricultural Officer, Gondal, Gujarat, has filed a complaint bearing number C.C. 1144 of 2012 against the Company and Fortune Hybrid Seeds Limited before the court of the Judicial Magistrate First Class at Gondal contending that certain cotton seeds produced by the Company and marketed by Fortune Hybrid Seeds Limited distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.

#### ***Cases filed by Fortune Hybrid Seeds Limited***

- (a) Fortune Hybrid Seeds Limited has filed five criminal complaints under Section 138 of the Negotiable Instruments Act, 1881, for dishonour of cheques issued by its customers against amounts payable to Fortune Hybrid Seeds Limited. These proceedings are pending adjudication at various stages in different courts all over India. The aggregate amounts involved in these matters are approximately ₹ 0.62 million. In accordance with the judgement of the Supreme Court of India in (2014) 9 SCC 129, the place or venue of the judicial inquiry and trial of an offence under Section 138 of the Negotiable Instruments Act, 1881, must be restricted to where the drawee bank is located. Accordingly, certain complaints filed by Fortune Hybrid Seeds Limited are in the process of being transferred to the locations of the respective drawee banks.
- (b) Fortune Hybrid Seeds Limited has filed O.S. No. 1858 of 2013 against Navata Road Transport before the Additional Senior Civil Judge, Ranga Reddy District, for failure in delivering a consignment of seeds to a dealer of Fortune Hybrid Seeds Limited. The aggregate amount of compensation claimed is ₹ 132,000 with future interest at the rate of 24.00% p.a. The matter is currently pending.
- (c) Fortune Hybrid Seeds Limited has filed O.S. 1876 of 2013 against ANL Parcel Service before the Principal Senior Civil Judge, City Civil Courts, L.B. Nagar, Ranga Reddy, for recovery of compensation from ANL Parcel Services due to loss of certain consignments of seeds that were to be

transported through ANL Parcel Service. The aggregate amount involved is approximately ₹0.035million with future interest at the rate of 24.00% p.a. The matter is currently pending.

***Penalties imposed on Fortune Hybrid Seeds Limited***

Nil

***Showcause notices against Fortune Hybrid Seeds Limited***

Fortune Hybrid Seeds Limited has received a showcause notice bearing No. MAO/PAR/SS/2014-15, from the Mandal Agricultural Officer, Parchur, Andhra Pradesh, asking it to respond to alleged contravention of Sections 6 and 7 of the Seeds Act, 1966, and Clause 13(1) of the Seeds (Control) Order, 1983, relating to substandard germination of Cotton NCS 9012 BG II seeds. Fortune Hybrid Seeds Limited has responded to this notice denying this allegation. The matter is currently pending.

**Asian Agri Genetics Limited**

***Cases filed against Asian Agri Genetics Limited***

- (a) The Assistant Director of Agriculture has filed criminal complaint bearing C.C. No. 17 of 2013 before the Additional Junior Civil Judge at Guntur, Andhra Pradesh, against our Company and Asian Agri Genetics Limited, contending that certain cotton seeds produced by our Company and distributed by Asian Agri Genetics Limited do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and Clause 13(c) of the Seeds (Control) Order, 1983 and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The complaint is currently pending.
- (b) The Assistant Director of Agriculture has filed criminal complaint bearing S.T.C. 23 of 2012 before the Judicial Magistrate First Class at Kurnool, Andhra Pradesh, against the Company and Asian Agri Genetics Limited, alleging that certain cotton seeds produced by our Company and marketed by Asian Agri Genetics Limited and distributed through various distributors do not meet the minimum prescribed standards of germination under Sections 6 and 7 of the Seeds Act, 1966 and Rules 7 and 8 of the Seeds (Rules), 1968 and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The complaint is currently pending.
- (c) Two complaints under the Consumer Protection Act, 1986 are pending against Asian Agri Genetics Limited in various consumer disputes redressal forums. The consumers in these cases have alleged poor performance of seeds supplied to them, resulting in low yields and loss to them. The aggregate amount of compensation claimed in these matters is approximately ₹0.43 million, together with interest thereon. The matters are currently pending.
- (d) The Mandal Agricultural Officer, Vinukonda, has filed E.C. Act Case No. 260/2012-S7 against Asian Agri Genetics Limited in the court of the Joint Collector and Additional District Magistrate at Guntur, under the Essential Commodities Act, 1955, alleging that Asian Agri Genetics Limited violated the Seeds (Control) Order, 1983 by sending 100 packets of cotton seeds to an unauthorized person, with a fake bill. The Mandal Agricultural Officer confiscated the stocks concerned, in accordance with an order passed by the Joint Collector, Guntur on January 15, 2013. Against this order, Asian Agri Genetics Limited filed Crl. Appeal No. 87 of 2013 before the Sessions Judge at Guntur. The Sessions Judge at Guntur on May 10, 2013, set aside the impugned confiscation order and remitted the matter back to the Joint Collector to frame appropriate charges under applicable law. The matter is currently pending.
- (e) Based on complaints from certain farmers for allegedly providing seeds of the variety 'Maha Jhansi'

that were below seed certification standards, the District Level Committee appointed under the A.P. Cotton Seeds (Regulation, Supply, Distribution, Sale and Fixation of Sale Price) Act, 2007 initiated proceedings against Asian Agri Genetics Limited and issued a notice on December 20, 2012 to Asian Agri Genetics Limited for inspection of certain fields. Asian Agri Genetics Limited challenged this notice in the High Court of Andhra Pradesh *vide* writ petition W.P. No. 39793 of 2012, praying for a writ of mandamus declaring the impugned provisions of the A.P. Cotton Seeds (Regulation, Supply, Distribution, Sale and Fixation of Sale Price) Act, 2007 and the A.P. Cotton Seeds (Regulation, Supply, Distribution, Sale and Fixation of Sale Price) Rules, 2007 to be *ultra vires* and unconstitutional as well as declaring the notice dated December 20, 2012 to be arbitrary and unconstitutional. The High Court of Andhra Pradesh passed interim directions on December 27, 2012, directing the District Level Committee not to pass final orders without leave of the High Court. However, the District Level Committee passed an order on January 9, 2013, directing Asian Agri Genetics Limited to pay compensation of approximately ₹0.48 million to the farmers. Since the order was passed despite the interim order of the High Court of Andhra Pradesh, Asian Agri Genetics Limited did not comply with the order. The matter is now pending before the High Court of Andhra Pradesh.

#### ***Cases filed by Asian Agri Genetics Limited***

- (a) Asian Agri Genetics Limited has filed seven criminal complaints under Section 138 of the Negotiable Instruments Act, 1881, for dishonour of cheques issued by its customers against amounts payable to Asian Agri Genetics Limited. These proceedings are pending adjudication at various stages in different courts all over India. The aggregate amounts involved in these matters are approximately ₹1.06 million. In accordance with the judgement of the Supreme Court of India in (2014) 9 SCC 129, the place or venue of the judicial inquiry and trial of an offence under Section 138 of the Negotiable Instruments Act, 1881, must be restricted to where the drawee bank is located. Accordingly, certain complaints filed by Asian Agri Genetics Limited are in the process of being transferred to the locations of the respective drawee banks.
- (b) Asian Agri Genetics Limited has filed O.S. 1875 of 2013 against ANL Parcel Services before the Principal Senior Civil Judge, City Civil Courts, L.B. Nagar, Ranga Reddy, for recovery of compensation from ANL Parcel Services due to short delivery of certain seeds. The aggregate amount involved is approximately ₹0.4 million.

#### ***Penalties imposed on Asian Agri Genetics Limited***

Nil

#### ***Showcause notices against Asian Agri Genetics Limited***

- (a) Asian Agri Genetics Limited has received a showcause notice bearing number SC/3314/14, from the Joint Director of Agriculture, Huzurabad, Karimnagar District, asking it to respond to alleged contravention of Section 7 of the Seeds Act, 1966, and Clause 8(A) of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds. Asian Agri Genetics Limited has responded to this notice denying this allegation. The matter is currently pending.
- (b) Asian Agri Genetics Limited has received a showcause notice dated August 14, 2014, from the Mandal Agricultural Officer, Inkollu, Prakasam District, asking it to respond to alleged contravention of Section 6 and 7 of the Seeds Act, 1966, and Clause 13(1) of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds. Asian Agri Genetics Limited has responded to this notice denying this allegation. The matter is currently pending.
- (c) Asian Agri Genetics Limited has received a showcause notice bearing number AO/Seeds/Sircilla/2013, from the Mandal Agricultural Officer, Sircilla, Karimnagar District, asking it to respond to alleged contravention of Section 6 and 7 of the Seeds Act, 1966, and Clause 8(A) of the Seeds (Control) Order, 1983, relating to substandard germination of certain cotton seeds. Asian Agri Genetics Limited has responded to this notice denying this allegation. The matter is currently pending.

## V. Litigation involving Promoters

### Mandava Prabhakara Rao

#### *Cases filed against Mandava Prabhakara Rao*

- (a) Our Promoter and Managing Director, Mandava Prabhakara Rao, had been served with a summons dated August 30, 2011 by the Assistant Director, Directorate of Enforcement, Government of India (“ED”) in connection with an investigation against our Company under the provisions of FEMA. The summons sought certain information relating to foreign direct investment in our Company and its Subsidiaries, land holdings of our Company and its Subsidiaries, bank account details, details of proceeds from exports of our Company, details of overseas investment by our Company and details of foreign currency denominated equity or debt capital raised by our Company, and in this regard, required Mandava Prabhakara Rao to appear before the ED on September 08, 2011. Our Company furnished the requisite details to the ED by its letter dated September 05, 2011, and Mandava Prabhakara Rao also appeared in person before the ED in terms of these summons. We have not received any further communication from the ED in this regard, nor have any specific allegations been made against us in contravention of the FEMA.
- (b) Dobro Magnatrends have filed a suit bearing O.S. No. 2018 of 2002 dated April 23, 2007 before the City Civil Court at Hyderabad against Mandava Prabhakara Rao seeking an order directing Mandava Prabhakara Rao to deliver possession of the suit property located at Doshi Square, Hyderguda, Hyderabad to Dobro Magnatrends. Suits bearing O.S. No.403 of 2004 and O.S. No. 3931 of 2004 filed by Dobro Magnatrends against Mandava Prabhakara Rao have been clubbed with the present suit. Dobro Magnatrends alleges that it had agreed to sell the suit property to Mandava Prabhakara Rao for a consideration of ₹ 765,000 by agreement for sale dated April 24, 1996. Mandava Prabhakara Rao paid ₹ 565,000 in this regard and thereafter paid ₹ 150,000 by cheque dated September 18, 2000. Dobro Magnatrends further alleges that Mandava Prabhakara Rao has not paid the remainder of the consideration amount and amounts to be paid for amenities availed of by Mandava Prabhakara Rao in connection with the suit property. Thus, Dobro Magnatrends has sought delivery of possession of the property. However, the court dismissed the suit as not maintainable as Dobro Magnatrends could claim such relief only where the agreement for sale was cancelled. Further, the court decreed O.S. No. 403 of 2004 in favour of Dobro Magnatrends and stated that Mandava Prabhakara Rao may seek specific performance of the agreement for sale only where he pays a total of ₹ 328,820 which includes the remainder of the consideration amount, the amount payable in relation to amenities availed of by Mandava Prabhakara Rao, interest of 36% for delayed payment of ₹ 150,000 and amount payable for excess carpet area of the property. Further, O.S. No. 3931 of 2004 was decreed in favour of Mandava Prabhakara Rao granting an injunction in respect of the 150 square yards car parking area in relation to the suit property. The injunction shall stand vacated if Mandava Prabhakara Rao fails to pay ₹ 328,820 and register the sale deed. Thereafter, Dobro Magnatrends have filed an appeal before the High Court of Andhra Pradesh as CCCA 205/2007 and CCCA 206/2007 against the order of the City Civil Court, Hyderabad. The appeal is currently pending.
- (c) The District Quality Control Officer, Yavatmal, Maharashtra, has filed a criminal complaint bearing number 679 of 2000, before the Judicial Magistrate of First Class at Pandharkawada, Maharashtra, against the Managing Director of our Company for contravention of Section 7(b) of the Seeds Act, 1966. The complainant has alleged, based on a sample, that certain cotton seeds produced by our Company were sub-standard, and has sought penalty under Section 19 of the Seeds Act, 1966 read with Section 34 of the Indian Penal Code, 1860. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (d) The Department of Weights and Measures of the Government of Maharashtra, has filed S.C.C. No. 2973 of 2007 against the Managing Director and the Board of Directors of our Company for alleged contravention of Sections 39, 63 and 74 of the Standard Weights and Measures Act, 1976 and the rules made thereunder and Sections 174, 175, 176, 179 and 188 of the Indian Penal Code, 1860. The Department of Weights and Measures has alleged that packets certain cotton seeds produced by our Company and on sale in a shop in Latur, Maharashtra, were not in compliance with the Weights and Measures Act, 1976 and the rules made thereunder as the maximum retail price inclusive of all taxes was not clearly written on the packets, thereby confusing customers. The maximum punishment under these provisions of the Indian Penal Code, 1860 is simple imprisonment for a period of up to six months, or a fine of up to ₹ 1,000 in respect of each offence,

or both. The punishment under the Weights and Measures Act, 1976 is simple imprisonment for a period of up to six months, or a fine of up to ₹ 1,000 in respect of each offence, or both, for the first offence, and imprisonment for a term which may extend to two years, and a fine, for the second or subsequent offence. The matter is currently pending.

- (e) The Assistant Director of Agriculture, Ranebennur, has filed a complaint bearing number C.C. 138 of 2014 against the Managing Director of our Company before the court of the Judicial Magistrate First Class at Ranebennur contending that certain maize seeds produced by the Company and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966, and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.
- (f) The Assistant Agricultural Director and Seed Inspector, Haveri, has filed criminal complaint bearing C.C. 1389 of 2014 against the Managing Director of our Company before the court of the First Class Magistrate at Ranebennur, contending that certain maize seeds produced by our Company and distributed by various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966 and has sought penalty under Section 19 of the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The complaint is currently pending.
- (g) The Seeds Inspector, Suraba, has filed a complaint bearing number C.C. 42 of 2011 against the Managing Director of our Company before the court of the Judicial Magistrate First Class at Suraba contending that certain maize seeds produced by the Company and distributed through various distributors do not meet the minimum prescribed standards of germination under the Seeds Act, 1966, and has sought penalty under the Seeds Act, 1966. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.

#### **Mandava Holdings Private Limited**

##### ***Cases filed against Mandava Holdings Private Limited***

- (a) Khivraj Automobiles and Infrastructure Private Limited has initiated arbitration proceedings against Mandava Holdings Private Limited in relation to termination of a term sheet entered into between Mandava Holdings Private Limited and Khivraj Automobiles and Infrastructure Private Limited on March 30, 2013, for sale of land owned by Mandava Holdings Private Limited and situated at Navloor, Tamil Nadu, admeasuring about 18.44 acres. The amount claimed is ₹ 200 million along with interest. Mandava Holdings Private Limited has filed a counter claim for ₹ 32.5 million. The matter is currently pending.
- (b) A suit has been filed by B. Kubendran Chettiar and others, bearing No. 115 of 2010, before the Subordinate Judge at Chengalpattu, Tamil Nadu, against Mandava Holdings Private Limited and others, *inter alia*, seeking cancellation of a sale deed executed between one Mr. M. Kannabhiram and Mandava Holdings Private Limited for purchase of land situated at Survey No. 38/3, old Chengalpattu District in Navaloor Village, Tamil Nadu, by Mandava Holdings Private Limited. The original defendant in this matter was Nuziveedu Seeds Private Limited. Subsequent to the demerger of Nuziveedu Seeds Private Limited, the property was transferred to Mandava Holdings Private Limited. The matter is currently pending.
- (c) K. Venkataswamy & Jayaram have filed a suit bearing No. 558 of 2013, before the court of the Senior Civil Judge, Devanahalli, Karnataka, against Mandava Holdings Private Limited seeking injunction in relation to the sale of property situated Survey No. 47 Nagamangala village, Kundana Hubli Taluq, Bangalore to Mandava Holdings Private Limited. The original defendant in this matter was Nuziveedu Seeds Private Limited. Subsequent to the demerger of Nuziveedu Seeds Private Limited, the property was transferred to Mandava Holdings Private Limited. The matter is currently pending.
- (d) S. Arumugam has filed W.P. No.13003 of 2014 against Mandava Holdings Private Limited before the

High Court of Madras praying for directions to the District Revenue Officer to cancel Patta No.70 in Kancheepuram District which is in the name of Nuziveedu Seeds Limited (Now Mandava Holdings Private Limited, after the demerger of these entities in C.P. No. 321 of 2009 before the High Court of Delhi) and also to issue a joint patta for an extent of 30 cents in the his name and legal heirs of Kullappa Gramani. He has also sought an interim injunction restraining Mandava Holdings Private Limited from alienating the land until the matter has been disposed of. The matter is currently pending.

- (e) Mr. J. Anand and others have filed a suit for injunction bearing No. 51 of 2015, before the Principal Sub Judge, Chengalpattu, Tamil Nadu against Mandava Holdings Private Limited, alleging that the peaceful possession of the plaintiffs land situated at Survey No. 36/1B, Navalur Village of Navalur Village, Kancheepuram District, was interrupted by the activities of Mandava Holdings Private Limited which has bought a land adjacent to the property of the plaintiffs. The plaintiffs have also filed an interim application bearing No. 2400 of 2015. Mandava Holdings Private Limited is yet to file its reply. The matter is currently pending.

***Cases filed by Mandava Holdings Private Limited***

- (a) Mandava Holdings Private Limited has filed a suit bearing No.384 of 2012 before the District Munisiff court, Chengalpattu, Tamil Nadu, praying for grant of permanent injunction restraining Olympia Infra Tech Private Limited from interfering with the right of Mandava Holdings Private Limited to use certain property to access Old Mahabalipuram Road. Mandava Holdings Private Limited has further filed interim applications (I.A. No. 1797 of 2012) for appointment of advocate commissioner and (I.A. No. 1798 of 2012) for injunction. The matters are currently pending.
- (b) Mandava Holdings Private Limited has filed an appeal on April 21, 2014 before the Commissioner of Income Tax (Appeals) (V) against the order passed by the Income Tax Officer Hyderabad in relation to disallowance of Section 14A of the Income Tax Act 1961. The matter is currently pending.

Other than as disclosed in the section “*Outstanding Litigation – Litigations involving Promoters*”, there are no other cases of pending litigations, defaults, etc. in respect of group companies with which the Promoters were associated in the past but are no longer associated, where however the name(s) of the Promoters continue to be associated with the particular litigation(s).

**VI. Litigation involving Associates**

**1. *Swadeshi Bio-technics Limited***

***Cases filed against Swadeshi Bio-technics Limited***

Nil

***Cases filed by Swadeshi Bio-technics Limited***

Nil

**2. *Swarnabharat Bio-technics Private Limited***

***Cases filed against Swarnabharat Bio-technics Private Limited***

Nil

***Cases filed by Swarnabharat Bio-technics Private Limited***

Nil

**VII. Litigation involving Group Companies**

1. ***Alot Wind Energy Private Limited***

***Cases filed against Alot Wind Energy Private Limited***

Nil

***Cases filed by Alot Wind Energy Private Limited***

Nil

2. ***Ambient Infratech Private Limited (“Ambient Infratech”)***

***Cases filed against Ambient Infratech***

Nil

***Cases filed by Ambient Infratech***

Nil

3. ***Amboli Power Private Limited***

***Cases filed against Amboli Power Private Limited***

Nil

***Cases filed by Amboli Power Private Limited***

Nil

4. ***Anamudi Renewable Power Private Limited***

***Cases filed against Anamudi Renewable Power Private Limited***

Nil

***Cases filed by Anamudi Renewable Power Private Limited***

Nil

5. ***Apple Avenue Private Limited (“Apple Avenue”)***

***Cases filed against Apple Avenue***

Nil

***Cases filed by Apple Avenue***

Apple Avenue has filed an appeal before the Commissioner of Income Tax (Appeals), Hyderabad on April 9, 2015 against the order of the assessing officer dated February 24, 2015 in relation to disallowance of agricultural income and treating the same as lease rental income for the assessment year 2012-13. The amount involved in the matter is ₹ 0.04 million. The matter is currently pending.

6. ***Arena Infrastructure Private Limited***



***Cases filed against Arena Infrastructure Private Limited***

Nil

***Cases filed by Arena Infrastructure Private Limited***

Nil

**7. *Ascendant Estates Private Limited***

***Cases filed against Ascendant Estates Private Limited***

Nil

***Cases filed by Ascendant Estates Private Limited***

Nil

**8. *Badawada Wind Energy Private Limited***

***Cases filed against Badawada Wind Energy Private Limited***

Nil

***Cases filed by Badawada Wind Energy Private Limited***

Nil

**9. *Caeser Stone Estates***

***Cases filed against Caeser Stone Estates***

Nil

***Cases filed by Caeser Stone Estates***

Nil

**10. *Celebrity Infrastructure Private Limited***

***Cases filed against Celebrity Infrastructure Private Limited***

Nil

***Cases filed by Celebrity Infrastructure Private Limited***

Nil

**11. *Celebrity Power Company Private Limited***

***Cases filed against Celebrity Power Company Private Limited***

Nil

***Cases filed by Celebrity Power Company Private Limited***

Nil

12. ***Century Avenues Private Limited***

***Cases filed against Century Avenues Private Limited***

Nil

***Cases filed by Century Avenues Private Limited***

Nil

13. ***Chennai Cybercity Private Limited***

***Cases filed against Chennai Cybercity Private Limited***

Nil

***Cases filed by Chennai Cybercity Private Limited***

Chennai Cybercity Private Limited has filed a civil suit bearing O.S. No. 398 of 2014 before the District Munsif Court at Alandur against R. Kubendran and another praying for grant of injunction preventing the defendants from claiming any share in the property of Chennai Cybercity Private Limited situated at Sholinganallur. The matter is currently pending.

14. ***Clean City Estates Private Limited***

***Cases filed against Clean City Estates Private Limited***

Nil

***Cases filed by Clean City Estates Private Limited***

- (a) Clean City Estates Private Limited has filed an objection before the Special Land Acquisition Officer against the acquisition of land bearing in Survey No. 58/1,58/2,58/3 and 58/4 situated at Chikkagubbi Village, Bidarahalli Hobli (old Hoskote Taluk), now Bangalore East Taluk, Bangalore under notification dated September 21, 2013 issued under Section 4(1) of the Land Acquisition Act. The matter is currently pending.
- (b) Clean City Estates Private Limited and Vanguard have filed a writ petition bearing No. 6898 of 2015, before the High Court of Hyderabad, against the (i) State of Telangana (ii) Andhra Pradesh State Wakf Board, represented by its Chief Executive Officer and (iii) Tahsildar, Golconda Mandal, Hyderabad, for declaring the property situated at Survey No.166 Ibrahimbagh village, Golconda Mandal, Hyderabad as non-Wakf property. The matter is currently pending.
- (c) Clean City Estates Private Limited has filed an appeal before the Commissioner of Income Tax (Appeals), Hyderabad on April 8, 2015, against the order of the assessing officer dated March 31, 2015 treating land held as stock in trade as capital contribution for the assessment year 2011-12, demanding tax of ₹ 45.65 million. The matter is currently pending.

15. ***Cozy Properties Private Limited ("Cozy Properties")***

***Cases filed against Cozy Properties***

Pursuant to the liquidation of Maharashtra Explosives Limited, Cozy Properties, acquired by way of public auction, land, building and machineries, vehicles, furniture and fixtures of Maharashtra Explosives Limited on a “as is basis and as is where is basis”. During the pendency of liquidation proceedings the Collector, Wardha moved applications bearing No.26/06 and No.27/06, respectively for claiming unearned income. Thereafter a single judge bench of the High Court of Bombay (Nagpur Bench), issued orders confirming the liability of Cozy Properties to pay amounts towards unearned income. The Division Bench of the High Court of Bombay (Nagpur Bench) passed an order dated July 24, 2007 confining the relief of the Collector, Wardha to unearned income only. The Collector, Wardha being aggrieved by the judgment delivered by the learned company judge in CA No. 27/06, has filed an appeal bearing number CA.5/08 challenging the judgment dated February 24, 2008 and praying for a declaration that the Collector, Wardha is entitled for the claim of unearned income and to restrain the Official Liquidator from executing the sale deed in favour of Cozy Properties. The matter is currently pending.

***Cases filed by Cozy Properties***

Pursuant to the liquidation of Maharashtra Explosives Limited, Cozy Properties, acquired by way of public auction, land, building and machineries, vehicles, furniture and fixtures of Maharashtra Explosives Limited on a “as is basis and as is where is basis”. During the pendency of liquidation proceedings the Collector, Wardha moved applications bearing No. 26/06 and No. 27/06, respectively for claiming unearned income. Thereafter a single judge bench of the High Court of Bombay (Nagpur Bench), issued orders confirming the liability of Cozy Properties to pay amounts towards unearned income. The Division Bench of the High Court of Bombay (Nagpur Bench) passed an order dated July 24, 2007 confining the relief of the Collector, Wardha to unearned income only. Cozy Properties has filed a company appeal bearing number Company Appeal No.8/08 before the High Court of Bombay (Nagpur Bench) against the Official Liquidator and the state of Maharashtra, praying for declaration of liability of the Official Liquidator to bear the liability of unearned income to be paid to the Collector, Wardha.

**16. *Dhar Wind Energy Private Limited***

***Cases filed against Dhar Wind Energy Private Limited***

Nil

***Cases filed by Dhar Wind Energy Private Limited***

Nil

**17. *Divyasree NSL Infrastructure Private Limited***

***Cases filed against Divyasree NSL Infrastructure Private Limited***

Nil

***Cases filed by Divyasree NSL Infrastructure Private Limited***

Nil

**18. *Dream Land Avenues Private Limited (“Dream Land Avenues”)***

***Cases filed against Dream Land Avenues***

Khursheeda Begum has filed a revision petition bearing C.R.P. 2602 of 2010 before the High Court of Hyderabad dated June 11, 2010 against Dream Land Avenues and seven others. Dream Land Avenues had filed a suit bearing O.S. No. 2274 of 2007 seeking a perpetual injunction against Khursheeda Begum and others restraining them from interfering in possession and ownership of the suit property. Dream Land Avenues has alleged that it is the owner of the suit property. Dream Land Avenues has alleged in the suit

that several others along with Khursheeda Begum tried to interfere in the peaceful possession of the suit property. Khursheeda Begum filed a written statement disputing the claims of Dream Land Avenues and has also submitted that the sale of the suit property is fabricated. At the stage of hearing, Dream Land Avenues had filed an application for withdrawal of the suit and the suit was withdrawn without hearing the contentions of Khursheeda Begum. Khursheeda Begum has filed the civil revision petition and has contended that the court passed the order of withdrawal mechanically and in contravention of Order 23 Rule 3 under the Code of Civil Procedure, 1908. The suit is currently pending.

***Cases filed by Dream Land Avenues***

During the pendency of the revision petition, Dream Land Avenues has filed a civil suit bearing number OS. No. 199 of 2014 before the Chief Judge, City Civil Court, Hyderabad praying for declaration of Dream Land Avenues as the absolute owner, declaration of nullity of any sale deeds executed by the defendants, grant of perpetual injunction restraining the defendants from interfering in any manner over the suit property, and costs of the suit. The court has passed an ad-interim ex parte injunction order dated March 3, 2014, restraining the defendants from interfering with the peaceful possession in any manner over the schedule property.

**19. *Excel Cotton Company Private Limited***

***Cases filed against Excel Cotton Company Private Limited***

Nil

***Cases filed by Excel Cotton Company Private Limited***

Nil

**20. *Excelsior Projects Private Limited***

***Cases filed against Excelsior Projects Private Limited***

Nil

***Cases filed by Excelsior Projects Private Limited***

Nil

**21. *Garden City Avenues Private Limited***

***Cases filed against Garden City Avenues Private Limited***

Nil

***Cases filed by Garden City Avenues Private Limited***

Nil

**22. *Golden Tower Infratech Private Limited***

***Cases filed against Golden Tower Infratech Private Limited***

Nil

***Cases filed by Golden Tower Infratech Private Limited***

Nil

23. ***Goldtouch Real Projects Private Limited***

***Cases filed against Goldtouch Real Projects Private Limited***

Nil

***Cases filed by Goldtouch Real Projects Private Limited***

Nil

24. ***Grandcity Avenues Private Limited***

***Cases filed against Grandcity Avenues Private Limited***

Gulab Jan and certain others have filed a civil suit bearing number OS.No.526 of 2009 before the court of the Senior Civil Judge at Devanahalli, Karnataka, against Grand City Avenues Private Limited and others claiming a share in the property situated at Bagalur Village, Jala Hobli, which has been bought by Grand City Avenues Private Limited from the remaining defendants. The matter is currently pending.

***Cases filed by Grandcity Avenues Private Limited***

Nil

25. ***Hardeol Renewable Power Private Limited***

***Cases filed against Hardeol Renewable Power Private Limited***

Nil

***Cases filed by Hardeol Renewable Power Private Limited***

Nil

26. ***Highend Project Consultants Private Limited***

***Cases filed against Highend Project Consultants Private Limited***

Nil

***Cases filed by Highend Project Consultants Private Limited***

Nil

27. ***Highend Properties Private Limited ( "Highend Properties" )***

***Cases filed against Highend Properties***

Nil

***Cases filed by Highend Properties***

- (a) Highend Properties has filed a writ petition bearing number W.P. 16045 of 2013 before the High Court of Karnataka against the Brhuhath Bangalore Mahanagara Palika challenging the refusal by the Brhuhath Bangalore Mahanagara Palika to receive property tax as per applicable law in respect of properties

situated at Kadabeesanahalli Village, Varthur Hobli, Bangalore and to accept the application for transfer of the khata from the previous owner to Highend Properties. The High Court of Karnataka by way of an order dated April 5, 2013 directed the Brhuhath Bangalore Mahanagara Palika to accept the amounts towards admitted property tax. The matter is currently pending.

- (b) Highend Properties has filed an appeal before the Commissioner of Income Tax (Appeals) III, Hyderabad, against the order, dated March 24, 2014 passed by the Deputy Commissioner of Income Tax, Circle 2(2), Hyderabad, in relation to disallowance of business loss, processing fee and interest payment for the assessment year 2011-12, demanding tax of ₹.6.19 million. The matter is currently pending.
- (c) Highend Properties has filed an appeal before the Commissioner of Income Tax (Appeals) II, Hyderabad, against the order, dated February 27, 2015 passed by the Income Tax Officer, Ward 2(3), Hyderabad, in relation to disallowance of business loss and interest expense for the assessment year 2012-13 and demanding ₹ 4.90 million. The matter is currently pending.

***Tax disputes involving Highend Properties***

- (a) Dispute in relation to property tax from 2008-2009 till 2011-2012 aggregating to ₹ 6.45 million.
- (b) Dispute under the Finance Act, 1994 in relation to utilisation of service tax in 2010-2011 aggregating to ₹ 1.19 million.

**28. *Intellegentia Mansions Private Limited***

***Cases filed against Intellegentia Mansions Private Limited***

Nil

***Cases filed by Intellegentia Mansions Private Limited***

Nil

**29. *Inversiones NSL Green Ventures Limitada LLC (Chile)***

***Cases filed against Inversiones NSL Green Ventures Limitada LLC (Chile)***

Nil

***Cases filed by Inversiones NSL Green Ventures Limitada LLC (Chile)***

Nil

**30. *Jath Wind Energy Private Limited***

***Cases filed against Jath Wind Energy Private Limited***

Nil

***Cases filed by Jath Wind Energy Private Limited***

Nil

**31. *Kalsubai Power Private Limited***

***Cases filed against Kalsubai Power Private Limited***

Nil

*Cases filed by Kalsubai Power Private Limited*

Nil

32. *Khaga Solar Power Private Limited*

*Cases filed against Khaga Solar Power Private Limited*

Nil

*Cases filed by Khaga Solar Power Private Limited*

Nil

33. *Madras Escon Private Limited*

*Cases filed against Madras Escon Private Limited*

Nil

*Cases filed by Madras Escon Private Limited*

Nil

34. *Mandava Cold Storage Private Limited*

*Cases filed against Mandava Cold Storage Private Limited*

Nil

*Cases filed by Mandava Cold Storage Private Limited*

Nil

35. *Mandava Foundation*

*Cases filed against Mandava Foundation*

Nil

*Cases filed by Mandava Foundation*

Nil

36. *Mandava Investments Private Limited*

*Cases filed against Mandava Investments Private Limited*

Nil

*Cases filed by Mandava Investments Private Limited*

Nil

37. ***Mandsaur Wind Energy Private Limited***

***Cases filed against Mandsaur Wind Energy Private Limited***

Nil

***Cases filed by Mandsaur Wind Energy Private Limited***

Nil

38. ***Marvel Infratech Private Limited***

***Cases filed against Marvel Infratech Private Limited***

Nil

***Cases filed by Marvel Infratech Private Limited***

Nil

39. ***MAS Fabric Park (India) Private Limited***

***Cases filed against MAS Fabric Park (India) Private Limited***

Pudiparthi Mallikharjuna Reddy has filed a writ petition bearing number P.I.L. 511 of 2013 before the High Court of Hyderabad against the Government of India, MAS Fabric Park (India) Private Limited and certain others praying for issue of directions to the Government of India and others to cancel the allotment of land to MAS Fabric Park (India) Private Limited for construction of textile and apparel park for alleged failure to initiate construction of the textile and apparel park in the terms of the memorandum of understanding dated December 14, 2006. The petition is currently pending.

***Cases filed by MAS Fabric Park (India) Private Limited***

Nil

40. ***Midas Projects Private Limited***

***Cases filed against Midas Projects Private Limited***

Nil

***Cases filed by Midas Projects Private Limited***

Nil

41. ***MKP Power Private Limited***

***Cases filed against MKP Power Private Limited***

Nil

***Cases filed by MKP Power Private Limited***

Nil

42. ***MPR Private Trust***



***Cases filed against MPR Private Trust***

Nil

***Cases filed by MPR Private Trust***

Nil

**43. *Nagapatnam Port and Infrastructure Private Limited***

***Cases filed against Nagapatnam Port and Infrastructure Private Limited***

Nil

***Cases filed by Nagapatnam Port and Infrastructure Private Limited***

Nil

**44. *NCC Abhinandan Cotton Private Limited***

***Cases filed against NCC Abhinandan Cotton Private Limited***

Nil

***Cases filed by NCC Abhinandan Cotton Private Limited***

Nil

***Penalties imposed in the past on NCC Abhinandan Cotton Private Limited***

Penalty imposed in relation to filing of value added tax return aggregating ₹ 5,000 in 2010-2011.

**45. *NCC CJ Cotton Private Limited***

***Cases filed against NCC CJ Cotton Private Limited***

Nil

***Cases filed by NCC CJ Cotton Private Limited***

Nil

**46. *NCC Ganapathi Cotton Private Limited***

***Cases filed against the company***

Nil

***Cases filed by the company***

Nil

**47. *NCC Jay Laxmi Fibers Private Limited***

***Cases filed against NCC Jay Laxmi Fibers Private Limited***

The Department of Agriculture, Government of Maharashtra has filed a criminal complaint RCC/1400109/2012 on May 22, 2012 against Shankarlal Ramlal Dambiwal and Shashikant Patil, employees of NCC Jaylaxmi Fibers Private Limited, under the Essential Commodities Act, 1955 for sale of hybrid seeds outside the factory. The matter is currently pending before the Joint Civil Judge (Junior Division) and Judicial Magistrate First Class, Shindkheda, Maharashtra for submission of evidence by the complainant.

***Cases filed by NCC Jay Laxmi Fibers Private Limited***

Nil

***Penalties imposed in the past on NCC Jay Laxmi Fibers Private Limited***

Penalty imposed in relation to filing of value added tax return aggregating ₹ 5,000 in 2010-2011.

**48. *NCC Matoshri Cotton Private Limited***

***Cases filed against NCC Matoshri Cotton Private Limited***

Nil

***Cases filed by NCC Matoshri Cotton Private Limited***

Nil

***Penalties imposed in the past on NCC Matoshri Cotton Private Limited***

- (a) Penalty imposed in relation to filing of value added tax return aggregating ₹ 0.07 million in 2010-2011.
- (b) Penalty imposed for delay in renewal of Agricultural Produce Market Committee license aggregating ₹ 0.05 million in 2010-2011.

**49. *NCC Narsinh Cotton Private Limited***

***Cases filed against NCC Narsinh Cotton Private Limited***

Nil

***Cases filed by NCC Narsinh Cotton Private Limited***

Nil

**50. *NCC Radhakrishna Cotton Private Limited***

***Cases filed against NCC Radhakrishna Cotton Private Limited***

Nil

***Cases filed by NCC Radhakrishna Cotton Private Limited***

Nil

**51. *NCC Santosh Fibers Private Limited***

***Cases filed against NCC Santosh Fibers Private Limited***

Nil

***Cases filed by NCC Santosh Fibers Private Limited***

Nil

**52. *NCC Shri Cotton Private Limited***

***Cases filed against NCC Shri Cotton Private Limited***

The Assistant Commissioner, Employees Provident Fund Department, Akola, Maharashtra, issued an order under sections 7A and 7B of the Employees' Provident Fund Act, 1952, determining NCC Shri Cotton Private Limited to be liable to pay ₹ 0.724 million towards dues payable to Employees Provident Fund Department, Akola, Maharashtra for the period from November 2009 till March 2011. NCC Shri Cotton Private Limited has filed an appeal A.T.A. No. 251(09)2014 before the Employees' Provident Fund Appellate Tribunal, Delhi. The tribunal by an order dated June 12, 2013 has granted a stay on the operation of the order dated January 7, 2014 till disposal of the case. The matter is currently pending.

***Cases filed by NCC Shri Cotton Private Limited***

NCC Shri Cotton Private Limited has filed a case bearing number 304764 dated 11/12/2014 before the court of XI Joint Civil Judge, Junior Division, Amravati, against SKR Veg Oil Industries Private Limited, under Sections 138 and 141 of the Negotiable Instruments Act, 1881, claiming an amount of ₹ 0.419 million in relation to dishonor of a cheque issued by SKR Veg Oil Industries Private Limited. The matter is currently pending.

**53. *NCC Usha Ginning Mills Private Limited***

***Cases filed against NCC Usha Ginning Mills Private Limited***

Nil

***Cases filed by NCC Usha Ginning Mills Private Limited***

Nil

**54. *NCC Venkateswara Cotton Fibers Private Limited***

***Cases filed against NCC Venkateswara Cotton Fibers Private Limited***

Nil

***Cases filed by NCC Venkateswara Cotton Fibers Private Limited***

Nil

**55. *Nilgiri Power Private Limited***

***Cases filed against Nilgiri Power Private Limited***

Nil

***Cases filed by Nilgiri Power Private Limited***

Nil

56. ***NSL Andhra Power Private Limited***

***Cases filed against NSL Andhra Power Private Limited***

Nil

***Cases filed by NSL Andhra Power Private Limited***

Nil

57. ***NSL Bihar Power Company Private Limited***

***Cases filed against NSL Bihar Power Company Private Limited***

Nil

***Cases filed by NSL Bihar Power Company Private Limited***

Nil

58. ***NSL Conventional Power Private Limited***

***Cases filed against NSL Conventional Power Private Limited***

Nil

***Cases filed by NSL Conventional Power Private Limited***

Nil

59. ***NSL Cotton Corporation Private Limited***

***Cases filed against NSL Cotton Corporation Private Limited***

- (a) Renuka Cotton Company, through its proprietor Jagdish Chand has filed a civil suit bearing number 200080 of 2013, before the 1<sup>st</sup> Civil Judge (Senior Division), Aurangabad against NSL Cotton Corporation Private Limited for recovery of an amount of ₹ 0.768 million in relation to a contract for supply of bales of cotton, on account of an alleged increase in market rate. The matter is currently pending.
- (b) The Assistant Director of Agriculture, Sattenapalli has filed a complaint before the 4th Additional Munsif Magistrate Court, Guntur against NSL Cotton Corporation Private Limited and others in relation to show cause notice issued by the Joint Director of Agriculture, Guntur alleging sale of substandard seeds. NSL Cotton Corporation Private Limited filed a reply to the notice on December 3, 2011. The matter is currently pending.
- (c) Rameshwar Wankhede has filed a petition bearing number ULP NO 100042/2013 before the Court of the Labour Judge, Nanded against the general manager and director of NSL Cotton Corporation Private Limited claiming wrongful termination of employment and praying for reinstatement together with wages from the date of termination, aggregating to approximately ₹ 0.15 million. NSL Cotton Corporation Private Limited has filed a reply on July 24, 2014 denying wrongful termination. The matter is currently pending.
- (d) The Assistant Director of Agriculture (Regular) Nandigama – Krishna District, Andhra Pradesh, appointed by the State Department of Agriculture, has filed a criminal complaint bearing number 33 of 2012, before

the First Additional Chief Metropolitan Magistrate at Vijayawada, Andhra Pradesh, against NSL Cotton Corporation Private Limited for contravention of Section 7(b) of the Seeds Act, 1966. The complainant has alleged, based on a sample, that Cotton Mallika Bt-2 T/L seed manufactured by NSL Cotton Corporation Private Limited was sub-standard, and has sought penalty under Section 19 of the Seeds Act, 1966 and Clause 13(c) of the Seeds (Control) Order, 1983. Section 19 of the Seeds Act, 1966 provides for fine up to ₹ 500 for first offence and, in case of second offence, imprisonment up to six months or fine up to ₹ 1,000 or both. The matter is currently pending.

***Cases filed by NSL Cotton Corporation Private Limited***

- (a) NSL Cotton Corporation Private Limited filed a special case bearing number SPLDKST200028 dated July 06, 2013 against Mayur Agro Products before the Joint Civil Judge, Senior division, Aurangabad praying for execution of the ex parte order passed by the Joint Civil Judge, Senior division, Aurangabad on November 19, 2012 against Mayur Agro Products. The amount involved in the matter is ₹ 2.33 million. The matter is currently pending.
- (b) NSL Cotton Corporation Private Limited has filed an appeal before the Commissioner of Income Tax (Appeals) V, Hyderabad, against the order, dated March 28, 2014 passed by the Deputy Commissioner of Income Tax, Circle 16(1), Hyderabad, in relation to disallowances under section 14A, 40A(3) and 40(ia) of the Income Tax Act, 1961 for the assessment year 2011-12, demanding ₹ 0.10 million. The matter is currently pending.

60. ***NSL Energy Holdings Private Limited***

***Cases filed against NSL Energy Holdings Private Limited***

Nil

***Cases filed by NSL Energy Holdings Private Limited***

Nil

61. ***NSL Energy Ventures Private Limited***

***Cases filed against NSL Energy Ventures Private Limited***

Nil

***Cases filed by NSL Energy Ventures Private Limited***

Nil

***Tax disputes involving NSL Energy Ventures Private Limited***

Dispute under the Income Tax Act, 1961 in relation to disallowance under Section 14A read with rule 8D aggregating to ₹ 59.70 million for the assessment year 2012-13. An amount of ₹ 1.78 million is demanded under the notice of demand issued under Section 156 of the I.T. Act. NSL Energy Ventures Private Limited is in the process of filing appeal in the matter.

62. ***NSL Eolica Limitada (Chile)***

***Cases filed against NSL Eolica Limitada (Chile)***

- (a) Anibal Palma, former CEO of NSL Eolica Limitada has filed a case bearing No. PALMA CON NSL EOLICA 1555-2014, against NSL Eolica Limitada before the Supreme Court Santiago, Chile, claiming compensation of approximately ₹ 1.4 million in relation to termination of his employment agreement. The

Labour Court has rejected most of the claims made by Anibal Palma. Anibal Palma has filed a review petition before Labour Court of Santiago, Chile. The matter is currently pending.

- (b) Praveen Ramineni has filed an arbitration petition bearing No. 132 of 2013 before the Singapore International Arbitration Centre against NSL Global Energy Ventures Private Limited, NSL Renewable Energy Overseas Private Limited and NSL Eolica Limitada seeking compensation in relation to the consultancy service agreement between the plaintiff and the defendants. As per the provisions of the aforesaid consultancy service agreement, the plaintiff has claimed sweat equity, payment of performance bonus and travel expenses. The aggregate amount involved in the matter is capped at ₹ 186.42 million. The matter is currently pending.

***Cases filed by NSL Eolica Limitada***

- (a) NSL Eolica Limitada has filed a criminal case bearing No. RUC1410024133-2 & RIT 7963 – 2014, against its former CEO Anibal Palma, before Criminal Court Santiago, alleging misuse of power by the defendant as CEO, allowing payment of salary to himself without withholding and paying applicable taxes to the tax authorities.
- (b) NSL Eolica Limitada has filed a case, against Consorcio Eolico before the Santiago Chamber of Commerce in relation to exercise of a put option by NSL Eolica Limitada on June 2, 2014, in terms of a share purchase agreement, dated June 7, 2011, entered into with the defendant. Consorcio Eolico has opposed the termination of the said share purchase agreement by NSL Eolica Limitada and has instead terminated the share purchase agreement and also has sought NSL Eolica Limitada to sell NSL Eolica Limitada's shares in the project. The amount involved in the matter is approximately ₹ 1677.78 million. The matter is currently pending.

**63. *NSL Estates Private Limited***

***Cases filed against NSL Estates Private Limited***

Nil

***Cases filed by NSL Estates Private Limited***

Nil

**64. *NSL Fertilizer Ventures Private Limited***

***Cases filed against NSL Fertilizer Ventures Private Limited***

Nil

***Cases filed by NSL Fertilizer Ventures Private Limited***

Nil

**65. *NSL Food & Oil Limited***

***Cases filed against NSL Food & Oil Limited***

Nil

***Cases filed by NSL Food & Oil Limited***

Nil

66. ***NSL Global Energy Ventures Private Limited***

***Cases filed against NSL Global Energy Ventures Private Limited***

Praveen Ramineni has filed an arbitration petition bearing No. 132 of 2013 before the Singapore International Arbitration Centre against NSL Global Energy Ventures Private Limited, NSL Renewable Energy Overseas Private Limited and NSL Eolica Limitada seeking compensation in relation to the consultancy service agreement between the plaintiff and the defendants. As per the provisions of the aforesaid consultancy service agreement, the plaintiff has claimed sweat equity, payment of performance bonus and travel expenses. The aggregate amount involved in the matter is capped at ₹ 186.42 million. The matter is currently pending.

***Cases filed by NSL Global Energy Ventures Private Limited***

Nil

67. ***NSL Infratech Private Limited***

***Cases filed against NSL Infratech Private Limited***

Nil

***Cases filed by NSL Infratech Private Limited***

Nil

68. ***NSL Jharkhand Power Company Private Limited***

***Cases filed against NSL Jharkhand Power Company Private Limited***

Nil

***Cases filed by NSL Jharkhand Power Company Private Limited***

Nil

69. ***NSL Krishnaveni Sugars Limited***

***Cases filed against NSL Krishnaveni Sugars Limited***

- (a) Coregreen Sugars Core Green Sugars & Fuels Private Limited has filed six original suits, bearing O.S. Nos. 285 to 290 of 2013 and two small cause suits bearing S.C.S. Nos. 1 and 2 of 2013, before the Civil Judge at Yadgiri, Karnataka, against Krishnaveni Sugars Limited, seeking the payment of the amount which was to be paid by Krishnaveni Sugars Limited to sugarcane growers in Raichur, who in turn owed certain amount to Coregreen Sugars. The aggregate amount involved in the matter is approximately ₹ 0.76 million. Krishnaveni Sugars Limited agreed to do so, on receipt of a consent letter from sugarcane growers in Raichur. Upon Coregreen Sugars failing to provide such a letter, NSL Krishnaveni Sugars Limited paid the amount to sugarcane growers in Raichur. As a result of which Coregreen Sugars has filed the aforesaid suits to recover that amount from Krishnaveni Sugars Limited. The matter is currently pending.
- (b) Pursuant to an excise audit conducted on NSL Krishnaveni Sugars Limited, the Joint Commissioner (Audit), Hyderabad - III has issued a notice bearing number ASR-II/124/2014-15/Gr.VIII (CAAP-II) dated September 8, 2014 stating non compliance with Rule 6(3) of Cenvat Credit Rules 2004 and non payment of duty on molasses consumed capitively, together with interest for delay in deposit of duty for the period from April 2013 till May 2014. The aggregate amount involved in the matter is ₹ 73.27 million.

#### ***Cases filed by NSL Krishnaveni Sugars Limited***

- (a) NSL Krishnaveni Sugars Limited has filed an appeal on November 24, 2014 before the Commissioner of Central Excise (Appeals) at Hyderabad, against the order dated October 9, 2014 bearing number OIO No. 126/ADJN/2014 rejecting the claim for refund towards payment of duty on molasses in fiscal 2014. The aggregate amount involved in the matter is ₹ 15.45 million. The matter is currently pending.
- (b) NSL Krishnaveni Sugars Limited has filed an appeal bearing number Appeal No. C/21659/2014-DB before the CESTAT Bangalore challenging the order passed by the Commissioner of Central Excise, Customs and Service Tax, Guntur, Andhra Pradesh, bearing number OIO No. 20/2014 - Customs dated February 18, 2014 rejecting the claim of NSL Krishnaveni Sugars for availing benefit of exemption on import of steam coal as per Notification No. 12/2012 CUS (Sl. No 123) for the period from March 2012 till February 2013. Further NSL Krishnaveni Sugars Limited has filed (i) an appeal bearing number Stay Appl No.C/STAY/21849/2014 for stay on recovery of the balance differential duty along with interest and penalty thereon, pending disposal of the appeal and (ii) an application bearing number Misc Appl No. C/MISC/21848/2014 seeking waiver of pre deposit of the balance differential duty along with interest and penalty thereon, pending disposal of the appeal. The matter is currently pending.
- (c) NSL Krishnaveni Sugars Limited has filed a writ petition bearing No. 28063 of 2011 before the High Court of Hyderabad, seeking suspension of the order passed by the Chief Electrical Inspector, Government of Andhra Pradesh, for payment of electricity duty on captive consumption. The High Court has directed that the respondents shall not enforce recovery of the amount demanded from NSL Krishnaveni Sugars Limited towards generation and consumption of electricity power. The matter is currently pending.
- (d) NSL Krishnaveni Sugars Limited has filed a total of 126 criminal complaints against various contractors under Section 138 of Negotiable Instruments Act, 1881, for dishonor of cheques at various locations. The aggregate amount involved in the matter is ₹ 1.33 million. These matters are currently pending.
- (e) NSL Krishnaveni Sugars Limited has filed a total of 31 suits for recovery, before the City Civil Court, Wnaparthy, Telangana, against certain harvesting and transportation contractors. These contractors were engaged by NSL Krishnaveni Sugars Limited for transporting cane from fields to NSL Krishnaveni Sugars Limited's factory. However, these contractors failed to perform their obligations. . The aggregate amount involved in the matter is ₹ 5.81 million. The matter is currently pending.

#### **70. *NSL Masli Power Generation Private Limited***

##### ***Cases filed against NSL Masli Power Generation Private Limited***

- (a) Bisham Singh has filed a suit before the court of Civil Judge, Senior Division, against General Manager of NSL Masli Power Generation Private Limited seeking injunction prohibiting from constructing a cemented stone wall on boundary of suit land and remove debris from the suit land situated at Kh. No 772 in Chak Kharot Tehsil Chirgaon, Himachal Pradesh. The plaintiff further sought a sum of ₹ 0.09 million as charges for use of land from 2013 to 2014. The matter is currently pending.
- (b) Ram Krishan and Kewal Ram have filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against NSL Masli Power Generation Private Limited and another seeking enhancement of compensation for the land acquired by NSL Masli Power Generation Private Limited at Chak Masli, Tehsil Chirghon, District Shimla, Himachal Pradesh. The matter is currently pending.
- (c) Hari Singh has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against NSL Masli Power Generation Private Limited and another seeking enhancement of compensation for the land acquired by NSL Masli Power Generation Private Limited at Chak Masli, Tehsil Chirghon, District Shimla, Himachal Pradesh. The matter is currently pending.



- (d) Amar Nath has filed a civil suit before the Civil Judge Junior Division against NSL Masli Power Generation Private Limited seeking injunction together with compensation for the loss caused due to diversion of river water caused by NSL Masli Power Generation Private Limited for generation of hydroelectricity, resulting in scarcity of water for cultivation. The matter is currently pending.
- (e) Tota Ram has filed a civil suit before the Civil Judge Junior Division against NSL Masli Power Generation Private Limited seeking an injunction together with compensation for the loss caused due to diversion of river water caused by NSL Masli Power Generation Private Limited for generation of hydroelectricity, resulting in scarcity of water for cultivation. The matter is currently pending.
- (f) Sunder Dev has filed a civil suit bearing No. 8 of 2011 before the High Court of Himachal Pradesh against the Chairman, NSL Masli Power Generation Private Limited seeking compensation for loss of apple orchard due to heavy rainfall. NSL Masli Power Generation Private Limited has deposited the amount determined as loss by the district administration. The matter is currently pending.

***Cases filed by NSL Masli Power Generation Private Limited***

Nil

**71. *NSL Nagapatnam Infrastructure Private Limited***

***Cases filed against NSL Nagapatnam Infrastructure Private Limited***

Nil

***Cases filed by NSL Nagapatnam Infrastructure Private Limited***

Nil

**72. *NSL Nagapatnam Power and Infratech Limited ("NSL Nagapatnam")***

***Cases filed against NSL Nagapatnam***

- (a) Ritarani Das filed a writ petition bearing No. 30257 of 2011 before the Odisha High Court, against the State of Odisha represented by the Collector, the Sub-Collector, the Land Acquisition Officer, the Industrial Development Corporation of Odisha, Mahanadi Aban Power Company Limited ("**MAPCL**") and the Union of India represented by the Ministry of Environment & Forest, seeking quashing of the order passed by the Civil Judge, Senior Division, Talcher, Odisha in case bearing No. 100 of 2011, challenging the land acquisition at Tentulei plus other four villages in Odisha. MAPCL merged with NSL Nagapatnam in 2012. The petitioner has filed the petition before the court of the Civil Judge in the common interests of numerous persons of the village alleging that the land acquisition was carried out for establishment of plant by NSL Nagapatnam and not for public purpose. The matter is currently pending.
- (b) Padma Charan Samal and three others filed a writ petition bearing No. 7810 of 2012 before the Odisha High Court against the Secretary-Revenue & Disaster Management, the Secretary-Energy, the Collector at Angul, the Land Acquisition Officer at Angul, the Industrial Development Corporation of Odisha and Mahanadi Aban Power Company Limited, challenging land acquired by the Industrial Development Corporation of Odisha for Mahanadi Aban Power Company Limited, under the provisions of Part II of the Land Acquisition Act 1894 instead of Part VII. Mahanadi Aban Power Company Limited merged with NSL Nagapatnam in 2012. The matter is currently pending.
- (c) Alekh Sahoo has filed a writ petition bearing No. 10751 of 2012 before the Odisha High Court, against the Secretary Revenue & Disaster Management, the Secretary of Energy, the Collector at Angul, the Land Acquisition Officer at Angul, the Industrial Development Corporation of Odisha and Mahanadi Aban Power Company Limited, challenging the land acquired by the Industrial Development Corporation of

Odisha for Mahanadi Aban Power Company Limited under Part II instead of Part VII of the Land Acquisition Act, 1894 (or challenging the land acquisition procedure). Mahanadi Aban Power Company Limited merged with NSL Nagapatnam in 2012. The matter is currently pending.

- (d) Kasturi Behera and three others filed a writ petition bearing No. 10752 of 2012 before the Odisha High Court, against the Secretary Revenue & Disaster Management, the Secretary of Energy, the Collector at Angul, the Land Acquisition Officer at Angul, the Industrial Development Corporation of Odisha and Mahanadi Aban Power Company Limited, challenging the land acquisition by Industrial Development Corporation of Odisha for Mahanadi Aban Power Company Limited under Part II instead of Part VII of the Land Acquisition Act, 1894. Mahanadi Aban Power Company Limited merged with NSL Nagapatnam in 2012. The matter is currently pending.
- (e) Padma Lochan Das and 71 others filed a writ petition No. 22153 of 2012 before the Odisha High Court, against the Secretary Revenue & Disaster Management, the Secretary Energy, the Revenue Divisional Commissioner, Sambhalpur District, the Rehabilitation and Peripheral Development Advisory Committee, the Collector at Angul, the Land Acquisition Officer at Angul, the Industrial Development Corporation of Odisha and Mahanadi Aban Power Company Limited, challenging land acquisition procedure on the grounds of unsatisfactory compensation and resettlement and rehabilitation benefits as per Orissa Resettlement and Rehabilitation Policy, 2006. Mahanadi Aban Power Company Limited merged with NSL Nagapatnam in 2012. The matter is currently pending.
- (f) Jayanta Kumar Das and three others filed a writ petition bearing No. 9986 of 2013, before the Odisha High Court against the Commissioner-cum-Secretary, the Revenue and Disaster Management Department, Odisha, the Secretary Energy, the Collector at Angul, the Land Acquisition Officer at Angul, the Industrial Development Corporation of Odisha and Mahanadi Aban Power Company Limited, challenging the land acquired by the Industrial Development Corporation of Odisha for Mahanadi Aban Power Company Limited under Part II of the Land Acquisition Act 1894, instead of Part VII. Mahanadi Aban Power Company Limited merged with NSL Nagapatnam in 2012. The matter is currently pending.
- (g) Bhagirathi Rout and seven others filed a writ petition bearing No. 26286 of 2013, before the Odisha High Court, against the Commissioner-cum-Secretary, the Revenue and Disaster Management Department, Odisha, the Secretary Energy, the Collector at Angul, the Land acquisition officer, the Industrial Development Corporation of Odisha and Mahanadi Aban Power Company Limited, challenging the land acquired by the Industrial Development Corporation of Odisha for Mahanadi Aban Power Company Limited under Part II of the Land Acquisition Act 1894, instead of Part VII. Mahanadi Aban Power Company Limited merged with NSL Nagapatnam in 2012. The matter is currently pending.
- (h) Krushna Chandra Dhar and six others filed a writ petition bearing No. 12099 of 2014, before the Odisha High Court against the Commissioner-cum-Secretary, the Revenue and Disaster Management Department, Odisha, the Secretary Energy, the Collector at Angul, the Land Acquisition Officer at Angul, the Industrial Development Corporation of Odisha and Mahanadi Aban Power Company Limited, challenging the land acquired by the Industrial Development Corporation of Odisha for Mahanadi Aban Power Company Limited under Part II of the Land Acquisition Act, 1894, instead of Part VII. Mahanadi Aban Power Company Limited merged with NSL Nagapatnam in 2012. The matter is currently pending.

***Cases filed by NSL Nagapatnam***

Nil

**73. *NSL Nagapatnam Power Ventures Private Limited***

***Cases filed against NSL Nagapatnam Power Ventures Private Limited***

Nil

***Cases filed by NSL Nagapatnam Power Ventures Private Limited***

Nil

74. ***NSL Oil and Gas Limited (Ghana)***

***Cases filed against NSL Oil and Gas Limited (Ghana)***

Nil

***Cases filed by NSL Oil and Gas Limited (Ghana)***

Nil

75. ***NSL Orissa Power and Infratech Private Limited***

***Cases filed against NSL Orissa Power and Infratech Private Limited***

Nil

***Cases filed by NSL Orissa Power and Infratech Private Limited***

Nil

76. ***NSL Orissa Power Company Private Limited***

***Cases filed against NSL Orissa Power Company Private Limited***

Nil

***Cases filed by NSL Orissa Power Company Private Limited***

Nil

77. ***NSL Power & Infratech Limited***

***Cases filed against NSL Power & Infratech Limited***

Ministry of Coal, Government of India has issued a show cause notice against NSL Power & Infratech Limited dated June 27, 2008 for failure to submit bank guarantee for ₹ 88.5 million and mining plan and delay in achieving milestones in relation to the allocation of lignite block. Failure to show cause shall result in de-allocation of lignite block. NSL Power & Infratech Limited replied to this notice on July 09, 2008. Further, the Ministry of Coal, Government of India has issued another show cause notice against NSL Power & Infratech Limited dated May 04, 2012 as to why the delay in the development of the coal block should not be held as a violation of the terms and conditions of the Metra Road Lignite Block. Failure to show cause shall result in de-allocation of lignite block. NSL Power & Infratech Limited replied to this notice on May 23, 2012.

***Cases filed by NSL Power & Infratech Limited***

Nil

78. ***NSL Power Equipment Trading Private Limited***

***Cases filed against NSL Power Equipment Trading Private Limited***

Nil

***Cases filed by NSL Power Equipment Trading Private Limited***

Nil

**79. *NSL Power Private Limited***

***Cases filed against NSL Power Private Limited***

Nil

***Cases filed by NSL Power Private Limited***

Nil

**80. *NSL Properties Private Limited ( “NSL Properties” )***

***Cases filed against NSL Properties***

Nil

***Cases filed by NSL Properties***

NSL Properties has filed two writ petitions bearing Nos. 15990 of 2013 and 16314 of 2013 before the High Court of Karnataka against the Brhuhath Bangalore Mahanagara Palika challenging the refusal by the Brhuhath Bangalore Mahanagara Palika to receive property tax as per applicable law in respect of properties situated at Prestige Technology Park and Salarpuria G.R.Teck Park, Bangalore and to accept the application for transfer of khata. The High Court of Karnataka by way of orders dated April 8, 2013 and April 5, 2013 directed the Brhuhath Bangalore Mahanagara Palika to accept the amounts towards admitted property tax. The matter is currently pending.

***Penalties imposed in the past on NSL Properties***

Penalty imposed by service tax department aggregating ₹ 0.024 million in 2011-2012.

***Tax disputes involving NSL Properties***

- (a) Dispute in relation to property tax from 2008-2009 till 2011-2012 aggregating ₹ 43.76 million.
- (b) Dispute under the Finance Act, 1994 in relation to utilisation of CENVAT Credit in relation to Service Tax for the year 2010-2011 aggregating ₹ 3.13 million.

***Non-payment of statutory dues or dues to banks/ institutions***

NSL Properties has outstanding statutory liability in the nature of of ₹ 6.80 million due since October 2014.

**81. *NSL Real Estates Private Limited***

***Cases filed against NSL Real Estates Private Limited***

Nil

***Cases filed by NSL Real Estates Private Limited***

Nil

82. ***NSL Renewable Energy Overseas Private Limited***

***Cases filed against NSL Renewable Energy Overseas Private Limited***

Praveen Ramineni has filed an arbitration petition bearing No. 132 of 2013 before the Singapore International Arbitration Centre against NSL Global Energy Ventures Private Limited, NSL Renewable Energy Overseas Private Limited and NSL Eolica Limitada seeking compensation in relation to the consultancy service agreement between the plaintiff and the defendants. As per the provisions of the aforesaid consultancy service agreement, the plaintiff has claimed sweat equity, payment of performance bonus and travel expenses and the aggregate amount involved in the matter is capped at ₹ 186.42 million.

***Cases filed by NSL Renewable Energy Overseas Private Limited***

Nil

83. ***NSL Renewable Power Private Limited***

***Cases filed against NSL Renewable Power Private Limited***

- (a) The Income Tax Department has filed three separate appeals before the Income Tax Appellate Tribunal, Hyderabad against the order of the Commissioner of Income Tax (Appeals) dated January 31, 2014, March 31, 2014 and March 31, 2014 respectively for the assessment years 2007-08, 2008-09 and 2009-10, disputing income from certified emission reduction sales to be considered as capital receipt. The aggregate amount involved in these matters is ₹ 78.94 million. These matters are currently pending before the Income Tax Appellate Tribunal, Hyderabad.
- (b) Vestas Wind Technology (India) Private Limited has filed an application before the Principal District Judge at Chengelpattu, Tamil Nadu, challenging the award, dated March 21, 2008, passed by the arbitral tribunal in favour of NSL Renewable Power Private Limited. The said award entitled NSL Renewable Power Private Limited to ₹ 9.20 million together with interest at the rate of 8% from March 21, 2008 and costs of ₹ 1 million. The matter is currently pending.
- (c) Hanumakka and 13 others filed a civil suit before the court of the Principal District and Sessions Judge, Chitradurga, against Nuziveedu Seeds Limited (now NSL Renewable Power Private Limited, by order of demerger dated May 13, 2010 passed by the Delhi High Court and Hyderabad High Court) and others, claiming compensation for the loss of trees and standing crop in the land owned by them, situated at Kasaba Hobli, Holalkere town, Holalkere taluk, Chitradurga district, as the transmission line constructed by erstwhile Nuziveedu Seeds Limited, passes through their lands. The matter is currently pending.

***Cases filed by NSL Renewable Power Private Limited***

NSL Renewable Power Private Limited has filed an appeal dated April 25, 2014, before the Commissioner of Income Tax (Appeals)-V, Hyderabad, against the order passed by the Deputy Commissioner of Income Tax dated March 28, 2014 in relation to disallowance under Section 14A of the I.T. Act, for assessment year 2011-12. The matter is currently pending.

***Penalties imposed on NSL Renewable Power in the past***

- (a) Penalties imposed by the Legal Metrology Department aggregating ₹ 0.017 million in 2008-2009 and ₹ 0.06 million in 2009-2010.
- (b) Penalties in relation to payment of value added tax aggregating ₹ 0.016 million in 2008-2009 and ₹ 0.011 million in 2011-2012. Further, a penalty of ₹ 300 was imposed on NSL Renewable Power for filing late return in 2008-2009.
- (c) Penalties in relation to property tax aggregating ₹ 8,245 imposed in 2009-2010.

84. ***NSL Satara Infratech Private Limited***

***Cases filed against NSL Satara Infratech Private Limited***

Nil

***Cases filed by NSL Satara Infratech Private Limited***

Nil

85. ***NSL SEZ (Hyderabad) Private Limited (“NSL SEZ”)***

***Cases filed against NSL SEZ***

- (a) H.C. Krishna Reddy filed a civil suit bearing number OS No.5840 of 1997 and OS No.6402 of 2002 against NSL SEZ and certain others before the court of the 27th Additional City Civil Judge, Bangalore for permanent injunction and consequent relief in respect of property situated at Hulimavu village, Bangalore South. The suit was dismissed by the court through an order dated November 2, 2011. Thereafter, H.C. Krishna Reddy has preferred two appeals bearing Nos. RFA.467 and RFA 468 before the High Court of Karnataka, challenging the order dated November 2, 2011. The appeal is currently pending before the High Court of Karnataka.
- (b) The Special Grade Deputy Collector and Revenue Divisional Officer Malkajgiri Division, Andhra Pradesh, has vide its letter dated April 16, 2011 called for furnishing of all relevant documents and declaration under sub (2) of Section 8 of Andhra Pradesh Land Reforms (Ceiling on Agricultural Holding) Act 1973 with regards to the land situated at Survey No 1. Plot No. 6 Uppal Hyderabad, admeasuring about 36 acres. NSL SEZ has furnished all the documents and also made declarations as asked for and has also explained that this land is already exempted under Urban Land ceiling Act vide GoMs No. 1771 dated October 7, 2005. The matter is currently pending.

***Cases filed by NSL SEZ***

***Past penalties imposed on NSL SEZ***

Penalty imposed in relation to profession tax aggregating ₹1,750 in 2009-2010.

86. ***NSL Sugar & Industries (Orissa) Private Limited***

***Cases filed against NSL Sugar & Industries (Orissa) Private Limited***

Nil

***Cases filed by NSL Sugar & Industries (Orissa) Private Limited***

Nil

87. ***NSL Sugars & Industries Limited (Ghana)***

***Cases filed against NSL Sugars & Industries Limited (Ghana)***

Nil

***Cases filed by NSL Sugars & Industries Limited (Ghana)***

Nil

88. *NSL Sugars Limited* (“*NSL Sugars*”)

*Cases filed against NSL Sugars*

- (a) Surjeet Banerjee has filed a civil suit bearing O.S. No. 2476 of 2011 against NSL Sugars, before the City Civil Court, Hyderabad claiming salary for a period of three months, amounting to ₹ 0.914 million together with interest thereon calculated at the rate of 12%. The plaintiff was employed as a chief financial officer in NSL Sugars and was asked to leave immediately on receipt of his resignation letter, allegedly contrary to the policy of NSL Sugars requiring personnel working as managers and above to give a notice of three months or to pay three months’ salary. The matter is currently pending.
- (b) Sachin Nikam has filed a criminal complaint bearing No. 297 of 2012 against NSL Sugars, before the Civil Court at Majalgaon, Maharashtra, alleging the violation of rules under the Patents Act, 1970 and the Copyrights Act, 1957 with respect to rollers. The matter is currently pending.
- (c) Usha Hydro Dynamics Limited has filed a civil suit against NSL Sugars before the Civil Court, Faridabad, Uttar Pradesh, alleging that the defendants have failed to pay the balance amount of approximately ₹0.47 million against the material supplied and services provided by the plaintiff. The matter is currently pending.
- (d) K.C. Narayana has filed a civil suit bearing O.S. No. 33 of 2011 before the Judicial Magistrate of First Class, Maddur, Karnataka, against NSL Sugars, seeking directions not to release the payment for cane supplied to a certain factory of NSL Sugars. The Judicial Magistrate of First Class ordered the factory not to release the cane proceeds until the suit was disposed of. The matter is currently pending.
- (e) K.C. Srinivas and others have filed a civil suit bearing O.S. No. 346 of 2011 before the Judicial Magistrate of First Class, Maddur, against NSL Sugars, seeking direction not to release the payment for cane supplied by NSL Sugars to the factory. The Judicial Magistrate of First Class ordered the factory not to release the cane proceeds till the disposal of the suit. Against this, the plaintiffs have filed an appeal bearing miscellaneous appeal No. 3 of 2013 in connection with O.S. No. 346 of 2011 before the Judicial Magistrate of First Class, Maddur, Karnataka. The matter is currently pending.
- (f) H.B Sujathamma and others have filed a civil suit bearing O.S. No. 82 of 2010 against NSL Sugars, before the Judicial Magistrate of First Class, Maddur, Karnataka, seeking to enforce their alleged interest in the property bought by NSL Sugars from their father. The matter is currently pending.
- (g) Girish M.V has filed a case bearing Workmen’s Compensation A.C.R. No. 95 of 2009 before the Judicial Magistrate of First Class, Maddur, Karnataka, against NSL Sugars, seeking a compensation of ₹ 0.6 million for injuries allegedly suffered during the course of employment with NSL Sugars. The matter is currently pending.
- (h) H.L. Puttalingahih has filed a case bearing E.C.A. No. 62 of 2014 in connection with W.C.A. No. 8 of 2011 before the Judicial Magistrate of First Class, Senior Division, Mandya, Karnataka, against NSL Sugars, seeking compensation of ₹ 0.5 million for injuries allegedly suffered during the course of employment with NSL Sugars. The matter is currently pending.
- (i) H.N. Ramesha and another have filed a civil suit bearing O.S. No. 96 of 2014 before the Judicial Magistrate of First Class, Senior Division, Mandya, Karnataka, against NSL Sugars, seeking his share in the cane supplied by the defendants to the factory owned by NSL Sugars on account of him being a member of a Hindu undivided family. The court directed NSL Sugars not to release the cane payment till the disposal of the suit. The matter is currently pending.
- (j) Muttu Venkataiah has filed a revision application bearing No. 11 of 2013 in connection with O.S. No. 287 of 2008 before the Senior Civil Court, Ramanagaram District, Karnataka, against the order passed by the Judicial Magistrate of First Class Ramanagaram District, Karnataka dismissing the suit filed against NSL

Sugars in relation to a land purchased by the NSL Sugars for its factory situated at Survey No. 171/05 of Heggadagere village. The matter is currently pending.

- (k) Mr. Kallappa has filed a consumer complaint bearing No. 97 of 2014 against NSL Sugars under the Consumer Protection Act, 1986, seeking a compensation of ₹ 0.2 million on account of NSL Sugar's failure to purchase sugarcane from the complainant on time, allegedly causing a loss of 46 to 50 tons of sugarcane. The matter is currently pending.
- (l) Suryakant has filed a writ petition bearing No. 81637 of 2011 on June 15, 2011 before the High Court of Karnataka against the Commissioner of Cane Development and Director of Sugars, NSL Sugars and another. Suryakant claims that he was initially appointed as section in charge in Aland Sahakara Sakkare Karkane Limited in the year 1990-91 and thereafter promoted as a permanent employee on a consolidated pay of ₹ 1,300 per month. Suryakant further claims that Aland Sahakara Sakkare Karkane Limited leased its factory in favour of Renuka Sugars Limited and one of the conditions of the lease was to ensure to absorb 20 erstwhile employees of Aland Sahakara Sakkare Karkane Limited. Suryakant claims that Aland Sahakara Sakkare Karkane Limited failed to satisfy the requirement of absorbing 20 erstwhile employees and on October 13, 2009 pursuant to an order of the Central Government, executed a lease deed in favour of NSL Sugars dated March 06, 2010. Suryakant thus filed this present writ petition seeking a writ of certiorari and to quash the final notice by Aland Sahakara Sakkare Karkane Limited and issue a writ of mandamus for reinstating Suryakant. The matter is currently pending.
- (m) Ramesh and others have filed an appeal bearing No. 06 of 2011 against NSL Sugars, before the Civil Court at Aland, on issues relating to the non-employment of six individuals by NSL Sugars. The matter is currently pending.
- (n) NSL Sugars received a show cause notice bearing number SCN No.V/17/15/66/2014Adjn/4707/2014 dated June 3, 2014 issued by the Joint Commissioner, Central Excise, Mysore demanding payment of differential amount of duty on sale of sugar under levy quota from May 2013 till January 2014. The aggregate amount demanded from NSL Sugars is ₹ 0.90 million. NSL Sugars has filed replies to the show cause notice on February 10, 2014 and June 23, 2014.
- (o) NSL Sugars received a show cause notice bearing number C.NO.V/17/15/45/2014 Adjn, dated August 27, 2014 issued by the Assistant Commissioner of Mysore, I Division on reversal of CENVAT credit on inputs and input services in relation to bagasse for the period from August 2013 till March 2014. The aggregate demand pursuant to the show cause notice is ₹ 0.38 million. NSL Sugars submitted a reply to the show cause notice on September 25, 2014.
- (p) The Excise department has filed an appeal bearing number C.NO.V/17/15/100/2014.Adjn/8949 dated November 14, 2014 before the CESTAT, Bangalore against the order of the Commissioner (Appeals) dated March 26, 2014 in OIA No. 032/2014 pertaining to reversal of CENVAT credit on inputs and input services in relation to bagasse for the period from July 2010 till July 2012. The aggregate amount involved in the matter is ₹ 1.25 million. NSL Sugars is in the process of filing a reply. The matter is currently pending.
- (q) Pursuant to an excise audit conducted on NSL Sugars, Assistant Commissioner (Audit) Mysore, Karnataka, has issued a notice bearing number C.No.IV/01/44/2014 Audit IAP - V dated October 28, 2014 alleging incorrect utilization of CENVAT credit, taking CENVAT credit on invoices addressed to corporate office, availing CENVAT credit on works contract services and non payment of service tax on works contract services for the period from July 2013 till July 2014. NSL Sugars has filed a reply to the notice dated December 31, 2014. The aggregate amount involved in the matter is ₹ 3.20 million.
- (r) Pursuant to an excise audit conducted on NSL Sugars, Superintendent for Central Excise, Customs & Service Tax Beed Range, Beed issued a notice bearing number BR/AR-519 dated April 8, 2014 alleging utilization of inadmissible CENVAT credit of service tax paid on various services. NSL Sugars has filed a reply to the notice on August 6, 2014. The aggregate amount involved in the matter is ₹ 1.65 million.



- (s) NSL Sugars received a show cause notice bearing number SCN SL.No.34/2014 ST (Commr) dated September 16, 2014 from the Superintendent CE, Range - A, Gulbarga for non-payment of service tax together with interest and penalty on transportation and/or freight charges for transportation of sugarcane to the factory of NSL Sugars for the period from October 2012 till March 2013. The aggregate amount demand is ₹ 10.91 million. NSL Sugars is in the process of filing a reply to the show cause notice dated September 16, 2014.
- (t) NSL Sugars received a show cause notice bearing number SCN SL.No.14/2014 JC (ST) dated May 7, 2014 from the Superintendent CE, Range - A, Gulbarga for non-payment of service tax together with interest and penalty on transportation and/or freight charges for transportation of sugarcane to the factory of NSL Sugars for the period from Fiscal 2011 till September 2012. The aggregate amount demand is ₹ 6.13 million. NSL Sugars is in the process of filing a reply to the show cause notice dated September 16, 2014.
- (u) NSL Sugars received a notice bearing number FAR No. 21/2012 dated July 16, 2012 from the Superintendent of Central Excise, Range-A, Gulbarga, Karnataka alleging irregular availing of CENVAT credit on ineligible works contract services for the period from Fiscal 2011 till Fiscal 2013. The aggregate amount mentioned in the notice is ₹ 8.07 million. NSL Sugars has replied to this notice.
- (v) NSL Sugars received a show cause notice bearing number SCN Sl.No: 28/2014 Commr.(Cex) dated February 20, 2014 from the Superintendent CE, Range - A, Gulbarga for use of CENVAT credit on common inputs and input services relating to exempted goods and dutiable goods without compliance of Rule 6(3A) of the CENVAT Credit Rules, 2004 for the period from April 2012 till December 2013. The aggregate amount demanded is ₹ 52.72 million. NSL Sugars has replied to this notice.
- (w) NSL Sugars received a notice bearing number F.No:BR/AR-218/Jaymahesh/2011/147 dated September 20, 2011 from the Superintendent of Central Excise and Customs, Beed Range, Beed. Maharashtra stating non-admissibility of photocopy of a bill of entry as proof for availing of CENVAT credit. NSL Sugars filed a reply to the notice dated September 22, 2011. The aggregate amount involved in the matter ₹ 0.55 million.
- (x) NSL Sugars received a show cause notice bearing number Sr. No.30/ST/COMMR/2014 dated March 24, 2014 from the Commissioner of Central Excise and Customs, Aurangabad for non-payment of service tax together with interest and penalty on transportation and/or freight charges for transportation of sugarcane to the factory of NSL Sugars for the period from Fiscal 2012 till August 2012. The aggregate amount demanded is ₹ 10.64 million. NSL Sugars has replied to this notice.
- (y) NSL Sugars received a show cause notice bearing number Sr. 67/CEX/AC/2013-14 dated November 18, 2013 from the Assistant Commissioner of Central Excise and Customs, Nanded for imposition of penalty on availing excess CENVAT credit on dealers invoices from December 2011 till January 2012. The aggregate amount demanded is ₹ 0.22 million. NSL Sugars has filed a reply dated December 29, 2012.
- (z) NSL Sugars received a show cause notice bearing number SC No: 68 dated November 18, 2013 from the Asst. Commissioner Excise, Customs and Service Tax, Nanded Division, Nanded. Maharashtra for imposition of penalty on availing CENVAT credit on service tax paid on supply of tarpaulin to cover storage area from December 2011 till January 2012. The aggregate amount demanded is ₹ 0.02 million. NSL Sugars has filed a reply dated December 15 2013.
- (aa) NSL Sugars received a demand notice under section 32 of the Maharashtra Value Added Tax Act, 2002 on May 09, 2013 from the Asst. Commissioner of Sales Tax (VAT Adm) (Beed-VAT-D-001) Beed, Maharashtra for non payment of value added tax approximate amount of ₹ 0.86 million. The matter is currently pending.
- (bb) A case has been filed by the Employees' Provident Fund Office, Aurangabad, Maharashtra, bearing. A.T.A No. 296(9) of 2011, before the Employees' Provident Fund Tribunal, Delhi, against NSL Sugars

for demand and recovery of damages under sections 7A and 14B of Employees' Provident Fund Act, 1952. The amount involved in the matter is approximately ₹ 1.9 million. The matter is currently pending.

- (cc) Rekha Anil Pawar has filed a case bearing No. 1 of 2012, before the Civil Judge Senior Division, Majalgaon, Maharashtra, against NSL Sugars, seeking compensation under the Workmen Compensation Act, 1923, for the death of his husband during the course of his employment with NSL Sugars. The matter is currently pending.
- (dd) Mukta Manik Kamble has filed a case bearing No. 2 of 2012, before the Civil Judge Senior Division, Majalgaon, Maharashtra, against NSL Sugars, for seeking compensation under the Workmen Compensation Act, 1923, for the death of his husband during the course of his employment with NSL Sugars. The matter is currently pending.
- (ee) Vijay Agencies has filed a suit for recovery bearing No. 370 of 2013, before the Civil Judge Senior Division, Latur, Maharashtra, against NSL Sugars, in relation to certain goods supplied by him to erstwhile Jay Mahesh Sugar Industries Limited (now merged with NSL Sugars, by the order of the Bombay High Court, dated May 4, 2012 in C.P No. 153 of 2012). The amount involved in the matter is ₹ 0.491 million. The matter is currently pending.
- (ff) NSL Sugars has received certain intimation letters under Section 200 of the Income Tax Act, 1961 in relation to the TDS demands of ₹ 0.93 million for financial year 2009 and ₹ 0.37 million and financial year 2013.

#### ***Cases filed by NSL Sugars***

- (a) NSL Sugars has filed an appeal bearing number 600118 on April 29, 2014 before the Commissioner of Income Tax (Appeals) against the order of the Deputy Commissioner of Income Tax, Circle 12(2), Bangalore, dated March 29, 2014 in relation to disallowance of expenditure pertaining to harvesting charges and deduction under section 80IA of the Income Tax Act, 1961 for the assessment year 2011-2012 and issuance of penalty notice under section 271 of the Income Tax Act, 1961. The aggregate amount involved in the matter is ₹ 43.502 million. The matter is currently pending.
- (b) NSL Sugars has filed an appeal before the Commissioner of Central Excise, Nanded against the order number OIO No.23/CEX/AC/13 dated February 25, 2013 passed by the Superintendent of Central Excise and Customs, Beed Range, Beed, Maharashtra. holding NSL Sugars has contravened the provisions of Rule 4(4) of Central Excise Rules, 2002 and Rule 6(3) of Cenvat Credit Rules, 2004 in as much as NSL Sugars had failed to determine and reverse 5% amount payable on the value of bagasse stored outside the factory premises for Fiscal 2012. The aggregate amount involved in the matter is ₹ 0.04 million. The matter is currently pending
- (c) NSL Sugars has filed an appeal bearing No. E/271/2010-DB before the Customs, Excise and Service Tax Appellate Tribunal, Mysore, against the order of the Commissioner Central Excise (Appeals), Mysore, dated November 10, 2009 bearing Order-in-Appeal No.460/2009 in relation to rejection of claim for exemption from payment of duty provided under Notification 67/95 for captive consumption of molasses for the period from September 2007 till April 2008. Further NSL Sugars has filed a cross appeal bearing number Cross Appl No: E/CROSS/134/2010, before Customs, Excise and Service Tax Appellate Tribunal, Bangalore, challenging the order passed by the Customs, Excise and Service Tax Appellate Tribunal, Mysore in appeal No. E/271/2010-DB. The aggregate amount involved in the matter is ₹ 12.75 million.
- (d) NSL Sugars has filed an appeal bearing number Appeal No. C/21658/2014-DB before the Customs, Excise and Service Tax Appellate Tribunal, Bangalore, challenging the order passed by the Commissioner of Central Excise, Customs and Service Tax, Guntur, Andhra Pradesh, bearing number OIO No. 34/2014 - Customs dated March 26, 2014 rejecting the claim of NSL Sugars for availing benefit of exemption on import of steam coal as per Notification No. 12/2012 CUS (Sl. No 123) for the period from March 2012

till February 2013. The aggregate amount involved in the matter is ₹ 34.65 million. Further NSL Sugars has filed an appeal bearing number Stay Appl No.C/STAY/21847/2014 for stay on recovery of the balance differential duty along with interest and penalty amounts thereon, pending disposal of the appeal and an application bearing number Misc Appl No. C/MISC/21846/2014 seeking waiver of pre deposit of the balance differential duty along with interest and penalty thereon, pending disposal of the appeal. The matter is currently pending.

- (e) NSL Sugars has filed a letter with the Deputy Commissioner of Commercial Taxes requesting for allowance of exemption on purchase tax for sugarcane crushed, the resulting product of which was exported outside India for the period from Fiscal 2008 till Fiscal 2013. The Deputy Commissioner of Commercial Taxes has by an order dated November 24, 2014 rejected the submissions of NSL Sugars. Thereafter NSL Sugars filed a request to the Deputy Commissioner of Commercial Taxes for modification of the assessment order dated November 24, 2014 to enable NSL Sugars to file an appeal. The aggregate amount involved in the matter is ₹ 4.17 million. The matter is currently pending.
- (f) NSL Sugars has filed an appeal bearing number S.T.A.NO.2283/2014 before the Sales Tax Appellate Tribunal, Bangalore, challenging the order of the Joint Commissioner of Commercial Tax dated September 16, 2014, revising the original assessment of the amount of sugarcane crushed by the Aland unit of NSL Sugars in fiscal year 2014 for calculation of eligibility to receive interest free loan as per the Industrial Policy. The aggregate amount involved in the matter is ₹ 9.42 million. The matter is currently pending.
- (g) NSL Sugars has filed an appeal bearing KTEG AP No's 13&14/11-12, before the Commissioner of Commercial Taxes (Appeal) – I, Bangalore, against the order of the Deputy Commissioner of Commercial Taxes, whereby tax demands were raised for non payment of entry tax on certain goods in the financial years 2008-09 and 2009-10. The Commissioner of Commercial Taxes (Appeal) – I, Bangalore has passed an order in favour of NSL Sugars, but the refund amount is yet to be released. The matter is currently pending.
- (h) NSL Sugars has filed an appeal before the Commissioner of Commercial Taxes (Appeal)-I, Bangalore against the orders passed by the assessing officer, both dated May 3, 2011 in respect of non payment of entry tax on goods for Fiscal 2006 and Fiscal 2009. The Commissioner of Commercial Taxes (Appeal)-I, Bangalore by way of an order dated May 24, 2014 allowed the appeal filed by NSL Sugars. The aggregate amount involved in the matter is ₹ 15.32 million. The matter is currently pending.
- (i) NSL Sugars has filed an appeal bearing number Appeal No. 99/14/BM/CE/5504 on July 25, 2014 before The Commissioner of Central Excise (Appeals) against Order-In-Original No. BEL/EXCUS/000/DIVG/JTC/SMS/001/14-15-Adjn, dated April 23, 2014 for recovery of irregular CENVAT credit on input services together with interest and penalty thereon in relation to commissioning of single circuit transmission line in Fiscal 2012. The aggregate amount involved in the matter is ₹ 0.51 million. The matter is currently pending.
- (j) NSL Sugars has filed an appeal bearing number 74/13/BM/CE on May 6, 2013 before the Commissioner of Central Excise, (Appeals), Mangalore against the show cause notice number VI/17/3/34/2012 adjn dated November 27, 2012 challenging the imposition of penalty for availing ineligible CENVAT credit on sugarcane infielders and harvesting machines in Fiscal 2012. The aggregate amount involved in the matter is ₹ 0.26 million. The matter is currently pending.
- (k) NSL Sugars has filed an appeal bearing number BEM-EXCUS- 000-DC-APP-HAB-28-2014 on May 6, 2013 before the Commissioner of Central Excise, (Appeals), Mangalore against the show cause notice number VI/17/3/37/2012 adjn dated November 27, 2012 challenging the imposition of penalty for availing ineligible CENVAT credit on welding electrodes as capital goods in the period from August 2011 till July 2012. The aggregate amount involved in the matter is ₹ 0.01 million. The matter is currently pending.
- (l) NSL Sugars has filed an appeal bearing number E/27009/2013-DB before the CESTAT, Bangalore against the order of the Commissioner of Central Excise, Customs and Service Tax, Mysore, dated March

29, 2013 bearing number Order-in-Original No.06/2013/MYS/CEX/Commr in relation to rejection of claim for exemption from payment of duty provided under Notification 67/95 for captive consumption of molasses for the period from May 2008 till December 2008. Further NSL Sugars has filed an application bearing number No.E/Stay/27326/2013 in relation to waiver of pre deposit of the duty and stay for recovery. The aggregate amount involved in the matter is approximately ₹ 18.16 million. The matter is currently pending.

- (m) NSL Sugars has filed an appeal bearing number 113/14/MY/CE before the Commissioner of Central Excise (Appeals), Mysore against the Order-in-Original passed by the Deputy Commissioner Central Excise, Mysore I Division dated November 14, 2014 bearing number Order-in-Original C.NO.V/85/18/22/2014 Refund/853 in relation to rejection of claim for refund of duty paid for captive consumption of molasses for Fiscal 2010. The aggregate amount involved in the matter is ₹ 24.72 million. The matter is currently pending.
- (n) NSL Sugars has filed an appeal bearing number 114/14/MY/CE before the Commissioner of Central Excise (Appeals), Mysore against the Order-in-Original passed by the Deputy Commissioner Central Excise, Mysore I Division dated November 14, 2014 bearing number Order-in-Original C.NO.V/17/18/23/2014 Refund/851 in relation to rejection of claim for refund of duty paid for captive consumption of molasses for Fiscal 2011. The aggregate amount involved in the matter is ₹ 25.11 million. The matter is currently pending.
- (o) NSL Sugars has filed an appeal bearing number 111/14/MY/CE before the Commissioner of Central Excise (Appeals), Mysore against the Order-in-Original passed by the Deputy Commissioner Central Excise, Mysore I Division dated November 14, 2014 bearing number Order-in-Original C.NO.V/17/18/24/2014 Refund/850 in relation to rejection of claim for refund of duty paid for captive consumption of molasses for Fiscal 2012. The aggregate amount involved in the matter is ₹ 29.74 million. An appeal has been filed in the matter on January 06, 2015. The matter is currently pending.
- (p) NSL Sugars filed an appeal before the CESTAT, Mumbai against the OIA No. AV(250)208/2012 dated December 3, 2012 passed by the Officer of The Commissioner (Appeals) of Central Excise & Customs, Aurangabad, Maharashtra holding incorrect availing of CENVAT credit by NSL Sugars in relation to duty paid on channels, angles and plates used in fabrication work at factory under the head of capital goods for the period from April 2009 till December 2010. The aggregate amount involved in the matter is ₹ 1.62 million. The matter is currently pending.
- (q) NSL Sugars has filed an appeal bearing number 112/14/MY/CE before the Commissioner of Central Excise (Appeals), Mysore against the Order-in-Original passed by the Deputy Commissioner Central Excise, Mysore I Division dated November 14, 2014 bearing number Order-in-Original C.NO.V/17/18/25/2014 Refund/852 in relation to rejection of claim for refund of duty paid for captive consumption of molasses for Fiscal 2013. The aggregate amount involved in the matter is ₹ 33.63 million. The matter is currently pending.
- (r) NSL Sugars has filed an appeal bearing number 115/14/MY/CE before the Commissioner of Central Excise (Appeals), Mysore against the Order-in-Original passed by the Deputy Commissioner Central Excise, Mysore I Division dated November 10, 2014 bearing number Order-in-Original C.NO.V/85/18/21/2014 Refund/840 in relation to rejection of claim for refund of duty paid for captive consumption of molasses for Fiscal 2014. The aggregate amount involved in the matter is ₹ 18.97 million. The matter is currently pending.
- (s) NSL Sugars filed Civil Petition No. 4 of 2014 before the Karnataka Electricity Regulatory Commission against Bangalore Electricity Supply Company Limited and Karnataka Power Transmission Corporation Limited, alleging that the defendants have paid ₹ 2.25 per unit instead of ₹3.90 per unit, for the power provided to them by NSL Sugars. The amount involved in the instant petition stands at ₹ 7.3 million and the matter is currently pending.

- (t) NSL Sugars has filed 22 suits for money recovery before the Judicial Magistrate of First Class, Maddur, Karnataka, against various harvesting and transport contractors for recovery of ₹ 2.039 million. The defendants failed to discharge their obligations even after the payment of the advance money by NSL Sugars in this regard. The matters are currently pending.
- (u) NSL Sugars has filed a consumer complaint bearing C.L. No. 214 of 2014 before the District Consumer Forum, Mandya, Karnataka, against M/s Anjaneya Internationals for recovery of advance money paid to the defendant, on account of the defendant's failure to supply the ordered material. The consumer forum directed the defendants to pay an amount of ₹ 0.122 million along with an interest of ₹ 5,000 to NSL Sugars. The matter is currently pending.
- (v) NSL Sugars has filed review appeal No. 13 of 2014 in connection with O.S. No. 327 of 2009 before the Judicial Magistrate of First Class, Ramanagaram, Karnataka challenging the order passed in favour of Ramaiah, in relation to land situated at Survey No. 168/6 in Heggedagere village, Karnataka, purchased by the NSL Sugars. This appeal was dismissed. NSL Sugars intends to file an appeal in the High Court in the matter.
- (w) NSL Sugars has filed a case against Manjulamma and others, bearing Ex. No. 90 of 2011 in connection with O.S. 145 of 2010 before the Civil Court Senior Division Maddur, Karnataka for recovery of ₹ 0.0464 million availed by the defendants towards a borewell loan from NSL Sugars. The matter is currently pending.
- (x) NSL Sugars has filed a case the Civil Court Senior Division Maddur, Karnataka, against Indiramma and others bearing Ex. No. 91 of 2011 in connection with O.S. No. 144 of 2010 for recovery of ₹ 0.06 million availed by the defendants towards a borewell loan from NSL Sugars. The matter is currently pending.
- (y) NSL Sugars has filed a suit bearing O.S. No. 3330 of 2014 before the City Civil Court, Bangalore, Karnataka against Karnataka State Breweries Corporation Limited, for recovering an amount of ₹ 0.041 million which has been collected as value added tax at the rate of 20% but which NSL Sugars contends should have been collected at the rate of 3%, in accordance with applicable law. The matter is currently pending.
- (z) NSL Sugars has filed a suit bearing S.C. No. 872 of 2014 before the City Civil Court, Bangalore, Karnataka, against Karnataka State Breweries Corporation Limited, to recover a sum of ₹ 0.075 million from the defendants, which the defendants had wrongfully collected as escort penalty charges. The matter is currently pending.
- (aa) NSL Sugars has filed a suit against Uttam Munna Pawar, bearing O.S No. 244 of 2013, before the Judicial Magistrate First Class, Aland Taluk, Gulbarga District, Karnataka seeking ₹ 0.35 million from the defendant, who being a labour contractor, failed to supply labour as per the terms of the agreement entered into with NSL Sugars. The matter is currently pending.
- (bb) NSL Sugars has filed a suit against Vinayak Syramrao Chavan, bearing O.S No. 60 of 2013, before the Judicial Magistrate First Class, Aland Taluk, Gulbarga District, Karnataka seeking ₹ 0.5 million from the defendant, who being a labour contractor, failed to supply labour as per the terms of the agreement entered into with NSL Sugars. The matter is currently pending.
- (cc) NSL Sugars has jointly along with South Indian Sugar Mills Association filed an appeal bearing number 4830 of 2012 before the Appellate Electricity Tribunal against Bangalore Electricity Supply Company Limited and Karnataka Power Transmission Corporation challenging the order of the Karnataka Electricity Regulatory Commission dated March 24, 2011, in relation to claim of interest on allegedly delayed payments made by Bangalore Electricity Supply Company Limited and Karnataka Power Transmission Corporation. The aggregate amount involved in the matter is approximately ₹ 49.80 million. The matter is currently pending.

- (dd) NSL Sugars has filed a total of 36 cases against various parties under Section 138 of the Negotiable Instruments Act, 1881, for dishonor of cheques at different locations. These cases are currently pending.

***Tax disputes involving NSL Sugars***

- (a) Disputes under the Central Excise Act, 1944 in 2008-2009 aggregating to ₹ 20.86 million.
- (b) Dispute under the Income Tax Act, 1961 in relation to disallowance of expenditure relating to unit transfer aggregating to ₹ 18.07 million in 2008-2009 and ₹ 26.23 million in 2009-2010.
- (c) Dispute under the Income Tax Act, 1961 in relation to interest under Sections 234B and 234C aggregating to ₹ 3.10 million in 2005-2006 and 2006-2007.
- (d) Dispute under the Finance Act, 1994 in relation to service tax dues in 2009-2010 aggregating to ₹ 0.411 million.
- (e) Dispute under the Karnataka Value Added Tax Act, 2003 in relation to entry tax including interest and penalty in 2008-2009 aggregating to ₹ 1.03 million.
- (f) Dispute under Maharashtra Purchase Tax on Sugarcane Rules, 1962 in relation to payment of purchase tax and interest aggregating to ₹ 82.26 million from 2001-2002 till 2009-2010.

89. ***NSL Sugars (Tungabhadra) Limited (“NSL Sugars Tungabhadra”)***

***Cases filed against NSL Sugars Tungabhadra***

- (a) The Revenue Department, Government of Karnataka has filed an appeal before the CESTAT, Bangalore against the order bearing number Order-In-Appeal No. 92/2010 dated February 16, 2010 of the Commissioner (Appeals), Mangalore in relation to the non payment of excise duty on deteriorated molasses by NSL Sugars Tungabhadra for fiscal year 2002. The aggregate amount involved in the matter is ₹ 4.74 million. The matter is currently pending.
- (b) NSL Sugars Tungabhadra has filed an appeal bearing number Appeal No. C/21662/2014-DB before the CESTAT Bangalore challenging the order of the Commissioner of Central Excise, Customs, Service Tax, Guntur, Andhra Pradesh, bearing number OIO No. 19/2014 - Customs dated February 18, 2014 rejecting the claim of NSL Sugars Tungabhadra for availing benefit of exemption on import of steam coal as per Notification No. 12/2012 CUS (Sl. No 123) for the period from March 2012 till February 2013. Further NSL Sugars Tungabhadra has filed an appeal bearing number Stay Appl No.C/STAY/21855/2014 for stay on recovery of the differential duty along with interest and penalty thereon, pending disposal of the appeal and an application bearing number Misc Appl No. C/MISC/21854/2014 seeking waiver of pre deposit of the differential duty along with interest and penalty thereon, pending disposal of the appeal. The matter is currently pending.
- (c) The Commissioner of Central Excise, Belgavi, has filed an appeal bearing before the Customs, Excise and Service Tax Appellate Tribunal, Bangalore, bearing appeal no. 956 of 2010, against the order passed by the Commissioner (Appeals), Mangalore in favour of NSL Sugars Tungabhadra, which set aside the original order of the Commissioner of Central Excise, Belgavi that asked NSL Sugars Tungabhadra to pay ₹ 4.697 million towards duty and as penalty for dumping of 2046.588 M.T. of deteriorated molasses into a ‘kachha pit’. The matter is currently pending.
- (d) India Sugars and Refineries Limited has filed a criminal complaint bearing criminal complaint nos. 185 and 186 of 2013, against NSL Sugars Tungabhadra, alleging that NSL Sugars Tungabhadra is drawing cane from the zone allotted to ISR, in violation of the Sugar Cane Control Order 1966. The penalty for such violation is a fine of ₹5,000 and imprisonment of up to one year. The matter is currently pending.

- (e) India Sugars and Refineries Limited has filed a complaint bearing criminal complaint no. 123 of 2013 before the Judicial Magistrate of First Class, Hospet, Karnataka against NSL Sugars Tungabhadra, alleging that NSL Sugars Tungabhadra is drawing cane from the zone allotted to ISR, in violation of the Sugar Cane Control Order 1966. The penalty for such violation is a fine of ₹5,000 and imprisonment of up to one year. The matter is currently pending.
- (f) Shivakumar and others have filed a criminal complaint against NSL Sugars Tungabhadra, bearing criminal complaint nos. 90, 92 and 93 of 2014 before the Judicial Magistrate of First Class, Siruguppa, Karnataka, alleging that some of the employees of NSL Sugars Tungabhadra colluded with cane growers and recorded false weight measures of cane. The amount involved in the instant case is ₹4.27 million and the matter is pending.
- (g) K.Siddaramappa has filed a complaint bearing M.V.C. No. 1228 of 2013 clubbed with Criminal Complaint No. 502 of 2014, against NSL Sugars Tungabhadra, before the Motor Accidents Claims Tribunal, Bellary, Karnataka, seeking a compensation of ₹ 0.8 million, for an act of misconduct committed by the driver of a tractor owned by NSL Sugars Tungabhadra. The matter is currently pending.
- (h) K. Sriramappa and 8 others have filed writ petition bearing W.P. No. 16164/2012(L-TER) against NSL Sugars Tungabhadra and others before the High Court of Karnataka, Bengaluru, seeking that the impugned award of the Second Additional Labour Court dated November 30, 2011 be quashed and that K. Sriramappa and others be granted relief under section 10(4A) of the Industrial Disputes Act, 1947 (“**I.D. Act**”). NSL Sugars Tungabhadra has claimed that K. Sriramappa and others are not entitled to any relief as they do not fall under the definition of workmen under the I.D. Act. K. Sriramappa and others had originally filed I.D. No. 22 of 1998 before the Second Additional Labour Court, Bengaluru claiming that they were workmen and thus entitled to reliefs sought under section 10(4A) of the I.D. Act. The Labour Court passed an award dated September 11, 2009, finding that K. Sriramappa and others had been wrongfully terminated and directed NSL Sugars Tungabhadra to pay compensation to every such employee. NSL Sugars Tungabhadra appealed against the order in W.P. 4220-4230 of 2010 before the High Court of Karnataka. The High Court of Karnataka, allowed the writ petitions filed by NSL Sugars Tungabhadra and quashed the order of the Labour Court dated September 11, 2009. It directed that the matter be reconsidered by the labour court. The Second Additional Labour Court, reconsidered the matter and on November 30, 2011 passed an order in favour of NSL Sugars Tungabhadra, holding that K. Sriramappa and others were not entitled to any relief. Aggrieved by this order, K. Sriramappa and others have approached the High Court of Karnataka. The matter is currently pending.
- (i) The Sugar Mill Employees’ Union represented by its president C.S. Mohan have filed C.C. No. 215 of 2005 before the Additional Chief Judicial Magistrate First Class, Gauribidanur, against NSL Sugars Tungabhadra, its directors and other personnel, seeking relief under section 25 of the I.D. Act, for illegal layoff of the employees by NSL Sugars Tungabhadra with effect from April 16, 2001. The Sugar Mill Employees’ Union claims that NSL Sugars Tungabhadra laid off the employees without the permission of the Government as required under the I.D. Act. The magistrate took cognizance of the offence and issued process against NSL Sugars Tungabhadra. NSL Sugars Tungabhadra therefore filed criminal petitioner number 2059 of 2010 before the High Court of Karnataka seeking that the proceedings before the Additional Chief Judicial Magistrate First Class be quashed. NSL Sugars Tungabhadra has claimed that Sugar Mill Employees’ Union already raised a dispute before the Industrial Tribunal which was dismissed and the order of the magistrate was thus illegal and liable to be quashed. NSL Sugars Tungabhadra has contended that the layoff was due to genuine circumstances and a settlement has already been entered into under section 18(1) of the I.D. Act with the concerned employees. The High Court of Karnataka by an order dated July 13, 2012, allowed NSL Sugars Tungabhadra’s petition and directed that the order of the magistrate taking cognizance of the offence be set aside. It directed that the matter be returned to the magistrate reconsider the facts of the case and then proceed in accordance with law. The matter is currently pending.
- (j) A first information report dated September 16, 2008 has been registered as C.R. No. 127/2008 by the Gowribidanur Rural Police Station, against NSL Sugars Tungabhadra and its management by G.T. Gangadhara, alleging that they have committed offences under section 406 and 420 of the IPC for non

payment of certain cane arrears to farmers. Due to non availability of sugar cane, NSL Sugars Tungabhadra had laid off all its employees at Gowribidanur with effect from April 13, 2001. Sugar Mill Employees' Union has filed criminal petition No. 4345 seeking to have the proceedings quashed. Sugar Mill Employees' Union contends that it willing to pay the compensation amount to the cane farmers, but the interest portion is being challenged. It further contends that even if the entire contents of the complaint are accepted as true, no case under section 406 or 420 of the Indian Penal Code, 1860 can be made out against it. Sugar Mill Employees' Union contends that it is liable to pay the sum of ` 42.37 million as compensation that has been ordered by the Commissioner of Cane Development and Director of Sugars and the proceedings in No. 127 of 2008 are liable to be quashed. The matter is currently pending.

- (k) A criminal case was registered on a complaint made by the Food Assistant, Food Section, Sirugappa as crime number 20 of 2011 against Y. Krishna Rao, Director of NSL Sugars Tungabhadra for violating Sections 3 and 7 of the Essential Commodities Act, 1955 and Levy of Sugar Supply Orders, 1979 whereby it was alleged that NSL Sugars Tungabhadra had sold sugar in the open market. A petition has been filed as CRL. M.P. no. 222 of 2011 by NSL Sugars Tungabhadra dated April 18, 2011 claiming anticipatory bail in relation to the complaint. The matter is currently pending.
- (l) A criminal case was filed as CC No. 208 of 2009 by India Sugars and Refineries Limited dated January 15, 2009 before the Principal Civil Judge (Junior Division) and Judicial Magistrate First Class at Hospet against NSL Sugars Tungabhadra and four others under the Indian Penal Code, 1860 read with Sections 7, 8 and 10 of the Essential Commodities Act, 1955, claiming that NSL Sugars Tungabhadra has negotiated with the office bearers of Hospet Raithara Sangha and agreed to supply sugarcane for the area reserved for India Sugars and Refineries Limited and misappropriated sugarcane produced by India Sugars and Refineries Limited in such area. It was further alleged by the India Sugars and Refineries Limited that the Deputy Commissioner, Bellary was aware of the situation but did not take any action in this regard. India Sugars and Refineries Limited has further filed a writ petition bearing WP. No. 31532/2008 before the High Court of Karnataka against the Secretary to Government of Karnataka, Commerce and Industries Department and nine others praying for a writ of mandamus for directing NSL Sugars Tungabhadra and others to stop illegal transport of sugarcane from the reserved area of India Sugars and Refineries Limited's factory and for a direction to NSL Sugars Tungabhadra to stop accepting the sugarcane. The matter is currently pending.
- (m) A case was filed as CC No. 20 of 2010 and PC No. 35 of 2009 by India Sugars and Refineries Limited dated January 15, 2009 before the Principal Civil Judge (Junior Division) and Judicial Magistrate First Class at Hospet against NSL Sugars Tungabhadra and four others claiming that they had lured the local growers of sugarcane into illegally transporting the sugarcane grown in the India Sugars and Refineries Limited's factory area to themselves. India Sugars and Refineries Limited has thus sought that the court to register a case against NSL Sugars Tungabhadra and others under the Sugarcane (Control) Order, 1966, Karnataka Sugarcane (Regulation of Distribution) (Hospet) Order, 1974 and 2006 and Sections 3, 7, 8, 10 and 11 of the Essential Commodities Act, 1955. The matter is currently pending.
- (n) India Sugars and Refineries Limited has filed a case against NSL Sugars Tungabhadra and three others before the Principal Civil Judge and Judicial Magistrate First Class bearing C.C. No. 6 of 2011 dated April 13, 2011 contending that NSL Sugars Tungabhadra is in violation of Sections 7, 8 and 10 of the Essential Commodities Act, 1955 and is liable for punishment. India Sugars and Refineries Limited has contended that that while undergoing turbulent times with the farmers growing sugarcane, NSL Sugars Tungabhadra with dishonest and fraudulent intention, induced the farmers to remove and deliver the sugarcane reserved for India Sugars and Refineries Limited. India Sugars and Refineries Limited has contended that it submitted a complaint to the Deputy Commissioner, Bellary and the Deputy Commissioner, Bellary restrained NSL Sugars Tungabhadra from illegally procuring sugarcane from the reserved areas. India Sugars and Refineries Limited also contended that NSL Sugars Tungabhadra continued the procurement of sugarcane against the directions of the Deputy Commissioner, Bellary. The matter is currently pending.
- (o) Petition bearing W.C. No. 108 of 2012 has been filed by Hemavathi, Kumar Thanushree, Nikhil Kumar and Parvathamma. against General Manager, NSL Sugars Tungabhadra before the Commissioner for Workmen Compensation Court-I cum Labour Officer, Bellary claiming compensation of ₹ 2 million due



to the death of one, Ayyanagouda who was a workman in NSL Sugars Tungabhadra's factory. They have further prayed for interest at the rate of 12% per annum from the date of the accident which led to the death of Ayyanagouda. Compensation of ₹ 0.78 million has been paid by NSL Sugars Tungabhadra. The matter is currently pending.

- (p) Chandranna and eight others have filed (by way of reference by the Government of Karnataka), Reference No. 37 of 2000 and I.D. NO. 30 of 2000 before the Second Additional Labour Court at Bengaluru against management and the chairman of NSL Sugars Tungabhadra for illegal termination on February 02, 2000. Chandranna and eight others also contend that their services were illegally terminated on February 02, 2000 on bringing to notice theft of ₹ 50,000 worth of iron materials by the general manager of NSL Sugars Tungabhadra. Chandranna and the others contend that since NSL Sugars Tungabhadra had employed them through contractors who were not registered under the Contract Labour (Abolition and Regulation) Act, 1976, the contractors were in effect agents and they were permanent employees. They further contend that termination of permanent workmen without three months' notice pay amounts to illegal retrenchment under Section 25N of the I.D. Act, 1947 and that they are entitled to reinstatement with full back wages with effect from February 02, 2000. NSL Sugars Tungabhadra has in their counter claim submitted that the dispute is not maintainable in law or in facts and is liable to be dismissed in limine. NSL Sugars Tungabhadra denies that Chandranna and eight others were employed in its factory for two hundred forty days and claims that they were employed by the contractors. The matter is currently pending.
- (q) The President, Sugar Mills Employees' Union has filed (by way of reference by the Government of Karnataka) Reference No. 35 of 2001 dated December 10, 2009 before the Second Additional Labour Court at Bengaluru against the management of NSL Sugars Tungabhadra seeking payment of full wages for the period from February 18, 2010 to February 21, 2010 and declare the lock-out as illegal. The President, Sugar Mills Employees' Union claims that NSL Sugars Tungabhadra had set up a management sponsored union and all the employees who joined the management sponsored union were promoted to the next grade. The President, Sugar Mills Employees' Union further contends that all office bearers of the union were illegally terminated. The Labour Court at Bengaluru had later passed an award directing their reinstatement with back wages. The President, Sugar Mills Employees' Union alleges that on February 18, 2000, the management declared lockout illegally without notice. The President, Sugar Mills Employees' Union further claims that it raised an industrial dispute before the Labour Commissioner, Bengaluru and on this basis the factory was reopened by NSL Sugars Tungabhadra on February 21, 2000. The Government of Karnataka in the Order No. KA.E.134.KI. KA.V, 2001 dated June 26, 2001 has refereed the dispute to the Second Additional Labour Court at Bengaluru. NSL Sugars Tungabhadra submits in their counter claim that the dispute raised by the President, Sugar Mills Employees' Union is not maintainable in law or in facts and is liable to be dismissed in limine. NSL Sugars Tungabhadra also submits that there was no lockout from February 18, 2000 to February 21, 2000 and that the workmen entered into a settlement with it on April 04, 2008 as per which they resigned from the rolls of its factory. NSL Sugars Tungabhadra contends that there can be no claims during the period of alleged illegal lockout on behalf of the workmen belonging to the union by virtue of the settlement entered into. The matter is currently pending.
- (r) Hallappa has filed a claim statement, I.D. No. 38 of 2008 dated August 22, 2008 under Section 10(4-A) of the Industrial Disputes (Karnataka Amendment) Act, 1987 before the Second Additional Labour Court, Bengaluru against the management of NSL Sugars Tungabhadra seeking inter alia that the memorandum of settlement dated April 02, 2008, May 08, 2008 and May 13, 2008 be set aside and declaring the closure to be illegal and directing NSL Sugars Tungabhadra to reinstate Hallappa with continuity of services and back wages. Hallappa contends that NSL Sugars Tungabhadra illegally laid off the workmen without the prior permission of the Government. Hallappa also submits that the Commissioner of Labour, Kolar has issued a recovery certificate to the Deputy Commissioner, Kolar to recover the full wages with effect from April 13, 2001 declaring the lay off as illegal. Hallappa also contends that NSL Sugars Tungabhadra filed application for closure of the factory under Section 25-O of the I.D. Act and the same was rejected. Hallappa contends that during the pendency of proceedings before the Board Industrial Finance and Reconstruction ("BIFR"), NSL Sugars Tungabhadra's management illegally sold the factory to SCM Sugars and Co., Koppa and the BIFR ordered enquiry into the illegal sale. NSL Sugars Tungabhadra

submits in its counter claim that the dispute raised by Hallappa is not maintainable in law or in facts and is liable to be dismissed in limine. The matter is currently pending.

- (s) C.S. Mohan, President, Sugar Mill Employees Union and two others have filed a claim statement I.D. No. 155 of 2011 under Section 10(B)(1) of the Industrial Dispute (Karnataka) Rules, 1956 against NSL Sugars Tungabhadra before the Industrial Tribunal, Bengaluru for setting aside the memoranda of settlement dated April 02, 2008, May 08, 2008 and May 13, 2008, declaring the closure as illegal and for reinstating the workmen with continuity and back wages as if the memoranda of settlement had not been signed. The Government of Karnataka referred the industrial dispute between the parties to the Industrial Tribunal pursuant to its orders dated November 05, 2011 and has directed the tribunal to decide the matter within six months. C.S. Mohan and others contend that the Labour Commissioner, Bengaluru has issued a recovery certificate dated April 30, 2011 and has allowed the recovery of ₹ 115.32 million for full back wages from July 12, 2002 to October 20, 2010. C.S. Mohan and others contends that during the pendency of proceedings before the BIFR, the second party management illegally sold the factory to SCM Sugars and Co., Koppa and the BIFR ordered enquiry into the illegal sale. C.S. Mohan and others also claim that the cause of action on the basis of the memoranda of settlement amounts to illegal closure. They also contend that the factory has been sold to NSL Sugars Tungabhadra for ₹ 3,000 million and that ₹ 4,000 million have been spent to set up co-generation plants and that NSL Sugars Tungabhadra should be able to reinstate the workmen. NSL Sugars Tungabhadra submits in its counter claim that the dispute raised by C.S. Mohan and others is not maintainable in law or in facts and is liable to be dismissed in limine. The matter is currently pending.
- (t) G.S.S.K. Officials and Employees Association (R) and Sugar Mills Employees Union (R) Opposite NSL Sugars Tungabhadra (and three others) filed a criminal complaint CC no. 259 of 2003 against NSL Sugars Tungabhadra and others before the Judicial Magistrate of First Class at Gauribindanura seeking the differential wages of ₹ 16.71 million from the memorandum of settlement dated April 02, 2008 as illegal. The Judicial Magistrate of First Class at Gauribindanura has passed an order on January 01, 2007 agreeing to take cognizance against NSL Sugars Tungabhadra and others in respect of the arrears payable under the wage settlement and also stated in its order that the complainant has made a prima facie case against NSL Sugars Tungabhadra and others for an offence punishable under Section 29 of the I.D. Act. NSL Sugars Tungabhadra filed an interim application, No. I.A. 1/07 for setting aside the order passed by Judicial Magistrate of First Class at Gauribindanura on January 01, 2007 before the High Court of Karnataka. The matter is currently pending.
- (u) Gowribindur Sahakara Sakkare Karkhane Limited by the Joint Co-operative Societies (Legal cell) and the official liquidator have filed a suit bearing O.S. No. 1903 of 2004 dated March 15, 2004 against Indian Bank before the Court of City Civil Judge at Bengaluru seeking a sum of ₹ 75.83 million with interest of 20% per annum against Indian Bank from the date of such suit to the date of payment with cost. Gowribindur Sahakara Sakkare Karkhane Limited claims that the liquidator with a view to realise the assets of Gowribindur Sahakara Sakkare Karkhane Limited to pay off its liabilities issued notification dated April 03, 1987 in a leading newspaper and invited tenders for sale of the factory. Gowribindur Sahakara Sakkare Karkhane Limited submits that NSL Sugars Tungabhadra purchased the distillery belonging to Gowribindur Sahakara Sakkare Karkhane Limited. Gowribindur Sahakara Sakkare Karkhane Limited contends that Indian Bank executed a bank guarantee in favour of Gowribindur Sahakara Sakkare Karkhane Limited on June 18, 1988 agreeing that if NSL Sugars Tungabhadra neglects, fails, or commits defaults to pay any or all half yearly instalments, Indian Bank shall pay to the maximum of ₹ 3,541 million together with interest at the rate of 14% per annum. Gowribindur Sahakara Sakkare Karkhane Limited also contends that NSL Sugars Tungabhadra defaulted in payment of the last instalment and thus Gowribindur Sahakara Sakkare Karkhane Limited invoked the bank guarantee request Indian Bank to pay ₹ 8.78 million and ₹ 10.15 million to Gowribindur Sahakara Sakkare Karkhane Limited. Gowribindur Sahakara Sakkare Karkhane Limited contends that NSL Sugars Tungabhadra filed W.P. No. 27602/93 before the High Court of Karnataka challenging the letter invoking the bank guarantee and the High Court of Karnataka dismissed the petition. Gowribindur Sahakara Sakkare Karkhane Limited claims that Indian Bank offered to pay only ₹ 7.92 million and that ₹ 75.83 million was due as on the date of institution of the proceedings. Indian Bank in its written statement contends that the suit of Gowribindur Sahakara

Sakkare Karkhane Limited is false and frivolous and devoid of merits. Indian Bank also claims that the suit is barred by limitation. The matter is currently pending.

- (v) A.G. Ramachandraiah has filed a writ petition W.P. No. 28480 of 2009 dated August 25, 2009 before the High Court of Karnataka seeking writ of certiorari or any other writ quashing the award dated June 10, 2008 passed by the Industrial Tribunal, Bengaluru in Complaint No. 7 of 1995, issue of writ of mandamus or any other writ or order allowing the Complaint No. 8 of 1996 in I.D. No. 7 of 1995 on the file of the Industrial Tribunal, Bengaluru and costs of these proceedings by NSL Sugars Tungabhadra. A.G. Ramachandraiah claims that he was terminated on account of alleged misconduct for misusing sugarcane grown in the land of Aswathanaryana Reddy and colluding with him for personal gain. A.G. Ramachandraiah claims that he was dismissed on the grounds of dishonesty in connection with the NSL Sugars Tungabhadra's business, negligence and misuse of official position after conducting departmental inquiry. A.G. Ramachandraiah has claimed that the domestic inquiry was not fair and proper. The matter was referred to the Industrial Tribunal in I.D. No. 7 of 1995 and Complaint No. 8 of 96 and the Industrial Tribunal declared that the action of NSL Sugars Tungabhadra's management was in accordance with the law. NSL Sugars Tungabhadra has denied the allegations of A.G. Ramachandraiah as baseless in the statement of objection. NSL Sugars Tungabhadra contends that the dismissal was upheld by the Industrial Tribunal after considering the issues and the arguments of A.G. Ramachandraiah. The matter is currently pending.
- (w) Aswathnarayana Reddy has filed a writ petition W.P. No. 28479 of 2009 dated August 25, 2009 before the High Court of Karnataka seeking writ of certiorari or any other writ quashing the award dated June 10, 2008 passed by the Industrial Tribunal, Bengaluru in Complaint No. 7 of 1995, issue of writ of mandamus or any other writ or order allowing the Complaint No. 8 of 1996 in I.D. No. 7 of 1995 on the file of the Industrial Tribunal, Bengaluru and costs of these proceedings by NSL Sugars Tungabhadra. Aswathnarayana Reddy claims that he was dismissed on the grounds of dishonesty in connection with NSL Sugars Tungabhadra's business, negligence and misuse of official position after conducting departmental inquiry. Aswathnarayana Reddy claims that the domestic inquiry was not fair and proper. The matter was referred to the Industrial Tribunal in I.D. No. 7 of 1995 and Complaint No. 8 of 96 and the Industrial Tribunal declared that the action of the respondent's management was in accordance with the law. NSL Sugars Tungabhadra has denied the allegations of Aswathnarayana Reddy as baseless in the statement of objection. The respondent contends that the dismissal was upheld by the Industrial Tribunal after considering the issues and the arguments of Aswathnarayana Reddy. The matter is currently pending.
- (x) K. Siriramappa and eight others have filed a writ petition W.P. No. 16164 of 2012 dated March 09, 1998 against the management of NSL Sugars Tungabhadra before the High Court of Karnataka seeking reinstatement of K. Siriramappa and eight others with continuity of services and back wages with effect from November 26, 1997. K. Siriramappa and others claim that they filed an industrial dispute before the Additional Labour Court, Bengaluru, I.D.No.22/1998 and was dismissed by an order dated November 30, 2011. K. Siriramappa and others challenged the order before the Karnataka High Court in the present petition. The matter is currently pending.
- (y) Commissioner Central Excise, Belgaum has filed an appeal no. E/976/2000 dated June 16, 2010 against NSL Sugars Tungabhadra before the Excise and Service Tax Appellate Tribunal, Bengaluru challenging the Order No. 92 of 2010 dated February 16, 2010 passed by the Joint Commissioner of Central Excise (Appeals), Belgaum in favour of NSL Sugars Tungabhadra. The Commissioner Central Excise, Belgaum has claimed that storage of molasses in katcha pit or tanks amounts to removal of molasses from the factory though the katcha pit may be within the factory premises. The Commissioner Central Excise, Belgaum further claimed that such storage of molasses is leviable with excise duty in accordance with the Central Excise Rules, 2002. The Commissioner Central Excise, Belgaum claimed that the adjudicating authority on this basis raised a demand along with interest for molasses stored within the factory premises. NSL Sugars Tungabhadra filed an appeal against the order before the Commissioner of Appeals and the order was passed in favour of NSL Sugars Tungabhadra on the ground that the molasses had deteriorated and was unfit for consumption. The matter is currently pending.

***Cases filed by NSL Sugars Tungabhadra***

- (a) NSL Sugars Tungabhadra has filed a suit bearing A.T.A No. 278 (6) of 2013 before the Appellate Tribunal Authority (Provident Fund) Delhi to recover ₹ 0.198 million confiscated by the Regional Provident Fund Commissioner, Bellary, through an order dated March 6, 2013. The matter is currently pending.
- (b) NSL Sugars Tungabhadra has filed a civil suit bearing A.T.A No. 278 (6) of 2014 before the Appellate Tribunal Authority (Provident Fund) Delhi seeking a stay on the order passed by the Regional Provident Fund Commissioner, Bellary, Karnataka, dated March 12, 2014, asking NSL Sugars Tungabhadra to pay an amount of ₹ 1.609 million as provident fund contribution for the trainees for the period from December 2010 to February 2014. A stay order has been granted, subject to remittance of 20% (twenty percent) of the ordered amount and the matter is currently pending.
- (c) NSL Sugars Tungabhadra has filed a civil suit bearing A.T.A No. 578 (6) of 2014 before the Appellate Tribunal Authority (Provident Fund) Delhi seeking a stay on the order passed by the Regional Provident Fund Commissioner, Bellary, Karnataka, asking NSL Sugars Tungabhadra to pay an amount of ₹ 3.687 million as damages for delayed remittance of provident fund contribution for the period from February 2002 to January 2013, under Section 14B of the Employees Provident Fund and Miscellaneous Provisions Act, 1952. A stay order has been granted subject to remittance of ₹ 1 million and the matter is currently pending.
- (d) NSL Sugars Tungabhadra has registered a first information report, dated April 25, 2014, bearing No. 95 of 2014, against Shivakumar and others for swindling money from the factory of NSL Sugars Tungabhadra. The amount involved in the matter is ₹ 0.8 million. The matter is currently pending.
- (e) NSL Sugars Tungabhadra has filed a total of 162 cases against certain harvesting and transport contractors, before the Judicial Magistrate of First Class, Siruguppa, Karnataka, for recovering an amount of ₹ 39.7 million for non performance of certain obligations, despite payment of advance money by NSL Sugars Tungabhadra. All these matters are currently pending.

90. ***NSL Sugars and Trading DMCC (Dubai)***

***Cases filed against NSL Sugars and Trading DMCC (Dubai)***

Nil

***Cases filed by NSL Sugars and Trading DMCC (Dubai)***

Nil

91. ***NSL Textiles Limited ("NSL Textiles")***

***Cases filed against NSL Textiles***

- (a) The Income Tax Department has filed case No. 1587 of 2014 before the Income Tax Appellate Tribunal, Secunderabad, against NSL Textiles, challenging a previous order of the Commissioner of Income Tax (Appeals), passed in favour of NSL Textiles and determining that interdivision transfer of sales would not be regarded as additional income. The amount of compensation involved is approximately ₹ 55 million. The matter is currently pending.

***Cases filed by NSL Textiles***

- (a) NSL Textiles has filed writ appeal miscellaneous petition W.A.M.P. No. 1660/2008 in W.A. No.790/2008 in W.P. No. 7267 before the High Court of Hyderabad, against the Employees Provident Fund Organisation, seeking recovery of ₹ 2.7 million towards penal damages liable to be paid by Chilakaluripeta Cotton Growers Co-op Spinning Mills Limited to NSL Textiles. The High Court of

Hyderabad has stayed the matter until further orders and the liquidator of Chilakaluripeta Cotton Growers Co-op Spinning Mills Limited has filed an undertaking to pay the dues. The matter is currently pending.

- (b) NSL Textiles has filed case E.I.C. No. 27 of 2009 against the Employees State Insurance Corporation and others, before the E.I.C., Prakasam District, Andhra Pradesh, seeking recovery of ₹ 1.521 million towards damages relating to employees' state insurance contribution for the wage period from June 2000 to October 2003. The matter is currently pending.
- (c) NSL Textiles has filed case E.I.C. No. 31 of 2004 against the Employees State Insurance Corporation and others, before the E.I.C., Prakasam District, Andhra Pradesh, seeking recovery of ₹ 0.136 million towards Employees State Insurance contribution and interest thereon, for the wage period from June 2003 to October 2003. The matter is currently pending.
- (d) NSL Textiles has filed case E.I.C. No. 25 of 2001 against the Employees State Insurance Corporation and others, before the E.I.C., Hyderabad, Andhra Pradesh, for stay of all further proceedings involving NSL Textiles. The amount of compensation involved is ₹ 2.39 million. An interim stay has been granted and the matter is currently pending.
- (e) NSL Textiles has filed a writ petition bearing. No. 19551 of 2010 before the High Court of Hyderabad, against the Andhra Pradesh Electricity Regulatory Commission, objecting to fuel surcharge adjustment levied for the year 2008-2009. The amount of compensation involved is ₹ 0.679 million. A stay was granted by the High Court of Hyderabad on January 20, 2012 and writ appeal number 858 of 2011 against the common order is pending in the Supreme Court of India.
- (f) NSL Textiles has filed S.R.No.24619 of 2013 and O.S. No. 504 of 2014 before the City Civil Court at Hyderabad against Total Wardrobe Solutions under Section 26 of the Civil Procedure Code, 1908, for recovery of ₹ 24.863 million owed to NSL Textiles. The matter is currently pending.
- (g) NSL Textiles has filed a writ petition No. 22400 of 2010 before the High Court of Hyderabad, against the Public Enterprises Department of the Government of Andhra Pradesh, under the Andhra Pradesh Non-Agricultural Land Assessment Act, 1963 ("NALA"). Demand notices relating to tax of ₹ 0.624 million and demand notices relating to water royalty of ₹ 2.537 million imposed under NALA, were served on NSL Textiles. This writ petition seeks to quash these demands. An interim stay has been granted by the High Court of Hyderabad on deposit of ₹ 1.6 million by NSL Textiles which is to be refunded should this writ petition succeed. The matter is currently pending.
- (h) NSL Textiles has filed O.R. No. 112 in 2013 and O.R No. 190 in 2014 appealing against the order passed by the Commissioner of Central Excise, Customs and Service Tax, Guntur, for evasion of customs duty payable by NSL Textiles. The amount of customs duty and penalty in dispute is ₹ 3.349 million. The company has deposited an amount of ₹ 0.334 million and filed an appeal before the Central Excise and Service Tax Appellate Tribunal. The matter is currently pending.
- (i) NSL Textiles has filed an appeal before the Commissioner of Income Tax (appeals) – V, Hyderabad on April 15, 2013 against the order passed by the Deputy Commissioner of Income Tax, Circle 16(1), Hyderabad, dated March 20, 2013, in relation to disallowance of an amount aggregating to ₹ 12.80 million, under Section 14A of the I.T Act for the assessment year 2010-11. The matter is currently pending.

#### ***Tax disputes involving NSL Textiles***

Dispute under the I.T. Act, in relation to disallowance under section 40(a)(i) aggregating to ₹ 16.06 million and under section 14A read with rule 8D aggregating to ₹ 0.70 million for the assessment year 2012-13. NSL Textiles is in the process of filing appeal in the matter.

#### ***Penalties imposed in the past on NSL Textiles***

- (a) Penalty imposed in relation to payment of workmen's compensation aggregating to ₹ 0.05 million in 2010-2011.
- (b) Penalty imposed for late filing of service tax aggregating to ₹ 2,000 in 2010-2011.
- (c) Penalty imposed in relation to payment of value added tax aggregating to ₹ 0.462 million in 2011-2012.

92. ***NSL Tidong Power Generation Private Limited ("NSL Tidong")***

***Cases filed against NSL Tidong***

- (a) Ajay Kumar Negi has filed a writ petition bearing No. C.W.P. 8171 of 2011, before the High Court of Himachal Pradesh, against NSL Tidong and others. The court has issued summons to NSL Tidong in relation to the writ petition. The matter is currently pending.
- (b) Hardev Singh Negi, Range Officer Forest, Range Office, Akpa, Kinnaur has filed a criminal case under Section 33 of the Indian Forest Act, 1927 before the court of the Chief Judicial Magistrate, Kinnaur at Reckong Peo, Himachal Pradesh, against Mr. B.D. Sharma, the Vice President of NSL Tidong and Vinay Negi, Contractor of NSL Tidong, for not taking adequate measures to avoid damage to the adjoining forest area and for violating the provisions contained in the clearance conveyed by the Ministry of Environment and Forests, Government of India. The court by way of an order dated April 10, 2012 has discharged Mr. B.D. Sharma. The matter against Vinay Negi is pending.
- (c) Thakur Sain and nineteen others have filed a petition under section 18 of the Land Acquisition Act, 1894, before the District Judge, Kinnaur against NSL Tidong claiming compensation for the land acquired from the petitioners. The matter is currently pending.
- (d) Anil Nepali, an employee of a subcontractor of NSL Tidong, has filed a petition under the Workmen's Compensation Act, bearing No. 6 of 2014, before the Commissioner against NSL Tidong, claiming enhanced compensation of around ₹ 1.2 million in relation to injuries suffered by him during the course of his employment with NSL Tidong. The matter is currently pending.
- (e) Hira Singh, an employee of the subcontractor of NSL Tidong, has filed a petition under the Workmen's Compensation Act, bearing No. 27 of 2014, before the Industrial Tribunal cum Labour Court, Shimla, against NSL Tidong and the Subcontractor claiming extra compensation of ₹ 0.08 million in relation to termination of his employment. NSL Tidong has filed its reply and the matter is currently pending.

***Cases filed by NSL Tidong***

NSL Tidong has filed an appeal before the Commissioner of Income Tax (Appeals), Himachal Pradesh against the order of the assessing officer dated January 16, 2014 disallowing deduction of interest expense on borrowed funds in respect of assessment year 2011-2012. The aggregate amount involved in the matter is approximately ₹ 7.31 million. The matter is currently pending.

***Overdue interest amount***

As on February 28, 2015, the NSL Tidong had dues amounting to ₹ 14.12 million towards interest payment on loans availed from L&T Infrastructure Finance Company Limited and Canara Bank.

93. ***NSL Wind Power Company (Chilarwadi) Private Limited***

***Cases filed against NSL Wind Power Company (Chilarwadi) Private Limited***

Nil

*Cases filed by NSL Wind Power Company (Chilarwadi) Private Limited*

Nil

94. *NSL Wind Power Company (Gubbi-Tumkur) Private Limited*

*Cases filed against NSL Wind Power Company (Gubbi-Tumkur) Private Limited*

Nil

*Cases filed by NSL Wind Power Company (Gubbi-Tumkur) Private Limited*

Nil

95. *NSL Wind Power Company (Holalkere-Chitradurga) Private Limited*

*Cases filed against NSL Wind Power Company (Holalkere-Chitradurga) Private Limited*

Nil

*Cases filed by NSL Wind Power Company (Holalkere-Chitradurga) Private Limited*

Nil

96. *NSL Wind Power Company (Kayathar) Private Limited*

*Cases filed against NSL Wind Power Company (Kayathar) Private Limited*

Nil

*Cases filed by NSL Wind Power Company (Kayathar) Private Limited*

Nil

97. *NSL Wind Power Company (Phoolwadi) Private Limited*

*Cases filed against NSL Wind Power Company (Phoolwadi) Private Limited*

Nil

*Cases filed by NSL Wind Power Company (Phoolwadi) Private Limited*

Nil

98. *NSL Wind Power Company (Satara) Private Limited*

*Cases filed against NSL Wind Power Company (Satara) Private Limited*

Ganpat Keshav Nalawade and others filed a Regular Civil Suit No. 53 of 2009, before court of Civil Judge Junior Division and the Judicial Magistrate of First Class, Mahswad, Maharashtra, for partition of property situated at Gat No. 274, 285, 288, 1339, 1343, 1352, 1376, 1544, 1549, 1555, 1563, 1564, 1573, 466 and 289 of village Virali, Tal Maan (Dahiwdi), district – Satara, Maharashtra, claiming the property to be their ancestral property (“**Property**”). A part of the Property, bearing Gat No. 1544 was purchased by NSL Wind Power Company (Satara) Private Limited through a sale deed dated July 25, 2007.

On gaining knowledge of Suit No. 53 of 2009, NSL Wind Power Company (Satara) Private Limited also became a respondent to the suit, praying that no order of partition be passed without NSL Wind Power

Company (Satara) Private Limited's interested share and also that NSL Wind Power Company (Satara) Private Limited's area be demarcated and allotted to NSL Wind Power Company (Satara) Private Limited separately. The matter is currently pending.

***Cases filed by NSL Wind Power Company (Satara) Private Limited***

Nil

**99. *NSL Wind Power Company (Sayamalai) Private Limited***

***Cases filed against NSL Wind Power Company (Sayamalai) Private Limited***

Nil

***Cases filed by NSL Wind Power Company (Sayamalai) Private Limited***

Nil

**100. *NSL Wind Power Company (Sira-Tumkur) Private Limited***

***Cases filed against NSL Wind Power Company (Sira-Tumkur) Private Limited***

Nil

***Cases filed by NSL Wind Power Company (Sira-Tumkur) Private Limited***

Nil

**101. *NSL Wind Power Company (Sreepalwan) Private Limited***

***Cases filed against NSL Wind Power Company (Sreepalwan) Private Limited***

Nil

***Cases filed by NSL Wind Power Company (Sreepalwan) Private Limited***

Nil

**102. *NSL Wind Power Company (Virli) Private Limited***

***Cases filed against NSL Wind Power Company (Virli) Private Limited***

Nil

***Cases filed by NSL Wind Power Company (Virli) Private Limited***

Nil

**103. *Nuziveedu Swathi Coastal Consortium***

***Cases filed against Nuziveedu Swathi Coastal Consortium***

Nil

***Cases filed by Nuziveedu Swathi Coastal Consortium***



Nil

104. ***Orbit Wind Energy Private Limited***

***Cases filed against Orbit Wind Energy Private Limited***

Mrs. Sonabai Sidu Mohprkar has filed an appeal bearing No. 143 of 2014, before the court of Sub-Divisional Officer at Islampur, against the order passed by the court of Tahasildar, Shiral, refusing to cancel the permission for non agricultural use of land granted to Orbit Wind Energy Private Limited, by the Tahasildar, Shiral Tal Shirala Dist-Sangli, under section 44 A of the Maharashtra Land Revenue Code, 1966, in relation to the land situated at Gat No. 476, Shirala taluk, Sangli District, Maharashtra. The matter is currently pending.

***Cases filed by Orbit Wind Energy Private Limited***

Nil

105. ***Pearl Infratech (India) Private Limited (“Pearl Infratech”)***

***Cases filed against Pearl Infratech***

Nil

***Cases filed by Pearl Infratech***

Nil

106. ***Prabhat Homes Private Limited***

***Cases filed against Prabhat Homes Private Limited***

Rajan Tandon and another have filed a consumer complaint bearing No. 574 of 2014 before the National Consumer Dispute Redressal Commission, New Delhi against Prabhat Homes Private Limited and another, alleging delay in delivery of unit number 25, situated at Nanja Reddy Colony, B.D.A. Main Road in corporation ward No. 73, Bangalore, claiming refund of ₹ 18.98 million together with interest at the rate of 24% from the date of payment together with loss of appreciation value, loss of rent and compensation. The aggregate amount sought by the complainants is approximately ₹ 45.26 million. The matter is currently pending.

***Cases filed by Prabhat Homes Private Limited***

Nil

107. ***Priya Aqua Farms***

***Cases filed against Priya Aqua Farms***

Nil

***Cases filed by Priya Aqua Farms***

Nil

***Penalties imposed in the past on Priya Aqua Farms***

Penalty imposed in relation to Andhra Pradesh Value Added Tax Act, 2005 aggregating to ₹ 17,172 in 2011-2012.

108. ***Prudent Estates***

***Cases filed against Prudent Estates***

Nil

***Cases filed by Prudent Estates***

Nil

109. ***PT NSL Global Mineral Resources (Indonesia)***

***Cases filed against PT NSL Global Mineral Resources (Indonesia)***

Nil

***Cases filed by PT NSL Global Mineral Resources (Indonesia)***

Nil

110. ***Puto Energy Infrastructure Private Limited***

***Cases filed against Puto Energy Infrastructure Private Limited***

Nil

***Cases filed by Puto Energy Infrastructure Private Limited***

Nil

111. ***Regen O&M Services Limited***

***Cases filed against Regen O&M Services Limited***

Nil

***Cases filed by Regen O&M Services Limited***

Nil

112. ***Regen Powertech Private Limited ("Regen Powertech")***

***Cases filed against Regen Powertech***

- (a) Mangi Bai has filed a suit for permanent injunction bearing No. 170B of 2012, against Regen Powertech, before the Sub Divisional Officer, Vallabhnagar, Rajasthan, for declaring the sale deed entered into between Mangi Bai and Regen Powertech void for want of consideration. The matter is currently pending.
- (b) Mangi Bai has filed an appeal bearing No. 20 of 2012 before the Revenue Appellate Authority, Udaipur, Rajasthan, against Regen Powertech and others, for dismissal of temporary injunction application by the Sub Divisional Officer, Vallabhnagar, Rajasthan. The matter is currently pending before the Revenue Appellate Authority, Udaipur, Rajasthan.

- (c) Mr. P. Pandian has filed a writ petition bearing No. 13331 of 2013, against the District Collector of Theni and seven others including Regen Powertech, before the Madurai Bench of Madras High Court, against laying of poles and high density cables on certain land in Algarnaickenpatti village, Tamil Nadu. The matter is currently pending.
- (d) Avinash Kalal has filed a suit for declaration and permanent injunction, bearing No. 126 of 2012, and an interim application bearing No. 137 of 2012, against Regen Powertech and others, before the Sub Divisional Officer, Vallabhnagar, Rajasthan, in relation to a property bought by Regen Powertech through a sale deed executed between the plaintiff's father and Regen Powertech. The plaintiff's father executed the sale deed in favour of Regen Powertech. However, the plaintiff claims that this is his ancestral property and has disputed the sale. The interim stay has been granted by the Sub Divisional Officer and the matter is currently pending.
- (e) Avinash has filed a contempt application bearing No. 421 of 2012 against Regen Powertech, before the Sub Divisional Officer, Vallabhnagar, Rajasthan, alleging that Regen Powertech has not complied with the interim stay order passed by the Sub Divisional Officer, Vallabhnagar, Rajasthan in application for injunction bearing No. 137 of 2012, by initiating the construction work at the impugned property in Rajasthan. The case is currently pending before the Sub Divisional Officer, Vallabhnagar, Rajasthan.
- (f) Ram Lal has filed a suit for injunction bearing No. 1410 of 2012 against Regen Powertech and others, before the Sub Divisional Officer, Vallabhnagar, Rajasthan, in relation to an ancestral property which was sold by the head of the plaintiff's family to a third party and thereafter purchased by Regen Powertech. The plaintiff has also filed an application for temporary injunction bearing No. 112 of 2013 in the matter. The matter is currently pending.
- (g) Ram Lal has filed a revision petition bearing No. 1312 of 2013 before the Revenue Board, Ajmer, Rajasthan, against the order passed in favour of Regen Powertech by the Additional Divisional Commissioner Court, for staying the order passed by the Additional Divisional Commissioner Court, Udaipur in case bearing No. 38 of 2013. The matter is currently pending before the Revenue Board, Ajmer, Rajasthan.
- (h) Puran Mal has filed a suit for declaration and permanent injunction bearing No. 183 of 2012 against Regen Powertech and others, before the Sub Divisional Officer, Vallabhnagar, Rajasthan, in relation to ancestral property sold by the head of the plaintiff's family to a third party, and then purchased by Regen Powertech from such third party. The plaintiff claims that this is his ancestral property and has also filed an application for temporary injunction bearing No. 206 of 2012 in the matter. The matter is currently pending.
- (i) Suresh has filed a suit for declaration and permanent injunction bearing No. 340 of 2012 against Regen Powertech and others, before the Sub Divisional Officer, Vallabhnagar, Rajasthan, in relation to ancestral property sold by the head of the plaintiff's family to a third party, and then purchased by Regen Powertech from such third party. The plaintiff claims that this is his ancestral property. The application for stay was dismissed by the Sub Divisional Officer, Vallabhnagar, on June 15 2012. The plaintiff then filed an appeal bearing No. 21 of 2013 before the Revenue Appellate Authority, Udaipur, Rajasthan, against this dismissal. The matter is currently pending.
- (j) Bheru Lal has filed a suit for declaration and permanent injunction bearing No. 434 of 2012 against Regen Powertech, before the Sub Divisional Officer, Vallabhnagar, Rajasthan in respect of land bearing Survey No. 377/1 G Area 2 Bigha 08 Biswa Village, Rohilkheda Tehsil, Vallabhnagar at Udaipur in Rajasthan, alleging that though this land is within the premises of Regen Powertech's factory it belongs to him. Regen Powertech has submitted its written statement denying that the land is in the premises of its factory. The plaintiff has also filed an application for temporary injunction bearing No. 459 of 2012. The matter is currently pending.
- (k) The State of Rajasthan has filed a suit bearing No. 37 of 2014 against Regen Powertech, before the Collector of Stamps, Udaipur, Rajasthan for recovery of deficit stamp duty on a sale deed executed by

Regen in relation to an agricultural land which was later converted to industrial land. The stamp duty claimed by the Collector of Stamps for this land amounts to approximately ₹ 1.248 million. The said amount has been paid to the authorities under protest and the matter is currently pending.

- (l) The State of Rajasthan has filed a suit bearing No. 38 of 2014, against Regen Powertech before the Collector of Stamps, Udaipur, Rajasthan, for recovery of deficit stamp duty on sale of agricultural land which was later converted to industrial land. The stamp duty claimed by the Collector of Stamps amounts to approximately ₹ 0.756 million. The said amount has been paid to the authorities under protest and the matter is currently pending.
- (m) The State of Rajasthan has filed a suit bearing No. 39 of 2014 against Regen Powertech, before the Collector of Stamps, Udaipur, Rajasthan, for recovery of deficit stamp duty on sale of agricultural land which was later converted to industrial land. The stamp duty claimed by the Collector of Stamps amounts to approximately ₹ 0.254 million. The said amount has been paid to the authorities under protest and the matter is currently pending.
- (n) The State of Rajasthan has filed a suit bearing No. 40 of 2014 against Regen Powertech, before the Collector of Stamps, Udaipur, Rajasthan, for recovery of deficit stamp duty on sale of agricultural land which later got an approval for industrial use. The deficit stamp duty claimed by the Collector of Stamps amounts to ₹ 0.205 million. The said amount has been paid to the authorities under protest and the matter is currently pending.
- (o) The State of Rajasthan has filed a suit bearing No. 42 of 2014 against Regen Powertech, before the Collector of Stamps, Udaipur, Rajasthan, for recovery of deficit stamp duty on sale of agricultural land which later got an approval for industrial use. The stamp duty claimed by the Collector of Stamps amounts to approximately ₹ 0.17 million. The said amount has been paid to the authorities under protest and the matter is currently pending.
- (p) Weg S.A Av Pref. Waldemar Grubba has filed a civil suit bearing No. 460 of 2013 before High Court of Madras against Regen Powertech for removal of the phrase 'WEC' used by Regen Powertech in connection with the sale of its goods and services. The plaintiff contends that Regen Powertech has infringed its trademark in the phrase 'WEC'. Regen Powertech has submitted that this phrase is an abbreviation of 'Wind Energy Converter,' a product for converting wind energy to electricity, which is installed, commissioned and serviced by Regen Powertech in the course of its services to its clients, and has not been used by Regen Powertech as a trademark. The matter is currently pending.
- (q) Selvakumar has filed a writ petition bearing No. 32354 of 2013 against the Principal Director of Highways Department and Regen Powertech, before the High Court of Madras for seeking direction against Regen Powertech for allegedly erecting poles on highways without obtaining prior permission. The matter is currently pending.
- (r) Eshawar Daji Waghmare has filed a civil suit bearing No. 152 of 2011 against Sri Maruti Wind Park Developers and Regen Powertech, before the Civil Judge (Junior Division), Waduj Court at Satara, Maharashtra, alleging that the Regen Powertech has constructed a road through the plaintiff's land in Gut No. 153 of Kanharwadi village, Maharashtra, which is being used for transporting heavy vehicles. The matter is currently pending.
- (s) Sakhubai Hanmant Katkar and two others have filed a civil suit bearing No. 117 of 2011 against Regen Powertech, before the Civil Judge (Junior Division), Waduj Court at Satara, Maharashtra, alleging that Regen Powertech has encroached upon the land belonging to the plaintiffs by erecting electrical poles on the said land. The matter is currently pending.
- (t) Sitabai Tukaram Lokhande and two others have filed a civil suit bearing No. 292 of 2011 against Regen Powertech and others, before the Civil Judge (Junior Division), Waduj Court at Satara, Maharashtra, alleging that Regen Powertech has encroached upon their ancestral property at Gut No. 2131 in Mayani village, Maharashtra by erecting electrical poles on the said land. The matter is currently pending.

- (u) Murugan and Niranjana Devi have filed a suit bearing O.S. No. 12 of 2011 before the Court of the District Munsiff cum Judicial Magistrate Court, Andipatti, Tamil Nadu, against Prinson, Regen Powertech and the Government of Tamil Nadu, seeking permanent injunction restraining Regen Powertech and Prinson from constructing wind mills on the suit premises in the village of T. Meenakashipuram. The Tahsildar under the control of Government of Tamil Nadu submitted that the licence should be cancelled since the windmill was set up within one hundred and fifty metres of T. Meenakashipuram village. Murugesan and Niranjana Devi allege that Prinson and Regen Powertech continued construction of the windmill and have filed this suit seeking permanent injunction on the grounds that the villagers will suffer irreparable loss and injury. The suit is currently pending.
- (v) Ramamurthy and six others have filed a suit bearing O.S. No. 155 of 2010 before the District Munsiff Court, Theni against Regen Powertech and others, seeking a permanent injunction restraining them from illegally occupying the suit premises. Ramamurthy claims that he is the legal owner of the suit premises and that the construction of the windmill by Regen Powertech near his land will affect cultivation of crops due to insufficient water resources and will cause irreparable loss. The suit is currently pending.
- (w) Kukkadappa and another have filed Mis No. 49 of 2010 against the branch manager, Regen Powertech and another, before the Court of the Additional District Judge at Chitradurga seeking compensation from Regen Powertech for the installation of a wind mill on Kukkadappa's property. Kukkadappa has also filed an application dated December 04, 2010 seeking to implead Regen Powertech as it is the owner of the project. Regen Powertech has contended that Kukkadappa is not entitled to compensation and prayed that the suit be dismissed. The suit is currently pending.

#### ***Cases filed by Regen Powertech***

- (a) Regen Powertech has filed a criminal complaint bearing No. 1939 of 2009, against Wadhwa Brothers Engineering, before the IX Metropolitan Magistrate, Saidapet, Tamil Nadu, claiming an amount of ₹ 3.44 million against certain dishonoured cheques, under Section 138 of the Negotiable Instruments Act, 1881. The matter is currently pending.
- (b) Regen Powertech has filed a writ petition bearing No. 2970 of 2013 before the High Court of Madras, against the State of Tamil Nadu, in relation to the imposition of Panchayat tax on windmills. The matter is currently pending.
- (c) Regen Powertech has filed a writ petition bearing No. 1378 of 2014, before the High Court of Hyderabad, challenging the demands initiated by the Joint Commissioner of Labour, Zone III, Andhra Pradesh, whereby the Joint Commissioner of Labour has sought various information from Regen Powertech to estimate the cost of construction of a certain factory by Regen Powertech to determine the amount of cess alleged to be payable under the provisions of the Building and Other Construction Works Welfare Cess Act, 1996 and rules made thereunder ("**BCOW Act**"). Regen Powertech has challenged this on the grounds that the demands are arbitrary and unconstitutional and that the BCOW Act is inapplicable to Regen Powertech, as Regen Powertech is governed by the Factories Act, 1948. The interim stay has been granted by the High Court of Hyderabad and the matter is currently pending.
- (d) Regen Powertech has filed execution petition bearing E.P. No. 23 of 2014 before the District Magistrate Court, Theni, Tamil Nadu, against Venkidasamy for execution of the order passed in O.S. No. 24 of 2013 asking the respondent to return ₹ 0.05 million to Regen Powertech advanced by Regen Powertech in relation to a lease of land.

#### ***Tax disputes involving Regen Powertech***

Dispute under the Tamil Nadu Value Added Tax Act, 2006 in relation to sales tax dues in 2010-2011 aggregating to ₹ 2.91 million.

113. ***Regen Renewable Energy Generation Global Limited (Cyprus)***

***Cases filed against Regen Renewable Energy Generation Global Limited (Cyprus)***

Nil

***Cases filed by Regen Renewable Energy Generation Global Limited (Cyprus)***

Nil

114. ***Renewable Energy (Phoolwadi) Private Limited***

***Cases filed against Renewable Energy (Phoolwadi) Private Limited***

Nil

***Cases filed by Renewable Energy (Phoolwadi) Private Limited***

Nil

115. ***Renewable Energy (Vagarai) Private Limited***

***Cases filed against Renewable Energy (Vagarai) Private Limited***

Nil

***Cases filed by Renewable Energy (Vagarai) Private Limited***

Nil

116. ***ReGen Infrastructure and Services Private Limited (formerly known as Renewable Energy Generation Private Limited) (“RISPL”)***

***Cases filed against RISPL***

- (a) S. Selvam has filed a civil suit bearing O.S No. 120 of 2011, against RISPL, before the Sub-Court, Udumalapet, Tamil Nadu, seeking permanent and temporary injunction against alleged use of his land situated at Survey No.254 Kondampatti Village, Tamil Nadu, by RISPL, as a pathway for heavy vehicles. An interim stay has been granted and RISPL has filed C.M.A. 01 of 2012, under which the court has ordered the status quo to be maintained after enquiry. The matter is currently pending.
- (b) Murugapillai and four others have filed a civil suit bearing O.S No. 272 of 2002 and Interim Application bearing I.A. No. 1829 of 2011 against RISPL, before the District Munsiff cum Judicial Magistrate Court, Udumalapet at Moonkitholuvu, Tamil Nadu, alleging usage of coercion by RISPL for purchase of certain land from the plaintiff. The plaintiffs have further filed an amendment petition to implead Francis Rayan, an employee of RISPL, as a defendant in the suit. The matter is currently pending.
- (c) Murugan and Niranjana Devi have filed a civil suit against RISPL and others, bearing O.S. No. 12 of 2012, before the District Munsif cum Judicial Magistrate, Andipatti, Tamil Nadu, seeking permanent injunction against the proposed construction of a windmill by RISPL in the vicinity of their house. The matter is currently pending.
- (d) Dinesh Babu and others have filed a civil suit bearing O.S. No. 80 of 2012 against RISPL and others, before the court of District Munsif, Bodinayakanur, Tamil Nadu. The plaintiff has claimed that he is in joint possession of the suit property, which was sold to RISPL by the previous owner in 2012. The matter is currently pending.

- (e) Sandesh Vijay Kunjir and Suzlon Gujarat Wind Park Limited have filed a suit for injunction bearing no. 29 of 2011 against Sri Maruti Wind Park Developers and RISPL, before the Civil Judge (Junior Division), Mhaswad at Satara, Maharashtra, seeking injunction and challenging the ownership of RISPL with respect to 0.1950 hectares of land situated at Gut No. 243, Agaswadi, Maharashtra, purchased by RISPL from the original owner Jaysing Laxman Jadhav for the purpose of constructing a road and electrical line. The plaintiffs have submitted that they are in possession of the suit property and that their peaceful possession is being disturbed by the construction of the road and electrical line. The matter is currently pending.
- (f) Suresh Eknath Jadhav and Chandrakant Eknath Jadhav have filed a suit for declaration and injunction bearing No. 63 of 2011 against Mr. Shankarrao Yadavrao Jadhav and 26 others, before the Civil Judge (Junior Division), Mhaswad at Satara, Maharashtra, in relation to an agreement for easementary rights over a road. RISPL is the holder of power of attorney on behalf of the defendants and has a legal right in the said property. The plaintiffs have alleged that they, together with respondents 26 and 27, are owners of 50% of the suit property and that the land concerned is their ancestral property. They have prayed that this land be declared as owned by them and that their possession of the said land remain undisturbed. The plaintiffs have now filed an application for amendment of the suit. The matter is currently pending.
- (g) Suresh Eknath Jadhav and Chandrakant Eknath Jadhav have filed a suit for injunction bearing No. 138 of 2011 against RISPL, before the Civil Judge (Junior Division), Mhaswad at Satara, Maharashtra, submitting that the property situated in Gut No. 234 of Agaswadi village is partially owned by them and is in their possession, and alleging that RISPL is trying to construct a road on the said property. The plaintiffs have prayed for a permanent injunction against RISPL, preventing it from taking possession of the suit property by itself or through others and from conducting any activity on the suit property. RISPL has taken power of attorney from the land owners by paying them proper consideration and as such, has a legal right in the said property. The matter is currently pending.
- (h) Prakash Baburao Katkar has filed a suit for recovery bearing No. 20 of 2012 against RISPL, before the Civil Judge (Junior Division), Mhaswad at Satara, Maharashtra, alleging non-payment of a portion of the consideration amount towards the land sold by the plaintiff in Gut No. 2275 of Kukudwadi village, Maharashtra, to RISPL, and seeking payment of ₹ 0.37 million that is alleged to be outstanding in this respect. The Civil Judge (Junior Division) has passed an ex parte decree in favour of Prakash Baburao Katkar. RISPL has filed an application before the same court to set aside this decree, under Order IX, Rule 36 of the Code of Civil Procedure, 1908. The matter is currently pending.
- (i) Jitendra Nathaji Katkar and five others have filed a suit for injunction bearing No. 200 of 2012 against RISPL and one other, before the Civil Judge (Junior Division), Mhaswad at Satara, Maharashtra, seeking to prevent RISPL from erecting windmills on the suit property, which the plaintiffs claim is their ancestral property. The Civil Judge (Junior Division) has rejected the application of the plaintiffs for temporary injunction. The plaintiffs have now filed miscellaneous appeal No. 04 of 2013 before the Additional District Court, Waduj. The matter is currently pending.
- (j) T.S. Wind Power Developers, Satara, Maharashtra, has filed a suit for temporary injunction bearing No. 29 of 2013 against Sri Maruti Wind Park Developers, RISPL, and one other, before the Civil Judge (Junior Division), Mhaswad at Satara, Maharashtra, claiming interest in the suit property purchased by RISPL. The plaintiff has claimed that the suit property has been purchased by it from Jitendra Nathaji Katkar and five others. No relief was granted in the suit for temporary injunction. The plaintiff then filed an appeal before the Additional District Court, Waduj. No order was passed in its favour. The plaintiff has now filed a writ petition before the High Court of Bombay. The matter is currently pending.
- (k) Mr. P. Pandian has filed a writ petition bearing No. 13331 of 2013, against the District Collector of Theni and seven others including RISPL, before the Madurai Bench of Madras High Court, against laying of poles and high density cables on certain land in Algarnaickenpatti village, Tamil Nadu. The matter is currently pending.

*Cases filed by RISPL*

Nil

117. *Renewable Harness Energy Private Limited*

*Cases filed against Renewable Harness Energy Private Limited*

Nil

*Cases filed by Renewable Harness Energy Private Limited*

Nil

118. *Saastha Energy Infrastructure Private Limited*

*Cases filed against Saastha Energy Infrastructure Private Limited*

Nil

*Cases filed by Saastha Energy Infrastructure Private Limited*

Nil

119. *Sailana Wind Energy Private Limited*

*Cases filed against Sailana Wind Energy Private Limited*

Nil

*Cases filed by Sailana Wind Energy Private Limited*

Nil

120. *Sampada Creations Private Limited*

*Cases filed against Sampada Creations Private Limited*

Nil

*Cases filed by Sampada Creations Private Limited*

Nil

121. *Seamless Properties Private Limited*

*Cases filed against Seamless Properties Private Limited*

Nil

*Cases filed by Seamless Properties Private Limited*

Nil

122. *Serene Estates Private Limited*



***Cases filed against Serene Estates Private Limited***

- (a) Om Prakash Agarwal has filed a criminal case bearing CRL OP. No. 5260 of 2011 before the High Court of Madras, against Serene Estates Private Limited and another, praying for the calling of the records in CC 1804/2010 pending before the Chief Metropolitan Magistrate, Egmore and quashing of the same. The matter is currently pending.
- (b) C. V. Ramaiah has filed a suit against Serene Estates Private Limited and others bearing No. OS.390 of 2010 (Old No.O.S. No. 376 of 2005), before the Court of the Principal District Judge of Chengalpattu. It involved the sale of property to the other defendants by C.V. Ramaiah, who has alleged that Serene Estates Private Limited and others have not fulfilled their obligations under the agreement, including registration of the sale deed. C.V. Ramaiah also contends that, pending suit by C.V. Ramaiah, the other defendants executed a sale of the property to Serene Estates Private Limited. The suit is one for specific performance against Serene Estates Private Limited's co-defendants in the matter, and to prevent the sale of the property until the disposal of the suit. Serene Estates Private Limited is contesting the plaint, on the ground that it was unaware of this agreement, and was assured, at the time of sale, that the property was free of all encumbrances. The suit is currently pending.
- (c) Leela Simon, Pushpam Fernando, Mary John and Prabha Manuel have filed a suit bearing No. 473 of 2008, before the District Munsif Court, Alandur against Serene Estates Private Limited and our Company. Leela Simon, Pushpam Fernando, Mary John and Prabha Manuel claim that they have been in absolute, uninterrupted possession and enjoyment of the suit properties comprising of various lands located on Survey No. 736, Shollinganallur village, Tambaram Taluk, Kancheepuram District. Further, Leela Simon, Pushpam Fernando, Mary John and Prabha Manuel claim that they have paid kists in respect of the suit property since fazli year 1417. Leela Simon, Pushpam Fernando, Mary John and Prabha Manuel claim that our Company and Serene Estates Private Limited purchased the adjacent lands and were attempting to forcefully take over the suit properties. Subsequently, Leela Simon, Pushpam Fernando, Mary John and Prabha Manuel claim that our Company and Serene Estates Private Limited dug a trench in the midst of the road, which connects the schedule property and the main road, in order to prevent them from using the road to reach their respective properties. They further allege that since our Company and Serene Estates Private Limited have political influence, the police authorities expressed their inability to interfere with the issue and consequently, the petitioners have moved the civil court to grant an ad-interim injunction restraining our Company and Serene Estates Private Limited claiming rights through them from interfering with Leela Simon, Pushpam Fernando, Mary John and Prabha Manuel's right to use the road. The suit is currently pending.
- (d) K. Selvam has filed a suit bearing No. 235 of 2010, before the District Munsif Court, Alandur against Serene Estates Private Limited and five others. K. Selvam claims that he is the sole owner of certain immovable property, situated in Kacheepuram District, Sholinganallur village and that K. Vasu and Sumathi executed a registered fraudulent sale deed for the lands comprising survey no. 533/1, comprised in Patta no. 295 dated May 09, 2007 in favour of Serene Estates Private Limited. K. Selvam also claims that Serene Estates Private Limited executed a gift deed in favour of Haaciendaa Infotech and Realtors Private Limited, respondent no. 6 on September 22, 2008. K. Selvam claims that he submitted an objection letter to Sub-registrar's Office, Neelankarai on May 11, 2007 and May 29, 2007 with regard to K.T. Thatchayani, respondent no. 4 and Haaciendaa Infotech and Realtors Private Limited's attempt to alienate or encumber the suit properties, requesting them not to register any related documents. The Sub-registrar Officer advised K. Selvam by a letter dated May 11, 2007 to get an injunction order from the competent civil court. K. Selvam also filed a petition seeking a interim injunction restraining the for allowing K. Selvam's peaceful possession of the suit properties. Serene Estates Private Limited filed a written statement stating that the suit property was the absolute property of K. Vasu, P. Siva Booshanam and Sumathi. Serene Estates Private Limited also claims that the respondents jointly executed a sale deed dated May 09, 2007 in favour of Serene Estates Private Limited and registered the document as document no. 2928 of 2007 on the file of Sub-registrar Officer, Neelankaral. Serene Estates Private Limited has submitted that K. Selvam has no cause of action for filing this suit and the sale deed executed in favour of Haaciendaa Infotech and Realtors Private Limited is valid in law. The suit is currently pending.

- (e) K. Kesavan has filed a suit bearing No. 220 of 2008, before the District Munsif Court, Alandur against Serene Estates Private Limited. K. Kesavan claims that he is the absolute owner of the suit properties, which he purchased through a sale deed dated July 19, 1990. K. Kesavan claims that the land was divided into several house sites by providing road access to all plots in the layout and formed a lay-out by the name Sri Alamelumangapuram Colony (Part III). K. Kesavan also claims that on March 11, 2008, there was an attempt to dispossess the plot owners and level all the plots into one by using dozers, further trying to fence the properties allegedly by the defendants. K. Kesavan has filed the present suit seeking permanent injunction restraining Serene Estates Private Limited from interfering with K. Kesavan's peaceful possession of the suit properties. Serene Estates Private Limited in their written statement, have stated that relief should not be granted. The suit is currently pending.
- (f) Gyan Developers and Builders Limited has filed a suit bearing No. 256 of 2007, before the District Munsif Court, Alandur against Serene Estates Private Limited. Gyan Developers and Builders Limited claims that he purchased the suit property, comprising of land situated at Old No. 155, New No. 138, Shollinganallur village, PallikaraniFirka, TambaramTaluk, Kancheepuram District, plot no. 335 of Sri Alamelumangapuram Colony (Part III), Chennai (the "**Suit Property**"), through a sale deed and that Serene Estates Private Limitedattempted to fence the Suit Property along with the lands belonging to Serene Estates Private Limited with an intention to annex the property. Gyan Developers and Builders Limited further claims that a similar attempt to annex the property was made on March 11, 2007, which they successfully prevented. Gyan Developers and Builders Limited filed the present suit seeking a permanent injunction restraining the defendants from interfering with Gyan Developers and Builders Limited's peaceful possession of the Suit Property, whether by obstructing the existing road, or in any other manner. Serene Estates Private Limited has filed a written statement stating that they were not aware that Gyan Developers and Builders Limited had purchased the Suit Property and the entire land is owned, possessed and enjoyed by them. Serene Estates Private Limited also claims that there is no layout as alleged by Gyan Developers and Builders Limited in the land purchased by Serene Estates Private Limited. Serene Estates Private Limitedclaims that Gyan Developers and Builders Limited is not entitled to any relief. The suit is currently pending.
- (g) M. Banupriya has filed three appeals bearing No. 385 of 2012, 386 of 2012 and 387 of 2012, respectively, before the Madras High Court, against the order dated October 1, 2012, passed by the High Court, Madras, in suit No. 801 of 2011, in favour of Serene Estates Private Limited and others. The dispute is in relation to title of a property situated at Survey No.554/2C Sholinganallore, Tambaram Taluk, Kancheepuram, Tamil Nadu. The matter is currently pending.
- (h) Mr. Gollapudi Kiran filed a complaint bearing No.185 of 2013 before the District Consumer Disputes Redressal Forum, Ranga Reddy District, LB. Nagar, Hyderabad, claiming compensation for late delivery of possession of a flat and for the mental agony and inconvenience caused and an amount of ₹ 0.03 million towards monthly rent for every month for the delay of the delivery of possession from the date of actual delivery date, that is, June 1, 2013 to till date and to pay litigation cost of ₹ 0.01 million. The District Consumer Disputes Redressal Forum passed an order dated July 22, 2014 ordering the complainant to pay ₹ 0.124 million at the time of registration and directing Serene Estates Private Limited to pay rental loss to the complainant at the rate of ₹ 0.012 million per month from June 1, 2013 till December 27, 2013 along with costs of ₹ 5,000. Thereafter Serene Estates Private Limited has preferred an appeal bearing number FA.518/2014 before the State Consumer Disputes Redressal Forum challenging the order dated July 22, 2014. The State Consumer Disputes Redressal Forum passed an order dated September 3, 2014 staying the application of the order dated July 22, 2014. The aggregate amount involved in the matter is ₹0.089 million. The appeal is currently pending before the State Consumer Disputes Redressal Forum.
- (i) M/s. T.D.T. Electricals Private Limited filed an arbitration application before the High Court of Hyderabad against Serene Estates Private Limited praying for appointment of sole arbitration in relation to the dispute relating to termination by Serene Estates Private Limited of the work contract for doing electrical works granted by Serene Estates Private Limited to T.D.T Electricals Private Limited. The amount involved in the matter is ₹ 1.20 million. The sole arbitrator was appointed and the arbitration proceedings are currently pending.

- (j) Alamelu Mangapuram and Ganapathi Syndicate have filed a writ petition bearing No. 23021 of 2010, before the High Court of Madras against Serene Estates Private Limited (Previously NSL SEZ Chennai Private Limited), the Company and Chairman, Tamil Nadu Industrial Development Corporation, alleging that the Company manipulated the revenue records and forged sale deeds, in relation to land situated at Survey Nos. 734, 735, 737, 738 and 741 in Sholinganallur village, Kanchipuram District, Tamil Nadu. Consequently, the patta in favour of the Company was cancelled by the Revenue Department and restored in the name of the original land owner by virtue of application filed by Alamelu Mangapuram before the Revenue Division Officer Changelpet. Serene Estates Private Limited has appealed against the said order of the Revenue Divisional Officer, before the Divisional Revenue Officer Kanchipuram, Tamil Nadu. Alamelu Mangapuram has also challenged the notification of the Ministry of Commerce and Industrial Development, dated May 03, 2007 recognising the abovementioned land as a special economic zone. Alamelu Mangapuram has sought for an interim injunction restraining the respondents from sanctioning any project on the SEZ notification pending disposal of the writ petition. The matter is currently pending.

***Cases filed by Serene Estates Private Limited***

- (a) A memorandum of understanding dated May 27, 2011 was entered between into Serene Estates Private Limited and K. Sera Sara Miniplex Private Limited for jointly setting up a franchised business model for running a miniplex and other related activities of entertainment, education, e-learning, food and beverages, gaming zone and sale of merchandize. As per terms of the memorandum of understanding, Serene Estates Private Limited was required to obtain the licences, approvals and permissions necessary for the operation of the miniplex business within a stipulated time. The applications filed by Serene Estates Private Limited with Greater Hyderabad Municipal Corporation for obtaining requisite approvals were rejected. Thereafter, Serene Estates Private Limited communicated the rejection of the application to K.Sara Sara Miniplex Private Limited and requested for a refund of the token money. Serene Estates Private Limited has thereafter filed a suit bearing number OS.1757 of 2013 before the court of the XI Additional Senior Civil Judge praying for refund of an amount of ₹ 0.2 million along with interest at the rate of 24% and costs. The matter is currently pending.
- (b) Serene Estates Private Limited has filed a writ petition against the Andhra Pradesh Housing Board bearing No. 37225 of 2014 before the High Court of Hyderabad challenging the termination of a joint development agreement executed in 2006 for development of land in Plot No. S4 in Sy.No.1044 & 1045 of Kukatpally, Hyderabad and direction for handing over of possession of the land. Further, Serene Estates Private Limited has sought (i) for suspension of the proceedings in letter number 2186/serene/S-a/KKP/AEE/PC/06 dated November 17, 2014, (ii) directions to the Andhra Pradesh Housing Board to extend the time for execution of the project on the same terms and conditions as contemplated in joint development agreement or to refund the development fee and other expenses incurred by Serene Estates Private Limited, along with interest thereon. The matter is currently pending.
- (c) Serene Estates Private Limited filed a complaint bearing No. 377 of 2008 before the Sub-Inspector of Police, central crime branch, Team – 15A, Egmore Chennai - 8 against Om Prakash Agarwal and another in relation to forging documents and entering into a registered agreement with the Umapathy for sale of land owned by Serene Estates Private Limited, situated at Survey Nos.734, 735 and 738. A criminal case bearing No. 1804 of 2010 has been initiated against Om Prakash Agarwal, before the Chief Metropolitan Magistrate, Egmore. The matter is currently pending.
- (d) Serene Estates Private Limited has filed a civil suit bearing number 224 of 2012, before the Additional District Munsiff Court, Alandur, Tamil Nadu against Budhraj and others praying for grant of an injunction against any construction on the land owned by Serene Estates Private Limited (previously NSL SEZ Chennai Private Limited) by the defendants and from any interference in the peaceful possession and enjoyment of the property situated at Sholinganallur.
- (e) The Company acquired a piece of land situated at Sholinganallur village, Tamil Nadu, measuring about 14 acres and 15 cents (“**said land**”) via sale deed No.6725/2004 dated December 3, 2004 (“**Sale Deed**”). The Company also made an application bearing No. R.P.T No. 6595/06, for grant of patta, before the

Tahsildar, Tambaram Taluk, Chennai, which was granted to the Company on October 31, 2006. Subsequently, the Company executed a lease deed bearing No. 7024 of 2006 ("**Lease Deed**"), in favour of Serene Estates Private Limited, in relation to a part of the said land. Mr. T. Ashok Raj Jain of Alamelumangapuram and Ganapathy President Syndicate, Plot Owners Welfare Association filed a petition before the Revenue Divisional Officer, Chengalpattu, to cancel the patta issued to the Company on the averment that the erstwhile owner of the said land had converted this land into housing plots and developed layout in the name of Alamelu Manga Puram and had sold various plots by certain sale deeds. Subsequently, the Revenue Divisional Officer, Chengalpattu, cancelled the patta via its order No. Re.5264/07/B, dated December 12, 2009. The Company filed a memorandum of revision petition for cancellation of the order No. Re.5264/07/B, dated December 12, 2009 passed by the Revenue Divisional Officer, Chengalpattu, before the District Revenue Officer, Kanchipuram. During the pendency of the proceedings before the District Revenue Officer, Kanchipuram, the District Registrar Chennai South cancelled the Sale Deed and the Lease Deed. The said orders of the District Registrar Chennai South have been challenged before the High Court of Madras in writ petition bearing No. 15921 of 2012. In this regard, Madras High Court has passed status quo orders on June 29, 2012. The said writ petition is currently pending and the proceedings before the District Revenue Officer, Kanchipuram, have been kept in abeyance pending the said writ petition.

By virtue of demerger order dated April 22, 2010 in CP. No.78 of 2008 passed by the Hyderabad High Court this said land vested with NSL SEZ (Chennai) Private Limited and subsequently with Serene Estates Private Limited by virtue of merger order passed by the Hyderabad High Court, dated September 15, 2014.

- (f) Mrs. Kalaivani and certain others have filed a suit bearing No. 215 of 2010 before the Court of the Subordinate Judge at Tambaram against Serene Estates Private Limited (previously NSL SEZ (Chennai) Private Limited) and others claiming title over property situated at Sholinganallur, which was acquired by Serene Estates Private Limited (Previously NSL SEZ (Chennai) Private Limited) from the remaining defendants. The matter is currently pending.

123. ***Shahuwadi Wind Energy Private Limited***

***Cases filed against Shahuwadi Wind Energy Private Limited***

Nil

***Cases filed by Shahuwadi Wind Energy Private Limited***

Nil

124. ***Sispara Renewable Power Private Limited***

***Cases filed against Sispara Renewable Power Private Limited***

Nil

***Cases filed by Sispara Renewable Power Private Limited***

Nil

125. ***Solar Semiconductor Power Company (India) Private Limited***

***Cases filed against Solar Semiconductor Power Company (India) Private Limited***

- (a) Jitendra Shyamji Gada has filed a civil suit bearing No. 6 of 2013, before the Bhachau Principal Court Gujarat, against Solar Semiconductors Power Company (India) Private Limited, requesting for permission for shifting of modules from current site to nearby location within the same premises.

- (b) Gouriben Premji and certain others have filed a civil suit bearing No. 3 of 2012 before the Principal Civil Court, Bhachau, Gujarat, against Solar Semiconductors Power Company (India) Private Limited, in relation to a dispute regarding property situated within the plant premises of Solar Semiconductors Power Company (India) Private Limited situated at Shivilakha village, Kutch district, Gujarat. Solar Semiconductors Power Company (India) Private Limited has filed a reply. The matter is currently pending.
- (c) Premji Vaghaji Gada has filed a civil suit bearing number 36, 929 of 2004 before the Deputy Collector Appeals Court against Solar Semiconductors Power Company (India) Private Limited alleging illegal occupation of land situated outside the plant premises of Solar Semiconductors Power Company (India) Private Limited situated at Shivilakha village, Kutch district, Gujarat. The matter is currently pending.

***Cases filed by Solar Semiconductors Power Company Private Limited***

- (a) The Gujarat Electricity Regulatory Commission (“**GERC**”) passed an order dated February 22, 2012 disposing a petition bearing Petition no. 1188 of 2012 filed by Solar Semiconductor Power Company (India) Private Limited in relation to extension of control period for its 20MW solar power project for sale of power to the Gujarat Urja Vikas Nigam Limited (“**GUVNL**”) by a power purchase agreement (“**PPA**”) dated April 30, 2010. As per the PPA, the applicable tariff was ₹ 15/kWh for the first twelve years and ₹ 5/kWh thereafter, till twenty five years from the date of the PPA. The PPA further provides that the project has to be commissioned before December 31, 2012 else, the GUVNL shall pay the tariff determined by GERC for solar projects, effective on the date of commissioning of the project or the tariff given in the PPA, whichever is lower. The commissioning of the project was delayed beyond the commissioning date. Thus, the GERC’s tariff order dated January 29, 2012 became applicable, as per which the tariff rates were reduced from that provided in the previous tariff order dated January 29, 2010. Solar Semiconductor Power Company (India) Private Limited thus applied to the GERC to allow extension of commissioning date under the PPA citing reasons such as delay in obtaining statutory and other approvals, refusal by the government of Gujarat to allot land and delay in obtaining land registrations, excessive rainfall at project site. However, the GERC dismissed the petition citing reasons given in relation to dismissal of similar petitions filed earlier wherein, the GERC had stated that the reasons given by the petitioners for extension of commissioning period were unique to each petitioner and thus passing a general order, extending the commissioning date for all solar power projects would not be desirable. Solar Semiconductor Power Company (India) Private Limited has filed an appeal on May 16, 2012 against the decision of the GERC before the Appellate Tribunal for Electricity. The Appellate Tribunal for Electricity passed an order in January 2013 remanding the matter back to GERC. GUVNL subsequently filed an appeal in Supreme Court against this remand, which was dismissed. Subsequently, the remand proceedings resumed before GERC and the GERC passed a final order on April 05, 2014 in favour of Solar Semiconductor Power Company (India) Private Limited. Gujarat Urja Vikas Nigam Limited has filed an appeal bearing No. 170 of 2014 before the Appellate Tribunal for Electricity against Solar Semiconductors Power Company (India) Private Limited against the order of the GERC dated April 05, 2014. The aggregate amount involved in the matter is the differential tariff between the two tariff orders.
- (b) Solar Semiconductors Power Company (India) Private Limited has filed an appeal bearing number 1337 of 2013 before the Gujarat Electricity Regulatory Commission, Gandhinagar against Gujarat Urja Vikas Nigam Limited to allow the tariff as per Tariff Order No.1 of 2012 for 9.92 MW (out of 20 MW) commissioned after the control period of Tariff Order No. 2 of 2010. The aggregate amount involved in the matter is the differential tariff under the tariff orders with and without accelerated depreciation.
- (c) Solar Semiconductors Power Company (India) Private Limited has filed an appeal before the Commissioner of Income Tax (Appeals), Circle IV, Hyderabad, on April 8, 2014 against the order of the assessing officer dated February 24, 2015 disallowing the business loss for the assessment year 2012-13. The matter is currently pending.

**126. *Souvenir Estates Private Limited***

***Cases filed against Souvenir Estates Private Limited***

Nil

***Cases filed by Souvenir Estates Private Limited***

Nil

**127. *Splendid Minerals Private Limited***

***Cases filed against Splendid Minerals Private Limited***

Nil

***Cases filed by Splendid Minerals Private Limited***

Nil

**128. *Sree Anantha Lakshmi Textiles Private Limited***

***Cases filed against Sree Ananthalakshmi Textiles Private Limited***

- (a) The Commercial Tax Officer, Tanuku has filed a case bearing ELR No. 36 and 37 of 2014-2015 against Sree Ananthalakshmi Textiles Private Limited on issues relating to input tax credit. The amount of tax in dispute is ₹ 0.459 million and the penalty imposed on Sree Ananthalakshmi Textiles Private Limited is ₹ 0.115 million. The matter is pending before the Appellate Deputy Commissioner, Commercial Taxes, Vijayawada.
- (b) The Additional Legal Commissioner, Hyderabad has filed cases No. 235 and No. 236 in 2004 against Sree Ananthalakshmi Textiles Private Limited under the Central Sales Tax Act, 1956 relating to disallowance of exemption claimed on the branch transfers. The amount involved is ₹ 1.935 million in the year 1993-94 and ₹ 2.465 million in the year 1994-95. The matter is pending before the Sales Tax Appellate Tribunal, Vishakhapatnam.

***Cases filed by Sree Ananthalakshmi Textiles Private Limited***

- (a) Sree Ananthalakshmi Textiles Private Limited has filed a case bearing No. 7221 of 2004 relating to wheeling charges surcharge, before the High Court of Hyderabad, against the Eastern Power Distribution Company Limited. The amount of compensation involved is ₹ 2.193 million. The matter is currently pending.
- (b) Sree Ananthalakshmi Textiles Private Limited has filed a case bearing No. 5475 of 2008, relating to low voltage surcharge, before the High Court of Hyderabad, against the Eastern Power Distribution Company Limited. The amount of compensation involved is ₹ 0.299 million. The matter is currently pending.
- (c) Sree Ananthalakshmi Textiles Private Limited has filed a case before the Supreme Court of India against the Transmission Corporation of Andhra Pradesh, on issues relating to wheeling charges. The amount of compensation involved in the matter is ₹ 0.767 million. The matter is currently pending.
- (d) Sree Ananthalakshmi Textiles Private Limited has filed a case bearing No. 20121 of 2000 before the High Court of Hyderabad, against the Agriculture Market Committee on issues relating to agricultural market cess. The amount of compensation involved in the matter is ₹ 0.422 million. The company has deposited ₹ 0.2 million under protest. The matter is currently pending.

***Tax disputes involving Sree Anantha Lakshmi Textiles Private Limited***

Dispute under the Andhra Pradesh (Agricultural Produce & Livestock) Markets Act, 1966 relating to agricultural market cess aggregating to ₹ 0.422 million in 2011-2012.

129. ***Sree Kamadhenu Aquatech Private Limited***

***Cases filed against Sree Kamadhenu Aquatech Private Limited***

Nil

***Cases filed by Sree Kamadhenu Aquatech Private Limited***

Nil

130. ***Sree Venkataraya Cotton Mills Private Limited***

***Cases filed against Sree Venkataraya Cotton Mills Private Limited***

Nil

***Cases filed by Sree Venkataraya Cotton Mills Private Limited***

Nil

131. ***Super Cybertech Park Private Limited***

***Cases filed against Super Cybertech Park Private Limited***

- (a) Gangappa has filed a writ petition bearing number (WP.40384/13) before the High Court of Karnataka against Super Cybertech Park Private Limited and certain others seeking, among others, quashing of a sale deed dated November 11, 2012 pertaining to land situated at Doddanagamangala, Karnataka, and restraining Super Cybertech Park Private Limited from carrying out any construction on the disputed land. The matter is currently pending.
- (b) R. Venkateshappa and 20 others have filed a writ petition bearing number (WP.No.37563-583/2014) before the High Court of Karnataka against Super Cybertech Park Private Limited and certain others challenging the auction of land situated at Doddanagamangala, Karnataka, and consequent execution of a sale deed in favour of Super Cybertech Park Private Limited, and seeking a stay on any construction on the disputed land by Super Cyber Tech Park Private Limited. The matter is currently pending.
- (c) S. Riyaz Ahmad and five others have filed a writ petition bearing number (WP.No.41088-93/2014) before the High Court of Karnataka against Super Cybertech Park Private Limited and certain others challenging the auction of land situated at Doddanagamangala, Karnataka, and consequent execution of a sale deed in favour of Super Cybertech Park Private Limited and seeking a stay on any construction on the disputed land by Super Cyber Tech Park Private Limited. The matter is currently pending.

***Cases filed by Super Cybertech Park Private Limited***

Nil

132. ***Tangnu Romai Power Generation Private Limited***

***Cases filed against Tangnu Romai Power Generation Private Limited***

- (a) Raj Kumar has filed a civil suit before the court of the Civil Judge Senior Division against Tangnu Romai Power Generation Private Limited for recovery of an amount of ₹ 0.057 million as compensation for

damage caused to his house due to activities of Tangu Romai Power Generation Private Limited. Tangu Romai Power Generation Private Limited has filed its reply. The matter is currently pending.

- (b) Amar Singh has filed a civil suit before the court of the Judicial Magistrate against Tangu Romai Power Generation Private Limited for mandatory and permanent prohibitory injunction pertaining to the land situated at Chak Mayla Tehsil Chirgaon. Tangu Romai Power Generation Private Limited has filed its reply. The matter is currently pending.
- (c) Surjan Singh has filed a civil suit before the court of the Civil Judge Senior Division against Tangu Romai Power Generation Private Limited for mandatory and permanent prohibitory injunction pertaining to the land situated at Chak Ambot Village Pekha. Tangu Romai Power Generation Private Limited has filed its reply and the amount involved in the matter is ₹ 0.7 million. The matter is currently pending.
- (d) Ishwar Singh has filed a civil suit before the court of the Civil Judge Senior Division against Tangu Romai Power Generation Private Limited for declaration pertaining to the land situated at Chak Thaitwari Tehsil Chirgaon. Tangu Romai Power Generation Private Limited has filed its reply. The matter is currently pending.
- (e) Devta Sahib Baring Naag has filed a civil suit before the court of the Civil Judge Senior Division against Tangu Romai Power Generation Private Limited for permanent prohibitory injunction to restrain the company from constructing road upon the land bearing Kh. No. 674, 675 in chak Thaitwari Chirgaon. Tangu Romai Power Generation Private Limited has filed its reply. The matter is currently pending.
- (f) Rajesh has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited and another seeking enhancement of compensation for land situated at Chak Masli subject to land acquisition. Tangu Romai Power Generation Private Limited has filed its reply. The matter is currently pending.
- (g) Bhagat Ram has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited and another seeking enhancement of compensation for land situated at Chak Masli subject to land acquisition. Tangu Romai Power Generation Private Limited has filed its reply. The matter is currently pending.
- (h) Satmani Devi has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited and another seeking enhancement of compensation for land situated at Chak Diudi subject to land acquisition. Tangu Romai Power Generation Private Limited has filed its reply. The matter is currently pending.
- (i) Rajkumar has filed a civil appeal before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited and another for declaration and injunction pertaining to land situated at Chak Janglikh. The matter is currently pending.
- (j) Bhumi Singh has filed a civil appeal before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited and another for declaration and injunction pertaining to land situated at Chak Janglikh. The matter is currently pending.
- (k) Ram Saran has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited seeking enhancement of compensation for land subject to land acquisition. Tangu Romai Power Generation Private Limited has filed a reply. The matter is currently pending.
- (l) Sainj Ram has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited seeking enhancement of compensation for land subject to land acquisition. Tangu Romai Power Generation Private Limited has filed a reply. The matter is currently pending.



- (m) Ram Krishen has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited seeking enhancement of compensation for land subject to land acquisition. Tangu Romai Power Generation Private Limited has filed a reply. The matter is currently pending.
- (n) Bhagat Chand has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited seeking enhancement of compensation for land subject to land acquisition. Tangu Romai Power Generation Private Limited has filed a reply. The matter is currently pending.
- (o) Puran Chand has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited seeking enhancement of compensation for land subject to land acquisition. Tangu Romai Power Generation Private Limited has filed a reply. The matter is currently pending.
- (p) Keval Ram has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited seeking enhancement of compensation for land subject to land acquisition. Tangu Romai Power Generation Private Limited has filed a reply. The matter is currently pending.
- (q) Vidya Patti has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited seeking enhancement of compensation for land subject to land acquisition. Tangu Romai Power Generation Private Limited has filed a reply. The matter is currently pending.
- (r) Rameshwar Singh has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited seeking enhancement of compensation for land subject to land acquisition. Tangu Romai Power Generation Private Limited has filed a reply. The matter is currently pending.
- (s) Laxmi Devi has filed a petition under section 18 of the Land Acquisition Act, 1894, the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited seeking enhancement of compensation for land subject to land acquisition. Tangu Romai Power Generation Private Limited has filed a reply. The matter is currently pending.
- (t) Uttam Sain has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited seeking enhancement of compensation for land subject to land acquisition. Tangu Romai Power Generation Private Limited has filed a reply. The matter is currently pending.
- (u) Hiunath has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited seeking enhancement of compensation for land subject to land acquisition. Tangu Romai Power Generation Private Limited has filed a reply. The matter is currently pending.
- (v) Rajinder Singh has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited seeking enhancement of compensation for land subject to land acquisition. Tangu Romai Power Generation Private Limited has filed a reply. The matter is currently pending.
- (w) Kaunl Ram has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited seeking enhancement of compensation for land subject to land acquisition. Tangu Romai Power Generation Private Limited has filed a reply. The matter is currently pending.

- (x) Twarsi Ram has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited seeking enhancement of compensation for land subject to land acquisition. Tangu Romai Power Generation Private Limited has filed a reply. The matter is currently pending.
- (y) Bana Devi has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited seeking enhancement of compensation for land subject to land acquisition. Tangu Romai Power Generation Private Limited has filed a reply. The matter is currently pending.
- (z) Ram Pyari has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited seeking enhancement of compensation for land subject to land acquisition. Tangu Romai Power Generation Private Limited has filed a reply. The matter is currently pending.
- (aa) Nehar Singh has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited seeking enhancement of compensation for land subject to land acquisition. Tangu Romai Power Generation Private Limited has filed a reply. The matter is currently pending.
- (bb) Ram Nath has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited seeking enhancement of compensation for land subject to land acquisition. Tangu Romai Power Generation Private Limited has filed a reply. The matter is currently pending.
- (cc) Shamsheer Singh has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited seeking enhancement of compensation for land subject to land acquisition. Tangu Romai Power Generation Private Limited has filed a reply. The matter is currently pending.
- (dd) Balak Ram has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited seeking enhancement of compensation for land subject to land acquisition. Tangu Romai Power Generation Private Limited has filed a reply. The matter is currently pending.
- (ee) Meher Singh Chauhan has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited seeking enhancement of compensation for land subject to land acquisition. Tangu Romai Power Generation Private Limited has filed a reply. The matter is currently pending.
- (ff) Jai Mani has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited seeking enhancement of compensation for land subject to land acquisition. Tangu Romai Power Generation Private Limited has filed a reply. The matter is currently pending.
- (gg) Sainj Ram has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited seeking enhancement of compensation for land subject to land acquisition. The matter is currently pending.
- (hh) Puran Chand has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited seeking enhancement of compensation for land subject to land acquisition. The matter is currently pending.
- (ii) Ram Krishan has filed a petition under section 18 of the Land Acquisition Act, 1894, before the Additional District Judge, Shimla Camp against Tangu Romai Power Generation Private Limited seeking enhancement of compensation for land subject to land acquisition. The matter is currently pending.

- (jj) Prakash Chand has filed a suit, before the court of Civil Judge, Senior Division, Rohru, Shimla District, against the contractor, general manager and manager of Tangnu Romai Power Generation Private Limited for permanent injunction restraining the defendants from erecting iron poles and laying of high tension lines at the suit property situated at Khasar. No 90/206 in Chak Denwari Tehsil Chirgaon, Himachal Pradesh. The matter is currently pending.

***Cases filed by Tangnu Romai Power Generation Private Limited***

Nil

***Tax disputes involving Tangnu Romai Power Generation Private Limited***

Tangu Romai Power Generation Private Limited is the process of filing an appeal before the Commissioner of Income Tax (Appeals), Himachal Pradesh against the order of the assessing officer dated March 30, 2015 in relation to taxability of interest income on fixed deposits and notional income on interest free loans in respect of assessment year 2012-2013. The aggregate amount involved in the matter is approximately ₹ 8.77 million.

***Overdue interest amount***

As on February 28, 2015, the Tangu Romai Power Generation Private Limited had dues amounting to ₹ 15.68 million towards interest payment on loans availed from Axis Bank, Punjab National Bank and State Bank of Patiala.

**133. *Taurus Projects Private Limited***

***Cases filed against Taurus Projects Private Limited***

Nil

***Cases filed by Taurus Projects Private Limited***

Nil

**134. *Topnotch Projects Private Limited***

***Cases filed against Topnotch Projects Private Limited***

Nil

***Cases filed by Topnotch Projects Private Limited***

Nil

**135. *Tranquill Homes***

***Cases filed against Tranquill Homes***

Nil

***Cases filed by Tranquill Homes***

Nil

**136. *Vanguard***

***Cases filed against Vanguard***

Nil

***Cases filed by Vanguard***

Vanguard and Clean City Estates Private Limited have filed a writ petition bearing No. 6898 of 2015, before the High Court of Hyderabad, against the (i) State of Telangana (ii) Andhra Pradesh State Wakf Board, represented by its Chief Executive Officer and (iii) Tahsildar, Golconda Mandal, Hyderabad, for declaring the property situated at Survey No.166 Ibrahimbagh village, Golconda Mandal, Hyderabad, as non-Wakf property. The matter is currently pending.

**137. *Venkatrama Techno City Private Limited***

***Cases filed against Venkatrama Techno City Private Limited***

Nil

***Cases filed by Venkatrama Techno City Private Limited***

Nil

**138. *Westend Real Projects (India) Private Limited***

***Cases filed against Westend Real Projects (India) Private Limited***

Nil

***Cases filed by Westend Real Projects (India) Private Limited***

Nil

**139. *Whitefield Homes Private Limited***

***Cases filed against Whitefield Homes Private Limited***

Nil

***Cases filed by Whitefield Homes Private Limited***

- a. Whitefield Homes Private Limited has filed a criminal complaint bearing CCSR No. 3569 of 2012 before the VI Additional Chief Metropolitan Magistrate, Nampally, Hyderabad against G. Ravi Prakash Reddy and certain others with a prayer to the court to take up a complaint in relation to alleged encroachment of land owned by Whitefield Homes Private Limited by the accused and to refer the matter to Golconda Police Station for investigation. The same is also registered as Crime No. 287/2012 before the Golconda Police Station, Telangana. The matter is under investigation by the police and for filing of charge sheet. The matter is currently pending.
- b. Whitefield Homes Private Limited filed a suit bearing No. 826 of 2013 before the Chief Judge, City Civil Court, Hyderabad against M. Yadagiri, G. Ravi Prakash Reddy and certain others praying for declaration of certain powers of attorney and sale deeds executed by the defendants as null, along with injunction restraining the defendants and costs of the suit. The matter is currently pending.

**140. *Windage Power Company Private Limited***

***Cases filed against Windage Power Company Private Limited***

Nil

***Cases filed by Windage Power Company Private Limited***

Nil

141. ***Wind-Direct GmbH (Germany)***

***Cases filed against Wind Direct GmbH (Germany)***

Nil

***Cases filed by Wind Direct GmbH (Germany)***

Nil

## GOVERNMENT AND OTHER APPROVALS

In view of the approvals listed below, our Company can undertake this Issue and can undertake its current business activities and no further major approvals from any governmental or regulatory authority are required to undertake this Issue or continue its business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Certain approvals have lapsed or may lapse in their normal course or have not been obtained by our Company, and our Company has either made an application to the appropriate authorities for grant or renewal of such approvals or is in the process of making such applications. Unless otherwise stated, these approvals are valid as of the date of this Draft Red Herring Prospectus. For details in connection with the regulatory and legal framework within which we operate, see the section “*Regulations and Policies in India*” on page 214 of this Draft Red Herring Prospectus.

### I. General Approvals

Our Company was originally incorporated as a public limited company under the name of “NSL Seeds Limited” under the Companies Act, 1956 and received a certificate of incorporation dated March 19, 2008 and a certificate of commencement of business dated April 9, 2008 from the Registrar of Companies, National Capital Territory of Delhi and Haryana.

Thereafter, the name of our Company was changed to “NSL Seeds Private Limited” and a fresh certificate of incorporation on conversion to a private limited company was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana on June 30, 2008. Subsequently, the name of our Company was changed to “Nuziveedu Seeds Private Limited” and a fresh certificate of incorporation was issued on September 23, 2010, by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Our Company was converted into a public limited company pursuant to a special resolution passed by our shareholders at an EGM on September 10, 2012 with the name “Nuziveedu Seeds Limited” and received a fresh certificate of incorporation upon change of name on conversion to a public limited company dated September 18, 2012 from the Registrar of Companies, Andhra Pradesh.

Pursuant to a special resolution dated December 6, 2010 and an order of the Company Law Board dated April 20, 2011, confirming transfer of the registered office from National Capital Territory of Delhi and Haryana to the state of Andhra Pradesh, the registered office of the Company was shifted to its present registered office, at Survey No. 69, Kandlakoya, Gundla Pochampally Village, Medchal Mandal, Ranga Reddy District 501 401, Telangana, India.

Our Company made an application dated January 19, 2009 to the FIPB seeking permission for issue and allotment of 10 Equity Shares and 2,500,000 Preference Shares aggregating to ₹ 2,500.01 million to Blackstone. Since our Company would have been an “operating-cum-holding company” after the Scheme of Arrangement, 2010 based on the then prevalent exchange control policy, the approval of the FIPB was sought. The FIPB, by its letter dated April 13, 2009, permitted our Company to access the automatic route, subject to certain conditions which included, amongst others, that the Company will not undertake direct cultivation of seeds and that the permission of the relevant state may be taken to conduct contract farming and that the Company will not undertake any retail trading.

Subsequently, our Company, by its letter dated February 9, 2010, sought certain clarifications / amendments to the approval of the FIPB in relation to the condition restricting the direct cultivation of seeds in light of its then existing operations. The FIPB, by a letter dated April 28, 2010, amended its earlier approval, whereby our Company could undertake production of seed planting material only under ‘controlled conditions’. The FIPB stated that development of seeds is considered to be ‘under controlled conditions’ when seeds in seeds farms/ laboratories use tissue culture or any other micro-propagation technique for development and multiplication of seeds / planting material.

Our Company, by its letter dated May 14, 2010, sought a further revision of the revised condition in the FIPB letter dated April 28, 2010 as the revised condition was neither relevant nor applicable to its operations. However, our Company, by its letter dated June 21, 2010, withdrew its prior letters dated February 9, 2010 and

May 14, 2010 as these clarifications were not applicable to it, and requested restoration of the original approval dated April 13, 2009.

On August 3, 2010, our Company intimated FIPB that it would be undertaking only such activities which permit it to receive foreign direct investment under the automatic route and that it will be consummating the investment by Blackstone under the automatic route. There has been no further correspondence between our Company and the FIPB in this regard.

It may be noted that with effect from April 1, 2011, the requirement for development of seeds under controlled conditions was done away with under the consolidated FDI Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, GoI (“**DIPP**”) on March 31, 2011.

## **II. Approvals relating to the Issue**

1. Our Board by way of its resolution dated March 16, 2015, approved the Fresh Issue and the shareholders of our Company have, pursuant to their resolution dated March 28, 2015 under section 62(1)(c) of the Companies Act, have authorised the Fresh Issue.
2. Our Board has by way of resolution dated March 16, 2015 approved the offer for sale of up to 11,869,466 Equity Shares by the Selling Shareholders of which up to 9,891,221 Equity Shares are being offered by the Promoter Selling Shareholder and up to 1,978,245 Equity Shares are being offered by Blackstone, respectively pursuant to the Offer for Sale as part of the Issue.
3. Blackstone specifically confirms that it is offering up to 1,978,245 Equity Shares aggregating up to ₹ [●] million.
4. Blackstone specifically confirms that its board of directors has authorised the offer, sale and transfer of the Blackstone Offered Shares by way of an offer for sale pursuant to the Offer for Sale by way of a resolution dated April 3, 2015.
5. Further, the IPO Committee has approved this Draft Red Herring Prospectus pursuant to its resolution dated April 22, 2015.
6. The Promoter Selling Shareholder confirms that the Equity Shares being offered in the Issue have been held by him for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus with SEBI and, to the extent that the Equity Shares being offered by him in the Offer for Sale have resulted from a bonus issue, the bonus issue has been of Equity Shares held for a period of at least one year prior to the filing of this Draft Red Herring Prospectus and issued out of free reserves and share premium existing in the books of account as at the end of the financial year preceding the financial year in which this Draft Red Herring Prospectus is filed with the SEBI and such Equity Shares are not being issued by utilization of revaluation reserves or unrealized profits of our Company, and are eligible for being offered for sale in the Issue, in terms of Regulation 26(6) of the ICDR Regulations.
7. Blackstone specifically confirms that the Blackstone Offered Shares have been held by it for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus with SEBI, including the Equity Shares received pursuant to conversion of any convertible instruments held by Blackstone in accordance with Regulation 26(6) of the ICDR Regulations and, to the extent that the Blackstone Offered Shares have resulted from a bonus issue, the bonus issue has been of Equity Shares held for a period of at least one year prior to the filing of this Draft Red Herring Prospectus and issued out of free reserves and share premium existing in the books of account as at the end of the financial year preceding the financial year in which this Draft Red Herring Prospectus is filed with the SEBI and such Equity Shares are not being issued by utilization of revaluation reserves or unrealized profits of our Company, and are eligible for being offered for sale in the Issue, in terms of Regulation 26(6) of the ICDR Regulations.
8. Further Mr. Mandava Prabhakara Rao has consented to the Offer for Sale of up to 9,891,221 Equity

Shares held by him, by way of his letter dated March 16, 2015.

9. Our Company has obtained in-principle listing approvals from the BSE and the NSE dated [●] and [●], respectively.

### III. Approvals relating to our Company's business and operations

#### A. Licenses under the Seed (Control) Order, 1983 and the Maharashtra Cotton Seeds Rules, 2010

As per the Seeds (Control) Order, 1983, as amended (“**Seeds Control Order**”), engaging in the business as a dealer in seeds requires a license to carry on the business of a dealer in seeds under the Seeds Control Order. A ‘dealer’ has been defined under the Seeds Control Order as any person carrying on the business of selling, exporting or importing seeds and includes an agent of a dealer as well. For further details in relation to the Seeds Control Order, please refer to “*Regulations and Policies in India*” on page 214 of this Draft Red Herring Prospectus.

Set out herein below are the details of the licenses to carry on the business of a dealer in seeds obtained by our Company and certain of its Subsidiaries under the Seeds Control Order across each state of operations\*:

Sr. No.	State	Particulars	License Number	Issuing Authority	Date of the license	Valid until
<b>A. Licenses of our Company</b>						
1.	Maharashtra	License to carry on business of sale of cotton seeds	LCCD10010002	Controller and Director of Agriculture (I & QC), Commissionerate of Agriculture, Maharashtra	April 21, 2011	March 30, 2017
2.	Maharashtra	License to carry on the business of a dealer in seeds	008	Director of Agriculture (Input & Quality Control), Maharashtra State, Pune	May 15, 1995	May 8, 2016
3.	Madhya Pradesh	License to carry on the business of a dealer in seeds	685	Licensing Authority, District Indore, Madhya Pradesh	July 26, 2003	July 25, 2015
4.	Chhattisgarh	License to carry on the business of a dealer in seeds	15	Licensing Authority, State of Chhattisgarh	August 1, 2011	September 8, 2017
5.	Chhattisgarh	License to carry on the business of a dealer in seeds	139	Licensing Authority, Directorate of Agriculture, Chhattisgarh State, Raipur	September 29, 2014	September 28, 2017



Sr. No.	State	Particulars	License Number	Issuing Authority	Date of the license	Valid until
6.	Andhra Pradesh	License to carry on the business of a dealer in seeds	RRD/0/A DDL.DA/CSL/2614/1	Additional Director of Agriculture, Commissionerate of Agriculture, Hyderabad, Andhra Pradesh	June 28, 2001	May 1, 2016
7.	Telangana	License to carry on the business of a dealer in seeds	1	Additional Director of Agriculture, Department of Agriculture, Government of Telangana State	April 20, 1998	May 1, 2016
8.	Odisha	License to carry on the business of a dealer in seeds	24/DA&F P(o)	Joint Director of Agriculture (Farm and Seeds), Office of the Director of Agriculture and Food Production, Bhubaneswar, Odisha	July 2, 2010	July 1, 2016
9.	West Bengal	License to carry on the business of a dealer in seeds	1338	Assistant Director of Agriculture (Administration) Barasat, Barackpur (Sadar) North 24, Parganas	May 28, 2012	April 29, 2015
10.	Punjab	License to carry on the business of a dealer in seeds	142	Registering Authority cum Joint Director Agriculture (HYVP) Punjab	May 24, 2000	May 23, 2015
11.	Haryana	Seeds (vegetables, flowers, spice and fruit crop seeds)	187	Licensing Authority cum District Honorary Officer, Hisar	April 15, 2013	April 14, 2016
12.	Haryana	Seeds (except vegetables, flowers, spice and fruit crop seeds)	S-13	Licensing Authority, Deputy Director of Agriculture, Hisar	March 20, 2014	March 24, 2017
13.	Rajasthan	License to carry on the business of a dealer in seeds	16/Raj/2000	Seed Licensing Officer, Joint Director, Agriculture (Input), Jaipur Rajasthan	April 19, 2000	April 18, 2018
14.	Assam	License to carry on the	Agri/Dev-crop/158/2	Director of Agriculture,	June 3, 2014	June 3, 2017

Sr. No.	State	Particulars	License Number	Issuing Authority	Date of the license	Valid until
		business of a dealer in seeds	014-15/80	Assam, Guwahati		
15.	Karnataka	License to carry on the business of a dealer in seeds	367	Joint Agricultural Director, Davanagere District	October 30, 2012	September 8, 2016
16.	Uttar Pradesh	License to carry on the business of a dealer in seeds	010/938/248	Seed Licensing Officer, Joint Director, Agriculture, U.P. Krishibhawan, Jaipur	June 9, 2008	June 8, 2017
17.	Tamil Nadu	License to carry on the business of a dealer in seeds	2014/CPE/2011	Seed Inspection Deputy Director, Coimbatore	January 17, 2013	February 14, 2017
18.	Jharkhand	License to carry on the business of a dealer in seeds	DA/S-9	Agriculture Director cum Licensing Authority, Jharkhand	September 30, 2011	March 2, 2017
19.	Gujarat	License to carry on the business of a dealer in seeds	1790	Agriculture (V) Director, Gujarat State	July 29, 2006	July 28, 2015
<b>B. Licenses of PABL</b>						
20.	Maharashtra	License to carry on business of sale of cotton seeds	LCCD10010012	Controller and Director of Agriculture (I & QC), Commissionerate of Agriculture, Maharashtra	May 27, 2011	May 24, 2017
21.	Maharashtra	License to carry on the business of a dealer in seeds	LCSD10010306	Controller and Director of Agriculture (I & QC), Commissionerate of Agriculture, Maharashtra	September 30, 2002	September 26, 2017
22.	Madhya Pradesh	License to carry on the business of a dealer in seeds	1000	Licensing Authority, District Indore, Madhya Pradesh	May 4, 2010	May 3, 2016
23.	Andhra Pradesh	License to carry on the business of a dealer in seeds	70	Additional Director of Agriculture-I, Commissionerate of Agriculture, Andhra Pradesh	March 12, 2001	March 10, 2016
24.	Telangana	License to carry on the business of a	RRD/0/A DDL.DA/CSL/2014/	Additional Director of Agriculture-I,	March 12, 2001	March 10, 2016

Sr. No.	State	Particulars	License Number	Issuing Authority	Date of the license	Valid until
		dealer in seeds	70	Commissionerate of Agriculture, Telangana		
25.	Odisha	License to carry on the business of a dealer in seeds	61/DA&F P(O)	Joint Director of Agriculture (Farm and Seeds), O/o the Director of Agri & Food Production, Orissa, Bhubaneswar	May 8, 2013	April 7, 2016
26.	Tamil Nadu	License for distributorship and retail sale of seeds	2136/CBE/2012	Assistant Director of Seeds Inspection, Coimbatore	June 19, 2012	June 18, 2015
27.	Punjab	License to carry on the business of a dealer in seeds	519	Registering Authority cum Joint Director Agriculture (HXVP), Punjab	March 20, 2008	March 19, 2017
28.	Haryana	License to carry on the business of a dealer in seeds (vegetables, flowers, spice and fruit crop seeds)	204	Licensing Authority cum District Horticultural Officer, Hisar	March 7, 2014	March 6, 2017
29.	Haryana	License to carry on the business of a dealer in seeds (except vegetables, flowers, spice and fruit crop seeds)	S-2293	Licensing Authority cum Deputy Director of Agriculture, Hisar	November 24, 2014 <sup>#</sup>	December 14, 2017
30.	Jharkhand	License to carry on the business of a dealer in seeds	DA/S-41	Director of Agriculture -cum- Licensing Authority, Jharkhand	April 30, 2014	April 29, 2017
31.	Uttar Pradesh	License to carry on the business of a dealer in seeds	010/219/9 09	Seeds Licensing Officer, Joint Director, Agriculture	January 14, 2008	January 13, 2017
32.	Karnataka	License to carry on the business of a dealer in seeds	344	Joint Director of Agriculture, Davangere	March 24, 2010	March 23, 2016
33.	Rajasthan	License to carry on the business of a	154/Raj/20 02	Seeds Licensing Officer, Joint Director,	June 18, 2002	June 15, 2017

Sr. No.	State	Particulars	License Number	Issuing Authority	Date of the license	Valid until
		dealer in seeds		Agriculture, Rajasthan , Jaipur		
34.	Bihar	License to carry on the business of a dealer in seeds	9-4945	Licensing Authority, Director of Agriculture, Bihar, Patna	November 13, 2013	November 12, 2016
35.	Gujarat	License to carry on the business of a dealer in seeds	2074	Deputy Director of Agriculture, Ahmedabad	May 29, 2009	May 28, 2018
<b>C. Licenses of PSPL</b>						
36.	Maharashtra	License to carry on business of sale of cotton seeds	LCCD100 10011	Controller and Director of Agriculture (I & QC), Commissionerate of Agriculture, Maharashtra	May 26, 2011	May 25, 2017
37.	Maharashtra	License to carry on the business of a dealer in seeds	245	Controller and Director of Agriculture (I & QC), Commissionerate of Agriculture, Maharashtra	May 9, 2006	May 7, 2015
38.	Madhya Pradesh	License to carry on the business of a dealer in seeds	999	Licensing Authority, District Indore, Madhya Pradesh	May 4, 2010	May 3, 2016
39.	Andhra Pradesh	License to carry on the business of a dealer in seeds	RRD/0/A DDL.DA/CSL/2014/08	Additional Director of Agriculture, Hyderabad, Commissionerate of Agriculture, Andhra Pradesh	April 24, 2001	April 19, 2016
40.	Odisha	License to carry on the business of a dealer in seeds	35/DA & FP (O)	Joint Director of Agriculture (Farm and Seeds), Office of the Director of Agriculture and Food Production, Bhubaneswar, Odisha	July 13, 2012	July 12, 2015
41.	Punjab	License to carry on the business of a dealer in seeds	582	Registering Authority, Joint Director, Agriculture (HYVP), Punjab, Chandigarh	May 18, 2009	May 17, 2015

Sr. No.	State	Particulars	License Number	Issuing Authority	Date of the license	Valid until
42.	Jharkhand	License to carry on the business of a dealer in seeds	DA/S/37	Agriculture Director cum Licensing Authority, Jharkhand	May 7, 2014	June 24, 2016
43.	Gujarat	Provisional registration of hybrid variety of Bt. Cotton	IQ/Seed-2/Bt.Cotton.Reg./103-11/27657-659	Director of Agriculture, Gujarat State, Gandhinagar	June 8, 2012	June 28, 2016
44.	Assam	License to carry on the business of a dealer in seeds	Agri/Dev-crop/158/2014-15/81	Director of Agriculture, Assam, Guwahati	June 3, 2014	June 3, 2017
45.	Rajasthan	License to carry on the business of a dealer in seeds	620/10	Licensing Authority (Seed) & Deputy Director Agriculture (Extension) Jaipur	April 7, 2010	April 6, 2016
46.	Karnataka	License to carry on the business of a dealer in seeds	359	Joint Agricultural Director, Davangere	June 14, 2013	June 13, 2016
47.	Haryana	License to carry on the business of a dealer in seeds (except vegetable, flowers, spices and fruit crop seeds)	S-2496	Licensing Authority cum District Horticultural Officer, Hisar	March 11, 2013	March 10, 2016
48.	Uttar Pradesh	License to carry on the business of a dealer in seeds	080/7914/324	Seed Licensing Officer, Joint Director of Agriculture, Lucknow	March 26, 2010	March 25, 2016
<b>D. Licenses of YSPL</b>						
49.	Maharashtra	License to carry on the business of sale of cotton seeds	LCCD10010027	Controller and Director of Agriculture (I & QC), Commissionerate of Agriculture, Maharashtra	May 23, 2011	May 22, 2017
50.	Maharashtra	License to carry on the business of a dealer in seeds	LCSD10010250	Licensing Authority, Director of Agriculture (I&QC), Maharashtra	June 15, 2005	June 12, 2017

Sr. No.	State	Particulars	License Number	Issuing Authority	Date of the license	Valid until
51.	Madhya Pradesh	License to carry on the business of a dealer in seeds	1008	Licensing Authority, Madhya Pradesh	May 14, 2010	May 13, 2016
52.	Andhra Pradesh	License to carry on the business of a dealer in seeds	RRD/O/A DDL.DA/CSL/2014/26	Licensing Authority and Additional Director of Agriculture-I, Andhra Pradesh	September 10, 1998	September 9, 2016
53.	Punjab	License to carry on the business of a dealer in seeds	568	Registering Authority cum Joint Director Agriculture (HYVP), Punjab	March 16, 2009	March 15, 2018
54.	Haryana	License to carry on the business of a dealer in Seeds (except vegetables, flowers, spice and fruit crop seeds)	S-2502	Licensing Authority cum Deputy Director of Agriculture, Hisar	March 11, 2013 <sup>#</sup>	March 22, 2016
55.	Karnataka	License to carry on the business of a dealer in seeds	429	Joint Agricultural Director, Davangere	March 19, 2013	March 19, 2016
56.	Jharkhand	License to sell and store seeds	DA/S-35/2014-15	Agriculture Director cum licensing Authority, Jharkhand	May 7, 2014	April 6, 2017
57.	Tamil Nadu	License to carry on the business of a dealer in seeds	2252/CPE/2013	Assistant Director of Seed Inspection, Coimbatore	August 28, 2013	August 27, 2016
58.	Rajasthan	License to carry on the business of a dealer in seeds	266/Raj/2008	Seeds Licensing Officer, Joint Director, Agriculture, Rajasthan	August 6, 2008	August 4, 2017
59.	Uttar Pradesh	License to carry on the business of a dealer in Seeds	010/940/250	Seeds Licensing Officer, Joint Director, Agriculture, U.P. Krishibhawan, Jaipur	June 23, 2008	June 23, 2017
60.	Gujarat	License to carry on the business of a dealer in Seeds	2073	Deputy Director of Agriculture, Ahmedabad	May 29, 2009	May 28, 2018
<b>E. Licenses of FHSL</b>						

Sr. No.	State	Particulars	License Number	Issuing Authority	Date of the license	Valid until
61.	Andhra Pradesh	License to carry on the business of a dealer in seeds	158	Licensing Authority, Additional Director of Agriculture, Andhra Pradesh	May 10, 2004	May 6, 2016
62.	Karnataka	License to carry on the business of a dealer in seeds	455	Joint Agricultural Director, Davanagere District	May 25, 2013	May 24, 2016
63.	Gujarat	License to carry on the business of a dealer in seeds	1834	Deputy Director, Agriculture, Ahmedabad	March 7, 2006	March 6, 2016
64.	Maharashtra	License to carry on the business of sale of cotton seeds	LCCD100 10021	Controller and Director of Agriculture (I & QC), Commissionerate of Agriculture, Maharashtra	April 25, 2011	April 24, 2017
65.	Haryana	License to carry on the business of a dealer in Seeds (except vegetables, flowers, spice and fruit crop seeds)	S-2292	Licensing Authority cum Director of Agriculture, Hisar	December 5, 2014	December 14, 2017
66.	Punjab	License to carry on the business of a dealer in seeds	581	Registering Authority cum Joint Director Agriculture (HYVP), Punjab	May 12, 2009	May 11, 2015
<b>F. Licenses of AAGL</b>						
67.	Andhra Pradesh	License to carry on the business of a dealer in seeds	159	Licensing Authority, Additional Director of Agriculture, Andhra Pradesh	May 10, 2004	May 6, 2016
68.	Maharashtra	License to carry on the business of a dealer in seeds	LCSD100 10211	Controller and Director of Agriculture (I & QC), Commissionerate of Agriculture, Maharashtra	June 14, 2010	May 20, 2016
69.	Maharashtra	License to carry on the business of sale of cotton	LCCD100 10045	Controller and Director of Agriculture (I & QC),	April 25, 2011	April 24, 2017

Sr. No.	State	Particulars	License Number	Issuing Authority	Date of the license	Valid until
		seeds		Commissionerate of Agriculture, Maharashtra		
70.	Punjab	License to carry on the business of a dealer in seeds	308	Registering Authority cum Joint Director Agriculture (HYVP), Punjab	May 21, 2007	May 20, 2016
71.	Karnataka	License to carry on the business of a dealer in seeds	450	Joint Agricultural Director, Davanagere District	February 8, 2013	February 07, 2016
72.	Rajasthan	License to carry on the business of a dealer in seeds	232/Raj/2004	Seeds Licensing Officer, Joint Director Agriculture, Jaipur	June 14, 2004	July 13, 2016
73.	Uttar Pradesh	License to carry on the business of a dealer in seeds	010/939/249	Seeds Licensing Officer, Joint Director Agriculture, Jaipur	June 9, 2008	June 22, 2017
74.	Haryana	License to carry on the business of a dealer in seeds	S-1742	Licensing Authority cum Deputy Director of Agriculture, Hisar	May 22, 2013	June 13, 2016
75.	Gujarat	License to carry on the business of a dealer in seeds	1750	Deputy Director of Agriculture, Ahmedabad	February 22, 2006	February 21, 2018

*\*In addition to the above, our Company obtains additional permissions and authorisations under the Seeds Control Order as and when required with respect to certain varieties in these respective states.*

*#This is the date of renewal of the license.*

#### **Applications filed and pending**

Set out below are details of applications for carrying on the business of a dealer in seeds made by our Company and certain of its subsidiaries under the Seeds Control Order, which are currently pending:

S. No.	Particulars	Date of application	Authority
<b>A. Applications of our Company</b>			
1.	License to carry on business as a dealer in cotton seeds in the state of Bihar	January 21, 2015	Licensing Authority, Director of Agriculture, Bihar
2.	License to carry on business as a dealer in cotton seeds in the state of Uttarakhand	-	Chief Agricultural Officer, Kadham Sindhu Nagar



<b>B. Applications of AAGL</b>			
3.	License to carry on business as a dealer in seeds in the state of Bihar	November 13, 2014	Licensing Authority, Director of Agriculture, Bihar
<b>C. Applications of YSPL</b>			
4.	License to carry on business as a dealer in seeds in the state of Bihar	April 8, 2015	Agriculture Director, Bihar, Patna
5.	License to carry on business as a dealer in seeds in the state of Chhattisgarh	April 16, 2015	Office of Director of Agriculture
<b>D. Applications of PABL</b>			
6.	License to carry on business as a dealer in seeds in the state of Chhattisgarh	April 7, 2015	Office of Director of Agriculture

*Approvals which have expired for which applications for renewal are yet to be made*

Sr. No.	Particulars	License number	Date of Expiry
<b>A. Licenses of YSPL</b>			
1.	License to carry on business as a dealer in seeds (vegetables, flowers, spice and fruit crop seeds) in the state of Haryana	170	April 17, 2015
<b>B. Licenses of PSPL</b>			
2.	License to carry on business as a dealer in seeds in the state of Chhattisgarh	72	April 17, 2015
<b>C. Licenses of PABL</b>			
3.	License to carry on business as a dealer in seeds in the state of Rajasthan	298/Raj/2009	April 21, 2015

**B.** Our Company has obtained licenses to work its factories in premises situated at Odisha, Gujarat, Maharashtra, Uttarakhand, Andhra Pradesh and Telangana under the Factories Act, 1948

*Applications made and pending*

S. No.	Particulars	Date	Authority
4.	Khasra No.130,Village Shahpur,Mayghawan, Pargana,Bijnor, Tehsil and district - Lucknow	March 13, 2015*	Chief Inspector Factory, Lucknow Division, Lucknow.

\*Date of acknowledgment of receipt by the Chief Inspector of Factories.

**C. Approvals relating to Seed Processing Units obtained by our Company**

S. No.	Premises and location	Seed Processing Code Number	Authority	Date of the license	Valid until
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S. No.	Premises and location	Seed Processing Code Number	Authority	Date of the license	Valid until
1.	5-118, Tukkuluru Village, Nuziveedu Mandal, District – Krishna	832 (P)	Andhra Pradesh State Seed Certification Agency	January 1, 2013	December 31, 2015
2.	1-184, China kondrupadu, Village Prathipadu Mandal, District – Guntur	368 (A)	Andhra Pradesh State Seed Certification Agency	January 2, 2012	December 31, 2017
3.	106/9, Village Alliveedu, Vijayarai (P) Pedavegi Mandal, District – West Godavari	1282P	Andhra Pradesh State Seed Certification Agency	December 31, 2010	December 31, 2017
4.	Gattududdenapally Village, Manakondur Mandal, Karimnagar District, Chernjerla	1186 (P)	Andhra Pradesh State Seed Certification Agency	May 10, 2011	December 31, 2016
5.	Kothur Village, Mulugu Mandal, District – Medak	997 (P)	Telangana State Seed Certification Agency	January 2, 2012	December 31, 2017
6.	183, Kompally Village, Quthubullapur Mandal, District – Ranga Reddy	307 (A)	Telangana State Seed Certification Agency	January 2, 2012	December 31, 2017
7.	AT. Surpur, Taluka – Idar, District – Sabarkantha	709-1175/ 2015	Gujarat State Seeds Certification Agency	January 1, 2015	December 31, 2015

**D.** Our Company has obtained shops and establishment registrations for premises situated in various states under relevant legislations including but not limited to the Andhra Pradesh Shops and Establishments Act, 1988 and Karnataka Shops and Commercial Establishments Act.

**E. Environment related approvals obtained by our Company**

S. No.	Particulars	License number	Authority	Date	Validity
1.	Consent to operate issued under section 25/26 of the Water (Prevention and Control of Pollution) Act, 1974 and section 21 of Air (Prevention and Control of Pollution) Act,	853/III-CON(operate)819	Office of the Regional Officer, State Pollution Control Board, Sambalpur	March 19, 2013	March 31, 2017

S. No.	Particulars	License number	Authority	Date	Validity
	1981 in relation to factory situated at Chaka Khata no. 607/6, chaka no. 1, Bonda, District Bargarh				
2.	Consent to establish and operate issued by the A.P. Pollution Control Board in relation to premises situated at Sy. No. 183, Dulapally Road, Kompally (V), Qutubullapur (M), Ranga Reddy District,	164/NOC/A1/2014	Office of the General Manager, District Industries Centre	January 24, 2014	Valid until revoked
3.	Consent to discharge sewage under section 25/26 of the Water (Prevention and Control of Pollution) Act, 1974 and Consent to operate issued under section 21 of Air (Prevention and Control of Pollution) Act, 1981, and Rule 5 of the Hazardous Wastes (Management, Handling, and Transboundary Movement) Rules, 2008 in relation to the premises situated at Sy. No. 291, Kallakal (V), Toopran (M), Medak District 502 336	APPCB/ZO/RCP/RCPM/69/W&A/2014	Joint Chief Environmental Engineer	March 12, 2014	October 31, 2017
4.	Consent to operate issued by the A.P. Pollution Control Board in relation to premises situated at Sy. No. 1952, N.H. 7 Nandigaon (V),	586/S/2002	Office of the General Manager, District Industries Centre	April 17, 2002	Valid until revoked

S. No.	Particulars	License number	Authority	Date	Validity
	Kothur (M), Mahabubnagar				
5.	Authorisation issued under Rule 5 of the Hazardous Wastes (Management, Handling, and Transboundary Movement) Rules, 2008 in relation to the premises situated at Plot no. 1 and 2 ITBT Park, Pantnagar, District U.S. Nagar	UEPPCB/HO/Con-N-71/2012/1031	Environment Officer, Uttarakhand Environment Protection and Pollution Control Board	August 16, 2012	March 31, 2016
6.	Consent to operate section 21 of Air (Prevention and Control of Pollution) Act, 1981, section 26 of the Water (Prevention and Control of Pollution) Act, 1974, Rule 5 of the Hazardous Wastes (Management, Handling, and Transboundary Movement) Rules, 2008 in relation to premises situated at Gate no 107, Sawangi Taluka and District Aurangabad	MPPCB/ROA/SUK/ABD/E-25/98/R/C-240/789	Regional Officer, Maharashtra Pollution Control Board	August 5, 2014	May 31, 2018
7.	Consent to operate issued by the A.P. Pollution Control Board in relation to premises situated at S. No. 154/3B, 154/3C, Nadimpalem, Prathipadu (M) District	5390/D/2014	General Manager, District Industries Centre, Guntur	October 9, 2014	Valid until revoked
8.	Consent to operate issued by the Uttarakhand Environment	31969	Environment Officer, Uttarakhand Environment	August 16, 2012	March 31, 2016

S. No.	Particulars	License number	Authority	Date	Validity
	Protection and Pollution Control Board in relation to premises situated at plot no. 1 & 2, ITBI, Pantnagar Tehsil – Kichcha, District – U.S. Nagar		Protection and Pollution Control Board		

**F.** Our Company has obtained approvals in relation to fire protection and safety measures in various states from the concerned authorities including but not limited to Andhra Pradesh State Disaster Response and Fire Service Department, Telangana State Disaster Response and Fire Services Department and Fire Station, Bargarh, Odisha

**G.** Our Company has obtained registrations under various employee and labour welfare legislations including but not limited to Employee State Insurance Act, 1948, Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and Contract Labour (Regulation and Abolition) Act, 1970.

**H. Tax Related Approvals obtained by our Company**

**I. PAN and TAN**

S. No.	Particulars	Registration Number
1.	Permanent Account Number	AACCN7214Q
2.	Allotment of Tax Deduction Account Number	HYDN04084D

**2.** Our Company has obtained registration under tax legislations in various states in which it operates, including but not limited to Bihar Tax on Professionals, Trades, Callings and Employments Act, 2011, Central Sales Tax Act, 1956 and the Central Sales Tax (Registration and Turnover) Rules, 1957, The Bihar Value Added Tax Act, 2005, Gujarat Value Added Tax Act, 2003, Jharkhand Value Added Tax Act, 2005, Karnataka Value Added Tax Act, 2003, Andhra Pradesh Value Added Tax Act, 2005, Tamil Nadu Value Added Tax Act, 2006, Rajasthan Value Added Tax Act, 2003, Odisha Value Added Tax Act, 2004, Maharashtra Value Added Tax Act, 2002

**I.** Our Company has obtained approvals under the Standard Weights and Measures Act, 1976 and the Legal Metrology Act, 2009 with respect to its premises situated in the states of Andhra Pradesh, Orissa, Maharashtra, Gujarat and Uttarakhand

**J. Research and Development Letters obtained by our Company**

S. No.	Particulars	Folio Number	Premises and Location	Validity
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S. No.	Particulars	Folio Number	Premises and Location	Validity
1.	Renewal of recognition of in-house R&D units by the Department of Scientific and industrial Research, Ministry of Science and Technology, Government of India dated April 29, 2011	TU/IV-RD/2162/2011	(i) Dabilpur and Yellampet; (ii) Conventional and Biotechnology lab at Survey no. 69, Kandlakoya, Gundla Pochampally (Village), Medchal (Mandal), Ranga Reddy District, Andhra Pradesh	Up to March 31, 2016

***K. Import related approvals obtained by our Company***

S. No.	Description	Permit Number	Premises and Location	Validity
1.	Certificate of importer-exporter code (IEC)	0999000012	Sy. No. 69, Gundla Pochampally, Medchal Mandal, Ranga Reddy District, Andhra Pradesh – 501401 as well as 18 other locations	From April 6, 1999
2.	Registration as a seed importer under the ‘New Policy on Seed Development’	0202741999	Sy. No. 69, Gundla Pochampally, Medchal Mandal, Ranga Reddy District, Andhra Pradesh - 501401	June 10, 2015

***Applications made and pending***

S. No.	Particulars	Date	Purpose	Authority
1.	Application to issue import permit for maize seeds	August 5, 2014	Import for sowing and trial purpose	Deputy Director, Mumbai Regional Plant Quarantine Station, Ministry of Agriculture, Mumbai

***L. Intellectual property related registrations obtained by our Company***

**1. Registered Trademarks:**

222 marks have been registered with the Trade Marks Registry under the Trade Marks Act, 1999.

**2. Registrations under the Protection of Plant Varieties and Farmers’ Rights Act, 2001**

S. No.	Plant Variety and Nature Of License	Registration Number	Validity
1.	Suraj-NP 504 of Rice ( <i>Oryza Sativa</i> L.) as an extant plant variety	129 of 2013	Initial period of six years from August 22, 2013, that is up to August 21, 2019 and renewable for remaining years
2.	NM-74B of Maize ( <i>Zea Mays</i> L.) as an extant plant variety	206 of 2012	Initial period of six years from November 21, 2012, that is up to November 20, 2018 and renewable for remaining years
3.	NCS-145 Bunny (NCHH-145) of Cotton ( <i>Gossypium hirsutum</i> L.) as extant plant variety	91 of 2011	Period of 5 years and 25 days from October 21, 2011 that is up to November 14, 2016
4.	NCS-207 Mallika (NCHH-207) of Cotton ( <i>Gossypium hirsutum</i> L.) as extant plant variety	26 of 2011	Initial period of six years from June 24, 2011, that is up to June 23, 2017 and renewable for remaining years
5.	Harsha – NP 45 of Rice ( <i>Oryza Sativa</i> L.) as an extant plant variety	123 of 2013	Initial period of six years from August 19, 2013, that is up to August 18, 2019 and renewable for remaining years
6.	Karishma NP 111 of Rice ( <i>Oryza Sativa</i> L.) as an extant plant variety	473 of 2014	Initial period of six years from August 1, 2014, that is up to July 31, 2020 and renewable for remaining years
7.	Malli – NP 222 of Rice ( <i>Oryza Sativa</i> L.) as an extant plant variety	124 of 2013	Initial period of six years from August 19, 2013, that is up to August 18, 2019 and renewable for remaining years
8.	Moti-NP-360 of Rice ( <i>Oryza Sativa</i> L.) as an extant plant variety	130 of 2013	Initial period of six years from August 22, 2013, that is up to August 21, 2019 and renewable for remaining years
9.	NB-10R of Pearl millet ( <i>Pennisetum glaucum</i> L.) R. Br. as an extant plant variety	285 of 2013	Initial period of six years from December 19, 2013, that is up to December 18, 2019 and renewable for remaining years
10.	NB-14A of Pearl millet ( <i>Pennisetum glaucum</i> L.) R. Br. as an extant plant variety	283 of 2013	Initial period of six years from December 16, 2013, that is up to December 15, 2019 and renewable for remaining years

S. No.	Plant Variety and Nature Of License	Registration Number	Validity
11.	NB-20R of Pearlmillet ( <i>Pennisetum glaucum</i> L.) as an extant plant variety	03 of 2014	Initial period of six years from January 2, 2014, that is up to January 1, 2020 and renewable for remaining years
12.	NB – 60 A of Pearlmillet ( <i>Pennisetum glaucum</i> L.) R. Br. as an extant plant variety	04 of 2014	Initial period of six years from January 9, 2014, that is up to January 8, 2020 and renewable for remaining years
13.	NB-61A of Pearlmillet ( <i>Pennisetum glaucum</i> L.) R. Br. as an extant plant variety	287 of 2013	Initial period of six years from December 20, 2013 that is up to December 19, 2019 and renewable for remaining years
14.	NB-86R of Pearlmillet ( <i>Pennisetum glaucum</i> L.) R. Br. as an extant plant variety	290 of 2013	Initial period of six years from December 26, 2013 that is up to December 25, 2019 and renewable for remaining years
15.	NB-101A of Pearlmillet ( <i>Pennisetum glaucum</i> L.) as an extant plant variety	01 of 2014	Initial period of six years from January 2, 2014, that is up to January 1, 2020 and renewable for remaining years
16.	NB-102A of Pearlmillet ( <i>Pennisetum glaucum</i> L.) as an extant plant variety	02 of 2014	Initial period of six years from January 2, 2014, that is up to January 1, 2020 and renewable for remaining years
17.	NB-151R of Pearlmillet ( <i>Pennisetum glaucum</i> L.) R. Br. as an extant plant variety	301 of 2013	Initial period of six years from December 31, 2013, that is up to December 30, 2019 and renewable for remaining years
18.	NB-152R of Pearlmillet ( <i>Pennisetum glaucum</i> L.) R. Br. as an extant plant variety	302 of 2013	Initial period of six years from December 31, 2013, that is up to December 30, 2019 and renewable for remaining years
19.	NB-153R of Pearlmillet ( <i>Pennisetum glaucum</i> L.) R. Br. as an extant plant variety	291 of 2013	Initial period of six years from December 26, 2013, that is up to December 25, 2019 and renewable for remaining years
20.	NMH-713 of Maize ( <i>Zea Mays</i> L.) as a new plant variety	668 of 2014	Initial period of six years from November 12, 2014, that is up to November 11, 2020 and renewable for remaining years



S. No.	Plant Variety and Nature Of License	Registration Number	Validity
21.	Sourabh NP 950 of Rice ( <i>Oryza Sativa</i> L.) as an extant plant variety	150 of 2013	Initial period of six years from September 16, 2013, that is up to September 15, 2019 and renewable for remaining years
22.	NP-6013 of Rice ( <i>Oryza Sativa</i> L.) as a new plant variety	222 of 2014	Initial period of six years from May 30, 2014, that is up to May 29, 2020 and renewable for remaining years
23.	NP-252 of Rice ( <i>Oryza Sativa</i> L.) as a new plant variety	85 of 2014	Initial period of six years from April 17, 2014, that is up to April 16, 2020 and renewable for remaining years
24.	NP-408 of Rice ( <i>Oryza Sativa</i> L.) as a new plant variety	84 of 2014	Initial period of six years from April 17, 2014, that is up to April 16, 2020 and renewable for remaining years
25.	NP-3112 of Rice ( <i>Oryza Sativa</i> L.) as a new plant variety	155 of 2014	Initial period of six years from May 7, 2014, that is up to May 6, 2020 and renewable for remaining years
26.	NP-742 of Rice ( <i>Oryza Sativa</i> L.) as a new plant variety	139 of 2014	Initial period of six years from May 5, 2014, that is up to May 4, 2020 and renewable for remaining years
27.	NPH-23 of Rice ( <i>Oryza Sativa</i> L.) as a new plant variety	623 of 2014	Initial period of six years from September 16, 2014, that is up to September 15, 2020 and renewable for remaining years
28.	NPH-25 of Rice ( <i>Oryza Sativa</i> L.) as a new plant variety	154 of 2014	Initial period of six years from May 7, 2014, that is up to May 6, 2020 and renewable for remaining years
29.	NPH-8899 of Rice ( <i>Oryza Sativa</i> L.) as a new plant variety	158 of 2014	Initial period of six years from May 9, 2014, that is up to May 8, 2020 and renewable for remaining years
30.	NS-203R of Sorghum ( <i>Sorghum bicolor</i> (L.) Moench.) as an extant variety	588 of 2014	Initial period of six years from August 21, 2014, that is up to August 20, 2020 and renewable for remaining years

S. No.	Plant Variety and Nature Of License	Registration Number	Validity
31.	NSH 54 of Sorghum (Sorghum bicolor (L.) Moench.) as an extant plant variety	31 of 2014	Initial period of six years from January 21, 2014, that is up to January 20, 2020 and renewable for remaining years
32.	Pratap (MH-1642) of Pearlmillet (Pennisetum glaucum L.) R. Br. as an extant plant variety	30 of 2014	Initial period of six years from January 21, 2014, that is up to January 20, 2020 and renewable for remaining years
33.	NM-74A of Maize (Zea Mays L.) as an extant plant variety	207 of 2012	Initial period of six years from November 21, 2012, that is up to November 20, 2018 and renewable for remaining years

### ***Applications made and pending***

Our Company has filed applications which are currently pending registration before the Plant Varieties Registry under the Protection of Plant Varieties and Farmers' Rights Act, 2001, for cotton, maize, paddy, pearl millet, sorghum, sunflower, sweet corn, okra, cabbage, cauliflower, tomato, brinjal, cucumber, bottle gourd and bitter gourd.

### **3. Domain name related registrations**

Nine domain names have been registered with Genesis Enterprises, Hyderabad in the name of our Company.

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue**

- The Fresh Issue has been authorized by the Board of Directors pursuant to a resolution passed on March 16, 2015 and by the shareholders of the Company pursuant to a special resolution dated March 28, 2015 under Section 62(1)(c) of the Companies Act.
- Further, our Board has by way of resolution dated March 16, 2015 approved the offer of up to 11,869,466 Equity Shares being offered for sale by the Selling Shareholders of which up to 9,891,221 Equity Shares are being offered by the Promoter Selling Shareholder and up to 1,978,245 Equity Shares are being offered by Blackstone, respectively pursuant to the Offer for Sale.
- Blackstone specifically confirms that its board of directors has authorised the offer, sale and transfer of the Blackstone Offered Shares by way of an offer for sale pursuant to the Issue by way of a board resolution dated April 3, 2015.
- The Promoter Selling Shareholder has consented to the inclusion of his component of the Offer for Sale pursuant to the letter dated March 16, 2015.
- Further, the IPO Committee has approved this Draft Red Herring Prospectus pursuant to its resolution dated April 22, 2015.
- The Company has received in-principle approvals from the BSE and the NSE for listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

The Promoter Selling Shareholder confirms that the Equity Shares being offered in the Issue by him have been held by him for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus with SEBI and, to the extent that the Equity Shares being offered by him in the Offer for Sale have resulted from a bonus issue, the bonus issue has been of Equity Shares held for a period of at least one year prior to the filing of this Draft Red Herring Prospectus and issued out of free reserves and share premium existing in the books of account as at the end of the financial year preceding the financial year in which this Draft Red Herring Prospectus is filed with the SEBI and such Equity Shares are not being issued by utilization of revaluation reserves or unrealized profits of our Company, and are eligible for being offered for sale in the Issue, in terms of Regulation 26(6) of the ICDR Regulations.

Blackstone specifically confirms that the Blackstone Offered Shares have been held by it for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus with SEBI, including the Equity Shares received pursuant to conversion of any convertible instruments held by Blackstone in accordance with Regulation 26(6) of the ICDR Regulations and, to the extent that the Blackstone Offered Shares have resulted from a bonus issue, the bonus issue has been of Equity Shares held for a period of at least one year prior to the filing of this Draft Red Herring Prospectus and issued out of free reserves and share premium existing in the books of account as at the end of the financial year preceding the financial year in which this Draft Red Herring Prospectus is filed with the SEBI and such Equity Shares are not being issued by utilization of revaluation reserves or unrealized profits of our Company, and are eligible for being offered for sale in the Issue, in terms of Regulation 26(6) of the ICDR Regulations.

### **Prohibition by the SEBI or governmental authorities**

Our Company, our Directors, our Promoters, the natural persons in control of our corporate Promoter, Promoter Group, Group Companies, were or are not associated as directors or promoters or persons in control of any other company which is or was debarred from accessing the capital markets under any order or directions made by SEBI. The Promoter Selling Shareholder confirms that he has not been prohibited or debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority. Blackstone specifically confirms that it, has not been

prohibited or debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any authority.

There is no prohibition on our Company, our Promoters, Promoter Group, Directors, Group Companies or on the natural persons in control of our corporate Promoter, from accessing the capital markets for any reasons by SEBI or any other authorities.

None of our Directors or any entity with which our Directors have been associated with as a promoter or a director are associated with the securities market.

The listing of securities of our Company has never been refused at any time by any stock exchange in India or abroad.

### **Prohibition by RBI**

None of our Company, the Promoter Selling Shareholder, our Directors, our Promoters, relatives of our Promoters, our Promoter Group, and our Group Companies have been declared as wilful defaulters by the RBI or any other 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.

Blackstone specifically confirms that it has not been declared as a wilful defaulter by the RBI or any other authority. Further, there has been no violation of any securities law committed by Blackstone in the past and no such proceedings are currently pending against it.

### **Eligibility for the Issue**

Our Company is eligible for the Issue in accordance with the Regulation 26(2) of the ICDR Regulations, which states as follows:

*“An issuer not satisfying the condition stipulated in sub-regulation (1) may make an initial public offer if the issue is made through the book-building process and the issuer undertakes to allot, at least seventy five percent of the net issue to public, to qualified institutional buyers and to refund full subscription money if it fails to make the said minimum allotment to qualified institutional buyers.”*

We are an unlisted company, not complying with the conditions specified in Regulation 26(1) of the ICDR Regulations and are therefore required to meet the conditions detailed in Regulation 26(2) of the ICDR Regulations.

- We are complying with Regulation 26(2) of the ICDR Regulations and at least 75% of the Issue is proposed to be Allotted to QIBs and in the event we fail to do so, the full application monies shall be refunded to the Bidders.
- We are complying with Regulation 43(2) of the ICDR Regulations and Non-Institutional Investors and Retail Individual Investors will be allocated not more than 15% and 10% of the Issue, respectively.

Hence, we are eligible for the Issue under Regulation 26(2) of the ICDR Regulations.

In accordance with Regulation 26(4) of the ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be allotted shall not be less than 1,000, failing which, the entire application money will be refunded. In case of delay, if any, in refund, our Company shall pay interest on the application money at the rate of 15% per annum for the period of delay.

Blackstone shall not be liable to pay interest for any delay with respect to Allotment of the Blackstone Offered Shares unless such delay is solely accountable to Blackstone.

The Issue is being made pursuant to Rule 19(2)(b)(iii) of the SCRR read with Regulation 41 of the ICDR

Regulations. The Issue is being made through the Book Building Process, in reliance of Regulation 26(2) of the ICDR Regulations, wherein at least 75% of the Issue shall be Allotted to QIBs on a proportionate basis out of which 5% of the Net QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. If at least 75% of the Issue cannot be Allotted to QIBs, all the application monies will be refunded forthwith. Further, not more than 15% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Issue will be available for allocation, in accordance with the ICDR Regulations, to Retail Individual Investors, subject to valid Bids being received at or above the Issue Price. Our Company, Blackstone and the Promoter Selling Shareholder in consultation with the Managers, may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. One third of the Anchor Investor Portion shall be reserved for allocation to domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above Anchor Investor Allocation Price. For further details, see “*Issue Procedure*” on page 633 of this Draft Red Herring Prospectus.

Our Company is in compliance with the following conditions specified under Regulation 4(2) of the ICDR Regulations:

- (a) Our Company, the Promoter Selling Shareholder, our Directors, our Promoters, the members of our Promoter Group, the persons in control of our Company and the companies with which our Directors, Promoter or persons in control were or are associated as directors or promoters or persons in control have not been debarred or prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI;
- (b) Blackstone specifically confirms that it has not been debarred or prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI;
- (c) Our Company has applied to the BSE and the NSE for obtaining their in-principle listing approval for listing of the Equity Shares under the Issue and has received the in-principle approvals from the BSE and the NSE pursuant to their letters dated [●] and [●], respectively. For the purposes of the Issue, the [●] shall be the Designated Stock Exchange;
- (d) Our Company has entered into agreements dated January 27, 2011 and November 26, 2012 with NSDL and CDSL, respectively, for dematerialisation of the Equity Shares;
- (e) The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

As the entire requirement of funds for the objects of the Fresh Issue are proposed to be met from the Net Proceeds, there is no requirement to make firm arrangements of finance towards at least 75% of the stated means of finance through verifiable means excluding the amount to be raised through the Fresh Issue.

#### **Disclaimer Clause of SEBI**

**AS REQUIRED, A COPY OF THIS DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS 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 THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE MANAGERS, AXIS CAPITAL LIMITED, IDFC SECURITIES LIMITED, JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED AND J.P. MORGAN INDIA PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN**

**FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE PROMOTER SELLING SHAREHOLDER WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY HIM IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO HIMSELF AND HIS RESPECTIVE PROPORTION OF THE EQUITY SHARES OFFERED IN THE ISSUE AND BLACKSTONE WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO THE BLACKSTONE OFFERED SHARES, THE MANAGERS, AXIS CAPITAL LIMITED, IDFC SECURITIES LIMITED, JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED AND J.P. MORGAN INDIA PRIVATE LIMITED ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MANAGERS, AXIS CAPITAL LIMITED, IDFC SECURITIES LIMITED, JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED AND J.P. MORGAN INDIA PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED APRIL 22, 2015, WHICH READS AS FOLLOWS:**

**WE, THE MANAGERS TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:**

- 1. “WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THIS DRAFT RED HERRING PROSPECTUS (“DRHP”) PERTAINING TO THE ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, 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 COMPANY;**

**WE CONFIRM THAT:**

- (A) THE DRAFT RED HERRING PROSPECTUS FILED WITH SEBI 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 SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
- (C) THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. **WE CONFIRM THAT BESIDES OURSELVES ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATIONS ARE VALID.**
4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. - NOTED FOR COMPLIANCE.**
5. **WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAVE BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN, SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRHP WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRHP.**
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 THE EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS. – COMPLIED WITH AND NOTED FOR COMPLIANCE**
7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE.**
8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. – COMPLIED WITH IN RESPECT OF THE FRESH ISSUE.**
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 SECTION 40(3) 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 PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE, THE COMPANY AND THE SELLING SHAREHOLDERS SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE. ALL MONIES RECEIVED OUT OF THE**

**ISSUE SHALL BE CREDITED/ TRANSFERRED TO A SEPARATE BANK ACCOUNT AS REFERRED TO IN SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013.**

- 10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THIS DRAFT RED HERRING 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 HAVE TO BE ISSUED ONLY IN DEMATERIALISED FORM.**
- 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 DRHP:**
  - (A) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND**
  - (B) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE SEBI FROM TIME TO TIME.**
- 13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE. – NOTED FOR COMPLIANCE.**
- 14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, 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 THIS DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**
- 16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS BELOW (WHO ARE RESPONSIBLE FOR PRICING THE ISSUE)', AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR.**
- 17. WE CERTIFY THAT THE PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS OF THE COMPANY, IN ACCORDANCE WITH AS-18 IN THE FINANCIAL STATEMENTS INCLUDED IN THE DRAFT RED HERRING PROSPECTUS AS CERTIFIED BY N S G S & ASSOCIATES, CHARTERED ACCOUNTANTS PURSUANT TO THEIR CERTIFICATE DATED APRIL 17, 2015.**



The filing of this Draft Red Herring Prospectus does not, however, absolve any person who has authorised the issue of this Draft Red Herring Prospectus from any liabilities under Section 34 or Section 36 of Companies Act, 2013 or from the requirement of obtaining such statutory and/or other clearances as may be required for the purpose of the Issue. The SEBI further reserves the right to take up at any point of time, with the Managers, any irregularities or lapses in this Draft Red Herring Prospectus.

### Price information of past issues handled by the Managers

The price information of past issues handled by the Managers is as follows:

#### Axis Capital Limited:

Sr. No.	Issue name	Issue size ₹ in Million	Issue price (₹)	Listing date	Openin g price on listing date (in ₹)	Closing price on listing date (in ₹)	% Change in price on listing date (closing) vs. issue price	Benchmark index on listing date (closing)	Closing price as on 10 <sup>th</sup> calendar day from listing day (in ₹)	Benchmark index as on 10 <sup>th</sup> calendar day from listing day (closing)	Closing price as on 20 <sup>th</sup> calendar day from listing day (in ₹)	Benchmark index as on 20 <sup>th</sup> calendar day from listing day (closing)	Closing price as on 30 <sup>th</sup> calendar day from listing day (in ₹)	Benchmark index as on 30 <sup>th</sup> calendar day from listing day (closing)
1	Inox Wind Limited <sup>1</sup>	10,205.35	325	9-Apr-15	400.00	438.40	34.89%	8,778.30	450.70	8,448.10	NA	NA	NA	NA
2	Monte Carlo Fashions Limited	3,504.30	645.00	19-Dec-14	584.00	567.30	-12.05%	8,225.20	526.55	8,246.30	511.35	8,234.60	476.00	8,550.70
3	Bharti Infratel Limited <sup>2</sup>	41,727.60	220.00	28-Dec-12	200.00	191.65	-12.89%	5,908.35	207.4	5,988.4	204.95	6,039.20	210.30	6,074.80
4	Tara Jewels Limited	2,200.00	230.00	6-Dec-12	242.00	229.9	-0.04%	5,930.90	230.25	5,857.9	223.75	5,905.6	235.30	6,016.15
5	MT Educare Limited	990.00	80.00	12-Apr-12	86.05	90.35	12.94%	5,276.85	107.9	5,200.6	107.1	5,239.15	91.15	4,928.90
6	NBCC Limited <sup>3</sup>	1,249.70	106.00	12-Apr-12	101.00	96.95	-8.54%	5,276.85	96.35	5,200.6	94.75	5,239.15	86.55	4,928.90

Source: www.nseindia.com

<sup>1</sup> Price for retail individual bidders and eligible employees was ₹ 310.00 per equity share.

<sup>2</sup> Price for retail individual bidders was ₹ 210.00 per equity share and for anchor investors was ₹ 230.00.

<sup>3</sup> Price for retail individual bidders and eligible employees was ₹ 100.70 per equity share.

Notes:

a. The S&P CNX NIFTY is considered as the Benchmark Index.

b. Price on NSE is considered for all of the above calculations.

c. In case 10th/20th/30th day is not a trading day, closing price on NSE of the next trading day has been considered.

d. Since the listing date of Inox Wind Limited was April 9, 2015, information relating to closing prices and benchmark index as on 20<sup>th</sup> calendar day from listing date and 30<sup>th</sup> calendar day from listing date is not available.

### Summary statement of price information of past issues handled by Axis Capital Limited

Financial Year	Total no. of IPOs	Total funds raised (₹ in Million)	Nos. of IPOs trading at discount on listing date			Nos. of IPOs trading at premium on listing date			Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date		
			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%
April 1, 2015 – till the date of the DRHP	1	10,205.35	0	0	0	0	1	0	NA	NA	NA	NA	NA	NA
2014-2015	1	3,504.30	0	0	1	0	0	0	0	1	0	0	0	0
2013-2014	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2012-2013	4	46,167.30	0	0	3	0	0	1	0	0	2	0	0	2

The information for each of the financial years is based on issues listed during such financial year.

Note:

Since the listing date of Inox Wind Limited was April 9, 2015, information relating to number of IPOs trading at discount and / or premium as on the 30<sup>th</sup> calendar day from listing date is not available.

#### IDFC Securities Limited:

Sr. No.	Issue name	Issue size (₹ mn)	Issue price (₹)	Listing date	Opening price on listing date (₹)	Closing price on listing date (₹)	% Change in price on listing date (closing) vs. issue price	Benchmark index on listing date (closing)	Closing price as on 10 <sup>th</sup> calendar day from listing day (₹)	Benchmark index as on 10 <sup>th</sup> calendar day from listing day (closing)	Closing price as on 20 <sup>th</sup> calendar day from listing day (₹)	Benchmark index as on 20 <sup>th</sup> calendar day from listing day (closing)	Closing price as on 30 <sup>th</sup> calendar day from listing day (₹)	Benchmark index as on 30 <sup>th</sup> calendar day from listing day (closing)
1.	Repco Home Finance Limited	2,701.01	172.0	April 1, 2013	159.95	161.80	(5.93%)	5,704.40	171.65	5,558.70	168.75	5,834.40	170.90	5,930.20
2.	Sharda Cropchem Limited	3,518.60	156.00	September 23, 2014	260.00	230.95	48.04%	8,017.55	258.10	7,852.40	255.15	7,884.25	251.25	7,995.90

Source: www.nseindia.com for the price information and prospectus for issue details

Notes:

- In case of reporting dates falling on a holiday, values for the trading day immediately following the holiday have been considered
- Price information and benchmark index values (NIFTY) have been shown only for designated stock exchange for the issues listed as item 1 and 2 in the above table.
- NSE was the designated stock exchange for the issues listed as item 1 and 2 in the above table.

Summary statement of price information of past issues handled by IDFC Securities Limited:

Fiscal year	Total no. of IPOs <sup>(1)</sup>	Total funds raised (₹ million)	Nos. of IPOs trading at discount on listing date based on closing price			Nos. of IPOs trading at premium on listing date based on closing price			Nos. of IPOs trading at discount as on 30 <sup>th</sup> calendar day from listing day based on closing price			Nos. of IPOs trading at premium as on 30 <sup>th</sup> calendar day from listing day based on closing price		
			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%
April 1, 2015 – till the date of the DRHP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2015	1	3,518.60	-	-	-	-	1	-	-	-	-	1	-	-
2014	1	2,701.01	-	-	1	-	-	-	-	-	1	-	-	-

1 Based on the date of listing

JM Financial Institutional Securities Limited (formerly JM Financial Institutional Securities Private Limited):

Sr. No.	Issue Name	Issue size ₹ million.)	Issue price (₹)	Listing date	Opening price on listing date (₹)	Closing price on listing date (₹)	% Change in price on listing date (closing) vs. issue price	Benchmark index on listing date (closing)	Closing price as on 10 <sup>th</sup> calendar day from listing day	Benchmark index as on 10 <sup>th</sup> calendar day from listing day (closing)	Closing price as on 20 <sup>th</sup> calendar day from listing day	Benchmark index as on 20 <sup>th</sup> calendar day from listing day (closing)	Closing price as on 30 <sup>th</sup> calendar day from listing day	Benchmark index as on 30 <sup>th</sup> calendar day from listing day (closing)
1	Repco Home Finance Limited	2,701.01	172.00 <sup>(6)</sup>	1-Apr-13	159.95	161.80	(5.93%)	5,704.40	171.65	5,558.70	168.75	5,834.40	170.90	5,930.20

Notes:

- The S&P CNX NIFTY is considered as the Benchmark Index.
- 10<sup>th</sup> calendar day has been taken as listing date plus 9 calendar days.
- 20<sup>th</sup> calendar day has been taken as listing date plus 19 calendar days.
- 30<sup>th</sup> calendar day has been taken as listing date plus 29 calendar days.
- In case 10<sup>th</sup>/ 20<sup>th</sup>/ 30<sup>th</sup> day is not a trading day, closing price on the next trading day has been considered.
- Discount of Rs. 16 per equity share offered to employees.
- Stock market information has been sourced from www.nseindia.com.

Summary statement of price information of past issues handled by JM Financial Institutional Securities Limited (formerly JM Financial Institutional Securities Private Limited):

Fiscal Year	Total No. of IPOs	Total Funds Raised (₹ million)	No. of IPOs trading at discount on listing date			No. of IPOs trading at premium on listing date			No. of IPOs trading at discount as on 30th calendar day from listing day			No. of IPOs trading at premium as on 30th calendar day from listing day		
			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%
April 1, 2015 – till the date of the DRHP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2014-2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2013-2014	1	2,701.01	-	-	1	-	-	-	-	-	1	-	-	-
2012-2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

- 1) The information for each of the financial years is based on issues listed during such financial year.
- 2) 30th calendar day has been taken as listing date plus 29 calendar days. In case 30th day is not a trading day, closing price on the next trading day has been considered.
- 3) Stock market information has been sourced from [www.nseindia.com](http://www.nseindia.com).

J.P. Morgan India Private Limited:

Sr. No.	Issue Name	Issue size ₹ million.)	Issue price (₹)	Listing date	Opening price on listing date (₹)	Closing price on listing date (₹)	% Change in price on listing date (closing) vs. issue price	Benchmark index on listing date (closing)	Closing price as on 10th calendar day from listing day	Benchmark index as on 10th calendar day from listing day (closing)	Closing price as on 20th calendar day from listing day	Benchmark index as on 20th calendar day from listing day (closing)	Closing price as on 30th calendar day from listing day	Benchmark index as on 30th calendar day from listing day (closing)
1	Bharti Infratel Limited <sup>1</sup>	41,727.60	220.00	28-Dec-12	200.00	191.65	-12.89%	5,908.35	207.4	5,988.4	204.95	6039.20	210.30	6074.80

Source: [www.nseindia.com](http://www.nseindia.com)

<sup>1</sup> Price for retail individual investors was ₹ 210.00 per equity share and for anchor investors was ₹ 230.00

Notes:

- a. The S&P CNX NIFTY is considered as the Benchmark Index.
  - b. Price on NSE is considered for all of the above calculations.
- In case 10th/20th/30th day is not a trading day, closing price on NSE of the next trading day has been considered.

Summary statement of price information of past issues handled by J.P. Morgan India Private Limited:

Fiscal Year	Total No. of IPOs	Total Funds Raised (₹ million)	No. of IPOs trading at discount on listing date			No. of IPOs trading at premium on listing date			No. of IPOs trading at discount as on 30th calendar day from listing day			No. of IPOs trading at premium as on 30th calendar day from listing day		
			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%
April 1, 2015 – till the date of the DRHP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2014-2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Fiscal Year	Total No. of IPOs	Total Funds Raised (₹ million)	No. of IPOs trading at discount on listing date			No. of IPOs trading at premium on listing date			No. of IPOs trading at discount as on 30th calendar day from listing day			No. of IPOs trading at premium as on 30th calendar day from listing day		
			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%
2013-2014	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2012-2013	1	41,727.6	-	-	1	-	-	-	-	-	1	-	-	-

*Note: In the event that any day falls on a holiday, the price/ index of the next trading day has been considered.  
The information for each of the financial years is based on issues listed during such financial year.*

### Track record of past issues handled by the Managers

For details regarding the track record of the Managers, as specified in circular (CIR/MIRSD/1/2012) dated January 10, 2012 issued by SEBI, please refer to the websites of the Managers, as set forth in the table below:

Sr. No	Name of the Manager	Website
1.	Axis Capital Limited	<a href="http://www.axiscapital.co.in">http://www.axiscapital.co.in</a>
2.	IDFC Securities Limited	<a href="http://www.idfc.com/capital/investment-banking/track-record.aspx">http://www.idfc.com/capital/investment-banking/track-record.aspx</a>
3.	JM Financial Institutional Securities Limited	<a href="http://www.jmfi.com/">http://www.jmfi.com/</a>
4.	J.P. Morgan India Private Limited	<a href="http://www.jpmpil.com">http://www.jpmpil.com</a>

### Caution – Disclaimer from our Company, the Selling Shareholders, our Directors, and the Managers

Our Company, the Promoter Selling Shareholder, our Directors and the Managers accept no responsibility for statements made otherwise than those contained in this Draft Red Herring Prospectus or in any advertisements or any other material issued by or at our Company's instance. It is clarified that the Promoter Selling Shareholder is providing information in this Draft Red Herring Prospectus only about and in relation to himself and the Equity Shares offered by him under the Offer for Sale and is not responsible or liable for any other statement or information contained in this Draft Red Herring Prospectus. It is further clarified that Blackstone is providing information in this Draft Red Herring Prospectus only in relation to themselves and the Blackstone Offered Shares and Blackstone, its directors, affiliates, associates and officers accept and/or undertake no responsibility or liability for any other statement or information contained in this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, including our Company's website, [www.nuziveeduseeds.com](http://www.nuziveeduseeds.com), or the website of any of our Promoters, Promoter Group, Group Companies or of any affiliate or associate of our Company, would be doing so at his or her own risk.

The Managers accept no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement to be entered into between the Underwriters, our Company, Blackstone the Promoter Selling Shareholders and Registrar to the Issue.

All information shall be made available by our Company, and the Managers to the public and investors at large and no selective or additional information will be made available for a section of investors in any manner whatsoever including at road show presentations, in research or sales reports, at bidding centres or elsewhere.

Neither our Company, nor Blackstone, nor the Promoter Selling Shareholder, nor any member of the Syndicate shall be liable to Bidders for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Bidders will be required to confirm and will be deemed to have represented to our Company, Blackstone, the Promoter Selling Shareholder and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and that they shall not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, Blackstone, the Promoter Selling Shareholder, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any

investor on whether such investor is eligible to acquire Equity Shares.

The Managers and their respective affiliates and associates may engage in transactions with, and perform services for, our Company and its Group Companies or affiliates or Blackstone or the Promoter Selling Shareholder and their respective affiliates or associates or group companies or third parties in the ordinary course of business and have engaged, or may in the future engage, in transactions including underwriting, commercial banking and investment banking transactions with our Company and its Group Companies or affiliates or Blackstone or the Promoter Selling Shareholder and their respective affiliates, associates, group companies or third parties, for which they have received, and may in the future receive, compensation.

### **Disclaimer in Respect of Jurisdiction**

The Issue is being made in India to persons resident in India, including Indian national residents in India who are competent to contract under the Indian Contract Act, 1872, as amended, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their respective constitutions to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of ₹ 250 million and pension funds with minimum corpus of ₹ 250 million, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI and permitted Non-Residents including FPIs and Eligible NRIs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of the Issue is with the competent courts/authorities in Hyderabad, India.

**The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) in the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the Securities Act and referred to in this Draft Red Herring Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in the Draft Red Herring Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

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

This Draft Red Herring Prospectus will not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red

Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company, Blackstone and the Promoter Selling Shareholder and their respective affiliates from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

#### **IMPORTANT INFORMATION FOR INVESTORS – ELIGIBILITY AND TRANSFER RESTRICTIONS**

**The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws of the United States, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the Securities Act and referred to in this Draft Red Herring Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in the Draft Red Herring Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the Securities Act, and (ii) outside the United States in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

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

Until the expiry of 40 days after the commencement of this Issue, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in this Issue) may violate the registration requirements of the Securities Act.

#### ***Equity Shares Offered and Sold within the United States***

Each purchaser that is acquiring the Equity Shares offered pursuant to this Issue within the United States, by its acceptance of the Red Herring Prospectus and of the Equity Shares, will be deemed to have acknowledged, represented to and agreed with the Company and the Managers that it has received a copy of the Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

- (1) the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Issue in compliance with all applicable laws and regulations;
- (2) the purchaser acknowledges that the Equity Shares offered pursuant to this Issue have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;
- (3) the purchaser (i) is a U.S. QIB, (ii) is aware that the sale to it is being made in a transaction exempt from or not subject to the registration requirements of the Securities Act, and (iii) is acquiring such Equity Shares for its own account or for the account of a qualified institutional buyer with respect to which it exercises sole investment discretion;
- (4) the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;
- (5) if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A or (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the Securities Act and (B) in accordance with all applicable laws, including the securities laws of the States

of the United States. The purchaser understands that the transfer restrictions will remain in effect until the Company determines, in its sole discretion, to remove them;

- (6) the Equity Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any such Equity Shares;
- (7) the purchaser will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act;
- (8) the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any “directed selling efforts” as defined in Regulation S under the Securities Act in the United States with respect to the Equity Shares;
- (9) the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless the Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

- (10) the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and
- (11) the purchaser acknowledges that the Company, the Managers, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

#### ***All Other Equity Shares Offered and Sold in this Issue***

Each purchaser that is acquiring the Equity Shares offered pursuant to this Issue outside the United States, by its acceptance of the Red Herring Prospectus and of the Equity Shares offered pursuant to this Issue, will be deemed to have acknowledged, represented to and agreed with the Company and the Managers that it has received a copy of the Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

- (1) the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Issue in compliance with all applicable laws and regulations;

- (2) the purchaser acknowledges that the Equity Shares offered pursuant to this Issue have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;
- (3) the purchaser is purchasing the Equity Shares offered pursuant to this Issue in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the Securities Act;
- (4) the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares offered pursuant to this Issue, was located outside the United States at the time (i) the offer was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;
- (5) the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;
- (6) if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A or (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the Securities Act and (B) in accordance with all applicable laws, including the securities laws of the States of the United States. The purchaser understands that the transfer restrictions will remain in effect until the Company determines, in its sole discretion, to remove them;
- (7) the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the Securities Act in the United States with respect to the Equity Shares;
- (8) the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless the Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

- (9) the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and
- (10) the purchaser acknowledges that the Company, the Managers, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it



has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Relevant Member State”) an offer to the public of any Equity Shares which are the subject of the offering contemplated by this Draft Red Herring Prospectus may not be made in that Relevant Member State except that an offer to the public in that Relevant Member State of any Equity Shares may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- (a) to legal entities which are qualified investors as defined under the Prospectus Directive;
- (b) by the Book Running Lead Managers to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant Book Running Lead Manager or Book Running Lead Managers nominated by the Issuer for any such offer;
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Equity Shares shall result in a requirement for the Issuer or any Book Running Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive and each person who receives any communication in respect of, or who acquires any Equity Shares under, the offers contemplated in this Draft Red Herring Prospectus will be deemed to have represented, warranted and agreed to with the Book Running Lead Manager and the Company that it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive.

For the purposes of this clause, the expression an “offer to the public” in relation to any Equity Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase any Equity Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive), and includes any relevant implementing measure in each Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU. In the case of any Equity Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the Equity Shares acquired by it in the Offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any Equity Shares to the public in a Relevant Member State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that relevant member state or, where appropriate, approved in another Relevant Member State and notified to the competent authority in the Relevant Member State, all in accordance with the Prospectus Directive, other than their offer or resale to qualified investors or in circumstances in which the prior consent of the Book Running Lead Managers has been obtained to each such proposed offer or resale. The Company, the Book Running Lead Managers and their affiliates, and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement.

#### **Disclaimer Clause of NSE**

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the NSE. The disclaimer clause as intimated by the NSE to us, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to filing the same with the RoC.

#### **Disclaimer Clause of BSE**

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the BSE. The disclaimer clause as intimated by the BSE to us, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to filing the same with the RoC.

### **Filing**

A copy of this Draft Red Herring Prospectus has been filed with SEBI at the Corporate Finance Department, SEBI Bhavan, Plot No. C4-A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, India.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the RoC, and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration with the RoC:

The office of the RoC is located at:

### **The Registrar of Companies, Andhra Pradesh & Telangana**

2nd Floor, CPWD Bldg.

Kendriya Sadan, Sultan Bazar

Koti

Hyderabad 500 195

India

### **Listing**

The Equity Shares issued through the Red Herring Prospectus are proposed to be listed on the BSE and the NSE. Initial listing applications will be made to the Stock Exchanges for permission to deal in, and for an official quotation of the Equity Shares. The [●] will be the Designated Stock Exchange with which the 'Basis of Allotment' will be finalised.

If permission to deal in and for an official quotation of the Equity Shares is not granted by any of the Stock Exchanges, our Company will forthwith repay, all moneys received from the applicants in pursuance of the Red Herring Prospectus, required by applicable law. If such money is not repaid within the prescribed time, then our Company and every officer in default shall be liable to repay the money, with interest as prescribed under applicable laws.

Our Company and the Promoter Selling Shareholders shall 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 12 Working Days of the Bid/Issue Closing Date. Blackstone specifically confirms that it shall provide reasonable support and extend reasonable cooperation as required or requested by the Company and the Promoter Selling Shareholder to facilitate this process. If our Company does not Allot Equity Shares pursuant to the Issue within 12 Working Days from the Bid/Issue Closing Date or within such timeline as prescribed by SEBI, it shall repay without interest all monies received from bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

Subject to applicable law, Blackstone shall not be liable to pay interest for any delay, unless such delay has been caused solely by Blackstone.

### **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.”*

## **Consents**

Consents in writing of the Selling Shareholders, the Directors, the Company Secretary and Compliance Officer, Chief Financial Officer, the Bankers/lenders to the Company, the Managers and Syndicate Members, Escrow Collection Bank(s), Public Issue Account Banks, Refund Bank(s), Registrar to the Issue, Legal Counsel to the Company, Legal Counsel to the Managers as to Indian Law, Legal Counsel to the Managers as to US law, CARE, to act in their respective capacities, will be obtained and shall be filed along with a copy of the Red Herring Prospectus with the RoC, as required under 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 Company has received written consent from its Auditor, namely, BSR & Associates LLP, Chartered Accountants, to include its name as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the reports of the Auditor on the Restated Standalone Financial Information and on the Restated Consolidated Financial Information, both dated March 16, 2015, respectively included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Further, Laxminiwas & Co. has consented to the inclusion of the statement of tax benefits dated March 26, 2015 and to be named as an “Expert” under Section 2(38) of the Companies Act, 2013, pursuant to their letter dated April 18, 2015 in respect of the statement of tax benefits dated March 26, 2015.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

## **Expert Opinion**

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

Our Company has received written consent from its Auditor, namely, BSR & Associates LLP, Chartered Accountants, to include its name as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect of the reports of the Auditor on the Restated Standalone Financial Information and on the Restated Consolidated Financial Information, both dated March 16, 2015, respectively included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Further, Laxminiwas & Co. has consented to the inclusion of the statement of tax benefits dated March 26, 2015 and to be named as an “Expert” under Section 2(38) of the Companies Act, 2013, pursuant to their letter dated April 18, 2015 in respect of the statement of tax benefits dated March 26, 2015.

Further CARE has pursuant to its letter dated April 8, 2015 consented to the disclosure of portions of and information derived from the report titled “Report on Indian Seeds Industry” dated April 3, 2015 in this Draft Red Herring Prospectus and to be named as an “Expert” under Section 2(38) of the Companies Act, 2013.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

## **Issue Expenses**

The estimated Issue related expenses are as follows:

(₹ in million)

Activity	Total estimated Amount*	Percentage of Issue Expenses*	Percentage of Issue Size*
Lead management fees, underwriting commission, brokerage and selling commission (including commissions to SCSBs for ASBA Applications and commissions to Non-Syndicate Registered Brokers)	[●]	[●]	[●]
Fees paid to the bankers to the Issue, processing fees to the SCSBs for processing Application Forms procured by the Syndicate at Syndicate ASBA Centres or Non-Syndicate Registered Brokers and submitted to the SCSBs#	[●]	[●]	[●]
Registrar fee and other related fees (postage of refunds etc.)	[●]	[●]	[●]
Advertising and marketing expenses, printing, stationery and distribution expenses	[●]	[●]	[●]
Other expenses (SEBI Filing fees, legal and auditor fees, stock exchanges' processing and listing fees, book-building fees, depository's charges etc.)	[●]	[●]	[●]
<b>Total</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

\* Will be incorporated at the time of filing of the Prospectus.

\*\* Disclosure of commission and processing fees will be incorporated at the time of filing the Red Herring Prospectus.

All expenses in relation to the Issue will be shared amongst the Company and the Selling Shareholders, as mutually agreed in writing, in accordance with applicable law.

### **Fees, Brokerage and Selling Commission Payable to the Managers and the Syndicate Members**

The total fees payable to the Managers and the Syndicate Members (including underwriting commission, brokerage and selling commission and reimbursement of their out-of-pocket expense) will be as stated in the engagement letters among our Company, Blackstone, the Promoter Selling Shareholder and the Managers and the Syndicate Agreement, copies of which will be made available for inspection at the Registered Office.

### **Fees Payable to the Registrar to the Issue**

The fees payable to the Registrar to the Issue for processing of application, data entry, printing of Allotment Advice/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement dated April 22, 2015 entered into, among our Company, Blackstone, the Promoter Selling Shareholder and the Registrar to the Issue, a copy of which is available for inspection at the Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send such refund in any of the modes described in the Red Herring Prospectus or Allotment Advice by registered post/speed post/ordinary post.

### **IPO grading**

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Issue.

### **Previous public or rights issues during the last five years**

Our Company has not made any previous public issue or any rights issues during the five years preceding the date of this Draft Red Herring Prospectus.

### **Previous issues of securities otherwise than for cash**

Except as disclosed under “*Capital Structure – Notes to Capital Structure – Share Capital History*” on page 122 of this Draft Red Herring Prospectus, our Company has not issued any securities for consideration other than cash.

#### **Underwriting commission, brokerage and selling commission on previous issues**

No sum has been paid or is payable as commission or brokerage for subscribing to or procuring for, or agreeing to procure subscription for any of the Equity Shares of our Company since its inception.

#### **Capital issuances in the preceding three years**

Except as disclosed in “*Capital Structure*” on page 121 of this Draft Red Herring Prospectus, our Company has not made any capital issues during the three years preceding the date of this Draft Red Herring Prospectus.

#### **Listed companies under the same Management**

There are no listed companies under the same management as our Company within the meaning of Section 370(1B) of the Companies Act, 1956 which have made any capital issues in the last three years.

#### **Details of public/ rights issues by listed Group Companies, Subsidiaries and Associates in the last three years**

None of our Group Companies, Subsidiaries or Associates are listed.

#### **Performance vis-à-vis objects**

There has been no shortfall in terms of performance vis-à-vis objects for any of the previous issues of the Company.

#### **Outstanding debentures or bond issues or preference shares or other instruments**

There are no outstanding debentures or bonds or redeemable preference shares or other instruments as of the date of this Draft Red Herring Prospectus.

#### **Stock Market Data of the Equity Shares**

This being an initial public offering of our Company, the Equity Shares are not listed on any stock exchange.

#### **Other Disclosures**

None of our Directors, Promoters and/or the members of our Promoter Group have purchased or sold any securities of our Company, during a period of six months preceding the date of filing this Draft Red Herring Prospectus with SEBI.

#### **Mechanism for Redressal of Investor Grievances**

The agreement between the Registrar to the Issue, our Company, Blackstone and the Promoter Selling Shareholder dated April 22, 2015, provides for retention of records, including refund orders despatched to the Bidders, with the Registrar to the Issue for a period of at least three years from the date of commencement of trading of the Equity Shares, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the non-ASBA process must be addressed to the Registrar to the Issue quoting the full details such as the name and address of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid cum Application Form, amount paid

on application, name and address of the member of the Syndicate at the Specified Location or the Registered Broker at the Broker Centre where the Bid cum Application Form was submitted and cheque or draft number and issuing bank thereof.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker, as the case may be, giving full details such as name and address of the sole or First Bidder, Bid cum Application Form number, number of Equity Shares applied for, Bid Amount blocked, ASBA Account number, Bidders' DP ID, Client ID, PAN and name and address of the Designated Branch of the SCSB or the collection centre of the SCSB or the member of the Syndicate at the Specified Location or the Registered Broker at the Broker Centre where the Bid cum Application Form was submitted. All grievances relating to Bids submitted through the Registered Broker may be addressed to the Stock Exchanges with a copy to the Registrar.

The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Managers and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable ICDR Regulations.

### **Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be seven Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

There have been no investor grievances received by the Company for the three years prior to the filing of this Draft Red Herring Prospectus.

As on date there are no investor complaints pending.

Our Company has constituted a Stakeholders' Relationship Committee, comprising of Mrs. Mandava Asha Priya, Mr. Sateesh Kumar Puligundla and Mr. Gopala Krishna Muddusetty as members. For further details, see "*Our Management*" on page 243 of this Draft Red Herring Prospectus.

Our Company has appointed Mr. N. Murali Krishna as the Company Secretary and Compliance Officer and he may be contacted in case of any pre-Issue or post-Issue related problems. He can be contacted at the following address:

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

Survey No. 69, Kandlakoya  
Gundla Pochampally Village  
Medchal Mandal  
Ranga Reddy District - 501 401  
Telangana, India.  
Telephone: (91 8418) 308 888  
Facsimile: (91 8418) 308 892  
E-mail: investors@nuziveeduseeds.com

### **Disposal of investor grievances by listed companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956**

There are no listed companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 and therefore there are no investor complaints pending against our companies.

### **Change in Statutory Auditors**

There have been no changes in the statutory auditors of our Company during the three years preceding the date of this Draft Red Herring Prospectus.

**Capitalisation of Reserves or Profits**

Except as disclosed in the section “*Capital Structure*” on page 121 of this Draft Red Herring Prospectus, our Company has not capitalised its reserves or profits at any time since its incorporation.

**Revaluation of Assets**

Our Company has not revalued its assets since its incorporation.

## **TERMS OF THE ISSUE**

The Equity Shares being offered pursuant to the Issue are subject to the provisions of the Companies Act, our Memorandum and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, the abridged prospectus, the Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the CAN/Allotment Advice and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to applicable laws, guidelines, notifications and regulations relating to the issue and transfer of capital and listing of securities issued from time to time by SEBI, the GoI, the Stock Exchanges, RBI, RoC, FIPB 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, RBI and/or any other regulatory authority while granting its approval for the Issue.

### **Ranking of Equity Shares**

The Equity Shares being issued and transferred pursuant to the Issue shall be subject to the provisions of our Memorandum and Articles of Association and the Companies Act and shall rank *pari passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees in receipt of Equity Shares under the Issue will be entitled to dividends and / or any other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see “*Main Provisions of our Articles of Association*” on page 688 of this Draft Red Herring Prospectus.

### **Mode of Payment of Dividend**

Our Company shall pay dividend, if declared, to the shareholders of our Company as per the provisions of the Companies Act, 2013, our Memorandum and Articles of Association and the Listing Agreement. For further details, see “*Dividend Policy*” and “*Main Provisions of our Articles of Association*” on pages 390 and 688 of this Draft Red Herring Prospectus, respectively.

### **Face value and Issue Price**

The Equity Shares with a face value of ₹ 10 each shall be transferred in terms of the Red Herring Prospectus at an Issue Price of ₹ [●] per Equity Share. The Anchor Investor Issue Price is ₹ [●] per Equity Share. At any given point of time, there shall be only one denomination for the Equity Shares of our Company, subject to applicable laws.

The Floor Price of the Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. The Price Band and the minimum Bid Lot will be decided by our Company, Blackstone and the Promoter Selling Shareholder, in consultation with the Managers. These will be published by our Company at least five Working Days prior to the Bid/Issue Opening Date with the relevant financial ratios calculated at the Floor Price and at the Cap Price, in [●], an English national daily newspaper, [●], a Hindi national daily newspaper and [●] a Telugu daily newspaper (Telugu being the regional language of Telangana where our Registered Office is located), each with wide circulation. Such information shall also be disclosed to the Stock Exchanges for dissemination through, and shall be pre-filled in the Bid cum Application Forms available on, the Stock Exchanges’ websites.

### **Issue Programme**

For details of the Issue programme, see “*Issue Structure*” on page 628 of this Draft Red Herring Prospectus.

### **Compliance with 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 provisions of our Articles, the equity shareholders of our Company shall have the following rights:

- right to receive dividend, if declared;
- right to attend general meetings and exercise voting powers, unless prohibited by law;
- right to vote on a poll either in person or by proxy or 'e-voting';
- right to receive offers for rights shares and be allotted bonus shares, if announced;
- right to receive surplus on liquidation subject to any statutory and preferential claims being satisfied;
- right of free transferability, subject to applicable law; and
- such other rights, as may be available to a shareholder of a listed public company under the Companies Act, 2013, the terms of the Listing Agreement, and our Memorandum and Articles of Association.

For further details on the main provisions of our Company's Articles of Association including those dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/or consolidation/splitting, see "*Main Provisions of our Articles of Association*" on page 688 of this Draft Red Herring Prospectus.

#### **Market lot and trading lot**

As per the applicable law, the trading of our Equity Shares shall only be in dematerialised form for all investors. Since trading of our Equity Shares will be in dematerialised form, the tradable lot is one Equity Share. In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. In this context, our Company and the Registrar to the Issue have entered into agreements dated January 27, 2011 and November 26, 2012, with NSDL and CDSL, respectively. Allotment in the Issue will be done only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares to successful Bidders.

#### **Nomination facility to the Investor**

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole or first Bidder, 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, will vest. A nominee entitled to the Equity Shares by reason of the death of the original holder(s), will, in accordance with Section 72 of the Companies Act, 2013, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the Equity Shares. 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 the holder's death during minority. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form

Further, 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 90 days, the

Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investors require a change the nomination, they are requested to inform their respective depository participant.

### **Minimum subscription**

If our Company does not receive (i) the minimum subscription of 90% of the Fresh Issue; and (ii) a subscription in the Fresh Issue equivalent to the minimum number of securities as specified under Rule 19(2)(b)(iii) of the SCRR, our Company shall, within fifteen (15) days from the date of Bid/Issue Closing Date, forthwith refund the all application moneys received. If there is a delay in such refund beyond these 15 days, our Company shall pay interest at such rate as may be prescribed under the Companies Act, 2013, the ICDR Regulations and applicable law.

The application monies to be refunded shall be credited only to the bank account from which the subscription was remitted.

The requirement for minimum subscription is not applicable to the Offer for Sale. In case of under-subscription in the Issue, the Equity Shares in the Fresh Issue will be Allotted prior to the Equity Shares in the Offer for Sale.

If at least 75% of the Issue is not Allotted to QIBs, the entire application monies shall be refunded forthwith.

Further, pursuant to Regulation 26(4) of the ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom Equity Shares will be Allotted shall not be less than 1,000.

### **Arrangements for disposal of odd lots**

Since our Equity Shares will be traded in dematerialized form only, the market lot for our Equity Shares will be one, no arrangements for disposal of odd lots are required.

### **Restriction on transfer and transmission of shares**

Except for the lock-in of the pre- Issue Equity Shares, minimum Promoters' contribution, Anchor Investor lock-in, pursuant to the Issue as detailed in "*Capital Structure*" on page 121 of this Draft Red Herring Prospectus and except as provided in "*Main Provisions of our Articles of Association*" on page 688 of this Draft Red Herring Prospectus, there are no restrictions on transfers of Equity Shares. Further, there are no restrictions on transmission of shares/ debentures and on their consolidation/ splitting except as provided in our Articles of Associations. For details, see "*Main Provisions of our Articles of Association*" on page 688 of this Draft Red Herring Prospectus.

### **Option to receive Equity Shares in Dematerialized Form**

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA and the circulars and notifications issued thereunder. Unless specifically restricted, foreign investment is freely permitted in all sectors of the 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 consolidated FDI Policy issued by the DIPP by circular 1 of 2014, with effect from April 17, 2014, as amended (“**Consolidated FDI Policy**”), consolidates and supercedes all previous press notes, press releases and clarifications on FDI issued by the DIPP.

Under the Consolidated FDI Policy, FDI is allowed only in the following agricultural sectors and/or activities:

- a) floriculture, horticulture, apiculture and cultivation of vegetables and mushrooms under controlled conditions (as defined in the Consolidated FDI Policy);
- b) development and production of seeds and planting material;
- c) animal husbandry (including breeding of dogs), pisciculture, aquaculture, under controlled conditions; and
- d) services related to agro and allied sectors.

Further, in terms of the Consolidated FDI Policy, FDI is allowed in companies dealing with development of transgenic seeds/vegetables, subject to compliance with the following conditions:

- a) When dealing with genetically modified seeds or planting material the company shall comply with safety requirements in accordance with laws enacted under the Environment (Protection) Act, 1986 on the genetically modified organisms.
- b) Any import of genetically modified materials if required shall be subject to the conditions laid down vide notifications issued under Foreign Trade (Development and Regulation) Act, 1992.
- c) The company receiving FDI is required to comply with any other law, regulation or policy governing genetically modified material in force from time to time.
- d) Undertaking of business activities involving the use of genetically engineered cells and material is subject to the receipt of approvals from Genetic Engineering Approval Committee and Review Committee on Genetic Manipulation.
- e) Import of materials shall be in accordance with National Seeds Policy.

Subject to compliance with certain prescribed conditions, including the conditions mentioned above, foreign investment aggregating up to 100% is permitted in our Company under the automatic route.

### **Representation from the Bidders**

No person shall make a Bid in the Issue, unless such person is eligible to acquire Equity Shares in accordance with applicable laws, rules, regulations, guidelines and approvals. Investors that Bid in the Issue will be required to confirm and will be deemed to have represented to the Company, Blackstone, the Promoter Selling Shareholder, the Managers and their respective directors, officers, agents, affiliates and representatives, as applicable, 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. The Company, Blackstone, the Promoter Selling Shareholder, the Managers 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.

There is no reservation for non-residents, NRIs, Eligible FPIs, foreign venture capital funds, multilateral and bilateral development financial institutions and any other foreign investor. All non-residents, NRIs, Eligible FPIs and foreign venture capital funds, multilateral and bilateral development financial institutions and any other foreign investor applicants will be treated on the same basis with other categories for the purpose of allocation.

As per existing regulations, OCBs cannot participate in the Issue.

**The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) in the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the Securities Act and referred to in this Draft Red Herring Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in the Draft Red Herring Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

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

The above information is given for the benefit of the Bidders. The Company, Blackstone, the Promoter Selling Shareholder and the Managers are not liable for any amendments, modification, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

## ISSUE STRUCTURE

Initial public offering of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share including a share premium of ₹ [●] Equity Share, aggregating to ₹ [●] million consisting of a fresh issue of [●] Equity Shares aggregating to ₹1,250 million and an offer for sale of up to 9,891,221 Equity Shares aggregating up to ₹ [●] million by the Promoter Selling Shareholder and up to 1,978,245 Equity Shares aggregating up to ₹ [●] million by Blackstone, in accordance with, and pursuant to, Section 28 of the Companies Act, 2013 pursuant to the terms of the Red Herring Prospectus. The Issue shall constitute at least 10 % of the fully diluted post-Issue paid-up equity share capital of our Company.

The Issue is being made through the Book Building Process.

	<b>QIBs<sup>#</sup></b>	<b>Non-Institutional Investors</b>	<b>Retail Individual Investors</b>
Number of Equity Shares <sup>##</sup>	At least [●] Equity Shares	Not more than [●] Equity Shares available for allocation or issue less allocation to QIBs and Retail Individual Investors.	Not more than [●] Equity Shares available for allocation or issue less allocation to QIBs and Non-Institutional Investors.
Percentage of Issue size available for allocation	At least 75% of the Issue being Allotted.  However, up to 5% of the Net QIB Category shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining Net QIB Category.	Not more than 15% of the Issue or the Issue less allocation to QIBs and Retail Individual Investors.	Not more than 10% of the Issue or the Issue less allocation to QIBs and Non-Institutional Investors.
Basis of Allotment/allocation if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion):  (a) Up to [●] Equity Shares shall be allocated on a proportionate basis to Mutual Funds only; and  (b) [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above.	Proportionate.	In the event, the Bids received from Retail Individual Investors exceeds [●] Equity Shares, then the maximum number of Retail Individual Investors who can be Allotted the minimum Bid lot will be computed by dividing the total number of Equity Shares available for Allotment to Retail Individual Investors by the minimum Bid lot (“ <b>Maximum RII Allottees</b> ”). The Allotment to Retail Individual Investors will then be made in the following manner:  • In the event the number of

	<b>QIBs<sup>#</sup></b>	<b>Non-Institutional Investors</b>	<b>Retail Individual Investors</b>
			<p>Retail Individual Investors who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) Retail Individual Investors shall be Allotted the minimum Bid lot; and (ii) the balance Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the Retail Individual Investors who have received Allotment as per (i) above for less than the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid lot).</p> <ul style="list-style-type: none"> <li>• In the event the number of Retail Individual Investors who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the Retail Individual Investors (in that category) who will then be Allotted minimum Bid lot shall be determined on draw of lots basis.</li> </ul>
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter.	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Maximum Bid	Such number of Equity Shares not exceeding [●] subject to applicable limits.	Such number of Equity Shares not exceeding the Issue subject to applicable limits.	Such number of Equity Shares such that the Bid Amount does not exceed ₹ 200,000.
Mode of Allotment	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.
Bid lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter.	[●] Equity Shares and in multiples of one Equity Share thereafter.	[●] Equity Shares and in multiples of one Equity Share thereafter.
Trading lot	One Equity Share.	One Equity Share.	One Equity Share.
Who can apply	Public financial institutions specified in	Resident Indian individuals, Eligible	Resident Indian Individuals, Eligible NRIs, HUF (in the

	<b>QIBs<sup>#</sup></b>	<b>Non-Institutional Investors</b>	<b>Retail Individual Investors</b>
	Section 2(72) of the Companies Act, 2013, FPIs (other than Category III Foreign Portfolio Investors), scheduled commercial banks, mutual funds registered with the SEBI, venture capital funds registered with SEBI, FVCIs, Alternative Investment Funds, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with a minimum corpus of ₹ 250 million, pension funds with a minimum corpus of ₹ 250 million, the National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI, published in the Gazette of India, insurance funds set up and managed by the army, navy, or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.	NRIs, HUF (in the name of <i>Karta</i> ), companies, corporate bodies, scientific institutions societies and trusts, Category III Foreign Portfolio Investors, sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals.	name of <i>Karta</i> ).
Terms of Payment <sup>@</sup>	The entire Bid Amount shall be payable at the time of submission of Bid cum Application Form (including for Anchor Investors)*.	The entire Bid Amount shall be payable at the time of submission of Bid cum Application Form.	The entire Bid Amount shall be payable at the time of submission of Bid cum Application Form.

<sup>#</sup> The Company, Blackstone and the Promoter Selling Shareholder may, in consultation with the Managers, allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. For further details, see "Issue Procedure" on page 633 of this Draft Red Herring Prospectus.

<sup>##</sup> Subject to valid Bids being received at or above the Issue Price. The Issue is being made through the Book Building Process wherein at least 75% of the Issue will be Allotted to QIBs on a proportionate basis. 5% of the Net QIB Category shall be available for

allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for allocation on a proportionate basis to all QIBs including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than [•] Equity Shares, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Category and allocated proportionately to QIBs in proportion to their Bids. If at least 75% of the Issue is not Allotted to QIBs, the entire application monies shall be refunded forthwith. Further, not more than 15% of the Issue will be available for allocation on a proportionate basis to Non- Institutional Investors and not more than 10% of the Issue will be available for allocation, in accordance with the ICDR Regulations, to Retail Individual Investors, subject to valid Bids being received at or above the Issue Price. In the event of under-subscription in any category, the unsubscribed portion would be allowed to be met with spill over from over subscription from any other category or a combination of categories, except in the QIB category, at the sole discretion of the Company, in consultation with the Managers.

® In case of ASBA Bidders, the SCSB shall be authorised to block such funds in the bank account of the ASBA Bidder that are specified in the Bid cum Application Form.

\* The entire Bid Amount shall be payable by the Anchor Investors at the time of submission of the Bid cum Application Form. Any balance amount payable by the Anchor Investors, due to a difference between the Anchor Investor Issue Price and the Bid Amount paid by the Anchor Investors, shall be payable by the Anchor Investors within two Working Days of the Bid/Issue Closing Date.

## Withdrawal of the Issue

Our Company and/or Blackstone and/or the Promoter Selling Shareholder, in consultation with the Managers, reserve the right not to proceed with the Issue or withdraws the Issue or any portion, thereof, anytime after the Bid/Issue Opening Date but before the Allotment of Equity Shares. In such an event the Company shall issue a public notice in the newspapers (including the reasons for such withdrawal), in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as maybe prescribed by SEBI. Our Company shall also inform about such development to the Stock Exchanges on which the Equity Shares are proposed to be listed and the Managers, through the Registrar to the Issue, shall notify the SCSBs to unblock the accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification.

If our Company and/or Blackstone and/or the Promoter Selling Shareholder withdraws the Issue or any portion thereof, after the Bid/Issue Closing Date and thereafter determine that they will proceed with a public offering of Equity Shares, they will file a fresh offer document with SEBI and/or the Stock Exchanges, as the case may be. Notwithstanding the foregoing, the Issue is also subject to obtaining (i) final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the final approval of the RoC, after the Prospectus is filed with the RoC.

## Issue Programme

<b>ISSUE OPENS ON</b>	<b>[•]*</b>
<b>ISSUE FOR QIBS CLOSES ON</b>	<b>[•]**</b>
<b>ISSUE FOR RETAIL AND NON-INSTITUTIONAL INVESTORS CLOSES ON</b>	<b>[•]*</b>
<b>FINALISATION OF BASIS OF ALLOTMENT</b>	<b>[•]</b>
<b>INITIATION OF REFUNDS</b>	<b>[•]</b>
<b>CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS</b>	<b>[•]</b>
<b>COMMENCEMENT OF TRADING</b>	<b>[•]</b>

\* Our Company, Blackstone and the Promoter Selling Shareholder in consultation with the Managers, may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date, in accordance with ICDR Regulations.

\*\* Our Company, Blackstone and the Promoter Selling Shareholder in consultation with the Managers, may decide to close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the ICDR Regulations.

This timetable, other than Bid/Issue Opening Date and the Bid/Issue Closing Date, is indicative in nature and does not constitute any obligation or liability on our Company, Blackstone, the Promoter Selling Shareholder or the members of the Syndicate. While our Company and the Promoter Selling Shareholder shall ensure that listing and trading of our Equity Shares on the Stock Exchanges commences within 12 Working Days of the Bid/Issue Closing Date, the timetable may be subject to change for various reasons, including extension of the Bid/Issue Period by our Company, Blackstone and the Promoter Selling Shareholder, revision of the Price Band or any delays in receipt of final listing and



**trading approvals from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges in accordance with applicable law.**

Except in relation to Bids received from Anchor Investors, the Bids and any revision in Bids shall be accepted only between **10.00 a.m. and 5.00 p.m. IST** during the Bid/Issue Period, except on the Bid/Issue Closing Date, as mentioned above at the Syndicate Bidding Centres mentioned on the Bid cum Application Form, or, the Designated Branches (in case of Bids submitted by the ASBA Bidders) or the members of the Syndicate at the Specified Locations or by the Registered Brokers at the Broker Centres.

On the Bid/Issue Closing Date, the Bids and any revision in the Bids, shall be accepted only between **10.00 a.m. and 3.00 p.m. IST** and uploaded until (i) 4.00 p.m. IST, in case of Bids by QIBs (Bidding under the Net QIB Category) and Non-Institutional Investors, or such extended time as permitted by the Stock Exchanges, and (ii) 5.00 p.m. IST in case of Bids by Retail Individual Investors, or such extended time as permitted by the Stock Exchanges. It is clarified that Bids not uploaded would be rejected.

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 1.00 p.m. (IST) on the Bid/Issue Closing Date. 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 offerings, some Bids may not get uploaded due to lack of sufficient time. Investors please note that as per letter no. List/smd/sm/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by the BSE and the NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and holidays as declared by the Stock Exchanges. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on Working Day. Bids by ASBA Bidders shall be uploaded in the electronic system to be provided by the Stock Exchanges either by (i) a Syndicate/Sub Syndicate, (ii) an SCSB, or (iii) Registered Brokers. Neither the Company, Blackstone, the Promoter Selling Shareholder nor any Syndicate/Sub Syndicate is liable for any failure in downloading the Bids due to faults in any software/hardware system or otherwise. None amongst our Company, Blackstone, the Promoter Selling Shareholder or members of the Syndicate shall be liable for any failure in uploading Bids due to faults in any software and/or hardware system or otherwise.

On the Bid/Issue Closing Date, extension of time may be granted by the Stock Exchanges only for uploading the Bids received by Retail Individual Investors after taking into account the total number of Bids received up to the closure of time period for acceptance of Bid cum Application Forms as stated herein and reported by the Managers to the Stock Exchange within half an hour of such closure.

Our Company, Blackstone and the Promoter Selling Shareholder, in consultation with the Managers, reserve 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 disclosed at least five days prior to the Bid/Issue Opening Date and the Cap Price will be revised accordingly.

In case of revision of the Price Band, the Bid/Issue Period will be extended for a minimum of 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 BSE and the NSE, by issuing a press release and also by indicating the changes on the web site of the Managers and at the terminals of the Syndicate.

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

## ISSUE PROCEDURE

*All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (“**General Information Document**”) included below under the sub-section titled “ - Part B - General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the ICDR Regulations. The General Information Document has been updated to reflect amendments to the ICDR Regulations and to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 and certain notified provisions of the Companies Act, 2013 (to the extent notified and applicable to a public issue). The General Information Document is also available on the websites of the Stock Exchanges and the Managers. Please refer to the relevant portions of the General Information Document which are applicable to the Issue.*

*Our Company, Blackstone, the Promoter Selling Shareholder and the Managers do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable law and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.*

*Please note that QIBs (other than Anchor Investors) and Non-Institutional Investors can participate in the Issue only through the ASBA process. Retail Individual Investors can participate in the Issue through the ASBA process as well as the non ASBA process. ASBA Bidders should note that the ASBA process involves application procedures that are different from the procedure applicable to non-ASBA Bidders. However, there is a common Bid cum Application Form for ASBA Bidders (submitted to SCSBs or to the Syndicate at the Specified Cities or to the Registered Brokers at the Broker Centres) as well as for non-ASBA Bidders. Bidders applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process.*

*ASBA Bidders may submit ASBA Bids to a Designated Branch (a list of such branches is available on the website of the SEBI [www.sebi.gov.in](http://www.sebi.gov.in)) or to the Syndicate at the Specified Cities or to the Registered Brokers at the Broker Centres. Non-ASBA Bidders are required to submit Bids to the Syndicate, only on a Bid cum Application Form bearing the stamp of a member of the Syndicate or the Registered Broker. ASBA Bidders are advised not to submit Bid cum Application Forms to Escrow Collection Banks, unless such Escrow Collection Banks are also SCSBs.*

*All Bidders are required to pay the full Bid Amount or, in case of ASBA Bids, ensure that the ASBA Accounts have sufficient credit balance such that the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid. SEBI by its circular (CIR/CFD/DIL/1/2011) dated April 29, 2011 (“**2011 Circular**”) has made it mandatory for QIBs (other than Anchor Investors) and Non Institutional Investors to make use of the facility of ASBA for making applications for public issues. Further, the 2011 Circular also provides a mechanism to enable the Syndicate and sub-Syndicate Members to procure Bid cum Application Forms submitted under the ASBA process from prospective Bidders. SEBI by its circular (CIR/CFD/14/2012) dated October 4, 2012 (“**2012 Circular**”), has introduced an additional mechanism for prospective Bidders to submit Bid cum Application Forms (ASBA and non-ASBA applications) using the stock broker network of Stock Exchanges, who may not be Syndicate Members in the Issue. Further, SEBI by its circular (CIR/CFD/DIL/ 4 /2013) dated January 23, 2013 (“**2013 Circular**”), in partial modification of the 2011 Circular, has mandated that in order to facilitate Syndicate/sub-syndicate/ non-syndicate members to accept Bid-cum-Application Forms from prospective ASBA Bidders in the locations, all the SCSBs having a branch in the location of Broker Centres, notified in terms of the 2012 Circular are required to name at least one branch before March 1, 2013, where Syndicate/sub-syndicate/ non-syndicate members can submit such Bid-cum-Application Forms.*

## **Part A**

### **Book Building Procedure**

The Issue is being made through the Book Building Process wherein at least 75% of the Issue shall be Allotted to QIBs on a proportionate basis. Provided that our Company, Blackstone and the Promoter Selling Shareholder in consultation with the Managers, may allocate up to 60% of the QIB Category to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis out of which at-least one-third will be available for allocation to domestic Mutual Funds only subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Category. Such number of Equity Shares, representing 5% of the Net QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Category shall be available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. If at least 75% of the Issue cannot be Allotted to QIBs, all the application monies will be refunded forthwith. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not more than 10% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

In the event of under-subscription in the Retail Category or the Non-Institutional Category in the Issue, the unsubscribed portion would be allowed to be met with spill over from over subscription from any other category or a combination of categories, at the sole discretion of our Company, in consultation with the Managers and the Designated Stock Exchange. However, under-subscription, if any, in the QIB category will not be allowed to be met with spill-over from other categories or a combination of categories.

In case of QIBs (other than Anchor Investors) Bidding through the ASBA process, the Managers and the members of the Syndicate, may reject Bids at the time of acceptance of the Bid cum Application Form, provided that the reasons for such rejection shall be disclosed to such Bidder in writing. Further, Bids from QIBs can also be rejected on technical grounds. In case of NIIs and RIIs, our Company has a right to reject Bids based on technical grounds only.

However, our Company, in consultation with the Managers, reserves the right to reject any Bid received from Anchor Investors without assigning any reason.

Bidders can Bid at any price within the Price Band. The Price Band and the Minimum Bid Lot will be decided by our Company, Blackstone and the Promoter Selling Shareholder in consultation with the Managers, and advertised in [●] editions of [●], [●] editions of [●] and [●] editions of [●] one (which are widely circulated English, Hindi and Telugu newspapers, Telugu being the regional language of Telangana, where our Registered Office is located) at least five Working Days prior to the Bid/Issue Opening Date, in accordance with the ICDR Regulations and such advertisement will also be made available to the Stock Exchanges for the purpose of uploading on their respective websites.

### **Bid cum Application Form**

Please note that there is a common Bid cum Application Form for ASBA Bidders as well as for non-ASBA Bidders. Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the Managers, the Syndicate Members, the Registered Brokers, the SCSBs and the Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available on the websites of the SCSBs, the NSE ([www.nseindia.com](http://www.nseindia.com)) and the BSE ([www.bseindia.com](http://www.bseindia.com)) and the terminals of the Registered Brokers. Physical Bid cum Application Forms for Anchor Investors shall be made available at the offices of the Managers. QIBs (other than Anchor Investors) and Non-Institutional Bidders shall mandatorily participate in the

Issue only through the ASBA process. Retail Individual Investors can participate in the Issue through the ASBA process as well as the non-ASBA process. Anchor Investors are not permitted to participate in the Issue through the ASBA process.

ASBA Bidders must provide bank account details in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such details are liable to be rejected. In relation to non-ASBA Bidders, the bank account details shall be available from the depository account on the basis of the DP ID, Client ID and PAN provided by the non-ASBA Bidders in their Bid cum Application Form.

Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of a member of the Syndicate or the Registered Broker or the SCSBs, as the case may be, submitted at the Bidding centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

ASBA Bidders can submit their Bids by submitting Bid cum Application Forms, either in physical or electronic mode, to the SCSB with whom an ASBA Account is maintained, or in physical form to the Syndicate, the sub-Syndicate or the Registered Brokers.

The prescribed colour of the Bid cum Application Form for various categories of Bidders is as follows:

Category	Colour of Bid cum Application Form *
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA and non ASBA) **	White
Non-Residents including Eligible NRIs, FVCIs FPIs and registered multilateral and bilateral development financial institutions applying on a repatriation basis (ASBA and non ASBA) ***	Blue
Anchor Investors	[●]

\* Excluding electronic Bid cum Application Forms.

\*\* Same Bid cum Application Form applies to all ASBA Bids irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, or to the Syndicate (in Specified Cities).

\*\*\* Bid cum Application Forms for Anchor Investors shall be available at the offices of the Managers.

## Who can Bid?

In addition to the category of Bidders set forth in the sub-section titled “– Part B – General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue” on page 654 of this Draft Red Herring Prospectus, the following persons are also eligible to invest in the Equity Shares under the applicable laws, regulations and guidelines:

- Scientific and/or industrial research organisations in India, authorised to invest in equity shares; and
- 
- Any other person eligible to Bid in the Issue under applicable laws.

**The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) in the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the Securities Act and referred to in this Draft Red Herring Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in the Draft Red Herring Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

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

#### **Participation by associates and affiliates of the Managers and Syndicate Members**

The Managers and the Syndicate Members shall not be allowed to purchase Equity Shares in the Issue in any manner, except towards fulfilling their underwriting obligations. However, associates and affiliates of the Managers and the Syndicate Members may purchase Equity Shares in the Issue, in the QIB Category or in Non-Institutional Category as may be applicable to such Bidders where allocation is on a proportionate basis. Such Bidding and purchase may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of Managers and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

The Managers and any other persons related to the Managers, the Promoters, members of the Promoter Group cannot apply in the Issue under the Anchor Investor Portion except mutual funds sponsored by entities related to Managers.

#### **Bids by Mutual Funds**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company, Blackstone and the Promoter Selling Shareholder reserve the right to reject any Bid in whole or in part without assigning any reason thereof. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the concerned scheme registered with SEBI for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in the equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by asset management companies or custodians of Mutual Funds should clearly indicate the name of the concerned scheme for which the Bid is submitted.

#### **Bids by VCFs, AIFs and Non Residents including Eligible NRIs, Eligible FPIs and FVCIs**

There is no reservation in the Issue for Eligible NRIs or Eligible FPIs, VCFs, AIFs or FVCIs registered with SEBI. Eligible NRIs, Eligible FPIs, AIFs, VCFs or FVCIs registered with SEBI will be treated on the same basis as other categories for the purpose of allocation. In accordance with the FEMA and the regulations framed thereunder, OCBs cannot Bid in the Issue.

#### ***Bids by Eligible NRIs***

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Managers, the Syndicate Members, the Registered Brokers and the SCSBs. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs intending to make payment through freely convertible foreign exchange and Bidding on a repatriation basis could make payments through Indian Rupee drafts purchased abroad or cheques or bank drafts or by debits to their Non-Resident External ("NRE") or Foreign Currency Non-Resident ("FCNR") accounts, maintained with banks authorized by the RBI to deal in foreign exchange. Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents, accompanied by a bank certificate confirming that the payment has been made by debiting to the NRE or FCNR account, as the case may be. Payment for Bids by non-resident Bidder Bidding on a repatriation basis will not be accepted out of Non-Resident Ordinary ("NRO") accounts.

Eligible NRIs Bidding on 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 the NRO Account. NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for Residents (white in colour).

### **Bids by FPIs (including QFIs)**

On January 7, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely FIIs and QFIs will be subsumed under a new category namely 'foreign portfolio investors' or 'FPIs'. Furthermore, RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. Accordingly, such FIIs can participate in this Issue in accordance with Schedule 2A of the FEMA Regulations. An FII or a sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until expiry of its registration with the SEBI as an FII or sub-account, or if it has obtained a certificate of registration as a FPI, whichever is earlier. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations. Further, a QFI who has not obtained a certificate of registration as an FPI could only continue to buy, sell or otherwise deal in securities until January 6, 2015. Accordingly QFIs which have not registered as FPIs under the SEBI FPI Regulations shall not be eligible to participate in the Issue.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) shall be below 10% if the total issued capital of our Company. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by our Board, followed by a special resolution passed by the shareholders of our Company. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the GoI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III FPI and unregulated broad based funds, which are classified as Category II FPIs by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

Further, pursuant to a circular dated November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents (blue in colour). FPIs are required to Bid through the ASBA process to participate in the Issue.

### **Bids by SEBI registered VCFs, AIFs and FVCIs**

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the “**SEBI VCF Regulations**”) and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, (the “**SEBI FVCI Regulations**”), as amended, *inter alia* prescribe the investment restrictions on VCFs and FVCIs, respectively, registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs.

Accordingly, the holding in any company by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to initial public offerings.

The Category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A Category III AIF cannot invest more than 10% of the investible funds in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All Non-Resident Bidders including Eligible NRIs, FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and / or commission. There is no reservation for Eligible NRIs, FIIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, according to the ICDR Regulations, the shareholding of VCFs, Category I AIFs and FVCIs held in a company prior to making an initial public offering would be exempt from lock-in requirements only if the shares have been held by them for at least one year from the date of purchase by the VCF or Category I AIF or FVCI.

### **Bids by limited liability partnerships**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, Blackstone and the Promoter Selling Shareholder reserves the right to reject any Bid without assigning any reason thereof.

### **Bids by banking companies**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee are required to be attached to the Bid cum Application Form, failing which the Company, Blackstone and the Promoter Selling Shareholder reserve the right to reject any Bid without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the “**Banking Regulation Act**”), and Master Circular – Para-banking Activities dated July 1, 2014 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.

### **Bids by insurance companies**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company, Blackstone and the Promoter Selling Shareholder reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the “**IRDA Investment Regulations**”), are broadly set forth below:

- (a) equity shares of a company: the lower of 10% of the investee company’s outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or a reinsurer;
- (b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) 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 reinsurer, or 15% of the investment asset, whichever is lower .

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (a), (b) or (c) above, as the case may be.

### **Bids by provident funds/ pension funds**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof.

### **Bids 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 ASBA applications.

### **Bids under Power of Attorney**

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund, provident funds with minimum corpus of ₹ 250 million and pension funds with a minimum corpus of ₹ 250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable, must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason.



## **Public announcement upon filing of the Draft Red Herring Prospectus**

Our Company shall on the day of, or the day following the date of, filing this Draft Red Herring Prospectus with SEBI, make a public announcement in [●], an English national daily newspaper, [●], a Hindi national daily newspaper and [●], a Telegu daily newspaper (Telegu being the regional language of Telangana where our Registered Office is located), each with wide circulation, disclosing that the Draft Red Herring Prospectus has been filed with SEBI and inviting the public to give their comments to SEBI in respect of disclosures made in the Draft Red Herring Prospectus.

## **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in [●], an English language national daily newspaper, [●], a Hindi language national daily newspaper and [●], a Telegu daily newspaper (Telegu being the regional language of Telegu where our Registered Office is located), each with wide circulation. In the pre-Issue advertisement, our Company shall state the Bid/Issue Opening Date, the Bid/Issue Closing Date and the Bid/Issue Closing Date applicable to QIBs.

**The above information is given for the benefit of the Bidders. Our Company, Blackstone, the Promoter Selling Shareholder and the Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid 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 Draft Red Herring Prospectus.**

## **Information for Bidders**

In addition to the instructions provided to Bidders set forth in the sub-section titled “– *Part B – General Information Document for Investing in Public Issues*” on page 650 of this Draft Red Herring Prospectus, Bidders are requested to note the following additional information in relation to the Issue.

1. Our Company shall dispatch the Red Herring Prospectus and other Issue material including Bid cum Application Forms, to the Designated Stock Exchange, Syndicate/sub-Syndicate, Bankers to the Issue, investors’ associations and SCSBs in advance.
2. It is not obligatory for the Registered Brokers to accept the Bid cum Application Forms. However, upon acceptance of a Bid cum Application Form, it is the responsibility of the Registered Brokers to comply with the obligations set out in SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012, including in relation to uploading the Bids on the online system of the Stock Exchanges, depositing the cheque and sending the updated electronic schedule to the relevant branch of the Escrow Collection Bank (in case of Bids by Bidders other than ASBA Bidders) and forwarding the schedule along with the Bid cum Application Form to the relevant branch of the SCSB (in case of Bids by ASBA Bidders), and are liable for any failure in this regard.

In case of Bid cum Application Form by non ASBA Bidders, Registered Brokers shall deposit the cheque, prepare electronic schedule and send it to Escrow Collection Banks. All Escrow Collection Banks, which have branches in a Broker Centre, shall ensure that at least one of its branches in the Non Syndicate Broker Centre accepts cheques. Non Syndicate Registered Brokers shall deposit the cheque in any of the bank branch of the Escrow Collection Banks in the Non Syndicate Broker Centre. Non Syndicate Registered Brokers shall also update the electronic schedule (containing application details including the application amount) as downloaded from Stock Exchange platform and send it to local branch of the Escrow Collection Banks. Non Syndicate Registered Brokers shall retain all physical Bid cum Application Forms and send it to the Registrar to Issue after six months.

3. The Syndicate/sub-Syndicate, the SCSBs and the Non Syndicate Registered Brokers, as the case may be, will enter each Bid option into the electronic Bidding system as a separate Bid and generate a

Transaction Registration Slip (“**TRS**”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form. All accepted Bids made at the Non Syndicate Broker Centre shall be stamped and thereby acknowledged by the Non Syndicate Registered Brokers at the time of receipt, which shall form the basis of any complaint. It is the Bidder’s responsibility to obtain the TRS from the Syndicate/sub-Syndicate, the Designated Branches or Non Syndicate Registered Brokers. The registration of the Bid by the Syndicate/sub-Syndicate, the Designated Branches or Non Syndicate Registered Brokers does not guarantee that the Equity Shares shall be allocated/ Allotted by our Company. Such TRS will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he/she shall surrender the earlier TRS and may request for a revised TRS from the Syndicate/sub-Syndicate, the Non Syndicate Registered Brokers or the SCSB as proof of his or her having revised the previous Bid.

4. In relation to electronic registration of bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Managers 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, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
5. Allocation to Non-Residents, including Eligible NRIs FIIs, FPIs and QFIs will be subject to the applicable laws, rules, regulations, guidelines and approvals.

#### **Signing of the Underwriting Agreement and the RoC Filing**

The Company, Blackstone, the Promoter Selling Shareholder and the Underwriters intend to enter into an Underwriting Agreement on or immediately after the finalisation of the Issue Price. After signing the Underwriting Agreement, the Company, Blackstone and the Promoter Selling Shareholder will file an updated Red Herring Prospectus with the RoC and, subsequently, the Prospectus. The Prospectus would have details of the Issue Price, Anchor Investor Issue Price, Issue size and underwriting arrangements and would be complete in all material respects.

#### **General Instructions**

##### **Do’s:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that the Bids are submitted at the bidding centres only on forms bearing the stamp of the Syndicate or Registered Broker or SCSB (except in case of electronic forms).
6. Ensure that the thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

7. Bids must be in single name or in joint names (not more than three, and in the same order as their Depository Participant details), and completed in full, in Block Letters in English and in accordance with the instructions contained in this Red Herring Prospectus and in the Bid cum Application Form.
8. In relation to the ASBA Bids, ensure that your Bid cum Application Form is submitted either at a Designated Branch of a SCSB where ASBA Accounts are maintained or with the Syndicate in the Specified Locations or with a Registered Broker at the Broker Centres, and not to the Escrow Collecting Banks (assuming that such bank is not a SCSB) or to our Company or the Selling Shareholders or the Registrar to the Issue;
9. With respect to the ASBA Bids, ensure that the Bid cum Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
10. QIBs (other than Anchor Investors) and the Non-Institutional Bidders should submit their Bids through the ASBA process only;
11. With respect to Bids by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Accounts with respect to your Bid;
12. Ensure that you request for and receive a TRS for all your Bid options;
13. Ensure that you have funds equal to the Bid Amount in the ASBA Accounts maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs or the Registered Broker (at the Broker Centres);
14. Ensure that you have funds equal to the Bid Amount in your bank account before submitting the Bid cum Application Form under non-ASBA process to the Syndicate or the Registered Brokers;
15. With respect to non-ASBA Bids, ensure that the full Bid Amount is paid for the Bids and with respect to ASBA Bids, ensure funds equivalent to the Bid Amount are blocked;
16. Instruct your respective banks not to release the funds blocked in the ASBA Accounts under the ASBA process;
17. Submit revised Bids to the same member of the Syndicate, SCSB or Registered Broker, as applicable, through whom the original Bid was placed and obtain a revised TRS;
18. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of the SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same;
19. Ensure that the Demographic Details are updated, true and correct in all respects;
20. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms;

21. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
22. Ensure that the category and sub-category is indicated;
23. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
24. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
25. Ensure that the DP ID, the Client ID and the PAN mentioned in the Bid cum Application Form and entered into the electronic bidding of the Stock Exchanges by the Syndicate, the SCSBs or the Registered Brokers, as the case may be, match with the DP ID, Client ID and PAN available in the Depository database;
26. Ensure that the entire Bid Amount is paid at the time of submission of the Bid or in relation to the ASBA Bids, ensure that you use the Bid cum Application Form bearing the stamp of the Syndicate (in the Specified Locations) and/or relevant SCSB and/ or the Designated Branch and/ or the Registered Broker at the Broker Centres (except in case of electronic forms);
27. Ensure that you tick the correct investor category, as applicable, in the Bid cum Application Form to ensure proper upload of your Bid in the online IPO system of the Stock Exchanges;
28. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
29. ASBA Bidders bidding through a member of the Syndicate should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only in the Specified Locations and that the SCSB where the ASBA Accounts, as specified in the Bid cum Application Form, is maintained has named at least one branch at that location for the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>, updated from time to time). ASBA Bidders bidding through a Registered Broker should ensure that the SCSB where the ASBA Accounts, as specified in the Bid cum Application Form, are maintained has named at least one branch at that location for the Registered Brokers to deposit Bid cum Application Forms;
30. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;
31. Ensure that the entire Bid Amount is paid at the time of submission of the Bid or in relation to the ASBA Bids, ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Accounts equivalent to the Bid Amount mentioned in the Bid cum Application Form; and
32. In relation to the ASBA Bids, ensure that you receive an acknowledgement from the Designated Branch of the SCSB or from the member of the Syndicate in the Specified Locations or from the Registered Broker at the Broker Centres, as the case may be, for the submission of your Bid cum Application Form.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to the Syndicate, the SCSBs or the Registered Brokers, as applicable;
4. Do not pay the Bid Amount in cash, by money order or by postal order or by stock invest;
5. If you are an ASBA Bidder, the payment of the Bid Amount in any mode other than blocked amounts in the bank account maintained with an SCSB shall not be accepted under the ASBA process;
6. Do not send Bid cum Application Forms by post; instead submit the same to the Syndicate, the SCSBs or the Registered Brokers only;
7. Do not submit the Bid cum Application Forms to the Escrow Collection Bank(s) (assuming that such bank is not a SCSB), our Company, the Selling Shareholders or the Registrar to the Issue;
8. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the Syndicate, the Registered Brokers or the SCSBs;
9. Anchor Investors should not Bid through the ASBA process;
10. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
11. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders and Eligible Employees bidding under the Employee Reservation Portion);
12. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
13. Do not submit the GIR number instead of the PAN;
14. In case you are a Bidder other than an ASBA Bidder, do not submit the Bid without payment of the entire Bid Amount. In case you are an ASBA Bidder, do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Accounts;
15. In case you are an ASBA Bidder, do not instruct your respective banks to release the funds blocked in the ASBA Accounts;
16. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
17. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
18. If you are a QIB, do not submit your Bid after 3.00 pm on the Bid/Issue Closing Date for QIBs;
19. If you are a Non-Institutional Bidder or Retail Individual Investor, do not submit your Bid after 3.00 pm on the Bid/Issue Closing Date;

20. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872, as amended (other than minors having valid depository accounts as per Demographic Details provided by the Depositories);
21. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder;
22. In case of ASBA Bidders, do not submit more than five Bid cum Application Forms per ASBA Account;
23. Do not submit ASBA Bids to a member of the Syndicate at a location other than the Specified Locations or to the brokers other than the Registered Brokers at a location other than the Broker Centres;
24. Do not submit ASBA Bids to a member of the Syndicate in the Specified Locations unless the SCSB where the ASBA Accounts are maintained, as specified in the Bid cum Application Form, has named at least one branch in the relevant Specified Location, for the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>, updated from time to time);
25. Do not submit ASBA Bids to a Registered Broker unless the SCSB where the ASBA Accounts are maintained, as specified in the Bid cum Application Form, has named at least one branch in that location for the Registered Broker to deposit the Bid cum Application Forms; and
26. For Bids by QIB Bidders and Non-Institutional Bidders, do not withdraw your Bids or lower the size of your Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

### **Payment instructions**

In terms of the RBI circular (No. DPSS.CO.CHD.No./133/04.07.05/2013-14) dated July 16, 2013, non-CTS 2010 standard compliant cheques are processed in three CTS centres thrice a week until April 30, 2014, twice a week until October 31, 2014 and once a week from November 1, 2014 onwards. In order to enable listing and trading of Equity Shares within 12 Working Days of the Bid/Issue Closing Date, investors are advised to use CTS cheques or use the ASBA facility to make payment. Investors are cautioned that Bid cum Application Forms accompanied by non-CTS cheques are liable to be rejected due to any delay in clearing beyond six Working Days from the Bid/Issue Closing Date.

**BIDDERS ARE CAUTIONED THAT BID CUM APPLICATION FORMS ACCOMPANIED BY NON-CTS CHEQUES ARE LIABLE TO BE REJECTED DUE TO ANY DELAY IN CLEARING BEYOND SIX WORKING DAYS FROM THE OFFER CLOSING DATE.**

**PLEASE NOTE THAT IN THE EVENT OF A DELAY BEYOND SIX WORKING DAYS FROM THE OFFER CLOSING DATE IN CLEARING THE CHEQUES ACCOMPANYING THE BID CUM APPLICATION FORMS, FOR ANY REASON WHATSOEVER, SUCH BID CUM APPLICATION FORMS WILL BE LIABLE TO BE REJECTED.**

### **Escrow mechanism for non-ASBA Bidders**

In addition to the payment instructions for non-ASBA Bidders as provided in the sub-section titled “*Part B – General Information Document for Investing in Public Issues – Applying in the Issue – Payment Details – Instructions for non-ASBA Bidders*” on page 662 of this Draft Red Herring Prospectus, non-ASBA Bidders are requested to note the following.

The payment instruments for payment into the Escrow Account should be drawn in favour of:

- In case of resident Retail Individual Investors: “[●]”
- In case of Non-Resident Retail Individual Investors: “[●]”

For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- (a) In case of resident Anchor Investors: “[●]”
- (b) In case of Non-Resident Anchor Investors: “[●]”

1. The payment instruments for payment into the Escrow Account should be drawn in favour of:
  - In case of resident Retail Individual Bidders: “[●]”;
  - In case of Non-Resident Retail Individual Bidders: “[●]”; and
  - In case of Anchor Investors: “[●]” for resident Anchor Investors, and “[●]” for Non Resident Anchor Investors.
2. Payments should be made by cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers’ clearing house located at the centre where the Bid cum Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts will be rejected. Please note that cheques without the nine digit Magnetic Ink Character Recognition (“MICR”) code are liable to be rejected.

Our Company, Blackstone and the Promoter Selling Shareholder, in consultation with the Managers, in its absolute discretion, shall decide the list of Anchor Investors to whom the Allotment Advice would be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names would be notified to such Anchor Investors.

### **Depository Arrangements**

The Allotment of the Equity Shares in the Issue shall be only in a de-materialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, two agreements had been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated November 27, 2011 among NSDL, our Company and the Registrar to the Issue.
- Agreement dated January 26, 2012 among CDSL, our Company and Registrar to the Issue.

### **Undertakings by our Company**

Our Company undertakes the following:

- That if our Company and/or Blackstone and/or the Promoter Selling Shareholder do not proceed with the Issue after the Bid/Issue Closing Date, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- That if our Company and/or Blackstone and/or the Promoter Selling Shareholder withdraws the Issue or any portion, thereof, after the Bid/Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company and/or Blackstone and/or the Promoter Selling

Shareholder subsequently decide to proceed with the Issue;

- That the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- That all steps for 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 shall be undertaken within the timelines specified by law;
- That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- The Allotment letters will be issued or the application money will be refunded within 15 days from the Bid/Issue Closing Date or such lesser time as specified by the SEBI or else the application money will be refunded to the Bidders forthwith, failing which interest will be due to be paid to the Bidders at the rate of 15% per annum for the delayed period;
- That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 12 Working Days of the Bid/Issue Closing Date, as the case may be, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- That in case such refund is not made within 15 days from the Bid/Issue Closing Date or such lesser time as specified by the SEBI, interest shall be due to the applicants at the rate of 15% per annum for the delayed period;
- That the certificates of the securities/ refund orders to Eligible NRIs shall be despatched within specified time;
- That no further issue of Equity Shares shall be made till final trading approvals from all the Stock Exchanges have been obtained for the Equity Shares offered through the Red Herring Prospectus or till application monies are refunded on account of non listing, under-subscription, etc.; and
- That adequate arrangements shall be made to collect all Bid cum Application Forms by ASBA Bidders and to consider them similar to non-ASBA applications while finalising the Basis of Allotment.

#### **Undertakings by the Promoter Selling Shareholder**

The Promoter Selling Shareholder undertakes and/or certifies the following:

- The Equity Shares being sold by him pursuant to the Issue have been held by him for a period of at least one year, and, to the extent that the Equity Shares being offered by him in the Offer for Sale have resulted from a bonus issue, the bonus issue has been of Equity Shares held for a period of at least one year prior to the filing of this Draft Red Herring Prospectus and issued out of free reserves and share premium existing in the books of account as at the end of the financial year preceding the financial year in which this Draft Red Herring Prospectus is filed with the SEBI and such Equity Shares are not being issued by utilization of revaluation reserves or unrealized profits of our Company, in terms of Regulation 26(6) of the ICDR Regulations, prior to the filing of the Draft Red Herring Prospectus with the SEBI, and are fully paid up and are in dematerialized form;
- The Equity Shares being sold by him are free and clear from any pre-emptive rights, liens, mortgages, trusts, charges, pledges or any other encumbrances or transfer restrictions;
- He is the legal and beneficial owner and has full title to the Equity Shares being offered by him in the Bid/Issue;



- The Equity Shares proposed to be sold by him in the Issue shall be transferred to the successful bidders within the specified time in accordance with the instruction of the Registrar to the Issue;
- He shall not have recourse to the proceeds from the Equity Shares offered by him in the Issue, until the final listing and trading approvals from all the Stock Exchanges have been obtained;
- He has authorised the Compliance Officer and the Registrar to the Issue to redress complaints, if any, in relation to the Equity Shares held by him and being offered pursuant to the Issue, and he shall extend reasonable cooperation to the Company and the Managers in this regard;
- He shall make available funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed in the Red Herring Prospectus and Prospectus to the Registrar to the Issue;
- He shall provide such reasonable support and extend such reasonable co-operation as may be required by our Company in sending a suitable communication, where refunds are made through electronic transfer of funds, to the applicant within 15 days from the Bid/Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- He shall take such steps as may be required to ensure that his Equity Shares proposed to be transferred by way of the Issue will be available for the Issue, including without limitation not selling, transferring, disposing of in any manner or creating any charge or encumbrance on such Equity Shares;
- He shall not further transfer the Equity Shares offered in the Issue during the period commencing from submission of the Draft Red Herring Prospectus with SEBI until the final trading approvals from all the Stock Exchanges have been obtained for the Equity Shares Allotted/to be Allotted pursuant to the Issue and shall not sell, dispose of in any manner or create any lien, charge or encumbrance on the Equity Shares offered by him in the Issue;
- He shall take all such steps as may be required to ensure that the Equity Shares being sold by him pursuant to the Issue are available for transfer in the Issue within the time specified under applicable law; and
- He shall comply with all applicable laws, in India, including the Companies Act, the ICDR Regulations, the FEMA and the applicable circulars, guidelines and regulations issued by SEBI and RBI, each in relation to the Equity Shares offered by him in the Issue.

### **Undertakings by Blackstone**

Blackstone undertakes and/or certifies the following:

- The Blackstone Offered Shares have been held by it for a period of at least one year, in terms of Regulation 26(6) of the ICDR Regulations, prior to the filing of the Draft Red Herring Prospectus with the SEBI, including the Equity Shares received pursuant to conversion of any convertible instruments held by Blackstone in accordance with Regulation 26(6) of the ICDR Regulations and, to the extent that the Blackstone Offered Shares have resulted from a bonus issue, the bonus issue has been of Equity Shares held for a period of at least one year prior to the filing of this Draft Red Herring Prospectus and issued out of free reserves and share premium existing in the books of account as at the end of the financial year preceding the financial year in which this Draft Red Herring Prospectus is filed with the SEBI and such Equity Shares are not being issued by utilization of revaluation reserves or unrealized profits of our Company, and are fully paid up and are in dematerialized form;
- It is the legal and beneficial owner and has full title to the Equity Shares being offered by it in the Issue;
- It shall not have recourse to the proceeds from the Equity Shares offered by it in the Issue, until the final listing and trading approvals from all the Stock Exchanges have been obtained;

- It has authorised the Compliance Officer and the Registrar to the Issue to redress complaints, if any, in relation to the Blackstone Offered Shares; and
- It shall take all such steps as may be required to ensure that the Equity Shares being sold by it pursuant to the Issue are available for transfer in the Issue within the time specified under applicable law.

#### **Utilisation of Issue Proceeds**

The Company, Blackstone and the Promoter Selling Shareholder, each, declares that:

- All monies received out of the Issue shall be credited/transferred to a separate bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013; and
- The Selling Shareholder shall not have recourse to the proceeds of the Issue until the final listing and trading approvals from all the Stock Exchanges have been obtained.

The Board of Directors declares that:

- details of all monies utilised out of the Fresh Issue referred to above shall be disclosed and continue to be disclosed until the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance-sheet of the Issuer indicating the purpose for which such monies had been utilised; and
- details of all unutilised monies out of the Fresh Issue referred to in sub-item (i) 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.

## **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), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon 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 Red Herring 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 through the Book-Building process as well as to the Fixed Price Issues. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“**SEBI ICDR Regulations, 2009**”).

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring Prospectus (“**RHP**”)/Prospectus filed by the Issuer with the Registrar of Companies (“**RoC**”). Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India (“**SEBI**”) at [www.sebi.gov.in](http://www.sebi.gov.in).

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants may refer to the section “Glossary and Abbreviations”.

#### **SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs**

##### **2.1 Initial public offer (IPO)**

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is inter-alia required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

##### **2.2 Further public offer (FPO)**

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is inter-alia required to comply with the eligibility requirements in terms of Regulation 26/27 of SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

### **2.3 Other Eligibility Requirements:**

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, 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) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

### **2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues**

In accordance with the provisions of 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 Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

### **2.5 Issue Period**

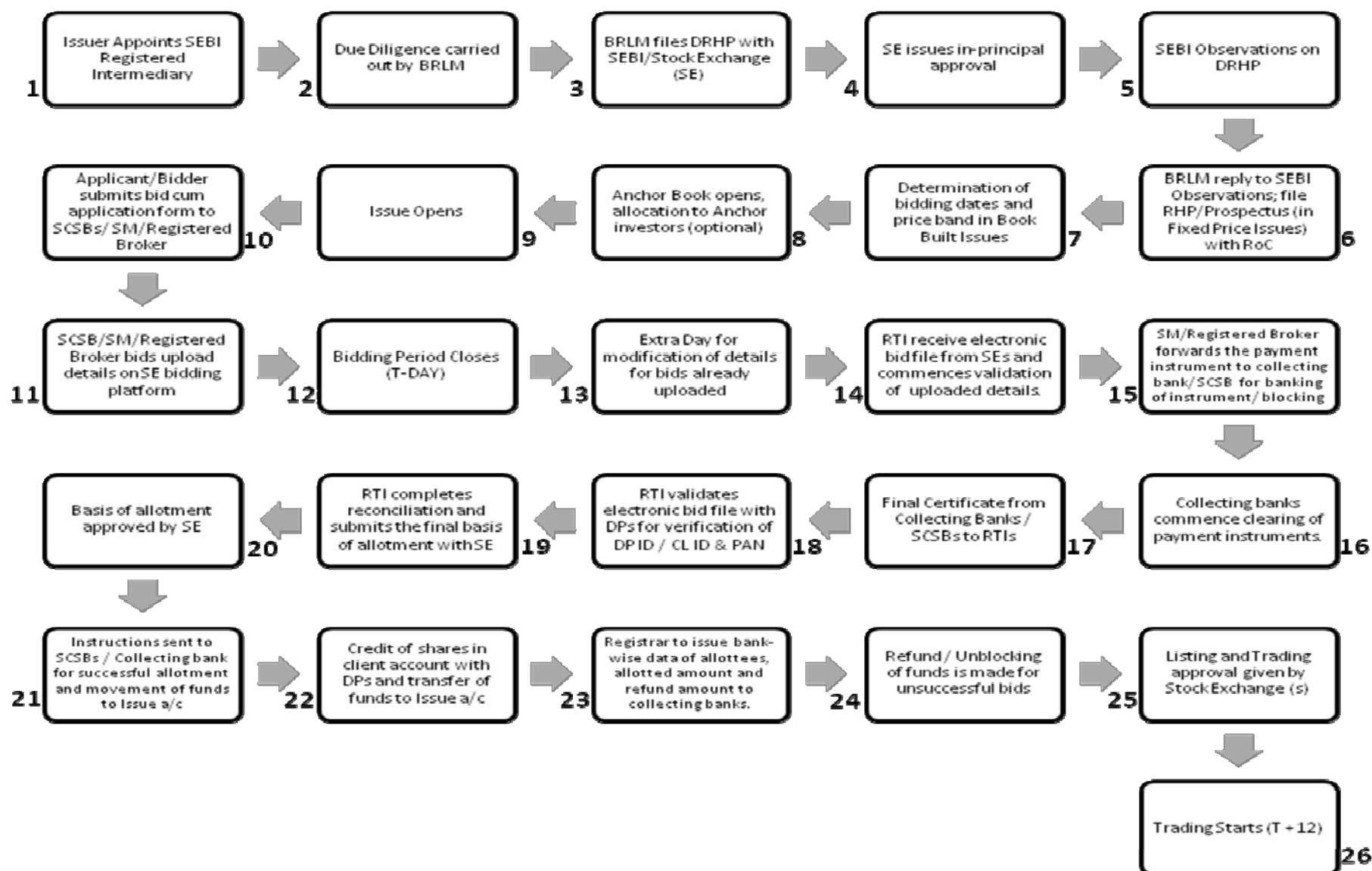
The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard.

### **2.6 Flowchart of Timelines**

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/Applicants may note that this is not applicable for Fast Track FPOs:

- In case of Issue other than Book Build Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:
  - i. Step 7 : Determination of Issue Date and Price
  - ii. Step 10: Applicant submits ASBA Application Form with Designated Branch of SCSB and Non-ASBA forms directly to collection Bank and not to Broker.
  - iii. Step 11: SCSB uploads ASBA Application details in Stock Exchange Platform
  - iv. Step 12: Issue period closes
  - v. Step 15: Not Applicable



### **SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE**

Each Bidder/Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/Applicants, such as NRIs, FIIs, FPIs, QFIs and FVCIs may not be allowed to Bid/Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FPIs other than Category III Foreign Portfolio Investors bidding under the QIBs category;
- FPIs which are Category III Foreign Portfolio Investors, bidding under the NIIs category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008; and
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

### **SECTION 4: APPLYING IN THE ISSUE**

**Book Built Issue:** Bidders should only use the specified Bid cum Application Form either bearing the stamp of a member of the Syndicate or bearing a stamp of the Registered Broker or stamp of SCSBs as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the members of the Syndicate, Registered Brokers, Designated Branches of the SCSBs and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date. For further details regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

**Fixed Price Issue:** Applicants should only use the specified cum Application Form either bearing the stamp of Collection Bank(s) or SCSBs as available or downloaded from the websites of the Stock Exchanges. Application

Forms are available with the Branches of Collection Banks or Designated Branches of the SCSBs and at the registered office of the Issuer. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

<b>Category</b>	<b>Colour of the Bid cum Application Form</b>
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals bidding under the QIB), FPIs, QFIs, on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders/Applicants bidding/applying in the reserved category	As specified by the Issuer

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders/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 BID CUM APPLICATION FORM/ APPLICATION FORM**

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:



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TEAR HERE

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

COMMON BID CUM APPLICATION FORM FOR ASBA / NON-ASBA		<b>XYZ LIMITED - PUBLIC ISSUE - NR</b>		FOR ELIGIBLE NRIs, FIIs, FVCI, ETC., APPLYING ON A REPATRIATION BASIS	
<b>Logo</b> To, The Board of Directors XYZ Limited		BOOK BUILDING ISSUE INE523L01018		Bid cum Application Form No.	
SYNDICATE MEMBER'S STAMP & CODE		BROKER'S/AGENT'S STAMP & CODE		1. NAME & CONTACT DETAILS of Sole / First Applicant	
SCSB BANK / SCSB BRANCH STAMP & CODE		SUB-BROKER'S/SUB-AGENT'S STAMP & CODE		Mr. / Ms. _____	
BANK BRANCH SERIAL NO.		REGISTRAR'S / SCSB SERIAL NO.		Address _____	
				Email _____	
				Tel. No (with STD code) / Mobile _____	
				2. PAN OF SOLE / FIRST APPLICANT	
3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL				6. Investor Status	
For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID				<input type="checkbox"/> NRI Non-Resident Indian (Repatriation basis)	
4. BID OPTIONS (Only Retail Individual Bidders can Bid at "Cut-off")				<input type="checkbox"/> FII Foreign Institutional Investor	
Bid Options		No. of Equity Shares Bid (in Figures) (Bids must be in multiples of Bid Lot as advertised)		5. Category	
		Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (in Figures)		<input type="checkbox"/> Retail Individual	
		Bid Price Discount, if any Net Price "Cut-off" (Please tick)		<input type="checkbox"/> Non-Institutional	
Option 1		Option 2		<input type="checkbox"/> OIB	
(OR) Option 2		Option 3		<input type="checkbox"/> FVCI Foreign Venture Capital Investor	
(OR) Option 3				<input type="checkbox"/> FIISA FII Sub Account Corporate / Individual	
7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)				PAYMENT OPTIONS <input type="checkbox"/> Full Payment <input type="checkbox"/> Part Payment	
Amount Paid (₹ in figures) _____ (₹ in words) _____				<input type="checkbox"/> (A) CHEQUE/DEMAND DRAFT (DD)	
Cheque/DD No. _____ Dated _____				<input type="checkbox"/> (B) ASBA	
Drawn on (Bank Name & Branch) _____				Bank A/c No. _____	
				Bank Name & Branch _____	
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/We (on behalf of joint applicants, if any) hereby confirm that I/We have read the instructions for Filling up the Bid Cum Application Form given overleaf.					
8A. SIGNATURE OF SOLE / FIRST APPLICANT		8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) (For ASBA option ONLY)		BROKER'S / SCSB BRANCH'S STAMP (Acknowledging upload of Bid in Stock Exchange system)	
Date: _____		I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue			
		1) _____			
		2) _____			
		3) _____			
TEAR HERE					
XYZ LIMITED		Acknowledgement Slip for Syndicate Member / SCSB		Bid cum Application Form No. _____	
DPID / CLID _____		PAN _____			
Amount Paid (₹ in figures) _____		Bank & Branch _____		Stamp & Signature of Banker	
Cheque / DD/ASBA Bank A/c No. _____					
Received from Mr./Ms. _____					
Telephone / Mobile _____		Email _____			
TEAR HERE					
XYZ LIMITED		Stamp & Signature of Syndicate Member / SCSB		Name of Sole / First Applicant	
No. of Equity Shares		Option 1		Option 2	
Bid Price		Option 3			
Amount Paid (₹)					
Cheque / DD/ASBA Bank A/c No. _____					
Bank & Branch _____					
Acknowledgement Slip for Bidder				Bid cum Application Form No. _____	

#### 4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT

- (a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.
- (b) **Mandatory Fields:** Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid-cum Application Form/Application Form may be used to dispatch communications (including refund orders and letters notifying the unblocking of the bank accounts of ASBA Bidders/Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum 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.
- (c) **Joint Bids/Applications:** In the case of Joint Bids/Applications, the Bids/Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder/Applicant whose name appears in the Bid cum Application Form/Application Form or the Revision Form and all communications may be addressed to such Bidder/Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (d) **Impersonation:** Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

*“Any person who:*

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

- (e) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

#### 4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE/FIRST BIDDER/APPLICANT

- (a) PAN (of the sole/ first Bidder/Applicant) provided in the Bid cum Application Form/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 Bids/Applications on behalf of the Central or State Government,

Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim (“**PAN Exempted Bidders/Applicants**”). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. A Bid cum Application Form/Application Form without PAN, except in case of Exempted Bidders/Applicants, is liable to be rejected. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

- (c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- (d) Bid cum Application Forms/Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- (e) Bids/Applications by Bidders whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and demographic details are not provided by depositories.

#### **4.1.3 FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS**

- (a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form/Application Form is liable to be rejected.**
- (b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.
- (c) Bidders/Applicants should note that on the basis of DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving refunds and allocation advice (including through physical refund warrants, direct credit, NECS, NEFT and RTGS), or unblocking of ASBA Account or for other correspondence(s) related to an Issue. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.
- (d) Bidders/Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants’ sole risk.

#### **4.1.4 FIELD NUMBER 4: BID OPTIONS**

- (a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.
- (b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs/FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details bidders may refer to (Section 5.6 (e))

- (c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- (d) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.
- (e) **Allotment:** The allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be allotted on a proportionate basis. For details of the Bid Lot, bidders may to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

#### 4.1.4.1 Maximum and Minimum Bid Size

- (a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 200,000.
- (b) In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.
- (c) For NRIs, a Bid Amount of up to ₹ 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.
- (d) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Bidders and QIBs are not allowed to Bid at 'Cut-off Price'.
- (e) RII may revise their bids till closure of the bidding period or withdraw their bids until finalization of allotment. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.
- (f) In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Bidders who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- (g) For Anchor Investors, if applicable, the Bid Amount shall be least ₹10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Portion under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/ Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- (h) A Bid cannot be submitted for more than the Issue size.



- (i) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
- (j) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of bidders may refer to (Section 5.6 (e)).

#### **4.1.4.2 Multiple Bids**

- (a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

- (b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:
  - i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.
  - ii. For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.
- (c) The following Bids may not be treated as multiple Bids:
  - i. Bids by Reserved Categories bidding in their respective Reservation Portion as well as bids made by them in the Net Issue portion in public category.
  - ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.
  - iii. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
  - iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

#### **4.1.5 FIELD NUMBER 5: CATEGORY OF BIDDERS**

- (a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, NIIs and QIBs.
- (b) Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of anchor investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, 2009, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, bidders may refer to the RHP/Prospectus.

- (c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.
- (d) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

#### **4.1.6 FIELD NUMBER 6: INVESTOR STATUS**

- (a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.
- (c) Bidders/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 Bid cum Application Form and Non-Resident Bid cum Application Form.
- (d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

#### **4.1.7 FIELD NUMBER 7: PAYMENT DETAILS**

- (a) All Bidders are required to make payment of the full Bid Amount (net of any Discount, as applicable) along-with the Bid cum Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the payment shall be made for Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.
- (b) Bidders who Bid at Cut-off price shall deposit the Bid Amount based on the Cap Price.
- (c) QIBs and NIIs can participate in the Issue only through the ASBA mechanism.
- (d) RIIs and/or Reserved Categories bidding in their respective reservation portion can Bid, either through the ASBA mechanism or by paying the Bid Amount through a cheque or a demand draft ("**Non-ASBA Mechanism**").
- (e) Bid Amount cannot be paid in cash, through money order or through postal order.

##### **4.1.7.1 Instructions for non-ASBA Bidders:**

- (a) Non-ASBA Bidders may submit their Bids with a member of the Syndicate or any of the Registered Brokers of the Stock Exchange. The details of Broker Centres along with names and contact details of the Registered Brokers are provided on the websites of the Stock Exchanges.
- (b) **For Bids made through a member of the Syndicate:** The Bidder may, with the submission of the Bid cum Application Form, draw a cheque or demand draft for the Bid Amount in favour of the Escrow Account as specified under the RHP/Prospectus and the Bid cum Application Form and submit the same to the members of the Syndicate at Specified Locations.
- (c) **For Bids made through a Registered Broker:** The Bidder may, with the submission of the Bid cum Application Form, draw a cheque or demand draft for the Bid Amount in favour of the Escrow Account as

specified under the RHP/Prospectus and the Bid cum Application Form and submit the same to the Registered Broker.

- (d) If the cheque or demand draft accompanying the Bid cum Application Form is not made favouring the Escrow Account, the Bid is liable to be rejected.
- (e) Payments should be made by cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Bid cum Application Form is submitted. Cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.
- (f) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Bidders until the Designated Date.
- (g) Bidders are advised to provide the number of the Bid cum Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

#### **4.1.7.2 Payment instructions for ASBA Bidders**

- (a) ASBA Bidders may submit the Bid cum Application Form either
  - i. in physical mode to the Designated Branch of an SCSB where the Bidders/Applicants have ASBA Account, or
  - ii. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
  - iii. in physical mode to a member of the Syndicate at the Specified Locations, or
  - iv. Registered Brokers of the Stock Exchange
- (b) ASBA Bidders may specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by an ASBA Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- (c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;
- (d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- (f) **ASBA Bidders bidding through a member of the Syndicate** should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only at the Specified locations. ASBA Bidders should also note that Bid cum Application Forms submitted to a member of the Syndicate at the Specified locations may not be accepted by the Member of the Syndicate if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at [http://www.sebi.gov.in/cms/sebi\\_data/attachdocs/1365051213899.html](http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html)).
- (g) **ASBA Bidders bidding through a Registered Broker** should note that Bid cum Application Forms submitted to the Registered Brokers may not be accepted by the Registered Broker, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the Registered Brokers to deposit Bid cum Application Forms.



- (h) **ASBA Bidders bidding directly through the SCSBs** should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.
- (j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
- (k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.
- (l) Upon submission of a completed Bid cum Application Form each ASBA Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.
- (m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.
- (n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

#### **4.1.7.2.1 Unblocking of ASBA Account**

- (a) Once the Basis of Allotment is approved by 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 Bid,
  - ii. the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid,
  - iii. the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and
  - iv. details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within 12 Working Days of the Bid/Issue Closing Date.

#### **4.1.7.3 Additional Payment Instructions for NRIs**

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

#### **4.1.7.4 Discount (if applicable)**

- (a) The Discount is stated in absolute rupee terms.
- (b) Bidders applying under RII category, Retail Individual Shareholder and Employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.
- (c) The Bidders entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net payment (post Discount) is more than two lakh Rupees, the bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

#### **4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

- (a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the ASBA Bidder/Applicant., then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the ASBA Bids/Applications, signature has to be correctly affixed in the authorization/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.
- (d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and/or ASBA Account holder is liable to be rejected.

#### **4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- (a) Bidders should ensure that they receive the acknowledgment duly signed and stamped by a member of the Syndicate, Registered Broker or SCSB, as applicable, for submission of the Bid cum Application Form.
- (b) Applicants should ensure that they receive the acknowledgment duly signed and stamped by an Escrow Collection Bank or SCSB, as applicable, for submission of the Application Form.
- (c) All communications in connection with Bids/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, refund orders, the Bidders/Applicants should contact the Registrar to the Issue.
  - ii. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders/Applicants should contact the relevant Designated Branch of the SCSB.
  - iii. In case of queries relating to uploading of Syndicate ASBA Bids, the Bidders/Applicants should contact the relevant Syndicate Member.
  - iv. In case of queries relating to uploading of Bids by a Registered Broker, the Bidders/Applicants should contact the relevant Registered Broker
  - v. Bidder/Applicant may contact the Company Secretary and Compliance Officer or BRLM(s) in case of any other complaints in relation to the Issue.
- (d) The following details (as applicable) should be quoted while making any queries –
  - i. full name of the sole or First Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.

- ii. name and address of the member of the Syndicate, Registered Broker or the Designated Branch, as the case may be, where the Bid was submitted or
- iii. In case of Non-ASBA bids cheque or draft number and the name of the issuing bank thereof
- iv. In case of ASBA Bids, ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

## **4.2 INSTRUCTIONS FOR FILING THE REVISION FORM**

- (a) During the Bid/Issue Period, any Bidder/Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.
- (b) RII may revise their bids till closure of the bidding period or withdraw their bids until finalization of allotment.
- (c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- (d) The Bidder/Applicant can make this revision any number of times during the Bid/ Issue Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same member of the Syndicate, the Registered Broker or the SCSB through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample Revision form is reproduced below:

COMMON BID REVISION FORM FOR ASBA / NON-ASBA		<b>XYZ LIMITED - PUBLIC ISSUE - R</b>		FOR RESIDENT INDIAN, QIB, ELIGIBLE NRI'S APPLYING ON A NON-REPATRIATION BASIS		
Logo		To, The Board of Directors XYZ Limited		BOOK BUILDING ISSUE INE523L01018		
Bid cum Application Form No.						
SYNDICATE MEMBERS' STAMP & CODE		BROKER'S/AGENT'S STAMP & CODE		1. NAME & CONTACT DETAILS of Sole / First Applicant		
				Mr. / Ms. _____		
ESCROW BANK / SCSB BRANCH STAMP & CODE		SUB-BROKER'S/SUB-AGENT'S STAMP & CODE		Tel. No (with STD code) / Mobile _____		
				2. PAN OF SOLE / FIRST APPLICANT		
				_____		
BANK BRANCH SERIAL NO.		REGISTRAR'S / SCSB SERIAL NO.		3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL		
				_____		
PLEASE CHANGE MY BID						
4. FROM (as per last Bid or Revision)						
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)					
	(In Figures)					
	7 6 5 4 3 2 1					
Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)						
(In Figures)						
Bid Price Discount, if any Net Price "Cut-off" (Please tick)						
Option 1 _____						
(OR) Option 2 _____						
(OR) Option 3 _____						
5. TO (Revised Bid)						
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)					
	(In Figures)					
	7 6 5 4 3 2 1					
Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)						
(In Figures)						
Bid Price Discount, if any Net Price "Cut-off" (Please tick)						
Option 1 _____						
(OR) Option 2 _____						
(OR) Option 3 _____						
6. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)						
PAYMENT OPTIONS <input type="checkbox"/> Full Payment <input type="checkbox"/> Part Payment						
Additional Amount Paid (₹ in figures) _____ (₹ in words) _____						
<input type="checkbox"/> (A) CHEQUE/ DEMAND DRAFT (DD)						
Cheque/DD No. _____ Dated _____						
Drawn on (Bank Name & Branch) _____						
<input type="checkbox"/> (B) ASBA						
Bank A/c No. _____						
Bank Name & Branch _____						
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVER LEAF. I/WE (on behalf of joint applicants, if any) hereby confirm that I/We have read the Instructions for Filling up the Bid revision Form given overleaf.						
7A. SIGNATURE OF SOLE / JOINT APPLICANT(S)		7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) FOR ASBA OPTION ONLY		BROKER'S / SCSB BRANCH'S STAMP (Acknowledging upload of Bid in Stock Exchange system)		
Date : _____ 2011		TEAR HERE				
XYZ LIMITED BID REVISION FORM		Acknowledgement Slip for Syndicate Member / SCSB		Bid cum Application Form No.		
DPID / CLID		PAN				
Additional Amount Paid (₹)		Bank & Branch		Stamp & Signature of Banker		
Cheque / DD/ASBA Bank A/c No.		Received from Mr./Ms.		Telephone / Mobile		
Email		TEAR HERE				
XYZ LIMITED BID REVISION FORM		Acknowledgement of Syndicate Member / SCSB		Name of Sole / First Applicant		
Option 1 Option 2 Option 3		No. of Equity Shares		Bid Price		
Additional Amount Paid (₹)		Cheque / DD/ASBA Bank A/c No.		Bank & Branch		
TEAR HERE		Acknowledgement Slip for Bidder		Bid cum Application Form No.		

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

#### 4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

#### **4.2.2 FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

- (a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Forms.
- (b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.
- (c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.
- (d) In case the total amount (i.e. original Bid Amount plus additional payment) exceeds ₹ 200,000, the Bid will be considered for allocation under the Non-Institutional Portion in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- (e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of bidding may be unblocked in case of ASBA Bidders or refunded from the Escrow Account in case of non-ASBA Bidder.

#### **4.2.3 FIELD 6: PAYMENT DETAILS**

- (a) With respect to the Bids, other than Bids submitted by ASBA Bidders/Applicants, any revision of the Bid should be accompanied by payment in the form of cheque or demand draft for the amount, if any, to be paid on account of the upward revision of the Bid.
- (b) All Bidders/Applicants are required to make payment of the full Bid Amount (less Discount (if applicable) along with the Bid Revision Form. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.
- (c) In case of Bids submitted by ASBA Bidder/Applicant, Bidder/Applicant may Issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same member of the Syndicate/Registered Broker or the same Designated Branch (as the case may be) through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- (d) In case of Bids, other than ASBA Bids, Bidder/Applicant, may make additional payment based on the cap of the revised Price Band (such that the total amount i.e. original Bid Amount plus additional payment does not exceed ₹ 200,000 if the Bidder/Applicant wants to continue to Bid at the Cut-off Price), with the members of the Syndicate/Registered Broker to whom the original Bid was submitted.

- (e) In case the total amount (i.e. original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of allotment, such that no additional payment is required from the Bidder/Applicant and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.
- (f) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of bidding may be unblocked in case of ASBA Bidders/Applicants or refunded from the Escrow Account in case of non-ASBA Bidder/Applicant.

#### **4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

### **4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)**

#### **4.3.1 FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

#### **4.3.2 FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

- (a) The Issuer may mention Price or Price band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).
- (b) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the Lead Manager to the Issue (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.
- (c) Applications by RIIs, Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000.
- (d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.
- (e) An application cannot be submitted for more than the Issue size.
- (f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.
- (g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to Collection Bank(s) or SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- (h) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:

- i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple applications by a Bidder/Applicant and may be rejected.
  - ii. For applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids 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.
- (i) The following applications may not be treated as multiple Bids:
- i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the 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 Bid has been made.
  - iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

#### **4.3.3 FIELD NUMBER 5: CATEGORY OF APPLICANTS**

- (a) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- (b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- (c) The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

#### **4.3.4 FIELD NUMBER 6: INVESTOR STATUS**

Applicants should refer to instructions contained in paragraphs 4.1.6.

#### **4.3.5 FIELD 7: PAYMENT DETAILS**

- (a) All Applicants are required to make payment of the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Amount in the Application Form and the payment shall be made for an Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.
- (b) RIIs and/or Reserved Categories bidding in their respective Reservation Portion can Bid, either through the ASBA mechanism or the Non-ASBA Mechanism.
- (c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

##### **4.3.5.1 Instructions for non-ASBA Applicants:**

- (a) Non-ASBA Applicants may submit their Application Form with the Collection Bank(s).
- (b) For Applications made through a Collection Bank(s): The Applicant may, with the submission of the Application Form, draw a cheque or demand draft for the Bid Amount in favour of the Escrow Account as

specified under the Prospectus and the Application Form and submit the same to the escrow Collection Bank(s).

- (c) If the cheque or demand draft accompanying the Application Form is not made favouring the Escrow Account, the form is liable to be rejected.
- (d) Payments should be made by cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Application Form is submitted. Cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.
- (e) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Applicants until the Designated Date.
- (f) Applicants are advised to provide the number of the Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

#### **4.3.5.2 Payment instructions for ASBA Applicants**

- (a) ASBA Applicants may submit the Application Form in physical mode to the Designated Branch of an SCSB where the Applicants have ASBA Account.
- (b) ASBA Applicants may specify the Bank Account number in the Application Form. The Application Form submitted by an ASBA Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- (d) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- (f) ASBA Applicants bidding 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.
- (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 consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.



- (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.

#### **4.3.5.3 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 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 12 Working Days of the Issue Closing Date.

#### **4.3.5.4 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).

### **4.3.6 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

## **4.4 SUBMISSION OF BID CUM APPLICATION FORM/ REVISION FORM/APPLICATION FORM**

### **4.4.1 Bidders/Applicants may submit completed Bid-cum-application form/Revision Form in the following manner:-**

<b>Mode of Application</b>	<b>Submission of Bid cum Application Form</b>
Non-ASBA Application	1) To members of the Syndicate at the Specified Locations mentioned in the Bid cum Application Form 2) To Registered Brokers
ASBA Application	(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres (b) To the Designated branches of the SCSBs where the ASBA Account

	is maintained
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- (a) Bidders/Applicants should not submit the bid cum application forms/ Revision Form directly to the escrow collection banks. Bid cum Application Form/ Revision Form submitted to the escrow collection banks are liable for rejection.
- (b) Bidders/Applicants should submit the Revision Form to the same member of the Syndicate, the Registered Broker or the SCSB through which such Bidder/Applicant had placed the original Bid.
- (c) Upon submission of the Bid-cum-Application Form, the Bidder/Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the Registrar of Companies (RoC) and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.
- (d) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid-cum-Application Form will be considered as the application form.

## **SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE**

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

### **5.1 SUBMISSION OF BIDS**

- (a) During the Bid/Issue Period, ASBA Bidders/Applicants may approach the members of the Syndicate at the Specified Cities or any of the Registered Brokers or the Designated Branches to register their Bids. Non-ASBA Bidders/Applicants who are interested in subscribing for the Equity Shares should approach the members of the Syndicate or any of the Registered Brokers, to register their Bid.
- (b) Non-ASBA Bidders/Applicants (RIIs, Employees and Retail Individual Shareholders) bidding at Cut-off Price may submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount less discount (if applicable) based on the Cap Price with the members of the Syndicate/ any of the Registered Brokers to register their Bid.
- (c) In case of ASBA Bidders/Applicants (excluding NIIs and QIBs) bidding at Cut-off Price, the ASBA Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable). ASBA Bidders/Applicants may approach the members of the Syndicate or any of the Registered Brokers or the Designated Branches to register their Bids.
- (d) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

### **5.2 ELECTRONIC REGISTRATION OF BIDS**

- (a) The Syndicate, the Registered Brokers and the SCSBs may register the Bids using the on-line facilities of the Stock Exchanges. The Syndicate, the Registered Brokers and the Designated Branches of the SCSBs can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- (b) On the Bid/Issue Closing Date, the Syndicate, the Registered Broker and the Designated Branches of the SCSBs may upload the Bids till such time as may be permitted by the Stock Exchanges.
- (c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/ Allotment. The members of the Syndicate, the Registered Brokers and the SCSBs are given up to one day after the Bid/Issue

Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar for validation of the electronic bid details with the Depository's records.

### **5.3 BUILD UP OF THE BOOK**

- (a) Bids received from various Bidders/Applicants through the Syndicate, Registered Brokers and the SCSBs may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/Issue Period.
- (b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the bidding centres during the Bid/Issue Period.

### **5.4 WITHDRAWAL OF BIDS**

- (a) RIIs can withdraw their Bids until finalization of Basis of Allotment. In case a RII applying through the ASBA process wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned SCSB or the Syndicate Member or the Registered Broker, as applicable, who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- (b) In case a RII wishes to withdraw the Bid after the Bid/Issue Period, the same can be done by submitting a withdrawal request to the Registrar to the Issue until finalization of Basis of Allotment. The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

### **5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS**

- (a) The members of the Syndicate, the Registered Broker and/or SCSBs are individually responsible for the acts, mistakes or errors or omission in relation to
  - i. the Bids accepted by the members of the Syndicate, the Registered Broker and the SCSBs,
  - ii. the Bids uploaded by the members of the Syndicate, the Registered Broker and the SCSBs,
  - iii. the Bid cum application forms accepted but not uploaded by the members of the Syndicate, the Registered Broker and the SCSBs, or
  - iv. With respect to Bids by ASBA Bidders/Applicants, Bids accepted and uploaded by SCSBs without blocking funds in the ASBA Accounts. It may be presumed that for Bids uploaded by the SCSBs, the Bid Amount has been blocked in the relevant Account.
- (b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.
- (c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- (d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate Syndicate Members (only in the specified locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- (e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

#### **5.5.1 GROUNDS FOR TECHNICAL REJECTIONS**

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to the (i) authorised agents of the BRLMs, (ii) Registered Brokers, or (iii) SCSBs, or (iv) Collection Bank(s), or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various places in this GID:-

- (a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- (b) Bids/Applications by OCBs; and
- (c) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;
- (d) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum application form/Application Form;
- (e) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- (f) Bids by persons in the United States excluding persons who are a U.S. QIB (as defined in this Draft Red Herring Prospectus);
- (g) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;
- (h) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;
- (i) PAN not mentioned in the Bid cum Application Form/Application Form except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
- (j) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- (k) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- (l) Bids/Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;
- (m) Bids/Applications at Cut-off Price by NIIs and QIBs;
- (n) Amount paid does not tally with the amount payable for the highest value of Equity Shares Bid for. With respect to Bids/Applications by ASBA Bidders, the amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- (o) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- (p) In relation to ASBA Bids/Applications, submission of more than five Bid cum Application Forms/Application Form as per ASBA Account;
- (q) Bids/Applications for a Bid/Application Amount of more than ₹ 200,000 by RIIs by applying through non-ASBA process;
- (r) Bids/Applications for number of Equity Shares which are not in multiples of Equity Shares which are not in multiples as specified in the RHP;
- (s) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;

- (t) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/Issue Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;
- (u) With respect to ASBA Bids/Applications, inadequate funds in the bank account to block the Bid/Application Amount specified in the Bid cum Application Form/ Application Form at the time of blocking such Bid/Application Amount in the bank account;
- (v) Bids/Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
- (w) With respect to ASBA Bids/Applications, where no confirmation is received from SCSB for blocking of funds;
- (x) Bids/Applications by QIBs (other than Anchor Investors) and Non Institutional Bidders not submitted through ASBA process or Bids/Applications by QIBs (other than Anchor Investors) and Non Institutional Bidders accompanied with cheque(s) or demand draft(s);
- (y) ASBA Bids/Applications submitted to a BRLM at locations other than the Specified Cities and Bid cum Application Forms/Application Forms, under the ASBA process, submitted to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;
- (z) Bids/Applications not uploaded on the terminals of the Stock Exchanges;
- (aa) Bids/ Applications to bear the stamp of the syndicate member / SCSBs;
- (bb) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

## 5.6 BASIS OF ALLOCATION

- (a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP/Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP/Prospectus.
- (b) Under-subscription in Retail category is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB category is not available for subscription to other categories.
- (c) In case of under-subscription in the Net Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Net Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.
- (d) Illustration of the Book Building and Price Discovery Process

*Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes bidding by Anchor Investors.*

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
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500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e. ₹ 22.00 in the above example. The Issuer, in consultation with the BRLMs, may finalise the Issue Price at or below such Cut-Off Price, i.e. at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

(e) Alternate Method of Book Building

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of bidding (“**Alternate Book Building Process**”).

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

## SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

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 Syndicate Members/SCSB and/or Bankers to the Issue or Registered Broker.

ASBA Applicants may submit an Application Form either in physical form to the Syndicate Members or Registered Brokers or the Designated Branches of the SCSBs or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only (“**ASBA Account**”). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/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.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

## SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Investor is will be allotted less than the minimum Bid Lot subject to

availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

### **7.1 ALLOTMENT TO RIIs**

Bids received from the RIIs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot ("**Maximum RII Allottees**"). The Allotment to the RIIs will then be made in the following manner:

- (a) In the event the number of RIIs who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).
- (b) In the event the number of RIIs who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the RIIs (in that category) who will then be allotted minimum Bid Lot shall be determined on the basis of draw of lots.

### **7.2 ALLOTMENT TO NIIs**

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The allotment to all successful NIIs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

### **7.3 ALLOTMENT TO QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations, 2009 or RHP/Prospectus. Bids received from QIBs bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

- (a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for allotment to all QIBs as set out at paragraph 7.4(b) below;
- (b) In the second instance, allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

### **7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

- (a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer subject to compliance with the following requirements:
- i. not more than 60% of the QIB Portion will be allocated to Anchor Investors;
  - ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
  - iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:
    - a maximum number of two Anchor Investors for allocation up to ₹ 10 crores;
    - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 10 crores and up to ₹ 250 crores subject to minimum allotment of ₹ 5 crores per such Anchor Investor; and
    - a minimum number of five Anchor Investors and maximum number of 25 Anchor Investors for allocation of more than ₹ 250 crores subject to minimum allotment of ₹ 5 crores per such Anchor Investor.
- (b) A physical book is prepared by the Registrar on the basis of the Bid cum Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Company, in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- (c) In the event that the Issue Price is higher than the Anchor Investor Issue Price: Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.
- (d) In the event the Issue Price is lower than the Anchor Investor Issue Price: Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

## **7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE**

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations, 2009.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

- (a) Bidders may be categorized according to the number of Equity Shares applied for;
- (b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;
- (c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;
- (d) In all Bids where the proportionate allotment is less than the minimum bid lot decided per Bidder, the allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the



number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;

- (e) If the proportionate allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all bidders in such categories may be arrived at after such rounding off; and
- (f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

## **7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES**

- (a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders shall also be made from the Refund Account as per the terms of the Escrow Agreement and the RHP.
- (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. Bidders/Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Issue.

- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within 12 Working Days of the Bid/ Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within two Working Days from the date of Allotment, after the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date.

## **SECTION 8: INTEREST AND REFUNDS**

### **8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 12 Working Days of the Bid/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 12 Working Days of the Bid/Issue Closing Date.

### **8.2 GROUNDS FOR REFUND**

#### **8.2.1 NON RECEIPT OF LISTING PERMISSION**

An Issuer makes an application to 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 RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) and obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer may be punishable with a fine which shall not be less than ₹ 5 lakhs but which may extend to ₹ 50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 3 lakhs, or with both.

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 Bidders/Applicants in pursuance of the RHP/Prospectus.

If such money is not repaid within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

### **8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION**

If our Company does not receive (i) the minimum subscription of 90% of the Fresh Issue; and (ii) a subscription in the Fresh Issue equivalent to the minimum number of securities as specified under Rule 19(2)(b)(iii) of the SCRR, our Company shall, within 15 days from the Bid/Issue Closing Date, forthwith refund all application money received. If there is a delay in such refund beyond these 15 days, our Company shall pay interest at such rate as may be prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law.

The requirement for minimum subscription is not applicable to the Offer for Sale. In case of under-subscription in the Issue, the Equity Shares in the Fresh Issue will be Allotted prior to the Equity Shares in the Offer for Sale.

### **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 1,000 failing which the entire application monies may be refunded forthwith.

### **8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING**

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations, 2009 comes for an Issue under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to allot at least 75% of the Net Issue to QIBs, in such case full subscription money is to be refunded.

## **8.3 MODE OF REFUND**

- (a) In case of ASBA Bids/Applications: Within 12 Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid/Application and also for any excess amount blocked on Bidding/Application.
- (b) In case of Non-ASBA Bid/Applications: Within 12 Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Bidders/Applicants and also for any excess amount paid on Bidding/Application, after adjusting for allocation/ allotment to Bidders/Applicants.
- (c) In case of non-ASBA Bidders/Applicants, the Registrar to the Issue may obtain from the depositories the Bidders/Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Bidders/Applicants in their Bid cum Application Forms for refunds. Accordingly, Bidders/Applicants are advised to immediately update their details as appearing on the records of their DPs. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Bidders/Applicants' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Bidders/Applicants for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

- (d) In the case of Bids from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Issuer may not be responsible for loss, if any, incurred by the Bidder/Applicant on account of conversion of foreign currency.

### **8.3.1 Mode of making refunds for Bidders/Applicants other than ASBA Bidders/Applicants**

The payment of refund, if any, may be done through various modes as mentioned below:

- (a) **NECS**—Payment of refund may be done through NECS for Bidders/Applicants having an account at any of the centres specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder/Applicant as obtained from the Depository;
- (b) **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Bidders/Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Bidders/Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Bidders/Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- (c) **Direct Credit**—Bidders/Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- (d) **RTGS**—Bidders/Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS; and
- (e) For all the other Bidders/Applicants, including Bidders/Applicants who have not updated their bank particulars along with the nine-digit MICR code, the refund orders may be dispatched through speed post or registered post for refund orders. Such refunds may be made by cheques, pay orders or demand drafts drawn on the Refund Bank and payable at par at places where Bids are received.

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres etc. Bidders/Applicants may refer to RHP/Prospectus.

### **8.3.2 Mode of making refunds for ASBA Bidders/Applicants**

In case of ASBA Bidders/Applicants, the Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Bids 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 if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 12 Working Days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/ 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.

<b>Term</b>	<b>Description</b>
Allotment/Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Bidders/Applicants
Allottee	An Bidder/Applicant to whom the Equity Shares are Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009.
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Company, in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/ (ASBA)/ASBA	An application, whether physical or electronic, used by Bidders/Applicants to make a Bid authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder/Applicant
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidder/Applicant	Prospective Bidders/Applicants in the Issue who Bid/apply through ASBA
Banker(s) to the Issue/ Escrow Collection Bank(s)/Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue
Bid	An indication to make an offer during the Bid/Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid/Issue Closing Date	The date after which the Syndicate, Registered Brokers and the SCSBs may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Closing Date
Bid/Issue Opening Date	The date on which the Syndicate and the SCSBs may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Opening Date
Bid/Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and during which prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Issue Period for QIBs one working day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants/bidders may refer to the RHP/Prospectus for

Term	Description
	the Bid/ Issue Period
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicant upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid cum Application Form	The form in terms of which the Bidder/Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Prospectus, whether applying through the ASBA or otherwise. In case of issues undertaken through the fixed price process, all references to the Bid cum Application Form should be construed to mean the Application Form
Bidder/Applicant	Any prospective investor (including an ASBA Bidder/Applicant) who makes a Bid pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicant should be construed to mean an Bidder/Applicant
Book Built Process/ Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms/Application Form 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 websites of the Stock Exchanges.
BRLM(s)/ Book Running Manager(s)/Lead Manager/ LM	The Book Running Lead Manager to the Issue as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Companies Act	The Companies Act, 1956
Cut-off Price	Issue Price, finalised by our Company and the Selling Shareholders, in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and Employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by the ASBA Bidders/Applicants applying through the ASBA and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html</a>
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer

<b>Term</b>	<b>Description</b>
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoter. For further details Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Bidders/Applicants (excluding the ASBA Bidders/Applicants) may Issue cheques or drafts in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager(s), the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts and where applicable, remitting refunds of the amounts collected to the Bidders/Applicants (excluding the ASBA Bidders/Applicants) on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/ Fixed Price Process/ Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPI(s)	Foreign portfolio investors, as defined under the FPI Regulations, including FIIs and QFIs, which are deemed to be foreign portfolio investors.
FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer, in consultation with the Book Running Lead Manager(s)
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an

Term	Description
	invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FPIs which are category III FPIs FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs registered with SEBI, FPIs and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/ Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
Qualified Financial Investors or QFIs	As defined under the FPI Regulations
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Red Herring Prospectus/ RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013 which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid/Issue Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account(s)	The account opened with Refund Bank(s), from which refunds (excluding refunds to ASBA Bidders/Applicants), if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Refunds through	Refunds through NECS, Direct Credit, NEFT, RTGS or ASBA, as applicable

Term	Description
electronic transfer of funds	
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category/ Categories	Categories of persons eligible for making application/bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Bidders/Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors/ RIIs	Investors who applies or bids for a value of not more than ₹ 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Bidders in an issue through Book Building process to modify the quantity of Equity Shares and/or bid price indicates therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html</a>
Specified Locations	Refer to definition of Broker Centres
Stock Exchanges/ SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of the Bids in this Issue (excluding Bids from ASBA Bidders/Applicants)
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	All days other than a Sunday or a public holiday on which commercial banks are open for business, except with reference to announcement of Price Band and Bid/Issue Period, where working day shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India



## MAIN PROVISIONS OF OUR ARTICLES OF ASSOCIATION

Our Company, has entered into a share subscription and shareholders' agreement, along with Mandava Prabhakara Rao, Mandava Asha Priya and the other shareholders of the Company, and Blackstone, dated August 18, 2010, as amended by the deed of adherence dated November 24, 2011 executed by Mandava Holdings Private Limited, the letter of amendment entered into by the Company, the Promoters, and Blackstone dated June 20, 2012, the adherence and amendment agreement entered into by the Company, the Promoters, Gooddeal Developers Private Limited, Portrait Properties Private Limited and Blackstone dated January 16, 2013 and the amendment agreement entered into by the Company, the Promoters, and Blackstone dated January 2, 2014. This agreement sets out certain rights of Blackstone including affirmative voting rights, and rights in relation to transfer of shares. The Articles have been appropriately modified at Chapter II. As per this agreement, Chapter II of the Articles will cease to be effective without further act or deed on and from the date of listing of the Equity Shares on the Stock Exchanges. For further details see "*History and Certain Corporate Matters – Material Agreements – Blackstone Investment Agreement*" on page 228 of this Draft Red Herring Prospectus.

Further, in terms of the resolution of our Board dated June 23, 2014, our Company has adopted certain obligations in relation to the issuance of bonds by our corporate Promoter, Mandava Holdings Private Limited. As per the terms of the issuance of bonds by Mandava Holdings Private Limited, the bondholders are entitled to certain affirmative rights. The Articles have been appropriately modified at Chapter III to reflect these rights. These rights will cease to be effective without further act or deed on and from the date of listing of the Equity Shares on the Stock Exchanges.

Pursuant to Schedule II of the Companies Act and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares/debentures and/or on their consolidation/splitting, as applicable on and from the date of the Prospectus subsequent to the determination of the Issue Price, are detailed below.

(1) *Table "A" not to apply*

The Regulations contained in Table A of the First Schedule of the Act (as defined below) shall not apply to the Company (as defined below) except in so far as the same are repeated or contained in these Articles.

(2) *Company to be governed by these Articles*

The regulations for the management of the Company and the observance of the Shareholders (as defined below) and their representatives shall, subject to any exercise of the Company's power to modify, alter, delete or add to its regulations, as prescribed by the Act, be such as are contained in these Articles.

## INTERPRETATION

(3) *The headings used in these Articles shall not affect the construction hereof.*

In the interpretation of these Articles, the following expressions shall have the following meanings unless repugnant to the subject or context thereof:

- (a) "**Act**" means the Companies Act, 1956, or any statutory modification or re-enactment thereof, for the time being in force and reference to a Section of the Act shall be deemed to mean and include reference to any Section enacted in modification or replacement thereof.
- (b) "**Articles**" means these Articles of Association as amended, altered or modified from time to time.
- (c) "**Auditors**" means and includes those persons appointed as such, for the time being, by the Company to discharge the duties of auditors under the Act.
- (d) "**Beneficial Owner**" means a beneficial owner as defined under Section 2(1)(a) of the Depositories Act.
- (e) "**Board**" means the board of directors of the Company, as constituted from time to time in accordance with these Articles or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles, or the Directors of the Company collectively..

- (f) **“Central Government”** means the Central Government of India acting through the Ministry of Corporate Affairs or such other ministry or department as the context may require.
- (g) **“Company”** means Nuziveedu Seeds Limited, a public limited company incorporated under the Act.
- (h) **“Depositories Act”** means the Depositories Act, 1996, or any statutory modification or re-enactment thereof, for the time being in force.
- (i) **“Depository”** means a depository as defined under Section 2(1)(e) of the Depositories Act.
- (j) **“Director”** means a member of the Board appointed in accordance with these Articles, including any additional and/or alternate director.
- (k) **“General Meeting”** means a general meeting of the Shareholders of the Company, whether an annual general meeting or an extraordinary general meeting.
- (l) **“Law”** means any statute, law, ordinance, rule, administrative interpretation, regulation, press note, order, writ, injunction, directive, judgment or decree issued by any government or any of its ministries, departments, secretariats, agencies or any legislative body, court and tribunal, whether at the central, state or municipal/local level.
- (m) **“Managing Director”** shall have the meaning assigned thereto in the Act.
- (n) **“Memorandum of Association”** means the Memorandum of Association of the Company as amended, altered or modified from time to time.
- (o) **“Postal Ballot”** includes voting by shareholders by postal or electronic mode instead of voting personally by being present for transacting businesses in a General Meeting of the Company.
- (p) **“Register of Members”** means the Register of Members to be maintained pursuant to the provisions of the Act.
- (q) **“Registrar of Companies”** means the Registrar of Companies of the state in which the registered office of the Company is for the time being situated.
- (r) **“Securities”** means securities as defined under Section 2(h) of the Securities Contracts (Regulation) Act, 1956, or any statutory modification or re-enactment thereof, for the time being in force.
- (s) **“Shareholder”** means the registered holder of Shares whose name is entered as such in the Register of Members and includes a Beneficial Owner of Shares in the records of any Depository of the Company.
- (t) **“Shares”** mean all classes of shares in the capital of the Company (including equity shares and preference shares) or any class thereof, as the case may be, and includes any and all the rights conferred on a person by the ownership of such Shares.
- (4) References to the plural shall include the singular and vice-versa; references to one gender shall include other genders; references to companies shall include foreign companies, corporations and registered bodies; and references to persons shall include registered and unincorporated bodies.
- (5) Unless the context otherwise requires, words or expressions contained in these Articles and not specifically defined herein shall bear the same meaning as in the Act.

## **CAPITAL**

- (6) *Authorised Share capital*

The authorised Share capital of the Company shall be as specified from time to time in Clause V of the Memorandum of Association. The Share capital of the Company shall comprise equity shares and/or

preference shares of such amount as may be determined by the Company, from time to time, with power to increase, reduce, sub-divide or to repay the same or divide the same into several classes and to attach thereto any rights and to consolidate or re-organise the Shares, and subject to Section 106 of the Act, to vary such rights as may be determined in accordance with these Articles.

(7) *New capital part of the existing capital*

Except in so far as otherwise provided as existing capital by the conditions of issue or by these Articles, any capital raised by the creation of new Shares, shall be considered as part of the existing Share capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

(8) *Power to issue Shares with differential rights as to voting or dividends*

To the extent that the Company is permitted by applicable Law to issue non-voting Shares or Shares which have rights relating to voting or dividends attached thereto different from the rights attached to equity shares or any other kind, class or type of Shares, the Company may, if so authorised by the resolution of the Shareholders under Section 81(1A) of the Act, and other relevant provisions of the Act, issue such Shares upon such terms and conditions and with such rights attached thereto as thought fit and as may be permitted by applicable Law.

(9) *Increase of capital*

The Company may, at a General Meeting, from time to time, by an ordinary resolution, increase its Share capital by the creation of new Shares, such increase to be of such aggregate amount and to be divided into Shares of such respective amounts as the resolution shall prescribe. The new Shares shall be issued on 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 subject to the Articles, with a preferential or qualified right to dividends, and in the distribution of assets of the Company and with a right to vote at a General Meeting in conformity with Section 87 of the Act. Unless otherwise stated, all new Shares of the same class shall rank pari passu with existing Shares of the same class. Whenever the capital of the Company has been increased under the provisions of this Article, the Board shall comply with the provisions of Section 97 of the Act.

(10) *Power to issue preference shares*

Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue or reissue preference shares in one or more series which are liable to be redeemed / convertible and the resolution authorising such issue shall prescribe the manner, terms and conditions of such redemption.

(11) *Reduction of Share capital*

Subject to the applicable provisions of the Act, the Company may, at a General Meeting, from time to time, by special resolution, reduce in any manner for the time being authorised by applicable Law, its Share capital, capital redemption reserve account or securities premium account, and in particular, the capital may be paid off on the footing that it may be called up again or otherwise.

(12) *Sub-division consolidation and cancellation of Shares*

Subject to the provisions of Section 94 of the Act, the Company may, at a General Meeting, from time to time, by an ordinary resolution, consolidate, sub divide or cancel its Shares in the following manner:

- (1) consolidate and divide all or any of its Share capital into Shares of larger amount than its existing Shares;
- (2) sub-divide its Shares, or any of them, into Shares of smaller amount, such that the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in case of the Share from which the reduced Share is derived, and the resolution whereby any Share is sub-divided, may determine that as between the holders of the Shares resulting from such sub-division one or more of

such Shares have some preference of special advantage as regards dividend capital or otherwise as compared with the others; or

- (3) cancel any Shares which, at the date of the passing of the resolution in that behalf, 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. Cancellation of Shares in pursuance of this Article shall not be deemed to be a reduction of the Share capital within the meaning of the Act.

Whenever the Company shall do any one or more of the things provided for in this Article, the Company shall, within thirty (30) days thereafter give notice thereof to the Registrar of Companies specifying, as the case may be, the Shares consolidated, divided, sub-divided or cancelled.

(13) *Modification of rights*

- (1) Whenever 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 and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be modified, commuted, affected, abrogated, dealt with or varied with the consent in writing of the holders of not less than three-fourths of the issued capital of that class or with the sanction of a special resolution passed at a General Meeting of the holders of the Shares of that class, and all the provisions hereafter contained as to a General Meeting shall mutatis mutandis apply to every such meeting. This Article shall not derogate from any power that the Company would have if this Article was omitted.
- (2) The rights conferred upon the holders of the Shares (including preference shares, 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.

(14) *Buy back of Shares*

The Company may buy back any number of its issued and outstanding Shares and any other Securities, subject to such limits, upon such terms and conditions and subject to such approvals as may be required by applicable Law.

(15) *Underwriting and Brokerage*

- (1) Subject to the provisions of the Act, the Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares or debentures of the Company or underwriting or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares or debentures of the Company and provisions of Section 76 of the Act shall apply.
- (2) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid Shares or partly in one way and partly in the other.
- (3) The Company may also, on any issue, of Shares, pay such brokerage as may be lawful.

(16) *Further Issue of shares*

- (1) Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of Shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further Shares then:
  - (a) Such further Shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid-up on those Shares at that date;

- (b) The offer aforesaid shall be made by a notice specifying the number of Shares offered and limiting a time not being less than thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
  - (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person and the notice referred to in sub- clause (b) hereof shall contain a statement of this right;
  - (d) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board may dispose of them in such manner as they think most beneficial to the Company.
- (2) Notwithstanding anything contained in sub clauses (a) to (d) of clause (1) above, the further Shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in sub-clause (a) of clause (1) above) in any manner whatsoever:
- (a) If a special resolution to that effect is passed by the Company in General Meeting, or
  - (b) Where no such resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that General Meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board in this behalf, that the proposal is most beneficial to the Company.
- (3) Nothing in sub-clause (c) of (1) hereof shall be deemed:
- (i) To extend the time within which the offer should be accepted; or
  - (ii) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the Shares comprised in the renunciation.
- (4) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued or loans by the Company:
- (i) To convert such debentures or loans into Shares in the Company; or
  - (ii) To subscribe for Shares in the Company.
  - (iii) PROVIDED THAT the terms of issue of such debentures or the terms of such loans Include a term providing for such option and such term:
    - (A) Either has been approved by the Central Government before the issue of debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf; and
    - (B) In the case of debentures or loans or other than debentures issued to, or loans obtained from the Government or any institution specified by the Central Government in this behalf, has also been approved by the special resolution passed by the Company in General Meeting before the issue of the loans.
    - (C) If, owing to any inequality in the number of new Shares to be issued, and the number of Shares held by Shareholders entitled to have the offer of such new Shares, any difficulty arises in apportionment of such new Shares or any of them, among the Shareholders, such difficulty shall, in the absence of any direction in the resolution creating or issuing the Shares of the Company in the General Meeting, be determined by the Board.
- (17) *Rights to convert loans into capital*

Notwithstanding anything contained in sub-clauses(s) above, but subject, however, to Section 81(3) of the Act, the Company may increase its subscribed capital on exercise of an option attached to the debentures or loans raised by the Company to convert such debentures or loans into Shares or to subscribe for Shares in the Company.

(18) *Allotment on application to be acceptance of Shares*

Any application signed by or on behalf of an applicant for Shares in the Company followed by an allotment of any Share 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 of Members, shall, for the purpose of these Articles, be a Shareholder.

(19) *Restrictions on Allotment*

The Board shall observe the restrictions as regards allotment of Shares to the public contained in Section 69 and 70 of the Act and as regards return on allotments, the Directors shall comply with Section 75 of the Act.

(20) *Directors may allot shares as fully paid-up*

Subject to the provisions of the Act and these Articles, the Directors may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as the case may be.

(21) *Money due on Shares to be a debt to the Company*

The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them, shall immediately on the inscription of the name of allottee in the Register of Members as the name of the holder of such shares become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

(22) *Shareholders or heirs to pay unpaid amounts:*

Every Shareholder or his heirs executors or administrators shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being remain unpaid thereon, in such amounts, at such time or times and in such manner, as the Board shall from time to time, in accordance with these Articles require or fix for the payment thereof.

(23) *Shares at the disposal of the Directors*

Subject to the provisions of Section 81 of the Act and these Articles, the Shares for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provisions of Section 79 of the Act) at a discount and at such time as it may from time to time deem fit and with the sanction of the Company in a 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 deem fit, and may issue and allot Shares 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-up Shares. Provided that the option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in a General Meeting.

## **SHARE CERTIFICATES**

(24) (1) *Limitation of time for issue of certificates; Register of Members*

- (a) Each Shareholder shall be entitled, without payment, to one or more certificates in marketable lots, for all the Shares of each class or denomination registered in the name of such Shareholder, or if the Board approves (upon paying such fee as the Board may from time to time determine), to several certificates, each for one or more of such Shares and the Company shall complete and have ready for delivery such certificates within three (3) months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two (2) months of the receipt of an application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares, as the case may be.
- (b) 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 the amount paid-up thereon and shall be in such form as the Board may prescribe or approve, provided that in respect of a Share or Shares held jointly by several persons, the Company shall not be required 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 holders.
- (c) Notwithstanding anything contained herein, the Company shall be entitled to dematerialise, pursuant to the provisions of the Depositories Act, its Shares, debentures and other Securities, and offer Securities for subscription in dematerialised form.
- (d) The Company shall be entitled to maintain Register of Members with the details of Shareholders holding Shares in physical form or in any media as permitted by applicable Law including any form of electronic media. The Register of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be the Register of Members.
- (e) Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of Shares or whose name appears as the Beneficial Owner of Shares in the records of the Depository as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or as required by applicable Law) be bound to recognise any benami trust or equity or equitable, contingent or other claim or interest in such Share on the part of any other person whether or not it, shall have express or implied notice thereof.
- (f) The Company shall be entitled to maintain in any State or country outside India a branch register of Shareholders or debenture holders resident in that State or country.

(2) *Joint ownership of Shares*

Any two or more joint allottees of the Shares shall be treated as a single Shareholder for the purposes of this Article 24.

(3) *Issue of new certificates in place of one defaced, lost or destroyed certificate*

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 or in case of sub-division or consolidation of Shares, then upon production and surrender of the relevant share certificates to the Company, new certificates may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems 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 this Article shall be issued without payment of fees if the Board so decides, or on payment of such fees (not exceeding Rs.2 (Rupees Two) for each certificate) as the Board 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 or in case of sub-division or consolidation of Shares.

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 as amended or any other Act or other applicable Law in this behalf.

The provisions of this Article shall mutatis mutandis apply to any debentures of the Company.

(4) *Renewal of Share Certificate*

When a new share certificate has been issued in pursuance of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is issued in lieu of share certificate No. • sub-divided/replaced on consolidation of shares.

- (5) When a new certificate has been issued in pursuance of this Article, it shall state on the face of it against the stub or counterfoil to the effect that it is duplicate issued in lieu of share certificate No. • The word 'Duplicate' shall be stamped or punched in bold letters across the face of the share certificate and when a new certificate has been issued in pursuance of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates indicating against it, the names of the persons to whom the certificate is issued, the number and the necessary changes indicated in the Register of Members by suitable cross references in the "remarks" column.

- (6) All blank forms, share certificates shall be printed only on the authority of a resolution duly passed by the Board.

(25) *Rules to issue share certificates*

The rules under "The Companies (Issue of Share Certificate) Rules, 1960 shall be complied with in the issue, reissue, renewal of share certificates and the format sealing and signing of the certificates and records of the certificates issued shall be maintained in accordance with the said rules. The Company shall keep ready share certificates for delivery within 2 months after allotment.

(26) *Responsibilities to maintain records*

The Managing Director of the Company for the time being or if the Company has no Managing Director, every Director of the Company shall be responsible for maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates.

(27) *Rights of joint holders*

- (a) If any share stands in the names of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notices and all or any other matter connected with the Company, except voting at meeting and the transfer of the shares be deemed the sole holder thereof but the joint holders of share shall be severally as well as jointly liable for payment of all installments and calls due in respect of such share and for all incidents thereof according to these Articles.
- (b) The Company shall be entitled to decline to register more than four persons as the joint holders of any share.
- (c) 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 notice given to or documents served on such person shall be deemed service on all the joint holders.

(28) *Board may refuse to register transfer*

Subject to the provisions of Section 111A of the Act and other applicable provisions of the Act or any other applicable Law, the Board may refuse, whether in pursuance of any power of the Company under these Articles or otherwise, to register the transfer of, or the transmission by operation of law of the right to, any shares and debentures of the Company. The Company shall, within one (1) month from the date on



which the instrument of transfer or the intimation of such transmission, as the case may be, was lodged with the Company send notice of refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal, provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person(s) indebted to the Company on any account whatsoever except when the Company has a lien on the Shares. Transfer of Shares or debentures shall not be refused solely for the reason that the relevant Shares or debentures are not in marketable lots.

(29) *Form or Instrument of Transfer*

- (1) The instrument of transfer of any Share shall be in writing and the provisions of Section 108 of the Act in respect of transfer of all Shares and registration thereof shall be duly complied with. The Company shall use a common form of transfer in all cases.
- (2) In the case of transfer of Shares or other marketable Securities where the Company has not issued any certificates and where such Shares or Securities are being held in an electronic form, the provisions of the Depositories Act shall apply.
- (3) Every such instrument of transfer shall be signed both by the transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of Members in respect thereof.

(30) *No fee on transfer or transmission*

No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or other similar document.

### **CALLS ON SHARES**

(31) *Payment in anticipation of call may carry interest*

- (1) The Directors may, if they deems fit, subject to the provisions of Section 92 of the Act, agree to and receive from any Shareholder willing to advance the whole or any part of the moneys due upon the Shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advance has been made, the Company may pay interest at such rate, as the Shareholder paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.
- (2) The concerned Shareholder shall not be entitled to any voting rights in respect of the moneys so paid by such Shareholder until the same would, but for such payment, become presently payable.
- (3) The provisions of this Article shall mutatis mutandis apply to the calls on any debentures of the Company.

(32) *Board to have right to make calls on Shares, and call when made*

- (1) The Board may, from time to time, make calls upon the Shareholders in respect of any moneys unpaid on the Shares held by them by a resolution passed at a meeting of the Board (and not by circular resolution).
- (2) Each Shareholder shall pay to the Company, at the time or times and place so specified, the amount called on such Shareholder's Shares.
- (3) A call may be made payable by installments, or revoked or postponed at the discretion of the Board, provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in General Meeting.

- (4) The Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call, and thereupon the call shall be deemed to have been made on the date so determined and if no such date is so determined a call shall be deemed to have been made at the date when the resolution authorizing such call was passed at the meeting of the Board.

- (5) 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 to all or any of the members. The Board may be fairly entitled to grant such extension, but no Member shall be entitled to such extension, save as a matter of grace and favour.

(33) *Notice for call*

Fourteen days notice in writing of any call shall be given by the Company specifying the date, time and places of payment and the person or persons to who such call be paid.

(34) *Liability of joint holders for a call*

The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.

(35) *Calls to carry interest*

- (1) If a sum called in respect of a Share is not paid before or on the day appointed or payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at such rate or rates as may be fixed from time to time by the Board.

- (2) The Board shall be at liberty to waive payment of any such interest wholly or in part.

(36) *Dues deemed to be calls*

- (1) Any sum which by the terms of issue of a Share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which, by the terms of issue, such sum becomes payable.

- (2) In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

(37) *Proof of dues in respect of Shares*

On any trial or hearing of any action or suit brought by the Company against any Shareholder or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares it shall be sufficient to prove (i) that the name of the Shareholders in respect of whose shares the money is sought to be recovered appears entered in the Register of Members as the holder, at or subsequent to the date on which the money sought to be recovered is alleged to have become due on the shares, (ii) that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Shareholder or his representatives pursuant of these Articles, and (iii) it shall not be necessary to prove the appointment of the Directors who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive of the debt.

(38) *Partial payment not to preclude forfeiture*

Neither a judgment nor a decree in favour of the Company, for call or other moneys due in respect of any share 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 Shareholder to the Company in respect of his shares either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.

## FORFEITURE OF SHARES

(39) *Board to have right to forfeit Shares*

If a Shareholder fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on such Shareholder requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

(40) *Notice for forfeiture of Shares*

The notice aforesaid shall:

- (1) name a further day (not earlier than the expiration of fourteen days from the date of notice) on or before which and place or places where the payment required by the notice is to be made; and
- (2) state that, in the event of non-payment on or before the day so named, the Shares in respect of which the call was made will be liable to be forfeited.

(3) *Effect of forfeiture*

If the requirements of any such notice as aforesaid are not complied with, any Share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. 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, subject to applicable provisions of the Act.

- (4) When any share shall have been so forfeited, notice of the forfeiture shall be given to the Shareholder on whose name it stood immediately prior to the forfeiture and any entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

(41) *Forfeited Shares to be the property of the Company*

- (1) Any share so forfeited shall be deemed to be the property of the Company and may be sold, re-allocated or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Board shall think fit.
- (2) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

(42) *Shareholder to be liable even after forfeiture*

- (1) A person whose Shares have been forfeited shall cease to be a Shareholder in respect of the forfeited Shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys together with interests thereon from time to time which, at the date of forfeiture, were presently payable by him to the Company in respect of the Shares.
- (2) The liability of such person shall cease if and when the Company shall have received payment in full of all such moneys in respect of the Shares.

(43) *Evidence of forfeiture*

A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a Share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.

(44) *Effecting sale of Shares*

The Company may receive the consideration, if any, given for the Share on any sale or disposal thereof pursuant to forfeiture of such Share or in enforcement of lien in purported exercise of powers in these Articles, and may cause any person to execute on its behalf a transfer of the Share in favour of the person to whom the Share is sold or disposed of. The transferee shall thereupon be registered as the holder of the Share. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall such transferee's title to the Share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.

(45) *Certificate of forfeited Shares to be void*

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relevant shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Shareholder) stand cancelled and become null and void and have no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.

(46) *Claims against the Company to extinguish on forfeiture*

The forfeiture of a share involves extinction, at the time of the forfeiture of all interest in and all claims and demands against the Company, in respect of the shares and all other rights incidental to the share, except only such of those rights as by these Articles expressly saved.

(47) The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the nominal value of the Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

(48) *Board entitled to cancel forfeiture*

The Board may at any time before any share so forfeited shall have them sold, re-allotted or otherwise disposed of, cancel the forfeiture thereof upon such conditions at it thinks fit.

(49) The provisions of the Article under this heading shall mutatis mutandis apply to debentures of the Company

## **LIEN**

(50) *Company's lien on Shares/Debentures*

The Company shall have a first and paramount lien upon all the shares and debentures (other than fully paid-up shares and debentures) registered in the name of each share or debenture holder (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 or debentures and no equitable interest in any shares or debentures shall be created except upon the basis and condition that this Article will have full effect. Such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares or debentures. Unless otherwise agreed, the registration of a transfer of shares or debentures shall operate as a waiver of the Company's lien if any, on such shares or debentures. The Board may at any time declare any shares and debentures wholly or in part to be exempt from the provisions of this Article. The fully paid up shares or debentures shall be free from all lien and that in the case of partly paid shares or debentures the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares or debentures.

(51) *Enforcing lien by sale*

For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as they think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorize one of their members to execute a transfer thereof on behalf of and in the name of such Shareholder. No sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell have been served on such Shareholder or his representative and default shall have been made by him or them in payment, fulfillment or discharge of such debts, liabilities or engagements for fourteen days after such notice.

(52) *Application of sale proceeds*

The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a 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.

(53) *Outsiders lien not to affect Company's lien*

The Company shall be entitled to treat the registered holder of any share or debenture as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or by statute required) be bound to recognise equitable or other claim to, or interest in, such shares or debentures on the part of any other person. The Company's lien shall prevail notwithstanding that it has received notice of any such claims

## **TRANSFER AND TRANSMISSION OF SHARES**

(54) *Register of transfers*

The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares.

*Directors may refuse to register transfer*

- (a) Nothing in Sections 108, 109 and 110 of the Act shall prejudice this power to refuse to register the transfer of, or the transmission by operation of law of the rights to, any shares or interest of a member in, or debentures of the Company.

(55) *Transfer of Shares*

- (a) an application of registration of the transfer of shares may be made either by the transferor or the transferee provided that where such application is made by the transferor, no registration shall in the case of partly paid shares be effected unless the Company gives notice of the application to the transferee and subject to the provisions of Clause (d) of this Article, the Company shall unless objection is made by the transferee, within two weeks from the date of receipt of the notice, enter in the Register of Members the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.
- (b) For the purpose of clause (a) above notice to the transferee shall be deemed to have been duly given if sent by prepaid registered post 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 to him in the ordinary course of post.
- (c) It shall not be lawful for the Company to register a transfer of shares 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 Instrument of transfer to be executed by transferor and transferee been delivered to the Company along with the certificate relating to

the shares and if no such certificate is in existence, along with the letter of allotment of shares. The Directors may also call for such other evidence as may reasonably be required to show the right of the transferor to make the transfer, provided that where it is proved to the satisfaction of the Directors of the Company that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Directors think fit, on an application in writing made by the transferee and bearing the stamp required by an instrument of transfer register the transfer on such terms as to indemnity as the Directors may think fit

- (d) Nothing in clause (c) above shall prejudice any power of the Company to register as share holder any person to whom the right to any share has been transmitted by operation of law.
- (e) Nothing in this Article shall prejudice any power of the Company to refuse to register the transfer of any share.
- (f) Nothing contained in the foregoing Article shall apply to transfer of security effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the records of a Depository;
- (g) In the case of transfer of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act, shall apply.

(56) *Custody of instrument of transfer*

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 transfer deeds lying with the Company after such period as they may determine

(57) *Transfer of partly paid Shares*

Where in the case of partly paid shares, an application for registration is to be made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 110 of the Act.

(58) *Survivor of joint holders recognised*

In case of the death of any one or more persons named in the Register of Members as the joint-holders of any shares, the survivors shall be the only person recognised by the Company as having any title to or interest in such share but nothing therein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.

(59) *Transfers not permitted*

No share shall in any circumstances be transferred to any infant, insolvent or person of unsound mind, except fully paid shares through a legal guardian.

(60) *Share Certificates to be surrendered*

Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with (save as provided in Section 108) properly stamped and executed instrument of transfer.

(61) *No fee on transfer or transmission*

No fee shall be charged for registration of transfers, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other documents.

(62) *Company not liable to notice of equitable rights*

The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable rights, title or interest in the said shares, notwithstanding that the Company may have had notice of such equitable rights referred thereto in any books of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable rights, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the board shall so think fit.

(63) *Title to Shares of deceased members*

The executors or administrators or holders of a succession certificate or the legal representatives of a deceased Shareholder (not being one or two joint holders) shall be the only person recognized by the Company as having any title to the shares registered in the name of such Shareholder, and the Company shall be bound to recognize such executors or administrators or holders of a succession certificate or the legal representatives shall have first obtained probate holders or letter of administration or succession certificate as the case may be, from a duly constituted court in the Union of India. Provided that in any case where the Board in its absolute discretion, thinks fit, the Board may dispense with the production of probate or letter of administration or succession certificate, upon such terms as to indemnity or otherwise as the Board in its absolute discretion may think necessary and register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member as a member.

(64) *Transmission of shares*

Subject to the provisions of the Act and these Articles, any person becoming entitled to Shares in consequence of the death, lunacy, bankruptcy or insolvency of any members, or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence as the Board thinks sufficient, that he sustains the character in respect of which he proposes to act under this Article, or of his title, either by registering himself as the holder of the Shares or elect to have some person nominated by him and approved by the Board, registered as such holder, provided, nevertheless, if such person shall elect to have his nominee registered, he shall testify that election by executing in favour of his nominee an instrument of transfer in accordance with the provision herein contained and until he does so he shall not be freed from any liability in respect of the Shares.

(65) *Rights on Transmission*

A person entitled to a share by transmission shall, subject to the Directors' right to retain such dividends or money, be entitled to receive and may give discharge for any dividends or other moneys payable in respect of the Share.

The provisions of these Articles shall mutatis mutandis apply to the transfer or transmission by operation of law, of debentures of the Company.

(66) *Dematerialisation Of Securities*

(1) *Definitions:* For the purpose of this Article:

“**Bye-Laws**” means Bye-laws made by a Depository under Section 26 of the Depositories Act, 1996.

“**Depositories Act**” means the Depository Act, 1996, including any statutory modifications or re-enactment for the time being in force.

**“Member”** means the duly registered holder from time to time of the shares of the Company and includes every person whose name is entered as beneficial owner in the records of the depository.

**“Participant”** means a person registered as such under Section 12 (1A) of the Securities and Exchange Board of India Act, 1992.

**“Record”** includes the records maintained in form of books or stored in a computer or in such other form as may be determined by the Regulations issued by the Securities and Exchange Board of India in relation to the Depositories Act.

**“Registered Owner”** means a depository whose name is entered as such in the records of the Company.

**“SEBI”** means the Securities and Exchange Board of India.

**“Security”** means such security as may be specified by the Securities and Exchange Board of India from time to time.

Words imparting the singular number only includes the plural number and vice versa.

Words imparting persons include corporations.

Words and expressions used and not defined in the Act but defined in the Depositories Act, 1996 shall have the same meaning respectively assigned to them in that Act.

(2) *Company to recognise interest in dematerialised securities under the Depositories Act.*

Either the Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with a depository in electronic form and the certificates in respect thereof shall be dematerialised, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act, 1996.

(3) *Dematerialisation/Re-Materialisation of Securities*

Notwithstanding anything to the contrary or inconsistent contained in these Articles, the Company shall be entitled to dematerialise its existing securities, re-materialise its securities held in any Depository and/or offer its fresh securities in the de-materialised form pursuant to the Depositories Act, 1996 and the rules framed there under, if any.

(4) *Option to receive security certificate or hold securities with depository*

Every person subscribing to or holding securities of the Company shall have the option to receive the security certificate or hold securities with a Depository. Where a person opts to hold a security with the Depository, the Company shall intimate such Depository of the details of allotment of the security and on receipt of such information, the Depository shall enter in its record, the name of the allottees as the beneficial owner of that security.

(5) *Securities in electronic form*

(6) All securities held by a Depository shall be dematerialised and held in electronic form. No certificate shall be issued for the securities held by the Depository. Nothing contained in Section 153, 153A, 153B, 187 B, 187 C and 372 of the Act, shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners.

(7) *Beneficial owner deemed as absolute owner*



Except as ordered by the Court of competent jurisdiction or by law required, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holders of any share or whose name appears as the beneficial owner of the shares in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognise any *benami*, trust equity, equitable contingent, future, partial interest, other claim to or interest in respect of such shares or (except only as by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any share in the joint names of any two or more persons or the survivor or survivors of them.

(8) *Rights of depositories and beneficial owners*

Notwithstanding anything to the contrary contained in the Act, or these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.

Save as otherwise provided above, the Depository is the registered owner of the securities, and shall not have any voting rights or any other rights in respect of the securities held by it.

Every person holding securities of the Company and whose name is entered as a beneficial owner in the records of the Depository shall be deemed to be a Shareholder. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a Depository.

(9) *Register and index of beneficial owners*

The Company shall cause to be kept a Register and Index of Shareholders in accordance with all applicable provisions of the Act and the Depositories Act, 1996 with details of shares and debentures held in physical and dematerialised forms in any media as may be permitted by law including any form of electronic media.

The Register and Index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be a Register and Index of Shareholders for the purposes of this Act. The Company shall have the power to keep in any state or country outside India a Branch register of Shareholders resident in that State or Country.

(10) *Cancellation of certificates upon surrender by person*

Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the depository as the Registered owner in respect of the said securities and shall also inform the Depository accordingly.

(11) *Service of documents*

Notwithstanding anything contained in the Act, or these Articles, to the contrary, where securities are held in a depository, the record of the beneficial ownership may be served by such depository on the Company by means of hard copies or through electronic mode or by delivery of floppies or discs.

(12) *Allotment of securities*

Where the securities are dealt within a Depository, the Company shall intimate the details of allotment of relevant securities to the Depository on allotment of such securities.

(13) *Transfer of securities*

The Company shall keep a Register of Transfers and shall have recorded therein fairly and distinctly, particulars of every transfer or transmission of any share held in material form. Nothing contained in these Articles shall apply to transfer of securities held in depository.

(14) *Distinctive number of securities held in a depository*

The shares in the capital shall be numbered progressively according to their several denominations, provided, however that the provisions relating to progressive numbering shall not apply to the share of the Company which are in dematerialised form. Except in the manner provided under these Articles, no share shall be sub-divided. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.

(15) *Provisions of articles to apply to shares held in depository*

Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depository Act, 1996.

(16) *Depository to furnish information*

Every Depository shall furnish to the Company information about the transfer of securities in the name of the beneficial owner at such intervals and in such manner as may be specified by laws and the Company in that behalf.

(17) *Option to opt out in respect of any such security*

If a beneficial owner seeks to opt out of a Depository in respect of any security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the beneficial owner or the transferee as the case may be.

(18) *Overriding effect of this article*

Provisions of this Article will have full effect and force notwithstanding anything to the contrary or inconsistent contained in any other Articles.

(67) *Nomination Facility*

- (1) Every holder of shares, or holder of debentures of the Company may at any time, nominate, in the prescribed manner a person to whom his shares in or debentures of the Company shall rest in the event of his death.
- (2) Where the shares in or debentures of the Company or held by more than one person jointly, the joint holders may together nominate in the prescribed manner, a person to whom all the rights in the shares or debentures of the Company shall rest in the event of death of all the joint holders.
- (3) Notwithstanding any thing contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise in respect of such shares in or debentures of the Company where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in or debentures of the Company, the nominee shall, on the death of the shareholder or debentures holder of the Company or as the case may be on the death of the joint holders become entitled to all the rights in the shares or debentures of the Company or as the case may be all the joint holders in relation to such shares in or debenture of the Company to the exclusion of all the other persons, unless the nomination is varied or cancelled in the prescribed manner.
- (4) Where the nominee is a minor it shall be lawful for the holder of shares or debentures, to make the nomination and to appoint in the prescribed manner any person to become entitled to shares in or debentures of the Company in the event of his death in the event of minority of the nominee.

(5) A Depository may in terms of Section 109A at any time, make a nomination and above provisions and the provisions of the Act relating to nomination shall, as far as may be, apply to such nomination.

(68) Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 39 of the Act shall be sent by the Company to every Shareholder at his request within seven days of the request on payment of such sum as may be prescribed.

(69) *Terms of Issue of Securities*

Any Securities may be issued by the Company at a discount, premium or otherwise and may be issued by the Company on condition that they may be converted into Shares of any denomination and with privileges and conditions with respect to redemption, surrender, drawing, allotment of Shares, attending (but not voting) at General Meetings and appointment of Directors.

## **SHARE WARRANTS**

(70) *Right to issue share warrants*

The Company may issue share warrants subject to, and in accordance with, the provisions of Sections 114 and 115 of the Act. The Board may in its discretion, with respect to any Share which is fully paid-up, on application in writing signed by the person registered as holder of the Share, and authenticated by such evidence (if any) as the Board may from time to time, require as to the identity of the person signing the application, and on receiving the certificate (if any) with respect to 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.

(71) *Rights of warrant holders*

(1) 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 calling a meeting of the Company, and of attending, and voting and exercising the other privileges of a Shareholder at any meeting held after the expiry of two (2) clear days from the time of deposit, as if the depositor's name were inserted in the Register of Members as the holder of the Shares included in the deposited warrant.

(2) Not more than one person shall be recognised as the depositor of the Share warrant.

(3) The Company shall, on two (2) days' written notice, return the deposited Share warrant to the depositor.

(72) (1) Except as herein otherwise expressly provided, no person shall, as bearer of a Share warrant, sign a requisition for calling a meeting of the Shareholders of the Company, or attend, or vote or exercise any other privilege of a Shareholder at a meeting of the Shareholders, or be entitled to receive any notices from the Company.

(2) The bearer of a Share warrant shall be entitled in all other respects to the same privileges and advantages as if such person were named in the Register of Members as the holder of the Shares included in the warrant, and such person shall be a Shareholder.

(73) *Board to make rules*

The Board may, from time to time, make rules as to the terms on which (if it deems fit) a new Share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

## **POWER TO BORROW**

(74) The Board may, from time to time, and at its discretion, subject to the provisions of Sections 58A, 292, 293 and 370 of the Act, Memorandum of Association and these Articles, accept deposits from Shareholders either in advance of calls or otherwise and generally raise or borrow moneys, either from the Directors,

their friends and relatives or from others for the purposes of the Company and/or secure the payment of any such sum or sums of money, provided however, where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in ordinary course of business) and remaining outstanding and undischarged at that time exceed the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company in a General Meeting by an ordinary resolution. The Board may raise and secure the payment of such sum or sums in such manner and upon such terms and conditions as it thinks fit, and in particular by issue of bonds, debentures perpetual, redeemable, debenture stock, or any security of the Company or by mortgage or charge or other security upon all or any part of the property or undertaking of the Company (both present and future), including its uncalled capital for the time being; provided that the Board shall not give any option or right to any person for making calls on the Shareholders in respect of the amount unpaid for the time being on the Shares held by them, without the previous sanction of the Company in a General Meeting.

## **DIRECTORS AND OFFICERS**

### **(75) *Number of Directors***

Unless otherwise determined by the Company in a General Meeting, and subject to the provisions of the Act, the Board shall consist of at least three (3) Directors but no more than twelve (12) Directors or such maximum number of Directors as may be prescribed in the Act.

### **(76) *Qualification Shares***

It shall not be necessary for any Director to hold any qualification Shares in the Company.

### **(77) *Additional Directors***

The Board shall have power at any time, and from time to time, to appoint one or more persons as additional directors ("Additional Directors") provided that the number of Directors and Additional Directors together shall not exceed the maximum number specified in Article (77)5. An Additional Director so appointed shall hold office up to the date of the next Annual General Meeting and shall be eligible for re-election by the Company at that meeting.

### **(78) *Alternate Directors***

In the event that a Director (an "Original Director") is absent for a continuous period of not less than three (3) months from the state in which the meetings of the Board are ordinarily held, the Board shall appoint another Director (an "Alternate Director") for and in place of the Original Director. The Alternate Director shall vacate office if and when the Original Director returns to the state in which meetings of the Board are ordinarily held. Upon the appointment of the Alternate Director, the Company shall ensure compliance with the provisions of the Act, including filing of necessary forms with the Registrar of Companies. The Alternate Director shall be entitled to receive notice of all meetings and to attend and vote at such meetings in place of the Original Director and generally to perform all functions of the Original Director in the Original Director's absence. If the term of the office of the original Director is determined before he so returns to the state aforesaid any provision for the automatic reappointment of retiring Director in default of another appointment shall apply to the original and not to the Alternate Director.

### **(79) *Debenture Directors***

Any trust deed for securing debentures or debenture stock may if so arranged provide for the appointment from time to time by the trustee thereof or by the holders of debentures or debenture stock of some person to be a Director of the Company and may empower such trustee or holders of debentures or debenture stock from time to time to remove any Directors so appointed. A Director appointed under this Article is herein referred to as a "Debenture Director" and the Debenture Director means a Director for the time being in office under this Article. A Debenture Director shall not be bound to hold any qualification shares,

not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provision shall have effect notwithstanding any of the other provisions herein contained.

(80) *Nominee Directors*

- (a) Notwithstanding anything to the contrary in these Articles, any financing company or body corporate or bank or insurance corporation or any State or Central finance Institutions or any other finance corporation or credit corporation or, any other financing Company or body (hereinafter referred to as “the financial Institution”) shall have a right to appoint, remove, reappoint, substitute from time to time, its nominee as a Director (hereinafter referred as “the Nominee Director”) on the Board of the Company, so long as any moneys remain owing to them or any of them by the Company, out of any financial assistance granted by them or any of them to the Company by way of loan and/ or by holding debentures and / or shares in the Company and / or as a result of underwriting or direct subscription and / or any liability of the Company arising out of the guarantee furnished by the financial institution on behalf of the Company remains outstanding.
- (b) The Board of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Financial Institution, such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.
- (c) The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Financial Institution or so long as they holds or continues to hold debentures/shares in the Company as result of underwriting or by direct subscription or private placement or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall vacate such office immediately on the moneys owing by the Company to the Financial Institution are paid off or they ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of the guarantee furnished.
- (d) The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board meetings and of the meetings of the committee of which Nominee Director/s is/are member/s as also the minutes of such Meetings. The Financial Institution shall also be entitled to receive all such notices and minutes.
- (e) The Company shall pay the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees commission, monies or remuneration in any form is payable to the Directors of the Company the fees, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the nominee appointer and same shall accordingly be paid by the Company directly to the Financial Institution.

Provided that the sitting fees, in relation to such Nominee Director/s shall also accrue to the appointer and same shall accordingly be paid by the Company directly to the appointer.

(81) *Retirement of Directors*

Not less than two-thirds of the total number of Directors shall be liable to retire by rotation. One-third of the Directors shall automatically retire every year at the Annual General Meeting and shall be eligible for re-appointment. The Directors to retire by rotation shall be decided based on those who have been longest in office, and as between persons appointed on the same day, the same shall be decided by mutual agreement or by draw of lots. The Managing Director shall not be liable to retire by rotation so long as he holds the office of the Managing Director.

(82) *Resignation of Directors*

A Director shall be entitled to resign from the office of Director through a notice in writing with effect from such date as such Director may specify while so resigning.

(83) *Casual Vacancy*

If a Director appointed by the Company in a General Meeting vacates office as a Director before such Director's term of office will expire in the normal course, the resulting casual vacancy may be filled by the Board, at a meeting of the Board, but any person so appointed shall retain office only for so long as the vacating Director would have remained in office.

(84) *Directors' Fees*

- (1) The Directors may, subject to applicable restrictions if any, under applicable Law, be remunerated separately for the performance of special or executive duties approved from time to time by the Board but not exceeding that permitted under Section 309 of the Act and such remuneration may be either in addition to or in substitution for his share in the remuneration above provided..
- (2) Notwithstanding anything contained herein, the non-executive Directors shall be paid such sitting fees for each Board meeting attended by such non-executive Directors as may be determined by the Company in a General Meeting from time to time within any limits that may have been prescribed under applicable Law for payment of sitting fees.
- (3) All Directors shall be entitled to be paid or reimbursed their reasonable travelling, accommodation and subsistence expenses incurred in attending meetings of the Board or any committees of the Board or in the discharge of their duties as Directors.

(85) *Increase or reduction in the number of Directors*

Subject to the provisions of Section 252, 255, 259 of the Act, the Company in General Meeting may by Ordinary Resolution increase or reduce the number of its Directors.

(86) *Power to remove Director by ordinary resolution*

Subject to the provisions of the Act, the Company may by an ordinary resolution in General Meeting remove any Director before the expiration of his period of office and may, by an ordinary resolution, appoint another person instead; the person so appointed shall be subject to retirement at the same time as if he had become a Director on the day on which the Director in whose place he is appointed was last elected as Director.

(87) *Directors may contract with Company*

Subject to the applicable provisions of the Act, if any, and observance and fulfillment thereof and subject to any restrictions imposed by the Articles, no Director shall be disqualified by virtue of holding the office of Director from contracting with the Company either as vendor, purchaser, agent, broker or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested, be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason only of such Director holding that office, or of the fiduciary relationship thereby established, but the nature of such Director's interest must be disclosed by such Director as provided by the Act.

(88) *Director for subsidiary Company*

Directors, officers or employees of the Company may be or become a director of any company promoted by the Company or in which it may be interested as vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as a Director or member of such company except to the extent and under the circumstances as may be provided in the Act or applicable Law.

(89) *Loans to directors*

Subject to any applicable provisions of the Act and subject to the approval of the Shareholders in a General Meeting, the Company may make loans to, or give any guarantee or provide any security in connection with, a loan made by any other person to Directors.

(90) *Place and Calling of Board Meetings*

Board meetings shall be held at such places, as the Board may determine and failing any such determination at the Company's registered or corporate office. Board meetings shall be held at least once every three (3) months and at least four (4) times in each year with a maximum gap of four (4) months between any two meetings.

Any Director of the Company may and the Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board. Notice of every meeting of the Board of the Company shall be given in writing to every Director for the time being in India and at his usual address in India.

(91) *Decisions by Majority Vote*

Except as otherwise provided in the Act, all decisions of the Board shall be taken by a majority of the Directors present and voting at a meeting of the Board, or as the case may be, the Directors voting by way of a circular resolution and in case of equality of votes the Chairman, in his absence the Director presiding shall have a second or casting vote..

(92) *Resolution by Circulation*

Subject to the provisions of the Act, resolutions of the Board or a committee of the Board may be passed by circulation, if the resolution has been circulated in draft, together with necessary papers, if any, to all the Directors or all of the members of the committee, then in India or outside India, not being less in number than the quorum fixed of the meeting of the Board or the Committee, as the case may be and has been signed by a majority of the Directors. Such resolutions may be signed by the Directors in counterparts.

(93) *Chairman of the Board*

The Chairman of the Board shall be appointed by the Board. The Chairman of the Board shall preside as chairman of each meeting of the Board. In the absence of the Chairman, the Directors attending the meeting shall elect a Director from among themselves to chair the meeting. In the event of any equality of votes, the chairman of the meeting shall have a second or casting vote.

(94) *Right of continuing Directors when there is no quorum*

The continuing Directors may act notwithstanding any vacancy in the Board but if and so long as their number is reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or of summoning a General Meeting of the Company but for no other purpose.

(95) *Quorum*

The quorum at a meeting of the Directors shall be as prescribed by Section 287 of the Act. A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations or the Articles of the Company for the time being vested in or exercisable by the Directors generally. If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.

(96) *Attendance by Consultants, Advisers and Non Voting Attendees*

The Board may, at its absolute discretion, authorise or request auditors, consultants, advisers and employees of the Company or any other person to attend and speak at meetings of the Board. However, such persons shall not have a right to vote.

(97) *Appointment of Committees*

The Board may, subject to the provisions of the Act, these Articles and other relevant provisions of applicable Law, delegate any of the powers other than the powers prohibited by applicable Law to a committee or committees and may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to the person or purposes, but every committee of the Board so formed shall, in exercise of the powers so delegated, conform to any regulation or direction that may from time to time be imposed on it by the Board. All acts done by any such committee of the Board in conformity with such regulations or directions and in fulfillment of the purpose of their appointments, but not otherwise, shall have the like force and effect, as if done by the Board. Subject to the provisions of the Act the Board may from time to time fix the remuneration to be paid to any member a committee appointed by the Board in terms of these Articles, and may pay the same.

(98) *Powers of the Board*

Subject to the provisions of the Act and these Articles, the Board shall be entitled to exercise all such powers, and do all such acts and things, as the Company is authorised to exercise and do; provided that the Board shall not exercise any power or do any act or thing which is directed or required whether by the Act or by the Memorandum of Association or these Articles or otherwise, to be exercised or done by the Company in a General Meeting; provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions contained in that behalf in the Act or in the Memorandum of Association or in these Articles or in any regulations not inconsistent therewith duly made hereunder including regulations made by the Company in a General Meeting.

(99) *Powers to be exercised by Board only by Meeting*

Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board.

(1) The Board of Directors shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolution passed at the meeting of the Board:

- (i) Power to make calls on shareholders in respect of moneys unpaid on their shares;
- (ii) Power to issue debentures;
- (iii) Power to borrow money otherwise than on debentures;
- (iv) Power to invest the funds of the Company;
- (v) Power to make loans.

The Board of Directors may by a meeting delegate to any committee or the Directors or to the Managing Director, or any other principal officer of the Company, the powers specified in sub clauses (iii), (iv) and (v) above to the extent specified in clauses (2), (3) and (4) respectively on such condition as the Board may prescribe.

- (2) Every resolution delegating the power set out in sub clause (iii) above shall specify the total amount up to which moneys may be borrowed by the said delegate.
- (3) Every resolution delegating the power referred to in sub-clause (iv) above shall specify the total amount, up to which the fund may be invested and the nature of the investments which may be made by the delegate.



- (4) Every resolution delegating the power referred to in sub-clause (v) above shall specify the total amount up to which the loans may be made by the delegate, the purposes for which the loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.

(100) *Specific Powers of the Board*

Without prejudice to the general powers conferred by these Presents and applicable Law but subject, however, to the provisions of the Act, it is hereby expressly declared that the Board of Directors shall have the following powers:

- a) To pay the costs, charges and expenses preliminary and incidental to promotion, formation, establishment and registration of the Company;
- b) To pay and charge to the capital account of the Company any interest law-fully payable thereon under the provisions of Sections 76 and 208 of the Act;
- c) To have an official seal for use abroad;
- d) To keep foreign register in accordance with the provisions of the Act;
- e) Subject to the provisions of the Act and these Articles to purchase or otherwise acquire any lands, buildings, machinery, premises, hereditaments, property effects, assets, rights, credits, royalties, bounties and goodwill of any person, firm or Company carrying on the business which this Company is authorised to carry on, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or acquisition to accept such title as the Board may believe or may be advised to be reasonably satisfactory
- f) At their discretion to pay for any property or rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash, or in shares, debentures and any such shares may be issued whether as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any debentures may be either specially charged upon all or any part of the property of the Company and its uncalled capital or not so charged;
- g) Subject to the provisions of the Act to purchase, or take on lease for any term or terms of years, or otherwise acquire any mills or factories or any land or lands, with or without buildings and outhouses thereon, situate in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;
- h) To erect, construct, enlarge, improve, alter, maintain, pull down rebuild or reconstruct any buildings, factories, offices, workshops or other structures, necessary or convenient for the purposes of the Company and to acquire lands for the purposes of the Company.
- i) To let, mortgage, charge, sell or otherwise dispose of subject to the provisions of Section 293 of the Act, any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit
- j) 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 conjointly and 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;
- k) To open accounts with any bank or bankers or with any company, firm or individual and to pay money into and draw money from any such account, from time to time, as the Directors may think fit;

- l) To secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such other manner as they think fit;
- m) To attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions as to the transfer thereof as they think fit;
- n) To accept from any Member on such terms and conditions as shall be agreed a surrender of his shares or stocks or any part thereof;
- o) To appoint any person or persons (whether incorporated or to appoint not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested, or for any other purposes and to execute and do all such acts and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees;
- p) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debt due or of any claims or demands by or against the Company;
- q) To refer any claim or demand by or against the Company to arbitration and observe and perform the awards;
- r) To act on behalf of the Company in all matters relating to bankrupts and insolvents;
- s) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company;
- t) To determine from time to time who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and any other documents;
- u) To invest and deal with any of the moneys of the Company not immediately required for the purposes thereof, upon such securities and in such manner as the Directors may think fit and from time to time to vary or realise such investments;
- v) To execute in the name and on behalf of the Company in favour of any Director or other persons who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, covenants, and provisions as shall be agreed on;
- w) To provide for the welfare of employees or ex-employees of the Company and the wives, and families or the dependents, or connections of such persons, by building or contributing to the building of houses or dwellings, or by grants or money pensions, allowances, bonus or other payments or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals, and dispensaries, medical and other attendance and other assistance as the Company shall think fit;
- x) Subject to the provisions of Section 293 of the Act, to subscribe or guarantee money for any national, charitable, benevolent, public, general or useful object or for any exhibition or to any institution, club, society or fund;
- y) The Directors may, before recommending any dividend, set aside out of the profits of the Company such sums as they may think proper for depreciation or to a depreciation fund or as reserve or to a reserve fund or sinking fund or any special fund to meet contingencies or to repay redeemable preference shares or debentures or for payment of dividends or for equalising dividends or for repairing, improving, extending and maintaining any part of the property of the Company, or for such other purposes as the Directors may in their absolute discretion think conducive to the interests of the Company; and the Directors may invest the several sums so set aside or so much thereof as required to be invested upon such investments (subject

to the restrictions imposed by the Act) as the Directors may think fit and from time to time deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company notwithstanding that, the matters to which the Directors apply or upon which they expend the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended and the Directors may divide the reserve or any fund into such special funds and transfer any sum from one fund to another as the Directors may think fit, and may invest the several sums so set aside or so much thereof as required to be invested upon such investments (subject to the restrictions imposed by Section 292 and 293 and other provisions of the Act) as the directors may think fit, and from time to time, to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company in such manner and for such purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company notwithstanding that the matters to which the Directors apply or upon which they may expend the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the Reserve Fund into such special funds as the Directors think fit, and to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in repayment or redemption of redeemable preference shares, debentures or debenture-stock and that without being bound to keep the same separate from other assets or to pay interest on the same, with power, however to the Directors at their discretion to pay or allow to the credit of such fund interest at such rate as the Directors may think proper;

- z) To decide and allocate the expenditure on capital and revenue account either for the year or period or spread over the years;
- aa) To appoint and at their discretion remove or suspend such committee or committees of experts, technicians or advisers or such managers, Officers, clerks, employees, and agents for permanent, temporary or special services as they may, from time to time, think fit, and to determine their powers and duties and fix their salaries and emoluments and require security in such instances and to such amounts as they may think fit, and also without prejudice as aforesaid, from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India in such manner as they think fit and the provisions contained in sub-articles (z) and (aa) following shall be without prejudice to the general powers conferred by this sub-article;
- bb) To comply with the requirements of local law which, in their opinion, in the interest of the Company, is necessary or expedient to comply with;
- cc) From time-to time and at any time, to establish any local board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of any local boards and to fix their remuneration. And from time to time and at any time, but subject to provisions of Section 292 and 293 of the Act and of these Presents to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Directors, and to authorise the members for the time being of any such local board, or any of them to fill up ,any vacancies therein and to act notwithstanding vacancies and any such appointment of delegation may be made on such terms and subject to such conditions as the Directors may think fit, and the Directors may at any time remove any person so appointed, and may annul or vary any such delegation. Any such delegates may be authorised by the Directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them;
- dd) At any time and from time to time but subject to the provisions of Sections 292 and 293 of the Act, by Power of Attorney 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 Directors under these Presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors think fit) may 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 members, Directors, nominees or managers of any company or the members, Directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body or persons whether nominated directly or indirectly by the Directors, and any such Power of Attorney may

contain such powers for the protection or convenience of persona dealing with such attorney as the Directors may think fit.

- ee) Generally subject to the provisions of the Act and these Presents, to delegate the powers, authorities and discretions vested in the Directors to any person, committee of persons, firm, company or fluctuating body of persons as aforesaid;
  - ff) Any delegate or attorney as aforesaid may be authorised by the Directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him; and
  - gg) 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 for or in relation to any of the matter aforesaid or otherwise for the purpose of the Company.
- (101) No regulation made by the Company in a General Meeting shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.
- (102) *Acts of Board or Committee valid notwithstanding defect of appointment*

All acts done by any meeting of the Directors or by a committee of Directors, or by any person acting as a Director, shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid, or they or any of them were or was disqualified or that their or his appointment had terminated by virtue of any provisions contained in the Articles or the Act, be as valid as if every such person has been duly appointed and was qualified to be a Director

- (103) *Assignment of debentures*

Such debentures, debenture-stock, bonds or other securities may be assignable free from any equities between the Company and the person to whom the same may be issued.

- (104) *Terms of Issue of Debentures*

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 a right of conversion into or allotment of shares shall be issued only with the consent of the Company in a General Meeting by a special resolution.

- (105) *Register of Charges*

The Directors shall cause a proper register to be kept, in accordance with the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in regard to the registration of mortgages and charges therein specified.

- (106) *Charge of uncalled capital*

Where any uncalled capital of the Company is charged as security or other security is created on such uncalled capital, the Directors may authorize, 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 charge is executed.

- (107) *Subsequent assigns of uncalled capital*

Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same, subject to such prior charges and shall not be entitled to obtain priority over such prior charge.

(108) *Charge in favour of Director for Indemnity*

If the Director or any person, shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or part of the assets of the Company by way of indemnity to secure the Directors or other persons so becoming liable as aforesaid from any loss in respect of such liability.

(109) *Secretary*

The Secretary of the Company shall be such person as shall from time to time be appointed by the Board. The appointment of the Secretary of the Company shall be in accordance with Section 383A of the Act and the rules thereunder.

**MANAGING DIRECTOR(S)/ WHOLE-TIME DIRECTOR(S)**

(110) (1) The Board may from time to time and with such sanction of the Central Government as may be required by the Act, appoint one or more of the Directors to the office of the Managing Director or whole-time Directors.

(2) The Directors may from time to time resolve that there shall be either one or more Managing Directors or whole time Directors.

(3) In the event of any vacancy arising in the office of a Managing Director or whole-time Director, the vacancy shall be filled by the Board of Directors subject to the approval of the Shareholders.

If a Managing Director or whole-time Director ceases to hold office as Director, he shall ipso facto and immediately cease to be Managing Director/whole time Director.

The Managing Director or whole-time Director shall not be liable to retirement by rotation as long as he holds office as Managing Director or whole-time Director.

(111) *Powers and duties of Managing Director or whole-time Director*

The Managing Director/whole-time Director shall subject to the supervision, control and direction of the Board and subject to the provisions of the Act, exercise such powers as are exercisable under the Articles by the Board of Directors, as they may think fit and confer such power for such time and to be exercised as they may think expedient and they may confer such power either collaterally with or to the exclusion of any such substitution for all or any of the powers of the Board of Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any such powers. The Managing Directors/ whole time Directors may exercise all the powers entrusted to them by the Board of Directors in accordance with the Board's direction.

(112) *Remuneration of Managing Directors/whole time Directors*

Subject to the provisions of the Act and subject to such sanction of Central Government/Financial Institutions as may be required for the purpose, the Managing Directors/whole-time Directors shall receive such remuneration (whether by way of salary commission or participation in profits or partly in one way and partly in another) as the Company in General Meeting may from time to time determine.

(113) *Reimbursement of expenses*

The Managing Directors/whole-time Directors shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of the Company. They shall be entitled to appoint part time employees in connection with the management of the affairs of the Company and shall be entitled to be paid by the Company any remuneration that they may pay to such part time employees.

(114) *Business to be carried on by Managing Directors/ whole-time Directors*

- (1) The Managing Directors\whole-time Directors shall have subject to the supervision, control and discretion of the board, the management of the whole of the business of the Company and of all its affairs and shall exercise all powers and perform all duties in relation to the Management of the affairs and transactions of Company, except such powers and such duties as are required by law or by the Articles to be exercised or done by the Company in General Meeting or by Board of Directors and also subject to such conditions or restriction imposed by the Act or by the Articles.
- (2) Without prejudice to the generally of the foregoing and subject to the supervision and control of the Board of Directors, the business of the Company shall be carried on by the Managing Director/ whole-time Director and he shall have all the powers except those which are by law or by the Articles or by any resolution of the Board required to be done by the Company in General Meeting or by the Board.
- (3) The Board may, from time to time delegate to the Managing Director or whole-time Director such powers and duties and subject to such limitations and conditions as they may deem fit. The Board may from time to time revoke, withdraw, alter or vary all or any of the powers conferred on the Managing Director or whole-time Director by the Board or by the Articles.

### **GENERAL MEETINGS**

(115) *Annual General Meeting*

Annual General Meeting of the Company shall be held once in every calendar year within six (6) months after the expiry of each financial year subject however to power of the Registrar of Companies to extend the time within which meeting can be held for a period not exceeding 3 months and subject thereto, not more than 15 months shall elapse from the date of one annual General Meeting and that of the next.

(116) *Extraordinary General Meeting*

All General Meetings other than the annual General Meeting shall be called extraordinary General Meetings. The Board may, whenever it thinks fit, convene an Extraordinary General Meeting at such date, time and at such place as it deems fit, subject to such directions if any, given by the Board.

(117) *Notice for General Meeting*

Subject to Sections 190 and 219 of the Act, any General Meeting may be called by giving to the Shareholders not less than twenty one (21) days notice excluding the day on which the notice is served or deemed to be served (i.e. on expiry of 48 hours after the letter containing the same is posted) and the date of the meeting, specifying the place and hour of the meeting and in case of any special business proposed to be transacted, the nature of that business shall be given in the manner mentioned in Section 173 of the Act. Notice shall be given to all the shareholders and to such persons as are under the Act and/or these Articles entitled to receive such notice from the Company but any accidental omission to give notice to or non-receipt of the notice by any Shareholder or other person to whom it should be given shall not invalidate the proceedings of any General Meeting.

(118) *Shorter Notice admissible*

With the consent of all the Shareholders entitled to vote, at an annual General Meeting or with the consent of the Shareholders holding 95 percent of such part of the paid-up share capital of the Company as gives a right to vote thereat, any General Meeting may be convened by giving a shorter notice than twenty one days.

Provided that where any Shareholders of the Company are entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members shall be taken into account for the purposes of this Article in respect of the former resolution or resolutions and not in respect of the latter.

(119) *Extraordinary Meetings on requisition*

The Board shall on, the requisition of Shareholders convene an Extraordinary General Meeting of the Company in the circumstances and in the manner provided under Section 169 of the Act.

(120) *Special and Ordinary Business*

- (1) All business shall be deemed special that is transacted at an Extraordinary General Meeting and also that is transacted at an Annual General Meeting with the exception of sanctioning of dividend, the consideration of the accounts, balance sheet and the reports of the Directors and Auditors, the election of Directors in place of those retiring by rotation and the appointment of and the fixing up of the remuneration of the auditors.
- (2) In case of special business as aforesaid, an explanatory statement as required under Section 173 of the Act shall be annexed to the notice of the meeting.

(121) *Quorum for General Meeting*

The quorum for a General Meeting shall be the presence in person of at least five (5) Shareholders and no business shall be transacted at any General Meeting unless the requisite quorum is present at the commencement of the meeting.

(122) *Time for Quorum and adjournment*

If within half an hour from the time appointed for holding a General Meeting of the Company a quorum is not present, if called upon the requisition of members, shall be dissolved and in any other case, the General Meeting shall be adjourned by the Shareholders present for a period of seven (7) calendar days at the same time and place or to such other day and at such other time and place as the Directors may determine. If at the adjourned meeting also a quorum is not present within half an hour from the time appointed for the meeting, the Shareholders present shall be quorum and may transact the business for which the meeting was called.

(123) *Chairman of General Meeting*

The Chairman of the Board shall act as the Chairman of the General Meetings. In the absence of the Chairman of the Board or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairman, the Shareholders present shall choose another Director to act as Chairman, and if no Director is also present at the meeting, or if none of the Directors present at the meeting is willing to act as the Chairman, the Shareholders present shall choose one of them to act as the Chairman of such meeting.

- (124) At any General Meeting, a resolution put to the vote at the meeting shall be decided on a show of hands, unless a poll (before or on the declaration of the result of the show of hands) is demanded in accordance with the provisions of the Act. Unless a poll is so demanded, a declaration by the Chairman that such resolution has, on a show of hands, been carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact, without requirement of any proof of the number or proportion of the votes cast in favour of or against that resolution.

(125) *Casting vote of Chairman*

In case of equal votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or a casting vote in addition to the vote or votes to which he may be entitled to as a Shareholder.

(126) *Decision by Poll*

(1) If a poll is duly demanded, it shall be taken in such manner as the Chairman directs and the results of the poll shall be deemed to be the decision of the meeting on the resolution in respect of which the poll was demanded.

(2) Any business other than that upon which a poll has been demanded may proceed, pending the taking of the poll.

(127) *Vote of Shareholders*

(1) On a show of hands, every Shareholder holding equity shares and present in person shall have one (1) vote.

(2) On a poll, each Shareholder shall have voting rights in proportion to its share of the paid-up equity share capital.

(3) On a poll, a Shareholder having more than one vote, or its proxy or other person entitled to vote for such Shareholder need not vote all its votes in the same way.

Notwithstanding the foregoing, no Shareholder shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by such Shareholder in respect of Shares held by such Shareholder have been paid.

(128) *Poll to be immediate*

(1) A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time not later than forty eight hours from the time of demand as the Chairman of the meeting directs.

(2) A demand for a poll shall not prevent the continuance of a Meeting of the transaction of any business other than that on which a poll has been demanded. The demand for a poll may be withdrawn.

(129) *Postal Ballot*

Subject to, and in accordance with, the provisions of the Act, the Company may, and in case of resolutions relating to such matters as the Central Government may, by notification, require to be conducted only by Postal Ballot, shall, get such resolutions passed by means of a Postal Ballot, instead of transacting the business in a General Meeting.

(130) *Voting by joint holders*

In the case of joint holders the vote of the first named of such joint holder who tenders a vote whether in person or proxy shall be accepted to the exclusion of the votes of other joint holders.

(131) *Proxy*

On a poll, votes may be given either personally or by proxy.

(132) *Instrument of Proxy*

(1) The instrument appointing a proxy shall be in writing under the hand of the appointer or of the appointer's attorney duly authorised in writing or, if the appointer is a company, either under its common seal or under the hand of its attorney duly authorised in writing. Any person, whether or not such person is a Shareholder of, may be appointed as a proxy.

(2) The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power or authority, shall be deposited at the registered office of the Company not less than forty eight (48) hours prior to the time fixed for the meeting in question, failing which the instrument of proxy shall be invalid.



- (3) No attorney shall be entitled to vote unless the Power of Attorney or other instrument appointing him as attorney or a notarially certified copy thereof has either been registered in the records of the Company at any time not less than forty-eight hours before the time of the meeting at which the attorney proposes to vote or is deposited at the registered office not less than forty-eight hours before the time of same meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may by notice in writing addressed to the Shareholder or the attorney at least seven days before the date of a meeting require him to produce the original power of attorney or authority and unless the same is thereupon deposited with the Company not less than forty-eight hours before the time fixed for the meeting the attorney shall not be entitled to vote at such meeting unless the Directors in their absolute discretion excuse such non-production and deposit.

(133) *Form of Proxy*

The form of proxy shall be a two way proxy, as given in Schedule IX of the Act, enabling the Shareholders to vote for/against any resolution.

(134) *Validity of Proxy*

A vote given under the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal, or the revocation of the proxy, or of the authority under which the proxy was executed, or transfer of the Shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its registered office before the commencement of the meeting, or adjourned meeting, at which the proxy is used.

(135) *Corporate Shareholders*

Any corporation which is a Shareholder may, by resolution of its Directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which such person represents as that corporation could have exercised if it were an individual Shareholder.

(136) *Time for objections to vote*

No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy not disallowed at such meeting or poll, shall be deemed valid for all purposes of such meeting or poll whatsoever.

(137) *Chairman of any meeting to be judge of any vote*

The Chairman of any meeting shall be sole judge of: (i) the validity of every vote tendered at such meeting; and (ii) the validity of every vote tendered at such poll.

(138) *Inspection of Minute Books*

The books containing minutes of proceedings of General Meetings of the Company shall be kept at the Office of the Company and shall be open to the inspection of any Shareholder without charge, between 11 a.m. and 1 p.m.. Any member shall be entitled to be furnished within seven days after he had made a request in that behalf to the Company with a copy of any minutes referred to above at on payment of such sum as may be prescribed by the Act or rules thereunder.

(139) *Participation through Electronic Mode*

Notwithstanding anything contrary contained in the Articles of Association, the Company may provide video conference facility and/or other permissible electronic or virtual facilities for communication to enable the Shareholders of the Company to participate in General Meetings of the Company. Such participation by the Shareholders at General Meetings of the Company through video conference facility and/or use of other permissible electronic or virtual facilities for communication shall be governed by such

legal or regulatory provisions as applicable to the Company for the time being in force. Notwithstanding anything contrary contained in the Articles of Association, the Director(s) may participate in meetings of the Board and committees thereof, through video conference facility and/or other permissible electronic or virtual facilities for communication. Such participation by the Director(s) at Meetings of the Board and committees thereof, through video conference facility and/or use of other permissible electronic or virtual facilities for communication shall be governed by such legal or regulatory provisions as applicable to the Company for the time being in force.

## ACCOUNTS

### (140) *Books of Account to be kept*

- (1) The Board shall cause proper books of accounts to be maintained under Section 209 of the Act.
- (2) Subject to the provisions of Section 209A of the Act, the Board shall also, from time to time, determine whether and to what extent and at what times and places and under what conditions or regulations the account books of the Company (or any of them) shall be open to the inspection of Shareholders.
- (3) Subject to the provisions of Section 209A of the Act, no Shareholder (not being a Director) or other person shall have any right to inspect any account book or document of the Company except permitted under applicable Law or authorized by the Board or by the Company in a General Meeting.

### (141) *Duty of certain persons to observe secrecy*

Every Director, manager, auditor, trustee, Shareholder, member of a committee, officer, servant, agent, accountant or other person employed or engaged in the business of the Company shall, if so required by the Board before entering upon its duties, sign a declaration pledging to observe strict secrecy respecting all bonafide confidential information of the Company and its customers and shall by such declaration pledge not to reveal any of the matters which may come to its knowledge in the discharge of its duties, except as required by the Board, or by any General Meeting, or by a court of law, or so far as may be necessary in order to comply with any of the provisions in these Articles and the provisions of the Act.

### (142) *Secrecy*

No member shall be entitled to inspect the Company's works without the permission of the Managing Director or to require discovery of any information respectively any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the Managing Director it will be inexpedient in the interest of the members of the Company to communicate to the public.

### (143) *Operation Of Bank Accounts*

The Board shall have the power to authorise any Director or Directors or any officer or officers to open bank accounts; to sign cheques on behalf of the Company; to operate all banking accounts of the Company; and to receive payments, make endorsements, draw and accept negotiable instruments, hundies and bills.

### (144) *Common Seal*

The Directors shall provide a common seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof and the Directors shall provide for the safe custody of the seal for the time being and the seal shall never be used except by or under the authority of the Directors or a Committee of Directors previously given and every deed or other instrument to which the seal of the Company is required to be affixed shall, be affixed in the presence of at least one Director or the Manager or the Secretary or such other person as the Board/Committee of the Board may appoint for the purpose, who shall sign every instrument to which the seal is so affixed in his presence; Provided that the certificate of shares shall be sealed in the manner and in conformity with the provisions of the Companies (Issue of Share Certificate) Rules, 1960 or any statutory modification

thereof for the time being in force. The Company shall also be at liberty to have an official seal in accordance with Section 50 of the Act for use in any territory, district or place outside India and such power shall accordingly be vested in the Directors or by or under the authority of the Directors granted, in favour of any person appointed for the purpose in that territory, district or place outside India.

(145) *Service of document on the Company*

A document may be served on the Company or an officer by sending it to the Company or officer at registered office of the Company by post under a certificate of posting or by registered post, or by leaving it at the registered office.

(146) *Notices and other documents – service to Shareholders*

- (1) A document (which expression for this purpose shall be deemed to have included and include any summons, notice requisition, process order, judgment or any other document in relation to or in winding up of the Company) may be served or sent to any Shareholder either personally or by sending it by post to his registered address or (if he has no registered address in India) to the address, if any, within India supplied by him to the Company for the service of notice to him, in accordance with the provisions of Section 53 and other applicable provisions of the Act..
- (2) Every person, who by the operation of law, transfer or other means whatsoever, shall become entitled to any Shares shall be bound by every document in respect of such share which, previously to his name and address being entered in the Register of Members, shall have been duly served on or sent to the person from whom he derived his title to such share.
- (3) Any notice to be given by the Company shall be signed by the Managing Director or by such director or secretary (if any) or officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.
- (4) Notwithstanding anything contrary contained in these Articles, a document may be served by the Company on any Member by any electronic mode of communication and in such manner as is/ may be permitted by any law. Where a document is served by any such electronic mode, the service thereof shall be deemed to be effected in the manner as is/may be provided by any law.

## **AUTHENTICATION OF DOCUMENTS**

(147) *Authentication of documents and proceedings*

Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director, the Managing Director, the Manager, the Secretary or an authorised officer of the Company and need not be under its seal.

## **AUDIT**

(148) *Accounts to be Audited*

- (1) Every Balance Sheet and Profit and Loss Account shall be audited by one or more Auditors to be appointed as hereinafter mentioned:
- (2) The Company may, at a General Meeting, remove any Auditor and appoint in its place any other person nominated for appointment by any Shareholder and of whose nomination special notice has been given to the Shareholders, not less than fourteen (14) days before the date of such meeting.
- (3) The Company at the annual General Meeting each year shall appoint an Auditor to hold office from the conclusion of that meeting until the conclusion of the next annual General Meeting and every Auditor so appointed shall be intimated of his appointment within seven (7) days.

- (4) Where at an annual General Meeting, no Auditor is appointed, the Central Government may appoint a person to fill the vacancy.
- (5) (4) The Company shall within seven (7) days of the Central Government's power under sub-clause (3) becoming exercisable, give notice of that fact to the Central Government.
- (6) The Directors may fill any casual vacancy in the office of an Auditor, but while any such vacancy continues, the remaining Auditor (if any) may act. Where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in a General Meeting.
- (7) A person, other than a retiring Auditor, shall not be capable of being appointed at an annual General Meeting unless special notice of a resolution of appointment of that person to the office of the Auditor has been given by a Shareholder to the Company not less than fourteen (14) days before the meeting in accordance with Section 190 of the Act. The Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the Shareholders in accordance with the provisions of Section 190 and the provisions of Section 225 of the Act shall also apply in the matter. The provisions of this Article shall also apply in respect of any resolution which provides that a retiring Auditor shall not be reappointed.
- (8) The persons qualified for appointment as Auditors shall be only those referred to in Section 226 of the Act.

(149) *Audit of Branch Offices*

The Company shall comply with the provisions of the Act in relation to the audit of the accounts of any branch offices of the Company.

(150) *Remuneration of Auditors*

The remuneration of the Auditors shall be fixed by the Company in General Meeting in such manner as the Company may in General Meeting determine except that the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Directors.

(151) *Audited Accounts*

All accounts of the Company, when audited and approved by a General Meeting, shall be conclusive except as regards any error discovered therein within three (3) months following the approval thereof. Any such error discovered within such three (3) month period shall forthwith be corrected in accordance with the terms of any resolution in respect thereof and such amended accounts shall henceforth be conclusive.

**DIVIDENDS AND RESERVES**

- (152) The Company in a General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.
- (153) The Board may from time to time pay to the Shareholders such interim dividends as appear to it to be justified by the profits of the Company.
- (154) (1) Subject to the provisions of the Act and applicable Law, the Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it deems proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Board may, from time to time, deem proper.
- (2) The Board may also carry forward any profits which it may deem prudent not to divide, without setting them aside as reserves.
- (155) (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 Article 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.
- (4) The Board may deduct from any dividend payable to any Shareholder all sums of money, if any, presently payable by such Shareholder to the Company on account of calls or otherwise in relation to the Shares of the Company.
- (156) (1) Any dividend, interest or other moneys payable in cash in respect of Shares may be paid by cheque or warrant sent through post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register of Members, or to such person and to such address as the older or joint holders may in writing direct.
- (2) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- (157) Any one of two or more joint holders of a Share may give effectual receipts for any dividends, bonuses or other moneys payable in respect of such Share.
- (158) *Notice of dividends*

Notice of any dividend that may have been declared shall be given to the persons entitled to thereto in the manner specified in the Act.

- (159) *Dividends not to bear interest*

No dividend shall bear interest against the Company.

- (160) *Transfer of shares not to pass prior to dividends*

Subject to the provisions of Section 206 A of the Act, any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

- (161) *Unpaid or unclaimed dividend*

- (1) Where the Company has declared a dividend but which has not been paid or claimed, or the dividend warrant in respect thereof has not been posted within thirty (30) days from the date of declaration to any Shareholder entitled to the payment of the dividend, the Company shall within seven (7) days from the date of expiry of the said period of thirty (30) days, open a special account in that behalf in any scheduled bank called the "Unpaid Dividend Account of Nuziveedu Seeds Limited" and transfer to the said account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.
- (2) The Company shall transfer any money transferred to the unpaid dividend account of the Company that remains unpaid or unclaimed for a period of seven years from the date such dividend becomes due for payment, to the fund known as Investor Education and Protection Fund established under section 205C of the Act. Provided that no claim to such money so transferred to the above fund shall lie against the fund or the Company in respect of individual amounts.
- (3) No unclaimed or unpaid dividend shall be forfeited by the Board before the claims become barred by applicable Law.

## CAPITALISATION OF PROFITS

### (162) *Capitalisation of Profits*

- (1) The Company in a General Meeting, may on recommendation of the Board, resolve to:
  - (a) capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
  - (b) set free such amount for distribution in the manner specified in these Articles among those of its Shareholders who would have been entitled thereto (and in the same proportions) if distributed by way of dividend.
- (2) Any such amount shall not be paid in cash, but shall be applied, either in or towards:
  - (a) paying up any amounts for the time being unpaid by such Shareholders on Shares;
  - (b) paying up, unissued Shares of the Company to be allotted and distributed,
  - (c) credited as fully paid-up, to and among such Shareholders in the proportions aforesaid; or
  - (d) partly in the way specified in sub-clause (a) and partly in that specified in paragraph (b).
- (3) The Board shall give effect to any resolution passed by the Company in pursuance of this Article to Shareholders of the Company as fully paid bonus shares.

### (163) *Power of Directors for declaration of bonus issue*

- (1) In respect of any resolution under Article 162 above, the Board shall make all appropriations and applications of the profits resolved to be capitalised and all allotments and issues of fully paid-up Shares, if any and generally do all acts and things required to give effect thereto.
- (2) If and whenever, as the result of issue of new or further shares or any consolidation or sub-division of shares, any shares are held by members in fractions, the Directors shall, subject to the provisions of the Act and the Articles and to the directions of the Company in General Meeting, if any, sell those shares, which members hold in fractions, for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due proportion, the net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Directors may authorise any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale
- (3) The Board shall have full power to: (a) make such provision, as it deems fit, by the issue of fractional certificates or by payments in cash or otherwise, in the case of Shares or Securities becoming distributable in fractions; (b) to authorize any person, on behalf of all the Shareholders entitled thereto, to enter into an agreement with the Company providing for the allotment to such Shareholders, credited as fully paid up, of any further Shares or debentures to which they may be entitled upon such capitalization or (as the case may require) for the payment of by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any parts of the amounts remaining unpaid on the Shares.
- (4) Any agreement made by the Company under such authority shall be effective and binding on all such Shareholders.

## WINDING UP

### (164) *Application of assets*

Subject to the provisions of the Act, and these Articles, if the Company shall be wound up and the assets available for distribution among the Shareholders as such shall not be sufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Shareholders in proportion to the capital paid-up, or which ought to have been paid-up, at the commencement of the winding up, on the Shares held by them respectively. And if in a winding up, the assets available for distribution among the Shareholders shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding up, the excess shall be distributed among the Shareholders in proportion to the Shares held by them respectively. This paragraph is, however, without prejudice to the rights of the holders of Shares issued upon preferential or special terms and conditions. (2) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other approval required under the Act and applicable Law, divide among the Shareholders, 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.

(165) *Rights of Shareholders in case of Sale*

Subject to the provisions of the Act, a special resolution sanctioning a sale to any other company duly passed may, in like manner as aforesaid, determine that any shares or other consideration receivable by the liquidators be distributed amongst the Shareholders otherwise than in accordance with their existing rights and any such determination shall be binding upon all the members subject to the rights of dissent, if any, if such right be given by the Act.

### **INDEMNITY AND RESPONSIBILITY**

- (166) Subject to the provisions of Section 201 of the Act, every Director, Managing Director, Wholetime Director, Secretary and other Officer or employee of the Company shall be indemnified by the Company against and it shall be the duty of the Directors, out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such Director, Secretary and Officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him as such Director, Secretary, Officer or servant or in any way in the discharge of his duties including expenses and the amount for which such indemnity is provided, shall immediately attach as a lien on the property of the Company and have priority between the members over all other claims. Subject as aforesaid, every Director, Managing Director, Secretary or other Officer and employee of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under Section 633 of the Act in which relief is given to him by the Court and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company
- (167) Subject to the provisions of Section 201 of the Act, no Director, Managing Director, Wholetime Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expenses 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 for the insufficiency or deficiency of any security in or upon which any of the monies 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, within whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement 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.

### **GENERAL AUTHORITY**

- (168) Wherever in the Companies Act, it has been provided that the Company shall have any right privilege or authority or that the Company could carry out any transaction only if the Company is so authorised by its articles, then and in that case this regulation hereto authorises and empowers the Company to have such rights, privilege or authority and to carry such transactions as have been permitted by the Act, without there being any specific regulation in that behalf herein provided

## CHAPTER-II

### 1. OVERRIDING EFFECT

The provisions of these Articles 1 to 154 (of this Chapter II) shall have effect notwithstanding anything contained in the other provisions of these Articles. In the event of any conflict between the provisions of this Chapter II and the other provisions of these Articles, the provisions of this Chapter II shall prevail, provided however that the provisions of this Chapter II shall, without further act or deed, cease to be effective on and from the date of receipt of final listing and trading approvals from the stock exchanges subsequent to the filing of prospectus by the Company with the Registrar of Companies in accordance with the Companies Act, 1956 and the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended.

#### (1) *Table “A” not to apply*

The Regulations contained in Table A of the First Schedule of the Act (as defined below) shall not apply to the Company (as defined below) except in so far as the same are repeated or contained in these Articles.

#### (2) *Company to be governed by these Articles*

The regulations for the management of the Company and the observance of the Shareholders (as defined below) and their representatives shall, subject to any exercise of the Company’s power to modify, alter, delete or add to its regulations, as prescribed by the Act and these Articles, be such as are contained in these Articles.

2. A. In these Articles, unless the context otherwise requires and unless defined elsewhere in these Articles, capitalised terms shall have the meanings set forth in this Article:
- i. “**Accounts**” in respect of a Person, means, the balance sheet(s) of such Person and the profit and loss account of such Person, as prepared by the statutory auditor of such Person, together with any notes, reports, statements or documents included in or annexed or attached to them.
  - ii. “**Act**” means the Companies Act, 1956.
  - iii. “**Actual PAT**” means the average of the actual PAT achieved by the Company for the Financial Years 2011 – 2012 and 2012 – 2013, as determined by the Accounts of the Company for the respective Financial Years.
  - iv. “**Acquisition Cost**” means (i) in relation to a Preference Share, an amount of Rs. 1,000 (Rupees One Thousand only) per Preference Share, and (ii) in relation to an Equity Share, an amount of Rs. 250,00,00,000 (Rupees Two Hundred Fifty Crores) divided by the number of Equity Shares representing the Investor Retention Entitlement.
  - v. “**Adjusted Amount**” means the average post-tax rate of return generated from treasury operations during the relevant Financial Year multiplied by additional capital raised by the Company for the applicable Financial Year provided such capital has been raised between the Funding Date and the Investor Retention Determination Date.
  - vi. “**Advance Payment**” An amount equivalent to the Investment Amount which the Investor has contributed or shall contribute to the Company as advance / application money against its subscription to the Preference Shares and the Investor Shares
  - vii. “**Affiliate**” of a Person (the “**Subject Person**”) means (i) in the case of any Subject Person other than a natural Person, any other Person that, either directly or indirectly through one or more intermediate Persons, controls, is controlled by or is under common control with the Subject Person, and (ii) in the case of any Subject Person that is a natural Person, any other Person that, either directly or indirectly through one or more intermediate Persons, controls, is controlled by or is under common control with the Subject Person or that is a Relative of the Subject Person. For the purposes



of these Articles, “**control**” means the power to direct the management or policies of a Person, whether through (a) the ownership of over (i) 50% for the purposes of the definitions of Company Competitor and Competitor; and (ii) 25% for all other purposes, of the voting power of such Person, (b) through the power to appoint over half of the members of the board of Directors or similar governing body of such Person, (c) through contractual arrangements or covenants or (d) otherwise.

- viii. “**Agreed Price**” means an amount to be mutually agreed between the Investor and the Individual Promoters, which shall not, in any event, exceed a sum of Rs. 1,000 (Rupees One Thousand only).
- ix. “**Agreement**” means an agreement entered into or as may be entered into between the Company, the Investor and the Other Shareholders and the Promoters in writing.
- x. “**Articles**” means these Articles of Association of the Company, as amended from time to time, and “**Article**” shall mean a reference to a particular Article.
- xi. “**Big Accounting Firms**” means any of (i) Ernst & Young; (ii) KPMG; (iii) Pricewaterhouse Coopers; or (iv) Deloitte Haskins & Sells, or any of their affiliated entities in India or such other accounting firm agreed and acceptable to the Investor and the Promoters.
- xii. “**Board**” or “**Board of Directors**” means the board of Directors of the Company as constituted from time to time in accordance with the terms of these Articles.
- xiii. “**Business Day**” means any day of the week (excluding Saturdays, Sundays and public holidays) on which commercial banks are open for business in New York, United States, Mauritius, Hyderabad and New Delhi.
- xiv. “**Business Plan**” means the initial business plan and annual budget of the Company, as approved and adopted by the Company and the Subsidiaries in accordance with these Articles.
- xv. “**Buy Back Period**” means the First Buy Back Period or the Second Buy Back Period, as the context requires.
- xvi. “**Call Option**” has the meaning ascribed to it under Article 20A hereto.
- xvii. “**Call Option Agreement**” shall mean the call option agreement as agreed and entered into between the Purchaser, the Seller and the Company.
- xviii. “**Called Shares**” has the meaning ascribed to it under Article 20A hereto.
- xix. “**Collateral**” shall mean the Pledged Shares at any time together with instruments, consents, approvals, confirmations, agreements and deeds delivered or required to be delivered or deemed to be delivered in connection with the creation of the pledge and/or the dematerialization of the Pledged Shares and all rights and accretions in connection therewith or accruing thereto and proceeds arising therefrom for the time being and from time to time, any distributions received / to be received and moneys, including but not limited to:
  - (a) dividends paid or payable and/or other distributions to be made other than in cash in respect of, instruments, securities and other property received, receivable or otherwise distributed in respect of, or in exchange for any Pledged Shares;
  - (b) dividends and other distributions paid or payable in cash in respect of or in connection with any liquidation or dissolution or amalgamation or in connection with a reduction of capital of the Company;
  - (c) all other accretions to the Pledged Shares, whether by way of bonus or rights issue or otherwise, and any letter of allotment in relation thereto and instruments or other property from time to time received, receivable or distributed in respect of or in exchange for any and all of the Pledged Shares from time to time acquired by the Pledgor in any other manner;

- (d) cash paid, payable or otherwise distributed in respect of principal of, or any buy-back of, or in exchange for, any Pledged Shares; and
- (e) all the right, title, interest, benefit, claims, demands of the Pledgor, both present or future, in respect of the Pledged Shares other than all dividends and other distributions paid in respect of the Pledged Shares in the ordinary course of business,

and at any time held or to be held by the Debenture Trustee in accordance with the provisions of these presents.

- xx. **“Collateral-I”** means collectively, the Shares which are the subject of pledge created pursuant to the Share Pledge Agreement-I, at any time together with the instruments, consents, approvals, permissions, no-objections, confirmations, agreements, deeds and documents delivered or required to be delivered in connection with the creation and perfection of the pledge on the such Shares in favor of the Axis Trustee Services Limited acting for and on behalf of and for the benefit of the debenture holders;
- xxi. **“Charter Documents”** means the memorandum of association of the Company and these Articles, as amended from time to time.
- xxii. **“Code”** means the Internal Revenue Code of 1986.
- xxiii. **“Company”** shall mean Nuziveedu Seeds Limited.
- xxiv. **“Company Competitor”** means the Persons mutually agreed to in writing between the Company, the Investor, the Other Shareholders and the Promoters.
- xxv. **“Company Fee”** means an amount of Rs. 15,00,00,000/- (Rupees fifteen crores only), or such lower amount as the Investor may agree payable by the Company to the Investor or an affiliate of the Investor, as intimated in writing by the Investor, simultaneously with the refund of the Advance Payment on the expiry of 6 (Six) months from the Funding Date.
- xxvi. **“Competitor”** means any Persons engaged directly or indirectly in any business or activity that competes with the business activities of the Company and includes promoters, holding companies and subsidiaries of such Persons and each of their respective Affiliates, but excludes all Company Competitors.
- xxvii. **“Completion”** means the completion of the subscription by the Investor to the Investor Shares and the Preference Shares and the issue and allotment of the Investor Shares and the Preference Shares to the Investor.
- xxviii. **“Completion Date”** shall mean February 18, 2011.
- xxix. **“Consent”** means any notice, consent, approval, authorization, waiver, permit, grant, concession, agreement, license, certificate, exemption, order or registration, of, with or to any Person.
- xxx. **“Consolidated Basis”** means with respect to any financial statements (including Accounts) to be provided, or any financial calculation, under or for the purposes of these Articles, the determination of the same as per Indian GAAP in relation to an entity (‘first entity’) and every other entity whose accounts are to be consolidated with the accounts of the first entity.
- xxxi. **“Conversion”** has the meaning ascribed to it under Article 42 (12), and the terms **“Convert”** and **“Converted”** shall be construed accordingly.
- xxxii. **“Conversion Date”** has the meaning ascribed to it under Article 42 (12).

- xxxiii. **“Coupon Payment Date”** shall have the meaning ascribed to it in the DSTA.
- xxxiv. **“Cover Shares”** shall mean shall have the meaning assigned to it in the Share Pledge Agreement.
- xxxv. **“Debentures”** shall mean 40 (forty) secured, unlisted, non-convertible debentures each with a face value of INR 5,00,00,000 (Indian Rupees five crores only), having such rights and terms and conditions as set out in the DSTA.
- xxxvi. **“Debenture Holders”** shall mean the several persons, who are, for the time being; the beneficial owners of the Debentures and whose names appear in the records maintained by the Depository and shall include the Subscribers (as long as they continue to hold any Debentures).
- xxxvii. **“Debenture Trustee”** shall mean Axis Trustee Services Limited or any other debenture trustee appointed by the Debenture Holders in accordance to the DSTA.
- xxxviii. **“Deed of Adherence”** means either of (i) a deed of adherence in a format as agreed to between the Company, the Investor, the Other Shareholders and the Promoters under the Agreement, or (ii) as agreed to between the Purchaser, Seller or the Company under the Call Option Agreement, as the case may be.
- xxxix. **“Demerger”** the process of de-merging the Seeds Division of NSL Renewable Power Private Limited (including without limitation all existing tangible and intangible assets relating to the Seeds Division) into the Company in accordance with the provisions of Sections 391 to 394 of the Act.
- xl. **“Demerger Scheme”** The scheme of Demerger which has been approved by the High Court at New Delhi;
- xli. **“Determination Event”** shall mean the earlier of (i) determination by the Investor to sell or not to sell Equity Shares of the Company; or (ii) expiry of a period of 30 days, after receipt by the Investor of a Promoter Entitlement Notice.
- xl. **“Director”** means a duly appointed director on the Board.
- xl. **“Dividend Thresholds”** means the following amounts of dividend for the corresponding Financial Years:
- | Financial Year                                  | Amount        |
|---|---------------|
| Financial Year ending on March 31, 2010         | Rs. 2 crores  |
| Financial Year ending on March 31, 2011         | Rs. 3 crores  |
| Financial Year ending on March 31, 2012         | Rs. 4 crores  |
| Financial Year ending on March 31, 2013         | Rs. 5 crores  |
| Financial Year ending on March 31, 2014 onwards | Rs. 30 crores |
- xl. **“DSTA”** shall mean the Debenture Subscription and Debenture Trustee Appointment Agreement as agreed between and entered into by, the Company, the Issuer, Pledgor, Subscribers and the Debenture Trustee.
- xl. **“DPN”** shall mean the demand promissory notes, which are payable upon demand upon an Event of Default, which are to be provided by the Issuer for the entire amount of the Secured Obligations.
- xl. **“EBITDA”** means the earnings of the Company and its Subsidiaries (calculated on a Consolidated Basis) before interest, income tax, depreciation and amortization, calculated for the immediately preceding 12-month period, based on the most recent quarterly or Financial Year, as the case may be, financial statements approved by the Board and excluding extraordinary items and any one-time charge.
- xl. **“Encumbrance”** means any mortgage, pledge, equitable interest, assignment by way of security, hypothecation, right of other Persons, claim, security interest, encumbrance, title defect, title retention agreement, interest, option, lien, charge, commitment, restriction or limitation of any nature

whatsoever, including restriction on use, voting rights, transfer, receipt of income or exercise of any other attribute of ownership, right of set-off, any arrangement (for the purpose of, or which has the effect of, granting security), or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise, to create any of the same, whether imposed by contract, understanding or applicable Law.

- xlvi. **“Encumbered Shares”** means the Pledged Shares-I and such other Shares, currently or subsequently owned by the Promoters, which are subject to Encumbrance in accordance with the terms of the Transaction Documents-I for the purpose of securing the NCDs
- xlix. **“Equity Securities”** means, with respect to the Company, the Company’s equity capital, membership interests, or other ownership interests (including Equity Shares) and/or any options, warrants, convertible debentures, convertible preference shares, loans or other securities that are directly or indirectly convertible into, or exercisable or exchangeable for, the Company’s Equity Shares (whether or not such securities are issued by the Company and whether or not then currently convertible, exercisable or exchangeable and whether with or without payment of additional consideration) and includes the Preference Shares.
  - 1. **“Equity Share(s)”** means the fully paid up equity share(s) of the Company having a par value of Rs. 10 (Rupees Ten Only) per share and one vote per share in a meeting of Shareholders of the Company. This definition shall be construed accordingly in the event of any consolidation, subdivision or reclassification of the Equity Shares or any reduction of capital or amalgamation or reorganization of the Company.
  - li. **“Event of Default”** shall have the meaning ascribed to it in the DSTA.
  - lii. **“Exercise Trigger Events”** shall mean the earlier of (i) the receipt of the RHP Intimation Notice by the Purchaser, (ii) expiry of 5 (five) years and 15 (fifteen) Business Days from November 24, 2010;
  - liii. **“Excess”** means the aggregate Transfer Price realised by the Investor in excess of MMOIC.
  - liv. **“Financial Investor”** means any Person other than (i) a Competitor; (ii) a Company Competitor; or (iii) an investor with a sector-specific focus on, and which employs personnel with significant experience in, the field of agricultural, horticulture, floriculture and / or bio- technology, and which has invested in the Company with a view to contribute to the day-to-day operations of the Company; or (iv) a Person making an investment in the Company in terms of which (whether by way of a strategic agreement, arrangement or otherwise) such Person is (a) provided with management control; or (b) is engaged in the day-to-day operations of the Company.
  - lv. **“Financial Year”** means the fiscal year of the Company, beginning on 1st April of each calendar year and ending on 31st March of the immediately succeeding calendar year, or such other period(s) as the Board determine in accordance with applicable Law and the terms of these Articles but which shall always comprise of 12 (twelve) calendar months only.
  - lvi. **“First Buy Back Distributions Adjustment”** means, in relation to each Equity Security in respect of which a Buy Back Exercise Notice or an Acquisition Exercise Notice has been delivered during the First Buy Back Period, an amount equal to the aggregate of (a) the amount of dividend and other cash distributions paid to and received by the Investor and/or its Affiliates in respect of such Equity Security from the Completion Date upto the date of buy back of the concerned Equity Security pursuant to issue of the Buy Back Exercise Notice or the Acquisition Exercise Notice (as the case may be); and (b) a gross amount equal to 7% (seven) percent per annum, compounded annually, on the amounts referred to in (a), calculated on a cumulative basis from the respective dates of receipt of such amounts upto the date of buy back of such Equity Security.
  - lvii. **“First Buy Back Price”** in relation to each Equity Security means: an amount equal to the aggregate of (a) the Acquisition Cost; and (b) a gross amount equal to 7% (seven) percent per annum, compounded annually, on the Acquisition Cost, calculated on a cumulative basis from the

Funding Date upto the date of buy back of Preference Shares or Equity Shares, as the case may be, then held by the Investor pursuant to issue of the Buy Back Exercise Notice or the Acquisition Exercise Notice (as the case may be) less (c) the First Buy Back Distributions Adjustment in relation to such Equity Security.

- lviii. **“Fixed Conversion Entitlement”** means 28,89,426 Equity Shares (which represent 22.86% of Fully Diluted Share Capital).
- lix. **“Fully Diluted Basis”** means that the calculation is to be made assuming that all Equity Securities issued by the Company are converted into Equity Shares of the Company (whether or not by their terms then currently convertible, exercisable or exchangeable), including without limitation stock options, warrants and any outstanding commitments to issue Equity Shares at a future date, whether or not due to the occurrence of an event or otherwise, have been so converted, exercised or exchanged into Equity Shares of the Company in accordance with the terms of their issuance.
- lx. **“Fully Diluted Share Capital”** means the total Equity Share capital of the Company, assuming conversion of the Preference Shares in accordance with the provisions of these Articles determined as of the Date of Conversion of the Balance Preference Shares.
- lxi. **“Funding”** means the remittance of an amount equivalent to the Advance Payment by the Investor to the Company’s bank account, as mutually agreed between the Company, the Investor, the Other Shareholders and the Individual Promoters under the Agreement.
- lxii. **“Funding Date”** means the date on which Funding occurs.
- lxiii. **“Germplasm”** means inbred lines, single cross parental lines, other parent stocks, varieties, commercial varieties and hybrid lines, and includes lines, stock and varieties that are marketed as containing any compositional attribute that distinguishes the variety from industry-standard commodity crops. Germplasm shall include, but not be limited to, whole plants, inbreds, hybrids, seed, pollen, and other plant parts and/or tissues, and the genetic material contained therein.
- lxiv. **“Governmental Approval”** means any Consent of or from any Governmental Authority.
- lxv. **“Governmental Authority”** means the Government of the Republic of India, or the government of any State, union territory or other sub-division of India or any ministry, department, board, regulatory, judicial or quasi- judicial authority, instrumentality, agency, corporation or commission under the direct or indirect control of the Government of the Republic of India or any political subdivision of any of them or owned or controlled by the Government of the Republic of India or any of its subdivisions, or any court, tribunal or judicial body.
- lxvi. **“Guarantee”** of or by any Person (the “guarantor”) means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation of any other Person (the “primary obligor”) in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect,
  - (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other obligation of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation or
  - (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or obligation; provided that the term Guarantee shall not include (i) endorsements for collection or deposit in the ordinary course of business, or
  - (ii) any guarantees to be given by the Company for the purpose of the business activities of the Seeds Business (including those which were issued by NSL Renewable Power Private Limited but transferred to the Company pursuant to the Demerger.

- lxvii. **“Guarantee Deed”** shall mean the deed of guarantee as agreed and entered into between the Company and the Debenture Trustee.
- lxviii. **“ICDR Regulations”** shall mean the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any amendments made thereto from time to time;
- lxix. **“Indebtedness”** means any indebtedness in respect of (a) moneys borrowed and debit balances at banks, (b) any debenture, bond, note, loan stock or other security, (c) any acceptance credit, (d) receivables sold or discounted (otherwise than on a non-recourse basis), (e) the acquisition cost of any asset to the extent payable before or after the time of acquisition or possession by the party liable where the advance or deferred payment is arranged primarily as a method of raising finance or financing the acquisition of that asset, (f) accounts payable or any other short term dues or advance paid or payable, including but not restricted to taxes payable, advance to suppliers etc., (g) amounts raised under any other transaction having the commercial effect of a borrowing or raising of money; and includes without limitation contingent liabilities/Guarantees in respect of support for Indebtedness of any Person.
- lxx. **“Indemnity Bond”** shall mean the indemnity bond as agreed and entered into between the Issuer, the Company, Mr. Mandava Prabhakara Rao and the Debenture Trustee.
- lxxi. **“Individual Promoters”** shall mean Mandava Prabhakara Rao and Mandava Asha Priya.
- lxxii. **“Initial Pledged Shares”** shall mean 13.33% (thirteen point thirty three percent) of the paid up share capital of the Company held by the Pledgor as on the date of the Share Pledge Agreement and pledged in favour of the Debenture Trustee as more particularly detailed in and in accordance with the Share Pledge Agreement.
- lxxiii. **“Independent Director”** means a Director who would be considered to be an ‘independent director’ of the Company as per the listing agreement of the Stock Exchanges and as prescribed by SEBI or any other relevant Governmental Authority from time to time.
- lxxiv. **“Indian GAAP”** means accounting principles issued by the Institute of Chartered Accountants of India and generally accepted in India, together with pronouncements thereon from time to time, and applied on a consistent basis.
- lxxv. **“Intellectual Property”** means patents, trade and service marks (whether or not registered), registered and unregistered design rights and applications and rights to apply for any of the foregoing; know how; copyrights and topography rights; data base rights; trade, business, Company names, get-up, logos, slogans, internet domain names and e-mail addresses, and information technology; formulae, inventions, Germplasm, rights under licenses, consents, orders, statutes or otherwise in relation to any of the foregoing and all rights and forms of protection of a similar or analogous nature or having similar effect to any of the foregoing anywhere in the world, which now or in the future may subsist including the right to sue for past infringements of any of the foregoing rights.
- lxxvi. **“Investment Amount”** means the aggregate of (i) the Equity Shares Subscription Amount; and (ii) the Preference Share Subscription Amount.
- lxxvii. **“Investor”** means Blackstone GPV Capital Partners Mauritius V-C Ltd. a Company incorporated under the laws of Mauritius and having its registered office at Level 6, One Cathedral Square, Jules Koenig Street, Port Louis, Republic of Mauritius.
- lxxviii. **“Investor Retention Determination Date”** means March 31, 2013.
- lxxix. **“Investor Retention Entitlement”** means shall the aggregate of (a) Equity Shares representing the Retention Percentage; and (b) the Investor Excess Shares, in each case, (i) calculated and determined in accordance with the provisions of Article 51 to 52 of these Articles; and (ii) as adjusted for any stock splits, stock consolidations or bonus issues undertaken after *[include date]*.

- lxxx. **“Investor Shares”** means 10 (ten) Equity Shares of the Company of the face value of Rs. 10 (Rupees Ten only) each, to be issued and allotted to the Investor in terms of the Agreement, and **“Investor Share”** means any one of such Investor Shares.
- lxxxi. **“IPO”** means an issue of new Equity Securities or an offer for sale of the Equity Securities of the Company in India pursuant to which Equity Securities of the Company are listed on a Stock Exchange, in which at least 10% of the post-offering paid-up Share Capital of the Company (on a Fully Diluted Basis), or such greater percentage as required under applicable Law, are offered to the public.
- lxxxii. **“IPO Conversion Event”** means the passing of a resolution by the Board to file a draft red herring prospectus with SEBI in connection with an IPO.
- lxxxiii. **“IPO Default Event”** means the Company failing to successfully consummate an IPO before the expiry of 5 (five) years from the Funding Date.
- lxxxiv. **“IPO Shares”** means Equity Shares of the Company issued by the Company or offered for sale by any of the Shareholders in an IPO;
- lxxxv. **“Issuer”** shall mean Mandava Holdings Private Limited, having its registered office at NSL Icon, 8-2-684/2/A, Plot No. 1 to 4, 4<sup>th</sup> Floor, Road No. 12, Banjara Hills, Hyderabad..
- lxxxvi. **“Key Management”** means the list of persons which are mutually agreed to be key management personnel of the Company by the Company, the Investor, the Other Shareholders and the Individual Promoters under the Agreement, as may be amended from time to time.
- lxxxvii. **“Law”** means all laws, ordinance, statutes, rules, judgment, orders, decrees, injunctions, by-law licenses, permits, approvals, authorisations, consents, waivers, privileges, agreements and regulations, directions, notices, guidelines, circulars, approval from the concerned authority, government resolution, order, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication, of any Governmental Authority having jurisdiction over the relevant matter as such are in effect as of the date hereof or as may be amended, modified, enacted or revoked from time to time hereafter.
- lxxxviii. **“Material Adverse Effect”** means an event or state of facts including any change in Law which has or is reasonably likely to have an adverse effect (a) on the assets, liabilities, properties, results of operations, conditions (financial or otherwise), prospects or business of the Seeds Business or the Company or any Material Subsidiary of the Company, or (b) on the validity or enforceability of (i) these Articles or any other agreement entered into or as may be entered into between the Company, the Investor, the Other Shareholders and the Promoters ; and / or (ii) the rights or remedies of the Investor therein or thereunder or the transactions contemplated herein or thereunder or the ability of the Company, and/or the Promoters to comply with the obligations under these Articles.
- lxxxix. **“Material Subsidiaries”** means Subsidiaries of the Company (i) which earns Rs. 20,00,00,000 (Rupees Twenty Crores only) or more of profit after tax, or (ii) which earns gross revenues equivalent to 20% or more of the gross revenue of the Company, or (iii) in which the Company has invested an amount equal to or greater than Rs. 50,00,00,000 (Rupees Fifty Crores only).
- xc. **“MMOIC”** means the minimum multiple of the invested capital which shall be an amount not less than an amount being a product of 3.5 and a fraction, the numerator of which is Rs. 250 crores and denominator of which is the USD Exchange Rate.
- xc. **“MHPL”** means Mandava Holdings Private Limited, a company incorporated under the provisions of the Act

- xcii. **“Negotiated Deal”** means any negotiated sale on a Stock Exchange (whether in any specially designated block deal window or otherwise), or in a transaction executed off the Stock Exchange where the seller is aware of the identity of the purchaser.
- xciii. **“Net Indebtedness”** of any Person means Indebtedness of such Person and its Subsidiaries (calculated on a Consolidated Basis) less cash and liquid investments that (i) are not required for operating the business of such Person; and (ii) can be immediately converted into cash at publicly quoted prices.
- xciv. **“NCDs”** means the rated, unlisted, secured, redeemable and non-convertible debentures of the face value of Rs. 10,00,000/- (Rupees Ten Lakhs Only) each aggregating upto Rs. 500,00,00,000/- (Rupees Five Hundred Crores Only) issued/to be issued by Mandava Holdings Private Limited in accordance with the terms of the Trust Deed
- xcv. **“Option Escrow Agent”** shall mean Axis Trustee Services Private Limited or any other escrow agent appointed in accordance with the Option Escrow Agreement.
- xcvi. **“Option Escrow Agreement”** shall mean the escrow agreement as agreed between and entered into by the Seller, Purchaser, the Company and the Escrow Agent.
- xcvii. **“Option Exercise Date”** shall mean the date on which the Purchaser communicates to the Seller its intention to buy the Called Shares by issuing an Option Settlement Notice.
- xcviii. **“Option PAT”** shall mean, for any Financial Year or any other time as may be specified in the Call Option Agreement, the audited net profit after taxes of the Company, adjusted for any good will amortised during that period and for any extraordinary profits or losses arising out of the operations of the Company and any asset or investment sales of the Company, excluding any income arising from the termination or early closure of a financing or hedging transaction on a consolidated basis, in accordance with accounting principles, standards and practices generally accepted in India.
- xcix. **“Option Settlement”** shall mean the completion of all the actions for exercise and settlement of the Call Option in accordance with Articles 20A to 20K hereof
  - c. **“Option Settlement Notice”** shall mean the notice in the form set out in Schedule 4.1.3 (a) of the Call Option Agreement and given in accordance with Article 20C. (A) of these Articles.
  - ci. **“Option Settlement Date”** has the meaning ascribed to it in Article 20C (A) (ii) hereto; cii. **“Other Shareholders”** shall mean M. Srinivas Rao and M Venkatram Chowdary.
  - ciii. **“Ownership”** at any time means ownership of the Equity Securities on a Fully Diluted Basis.
  - civ. **“PAT”** or **“Profit after Tax”** means, for any relevant Financial Year (or any other time period), the audited net profit on a Consolidated Basis relating to the Seeds Business only, after Taxes as per Indian GAAP (after the modifications / clarifications as specified in the Standard Accounting Policies (which shall include the exclusions mentioned below in points (i) to (xiii)) in the relevant period.

For the purpose of this definition, only the profit made by the Company in the ordinary course of recurring business shall be taken into account, and the calculation of PAT shall exclude items of a non-recurring or extraordinary nature, which shall include (without limitation) the following:

- b. any gain or loss made by the Company on the sale or other disposal of any capital asset or intangible assets;
- c. any one-off, extraordinary or non-recurring income or expenditure of the Company;
- d. any gain or loss arising on any revaluation of any asset or write-back of old provisions;
- e. any realized or unrealized currency exchange gains or losses;
- f. any gains or losses on investments in stocks or any type of mutual funds (except



investments as set out in the Investment Policy undertaken as part of treasury management);

- g. any revaluation of investments in subsidiaries / associates or any other parties;
- h. any dividends received or receivable (except from investments as set out in the Investment Policy);
- i. the net profit after tax of any Subsidiary proportionate to the interests of shareholders (other than the Company) in such Subsidiary;
- j. any amounts payable or receivable under any interest rate hedging agreement;
- k. any amount received or receivable or paid or payable by the Company in respect of a rebate or refund of any Tax paid or payable by the Company in respect of the profit arising for past periods;
- l. any capitalization of expenses for research and development and otherwise, deferred revenue expenditure or non recognition of expenses than as per the agreed accounting policies;
- m. any write back of the advances other than in the ordinary course of business and agreed accounting policies;
- n. any price differential revenue for the goods supplied in the previous year except as per agreed accounting policies;
- o. any costs, charge outs or losses incurred by the Company, subject to a maximum of Rs. 5,00,00,000 (Rupees Five Crores only) per annum (as reduced by amounts in respect of which tax deductions are available for such costs, charge outs or losses), on account of or in relation to the issuance, grant or exercise by the Company of the employee stock option plan of the Company.

In the event the Company raises capital anytime between the Funding Date and the Investor Retention Determination Date, for the purpose of calculation of PAT for the Financial Year ending March 31, 2012 and the Financial Year ending March 31, 2013, as the case may be, the applicable Adjusted Amount shall be deducted therefrom.

- cv. **“PDCs”** shall mean, collectively, the post dated cheques for the outstanding face value of all the Debentures multiplied by the conversion figures set out in Schedule 16 of the DSTA for the relevant PDC Period, to be provided by the Issuer every 6 (six) months to the Debenture Trustee, 10 (ten) Business Days prior to the relevant Coupon Payment Date for the relevant PDC Period in accordance with the DSTA.
- cvi. **“PDC Period”** shall mean each six monthly period in accordance with Schedule 16 of the DSTA.
- cvi. **“Percentage PAT”** means the product of (i) 100 (Hundred) and (ii) an amount equal to Actual PAT divided by Target PAT.
- cviii. **“Person”** means any individual, corporation, partnership, joint venture, association of persons, trust, unincorporated organization, government (central, state or otherwise), sovereign state, or any agency, department, authority or political subdivision thereof, international organization, agency or Governmental Authority (in each case, whether or not having separate legal personality).
- cix. **“Plan Asset Regulations”** means the United States Department of Labor Regulation published at 29 C.F.R Section 2510.3-101.
- cx. **“Pledged Shares”** shall mean, whether in physical form or dematerialized form, collectively the (i) Initial Pledged Shares; (ii) IPO Shares; (iii) Cover Shares, and (iv) shall include such of the additional Shares or other securities, whether by way of bonus or rights issue or otherwise, and any letter of allotment in relation thereto and instruments or other property from time to time received, receivable or distributed in respect of or in exchange for any and all of the Shares from time to time acquired by the Pledgor in any other manner and certificates representing such additional Shares, so as to ensure, to the fullest extent within its control, that at all times, the Initial Pledged Shares together with the IPO Shares and Cover Shares represent at least the number of the paid up equity share capital of the Company required to be pledged as per the terms of the Share Pledge Agreement.

- cx. **“Pledged Shares-I”** shall mean, such number of Shares which have been/will be pledged by the Individual Promoters and MHPL in favour of Axis Trustee Services Limited in accordance with the terms of the Share Pledge Agreement-I and includes the Collateral- I.
- cxii. **“Pledgor”** shall mean Mandava Prabhakara Rao.
- cxiii. **“Preference Shares”** means 25,00,000 (twenty five lakh) compulsorily convertible cumulative preference shares of the Company having a face value Rs. 1000 (Rupees One Thousand only) and of the aggregate nominal value of Rs 250,00,00,000 (Rupees Two Hundred Fifty Crores only) issued in compliance with the terms and conditions set out in Article 42, and **“Preference Share”** means any one of such Preference Shares.
- cxiv. **“Promoters”** shall mean Individual Promoters and Mandava Holdings Private Limited or any other Affiliates who hold Shares
- cxv. **“Promoter Entitlement”** means the entitlement granted by the Investor to the Promoters in terms of Article 50.
- cxvi. **“Promoter Entitlement Notice”** has the meaning ascribed to it under Article 50(2)(a).
- cxvii. **“Pro Rata Share”** means, with respect to any Shareholder, the proportion that the number of Equity Securities of the Company held by such Shareholder bears to the aggregate number of Equity Securities of the Company held by all shareholders, in each case on a Fully Diluted Basis.
- cxviii. **“Purchaser”** shall mean Vantage Quest (Mauritius) Private Limited, having its registered office at Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius or any other Affiliate in accordance with the Call Option Agreement.
- cxix. **“Purchaser’s Demat Account”** shall have the meaning ascribed to it in the Option Escrow Agreement.
- cxx. **“Purchase Amount”** shall mean INR 95,00,00,000 (Indian Rupees ninety five crores only).
- cxxi. **“Purchase Price Per Share”** has the meaning ascribed to it in Article 20I hereto;
- cxxii. **“Related Party”** in relation to any Person, means any other Person who is treated as a related party of the first Person under Indian GAAP.
- cxxiii. **“Related Party Transaction”** has the meaning ascribed to it under Article 127 (5) (i).
- cxxiv. **“Relative”** has the meaning as set out in the Act.
- cxxv. **“Retention Percentage”** has the meaning ascribed to it under Articles 51 and 52.
- cxxvi. **“Rupees”** or **“Rs.”** means Indian rupees or the lawful currency of the Republic of India.
- cxxvii. **“RHP”** shall mean the red herring prospectus which is to be filed in accordance with the ICDR Regulations.
- cxxviii. **“RHP Intimation Notice”** shall have the meaning ascribed to it in Article 20B (i) hereto.
- cxxix. **“Sale Window”** means the period of 21 days (or such longer period as may be mutually agreed between the Investor and the Promoters) following a Determination Event.
- cccc. **“SEBI”** means the Securities and Exchange Board of India.
- cccxix. **“Second Buy Back Distributions Adjustment”** means, in relation to each Equity Security in respect of which a Buy Back Exercise Notice or an Acquisition Exercise Notice has been delivered

during the Second Buy Back Period, an amount equal to the aggregate of (a) the amount of dividend and other cash distributions paid to and received by the Investor and/or its Affiliates in respect of such Equity Security from the Completion Date upto the date of buy back of the concerned Equity Security pursuant to issue of the Buy Back Exercise Notice or the Acquisition Exercise Notice (as the case may be); and (b) a gross amount equal to 12% (twelve) percent per annum, compounded annually, on the amounts referred to in (a) calculated on a cumulative basis from the respective dates of receipt of such amounts upto the date of buy back of such Equity Security.

cxxxii. **“Second Buy Back Price”** in relation to each Equity Security means: an amount equal to the aggregate of (a) the Acquisition Cost; and (b) a gross amount equal to 12% (twelve) percent per annum, compounded annually, on the Acquisition Cost, calculated on a cumulative basis from the Funding Date upto the date of buy back of Preference Shares or Equity Shares, as the case may be, then held by the Investor pursuant to issue of the Buy Back Exercise Notice or the Acquisition Exercise Notice (as the case may be) less (c) the Second Buy Back Distributions Adjustment in relation to such Equity Security.

cxxxiii. **“Secured Obligations”** shall have the meaning ascribed to it in the DSTA.

cxxxiv. **“Security Documents”** shall mean the following:

- (i) the DSTA;
- (ii) the Guarantee Deed;
- (iii) the Share Pledge Agreement;
- (iv) the Indemnity Bond;
- (v) the DPN;
- (vi) the PDCs; and

any other agreement pursuant to which Security Interest has been created in favour of the Debenture Trustee for the benefit of the Debenture Holders.

cxxxv. **“Security Interest”** shall mean any Encumbrance including any mortgage, pledge, lien, charge, assignment, hypothecation or other security interest created or sought to be created under or pursuant to the Transaction Documents.

cxxxvi. **“Seeds Business”** means the business undertaken by the Company and includes Seeds research (including biotech research on developing new genetic traits or introducing new traits into their hybrid Germplasm), development, testing, production, process of organizing Seed production and procuring it back, procurement, storing of Seeds, processing (including but not limited to delinting, conditioning, quality control, packaging), warehousing of Seeds, marketing and distribution of Seeds.

cxxxvii. **“Seeds”** means all types of seeds (including, without limitation, seeds of crops, fruits and vegetables, and including seeds of cotton, corn, rice, wheat, sunflower, sorghum, etc.), hybrid seeds (with and without genetically modified traits), seeds of non-hybrid regular varieties and research varieties.

cxxxviii. **“Seeds Division”** means the erstwhile division(s) or undertaking(s) of NSL Renewable Power Private Limited which conducted the Seeds Business or any part thereof, and which has been demerged into the Company in terms of the Demerger Scheme.

cxxxix. **“Seller”** shall mean Mandava Prabhakara Rao or any other person signing a Deed of Adherence in accordance with the Call Option Agreement.

cxl. **“Share”** means the Equity Securities and preference shares of the Company. cxli. **“Share Capital”** means the fully paid-up equity share capital of the Company.

cxlii. **“Share Pledge Agreement”** shall mean the Share Pledge Agreement as agreed and entered into between the Pledgor, the Company and the Debenture Trustee.

cxliii. **“Share Pledge Agreement-I”** shall mean the share pledge agreement entered into/ to be entered into by and between the Individual Promoters, MHPL and Axis Trustee Services Limited for the purpose of securing the NCDs.

cxliv. **“Shareholder(s)”** means the Investor, the Promoters, the Other Shareholders and any Person who holds Equity Securities of the Company in accordance with the terms of these Articles and executes a Deed of Adherence, in each case for so long as such Person remains a holder of Equity Securities of the Company, and shall be deemed to include the estate of any Shareholder that is a natural Person and the executor, conservator, committee or other similar legal representative of any Shareholder that is a natural Person or such Shareholder’s estate following the death or incapacitation of such Shareholder.

cxlv. **“SSI Units”** means small scale industry units as defined in terms of the Micro, Small and Medium Enterprises Development Act, 2006.

cxlvi. **“Stock Exchange”** means either BSE Limited or the National Stock Exchange of India Limited or such other stock exchange as may be mutually agreed in writing between the Promoters and the Investor.

cxlvii. **“Subscribers”** shall mean Goldman Sachs (Finance) India Private Limited and Infrastructure Development Company Limited.

cxlviii. **“Subsidiaries”** shall have the meaning as set out in the Act and shall include all present and future subsidiaries of the Company.

cxlix. **“Target PAT”** means Rs. 2,689 million.

cl. **“Tax”** means all taxes (contingent or otherwise), duties including stamp duty, charges, fees, levies, cess or other similar assessments, including without limitation in relation to (i) income, services, gross receipts, ad valorem, premium, assets, professional, entry, capital gains, municipal, interest, expenditure, imports, wealth, gift, sales, use, transfer, licensing, withholding, employment, payroll, imposed by any Governmental Authority in any jurisdiction to which such Person may be subject, and (ii) any interest, fines, penalties, assessments, or additions to tax resulting from, attributable to, or incurred in connection with any such tax or any contest or dispute thereof.

cli. **“Term”** shall mean the time period from November 24, 2010 to the earlier of (i) the Option Settlement Date, provided the Option Settlement having occurred; (ii) the Purchaser failing to exercise the Call Option, within 7 (seven) Business Days of the RHP Intimation Notice; or (iii) the Purchaser failing to exercise the Call Option, prior to the expiry of 5 (five) years and 30 (thirty) Business Days from November 24, 2010;

clii. **“Transaction Documents”** shall mean the Security Documents and any other agreement or document executed/to be executed in connection with the issue and subscription of Debentures and any other agreement or document designated as such by the Debenture Trustee.

cliii. **“Transaction Documents –I”** shall have the meaning ascribed to the term “Transaction Documents” in the Trust Deed and includes such other documents as entered into or to be entered into by the Individual Promoters, MHPL, Axis Capital Limited and Axis Trustee Services Limited.

cliv. **“Transfer”** means to directly or indirectly sell, gift, give, assign, transfer, transfer of any interest in trust, mortgage, alienation, hypothecate, pledge, encumber, grant a security interest in, amalgamate,

merge or suffer to exist (whether by operation of law or otherwise) any Encumbrance on, any Equity Securities or any right, title or interest therein or otherwise dispose of in any manner whatsoever voluntarily or involuntarily, but shall not include transfer by way of testamentary or intestate successions.

clv. **“Trust Deed”** means the debenture trust deed entered into or to be entered into by Mandava Holdings Private Limited with Axis Trustee Services Limited in relation to the NCDs.

clvi. **“Underlying Shares”** shall mean fully paid up equity shares of the Company having face value of Rs. 10 (ten) or such other face value prevailing at the time of the exercise of the Call Option.

clvii. **“USD Exchange Rate”** means the foreign exchange spot rate for conversion of USD into Rupees, which is the rate at which Investment Amount remitted by the Investor is converted into Indian rupees on the Funding Date.

In addition to the terms defined in Article 2, the Articles reference certain other terms that are defined elsewhere in these Articles. Wherever such terms are used in these Articles they shall have their respective defined meanings, unless the context expressly or by necessary implication otherwise requires.

### GENERAL

- 2B. The Company and the Issuer shall comply with the provisions of the Transaction Documents and shall take no action which is inconsistent with the provisions of the Transaction Documents.
- 2C. The Pledgor shall not, except as otherwise expressly provided in the Transaction Documents or with the prior written consent of the Debenture Trustee, create any Encumbrance over the Collateral or any part thereof or otherwise assign, transfer, deal with, dispose of, or grant in favour of any Person (other than by way of security in favour of the Debenture Holders) any interest or any option or other rights in any manner in respect of the Collateral or any part thereof or change its Participant or withdraw its dematerialisation account;
- 2D. No amendments or modifications of these Articles of the Company is to be made that would impair the interest or rights of the Pledgor, or that would impair the interest or rights of the Debenture Trustee, under the Transaction Documents.

### LIEN ON SHARES

- 3. The Company shall have a first and paramount lien, (a) on every Share (other than fully paid up shares) registered in the name of each member (whether solely or jointly with others) and upon proceeds of sale thereof, for all money (whether presently payable or not) called or payable at fixed time in respect of that share; and (b) on all Shares (not being fully paid up Shares) standing registered in the name of a single person, for all money presently payable by the share holder or by his estate to the Company. Such lien shall extend to all dividends and bonuses from time to time-declared in respect to such Shares. Provided that the Company may at any time declare any Share to wholly or in part exempt from the provisions of this Article 16.
- 4. Unless otherwise agreed, the registration or transfer of Shares shall operate as waiver of the Company's lien if any, on such shares. The Directors may at any time declare any shares to be wholly or in part exempt from the provisions of this Article.
- 5. The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has a lien; provided that no sale shall be made:
  - A. Unless a sum in respect of which the lien exists is presently payable, or
  - B. Until the expiration of fourteen days after notice in writing stating and demanding payment is such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.

6. To give effect to any sale, as provided for in Article 16 hereof, the Board may authorize some persons to transfer the Shares sold to the purchaser thereof.
  - b. Such purchaser shall be registered as the holder of the Shares comprised in any such transfer.
  - c. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be effected by any irregularity or invalidity in the proceeding in reference to the sale.
7.
  - a. The proceeds of the sale of Shares, as provided for in Article 16 hereof shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
  - b. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the Shares before the sale, be paid to the person entitled to the Shares at the date of the sale.

### CALL OPTION

- 20A. Subject to the provisions of the Call Option Agreement, at any time during the Term upon occurrence of an Exercise Trigger Event, the Purchaser shall have the right to but not the obligation to, either itself or through its affiliates, purchase, and the Seller and/or its affiliate, shall be under an obligation to sell to the Purchaser or its affiliates, as applicable, on a spot delivery basis, such number of the Underlying Shares, equal to the Purchase Amount divided by the Purchase Price Per Share (such number of Underlying Shares hereinafter referred to as the “**Called Shares**”), on the terms and conditions contained in the Call Option Agreement (the “**Call Option**”).
- 20B. The Purchaser shall have a right to exercise the Call Option during the Term, on the occurrence of an Exercise Trigger Event, in the following manner:
  - (i) Where the Company is in the process of filing the RHP for undertaking an IPO prior to the expiry of 5 (five) years and 15 (fifteen) Business Days from the November 24, 2010, then the Seller and/or the Company shall at least 15 (fifteen) Business Days prior to filing of the RHP inform, in writing, to the Purchaser (with a copy to the Escrow Agent) with regard to the filing of RHP (“**RHP Intimation Notice**”). The Purchaser shall be entitled to exercise its Call Option by issuing an Option Settlement Notice within 7 (seven) Business Days from the date of receipt of the RHP Intimation Notice by the Purchaser. In the event the Purchaser fails to exercise the Call Option within 7 (seven) Business Days from the date of receipt of the RHP Intimation Notice by the Purchaser then the Call Option expires and the Purchaser shall not be entitled to exercise the Call Option.
  - (ii) Where the Company does not file an RHP for undertaking an IPO prior to the expiry of 5 (five) years 15 (fifteen) Business Days from November 24, 2010, then the Call Option can be exercised by the Purchaser at anytime within a period of another 10 (ten) Business Days from the expiry of the said 5 (five) years and 15 (fifteen) Business Days from November 24, 2010, by issuing an Option Settlement Notice.
- 20C. (A)The Option Settlement Notice shall be in form set out in the Call Option Agreement and shall contain:
  - (i) the number of the Called Shares,
  - (ii) the day on which such sale and purchase of the Called Shares shall occur (“**Option Settlement Date**”), which day shall not be less than 3 (three) Business Days and within 5 (five) Business Days from the date of the Option Settlement Notice by the Purchaser.
  - (iii) the Purchase Price Per Share, determined in accordance with Articles 20F and 20G hereof including the manner in which the same has been

computed,

- (iv) the identity and address of the Person (being the Purchaser or an affiliate of the Purchaser) who shall purchase the Called Shares,
- (v) in the event the Called Shares are in dematerialised form, the details of the dematerialised account of the Purchaser.

- (B) The delivery of the Option Settlement Notice shall constitute a binding agreement and obligation of the Seller or its affiliate which has executed a Deed of Adherence, to sell the Called Shares on the terms and conditions contained in the Option Settlement Notice and under this Article 20C. For the avoidance of doubt it is hereby clarified that, the Option Settlement Notice shall not specify any other terms and conditions of the purchase of the Called Shares by the Purchaser, except those specified in Article 20C (A) (i) to 20C (A) (v).

20D. The obligation to sell the Called Shares to the Purchaser or its affiliate under the Call Option shall at all times during the Term remain the joint and several liability of the Seller and its affiliate (to whom the Underlying Shares has been transferred by the Seller) and which affiliate would have executed a Deed of Adherence prior to transfer of such Underlying Shares. The Seller agrees to cause such affiliate to execute a Deed of Adherence prior to transfer of Underlying Shares to such affiliate.

20E. The Parties hereby agree and confirm that the Seller has conferred the Call Option upon the Purchaser in consideration of the Purchaser agreeing to pay the Seller the Option Premium on the date of the Call Option Agreement. The Parties acknowledge the sufficiency and adequacy of the Option Premium as full consideration in relation to the Call Option.

20F. In the event the Exercise Trigger Event occurs on or prior to March 31, 2013, the purchase price per share for exercise of the Call Option payable by the Purchaser shall be the lower of:

- (i) The lower end of the price band of the issue price per share of the Company to be set out in the RHP, as determined by a merchant banker appointed for the IPO; or
- (ii) 14 (fourteen) times the Option PAT of the Financial Year preceding the Option Exercise Date, as determined by the statutory auditors of the Company, divided by the total number of partly or fully paid up outstanding shares of the Company, calculated on a fully diluted basis, as on the Option Exercise Date.

20G. In the event the Exercise Trigger Event occurs after March 31, 2013, the purchase price per share for exercise of the Call Option payable by the Purchaser shall be the lower of:

- (i) The lower end of the price band of the issue price per share of the Company to be set out in the RHP, as determined by a merchant banker appointed for the IPO; or
- (ii) 14 (fourteen) times the Option PAT of the Financial Year ending March 31, 2013, as determined by the statutory auditors of the Company, divided by the total number of partly or fully paid up outstanding shares of the Company, calculated on a fully diluted basis, as on the Option Exercise Date.

20H. In the event audited accounts are not available for the immediately preceding Financial Year, the Purchase Price Per Share shall be determined in accordance with the unaudited accounts of the Company.

- 20I. The purchase price per share determined in accordance with Articles 20F and 20G above and shall be referred to as **“Purchase Price Per Share”**.
- 20J. In the absence of manifest error, the Option Settlement Notice including the Purchase Price Per Share, shall be final, conclusive and binding on the Seller and the Escrow Agent.
- 20K. The transfer of the Called Shares shall be in accordance with the Call Option Agreement and the Option Escrow Agreement and shall be binding on the Company and the Seller.

## **TRANSFER OF EQUITY SECURITIES**

8. No Shareholder shall Transfer or attempt to Transfer any Equity Securities or any right, title or interest therein or thereto, except as expressly permitted by the provisions of Articles 20A to 20K, 22 to 33, 33A and 36A, 37 to 42 and 44 to 53. Any Transfer or attempt to Transfer Equity Securities of the Company otherwise than in accordance with the preceding sentence shall be null and void *ab initio*, and the Company shall not register any such Transfer.

### **9. Transfer Procedure**

No Transfer may be made pursuant to Articles 21 to 32, 36 to 41 and 43 to 52 unless:

- a. the transferee has executed a Deed of Adherence (except if such Transfer (a) is as a part of an offer for sale during an IPO, or (b) occurs through a stock exchange after an IPO has occurred, otherwise than by way of Negotiated Deal, or (c) entails the Transfer of all the Equity Securities then held by the Investor and/or its Affiliates in accordance with Article 40, or (d) is to the Company pursuant to an offer made by the Company to buy back Equity Securities, or (e) is pursuant to any delisting offer made in relation to Equity Securities, or (f) is to an acquirer (not being a Company Competitor) pursuant to a public offer made in accordance with applicable Law);
- b. the Transfer complies in all respects with the other applicable provisions of these Articles; and
- c. the Transfer complies in all respects with applicable Laws

### **10. Permitted Transferees**

- 1) Notwithstanding Article 22, the following Transfers of Equity Securities may be made at any time without compliance with the provisions of Articles 21 to 32 and 36 to 41.
  - a. any Transfer by the Promoters or the Investor or their respective Affiliates to an Affiliate, subject to such Affiliates executing a Deed of Adherence; and
  - b. any Transfer of Equity Securities by the Investor or its Affiliates pursuant to Articles 43 to 52.
- 2) Notwithstanding any provisions contrary, if a Shareholder transfers part of its Equity Securities to any Affiliate or additional Shares are issued to any Affiliates of such Shareholder (i) all of the Shareholder, and/or Affiliates (collectively, the **“Shareholder Group”**) shall be treated as a single Shareholder and their rights, obligations, covenants and undertakings hereunder shall be joint and several, and a breach by any one member of the Shareholder Group of its rights, obligations, covenants or undertakings hereunder shall be deemed as a collective breach by the other members of the Shareholder Group of their respective rights, obligations, covenants and undertakings hereunder, and (ii) the Shareholder Group shall nominate one Person within the Shareholder Group who shall (a) act for and on behalf of each member of the Shareholder Group in respect of any right, action or waiver to be exercised by any member of the Shareholder Group (including the nomination, replacement or removal of the Directors) and (b) be responsible for causing each of the members of the Shareholder Group to perform its obligations, covenants and undertakings hereunder.
- 3) An Affiliate who is a transferee of the Equity Securities from the Investor or the Promoters



as described in this Article 23 is hereinafter referred to as a “Permitted Transferee” of the Investor or the Promoters, as the case may be. The Promoters and the Investor undertake that each of them shall, prior to a Permitted Transferee ceasing to be an Affiliate, acquire by itself or through any of their respective Affiliates, all and not less than all of the Equity Securities then held by such Affiliate, notwithstanding that such Affiliate may have executed a Deed of Adherence.

11. **Depositories**

In the event the Equity Securities of the Company are dematerialized, the Company, the Promoters and the Investor shall issue appropriate instructions to the relevant depository as well as their respective depository participants not to Transfer the Equity Securities of any Shareholder except in accordance with the Memorandum of Association and Articles of Association. The Company shall cause the Shareholders to direct their respective depository participants not to accept any instruction slip or delivery slip or other authorization for Transfer contrary to the terms of Memorandum of Association and Articles of Association.

12. **Avoidance of Restrictions**

The Transfer restrictions in these Articles (including in Articles 21 to 32, 36 to 41 and 43 to 52) and in the Charter Documents shall not be capable of being avoided by the holding of Equity Securities indirectly through a Company or other entity that can itself be sold in order to dispose of an interest in Equity Securities free of such restrictions.

13. **Right to Transfer**

- 1) Subject only to Articles 21 to 32, the Investor and its Affiliates shall have the right to Transfer any or all Equity Securities together with its or their rights and obligations under these Articles at any time to a Person other than a Company Competitor (“**Purchaser**”) without the prior written consent of any Shareholder, Promoters or the Company. In any Transfer by the Investor to the Purchaser, upon receipt of reasonable notice and subject to such Purchaser assuming similar obligations to the Investor in relation to confidentiality as mutually agreed in writing between the Promoters and the Investor and against execution of suitable confidentiality/non- disclosure agreement/undertaking by such Purchaser, the Company shall give reasonable access to such Purchaser and its authorized representatives (including lawyers, accountants, auditors and other professional advisors) to visit and inspect all properties, assets, corporate, financial and other records, reports, books, contracts and commitments of the Company and to discuss and consult with respect to its business, actions, plans, budgets and finances with the Directors and executive officers of the Company.
- 2) The restriction on Transfer of Equity Securities by the Investor to a Company Competitor shall not apply to any Transfer on the stock market (other than by way of a Negotiated Deal) sought to be effected subsequent to the IPO and where the Investor is not aware of the identity of the purchaser of such Equity Securities prior to the Transfer.
- 3) The Investor shall be entitled to Transfer Equity Securities of the Company to any Competitor, provided however that in the event of such Transfer, such Competitor shall be entitled to all rights of the Investor, with the exception of the rights under Article 73 to 75, 108, 109, 110, 115, 127(1), 127(2)(i), 127(2)(iii), 127(2)(v), 127(2)(vi), 127(2)(vii), 127(2)(viii), 127(3), 127(4) and 127 (9). Further, for the purposes of Article 127(v), the affirmative written consent or approval of the Director nominated by the Competitor shall be required before the Company or any Material Subsidiary can undertake actions only in respect of the matters specified under Article 122 (2), (4) and (13).

14. **Right of First Offer**

- 2) If either the Promoters or any Affiliates of the Promoters or the Investor or any Affiliate of the Investor (each set of such Persons hereinafter referred to as the “**Transferring Shareholder**”)

proposes to Transfer its or their Equity Securities, the non Transferring Shareholder shall first have a right of first offer (the “**First Offer Right**”) with respect to such Transfer of Equity Securities as provided in this Article 27. Where the Transferring Shareholder is the Investor or an Affiliate of the Investor, the non Transferring Shareholder shall be the Promoters, represented by Mr. M. Prabhakara Rao, and where the Promoters (or any one of them) or any Affiliate of any of the Promoters is the Transferring Shareholder, the non Transferring Shareholder shall be the Investor (or any Affiliate nominated by the Investor).

- 2) The Investor shall be entitled to Transfer Equity Securities of the Company aggregating upto a maximum of 15% (fifteen per cent) of the Preference Shares held by the Investor; or, if Converted (i) before the Investor Retention Determination Date, upto a maximum 15% (fifteen per cent) of the Equity Shares held by the Investor; and (ii) after Investor Retention Determination Date, such number of Equity Shares representing a maximum 15% (fifteen per cent) of the Investor Retention Entitlement, and that the Investor shall be entitled to create any Encumbrance over all its Equity Securities in favour of any bank or financial institution or any trustee acting on behalf of any bank or financial institution or any subscriber to any debentures (“**Lender**”) provided however that such Lender has confirmed in writing that it shall abide by the rights and obligations of the Investor and the rights of the Promoters and the restrictions set out under these Articles at all times, including the maximum number of Equity Securities that can be transferred by the Investor in terms of this Article 27(2) and at the time of Transfer of the Equity Securities (which are the subject matter of the said security interest) upon invocation or enforcement of the said security interest;
- 3) the Promoters shall be collectively entitled to Transfer Equity Securities held by the Promoters ( a ) upto 15% (fifteen per cent) without complying with the requirements set out in the Articles 27 to 31 and the Articles 36 to 41; and (b) beyond 15% (fifteen per cent), provided the Promoters comply with all restrictions on transferability of Equity Securities as contemplated in these Articles. It is clarified for avoidance of all doubts that in case of Transfer of Encumbered Shares by the Promoters pursuant to Article 32A(b) only the restrictions as specifically set out in Article 32A (b) shall apply;
- 4) the Promoters shall be entitled to pledge / Encumber all Equity Shares held by them in the Company in favour of any Lenders that have provided term loans / working capital facilities to the Company (and which have been availed by the Company in accordance with the Business Plan or approved by the Investor) provided however that such Lender has confirmed in writing that it shall abide by the rights of the Investor and the restrictions set out under these Articles at all times, including at the time of Transfer of the Equity Securities (which are the subject matter of the said security interest) upon invocation or enforcement of the said security interest; and
- 5) the Promoters shall be entitled to pledge / Encumber Equity Shares held by them in the Company in favour of Lenders that have provided term loans / working capital facilities to group companies of the Promoters, provided however that:
  - a. the Promoters shall always maintain at least (a) 50.1% (fifty point one per cent) of the Equity Shares of the Company free from all Encumbrances (save and except for Encumbrances created pursuant to Article 27(4) above) at all times prior to the Conversion of the Preference Shares by virtue of which shareholding the Promoters shall have control over the management or policy decisions of the Company either solely or jointly with any other Affiliate(s) of the Promoters to the exclusion of any other Person (not being an Affiliate) having any right or ability (including through any affirmative veto and/or negative rights) in respect of the 50.1% (fifty point one per cent) of the Equity Shares of the Company held by the Promoters and their Affiliates to direct or influence the voting rights in respect to such 50.1% (fifty point one per cent) of the Equity Shares of the Company or the manner in which the Promoter Directors are to be appointed or to vote at any meeting; and (b) 26% (twenty six per cent) of the Equity Shares of the Company free from all Encumbrances (save and except for Encumbrances created pursuant to Article 27(4) above) at all times after the Conversion of the Preference Shares to the exclusion of any other Person (not being an Affiliate) having any right or ability (including through any affirmative, veto and/or negative rights) in respect of the 26% (twenty six per cent) of the Equity Shares of the Company held by the Promoters and their Affiliates to direct or influence the voting rights in respect to such 26%

(twenty six per cent) of the Equity Shares of the Company or the manner in which the Promoter Directors are to be appointed or to vote at any meeting; and

- b. unless otherwise agreed in writing by the Investor (and upon any terms and conditions as may be agreed upon between the Promoters and the Investor in this context), such Lender(s) has confirmed in writing that it shall abide by the rights of the Investor and the restrictions set out under these Articles at all times, including at the time of Transfer of the Equity Securities (which are the subject matter of the said security interest) upon invocation or enforcement of the said security interest;

in each case, without being subject to the provisions of Articles 28 to 33 (but subject however to other provisions of these Articles).

- 6) If the Transferring Shareholder proposes to sell its Equity Securities, the Transferring Shareholder shall send a written notice (the **"Transfer Notice"**) to the non Transferring Shareholder (the **"Offeree"**), which notice shall state the number of Equity Securities to be sold (the **"Offered Securities"**).

#### 15. **Rights of Offeree Shareholders**

For a period of 30 (thirty) Business Days after delivery of a Transfer Notice (the **"Offer Period"**), the Offeree shall have the right, exercisable by each Offeree through the delivery of a written notice to the Transferring Shareholder communicating its acceptance of the offer and indicating the price (**"Offer Price"**) they are willing to pay to the Transferring Shareholder for all and not less than all of the Offered Securities (**"Offer Notice"**). An Offeree may assign to an Affiliate of such Offeree its right to acquire Offered Securities pursuant to this Article 28, provided that such Affiliate complies with the provisions of Article 23 as if it were a Permitted Transferee. If however, any of the Offerees do not accept the offer in writing within the Offer Period, the offer will be deemed to have been rejected. The Transferring Shareholder shall thereafter be free to Transfer the Offered Securities within a period of six (6) months (**"Free Transfer Period"**) after the expiration of the Offer Period to any Person other than a Company Competitor.

#### 16. **Right of the Transferring Shareholder**

For a period of 15 (fifteen) Business Days after delivery of an Offer Notice (the **"Acceptance Period"**), the Transferring Shareholder shall have the right, exercisable through the delivery of a written notice to the Offeree which has issued the Offer Notice communicating its acceptance of the Offer Price (**"Acceptance Notice"**). An Acceptance Notice shall be irrevocable and shall constitute a binding agreement between the Offeree and the Transferring Shareholder to sell and purchase all of the Offered Securities, at the Offer Price, which purchase shall be completed within 3 (three) months from the date of the Acceptance Notice in accordance with the provisions of Article 31 hereof.

#### 17. **Sale to Third Person**

Subject to the provisions of Article 29 above, in the event (i) the Transferring Shareholder elects not to issue an Acceptance Notice; or (ii) the Offerees fail to close the purchase of Offered Securities in accordance with Article 31, the Transferring Shareholder may Transfer, subject to Articles 36 to 41 (in the case where the Promoters and/or their Affiliates are the Transferring Shareholder), all of the Offered Securities to any Person other than a Company Competitor (**"Transferee"**); provided, that (i) the price for the sale to the Transferee is at a price per Equity Security not less than 95% (ninety- five per cent) of the Offer Price on a per Equity Security basis, and (ii) the Transfer is made within 6 (six) months after expiry of the Acceptance Period. If such a Transfer does not occur within such six month period for any reason, the restrictions provided for herein shall again become effective, and no Transfer of Equity Securities may be made by the Transferring Shareholder thereafter without again making an offer to the other Shareholders in accordance with Article 27.

18. **Closing**

The closing of any purchase of Offered Securities by the Offerees shall be held at the principal office of the Company at 11:00 a.m. local time on the 45th day after the giving of the Transfer Notice or at such other time and place as the parties to the transaction may agree. Such 45 day period shall be extended for an additional period necessary (as may be agreed between the parties) to obtain any Governmental Approvals required for such purchase and payment. At such closing, the Transferring Shareholder shall deliver certificates representing the Offered Securities, accompanied by duly executed instruments of transfer or duly executed transfer instructions to the relevant depository participant. Such Offered Securities shall be free and clear of any Encumbrance (other than Encumbrances arising hereunder or attributable to actions by the Offerees), and the Transferring Shareholder shall so represent and warrant and shall further represent and warrant that it is the beneficial and record owner of such Offered Securities. Each Offeree purchasing Offered Securities shall deliver at such closing (or on such later date or dates as may be provided in the Transfer Notice with respect to payment of consideration by the proposed Transferee) payment in full of the Offer Price in accordance with the terms set forth in the Transfer Notice, an executed Deed of Adherence and any requisite transfer taxes. At such closing, all of the parties to the transaction shall execute such additional documents as may be necessary or appropriate to effect the sale of the Offered Securities to the Offerees. Any stamp duty or transfer taxes or fees payable on the transfer of any Offered Securities shall be borne and paid by the relevant Offerees in proportion with the number of Offered Securities each such Offeree is purchasing.

19. **Exempted Transfers**

None of the restrictions contained under these Articles 27 to 32 in relation to Transfers of Equity Securities by the Investor where a Transfer is proposed to be made:

- 1) to the Company pursuant to any offer made by the Company to buy-back Equity Securities;
- 2) pursuant to any delisting offer made in relation to Equity Securities of the Company;
- 3) on the stock market (other than by way of a Negotiated Deal) subsequent to an IPO and where the Investor is not aware of the identity of the purchaser of such Equity Securities prior to the Transfer; or
- 4) to an acquirer (not being a Company Competitor) pursuant to a public offer made in accordance with applicable Law.

32A. **Additional Exempted Transfers**

Notwithstanding anything else provided in these Articles, however subject to Article 27 (5) (a) of these Articles:

- (a) None of the restrictions contained under these Articles 27 to 31 shall apply in relation to Transfers of Pledged Shares by any Person under the Share Pledge Agreement and the Trustee shall be free to Transfer the Pledged Shares in accordance with the terms of the Share Pledge Agreement without any restriction set out in these Articles and without any prior approval of the Investors or any of the other Shareholders. No rights of preemption or other transfer restrictions, such as right of first refusal, tag along right, etc. which the Investor may have under the Agreement or under these Articles shall apply to the Pledged Shares. Notwithstanding anything else provided in these Articles, the Pledgor shall on listing of the Pledged Shares on the Stock Exchange pursuant to the IPO, pledge such additional Shares as required in accordance with the Share Pledge Agreement.
- (b) Except the provisions of Articles 27 to 31, none of the other restrictions in relation to the transferability of the Shares as contained under these Articles, including without limitations restrictions under Articles 22, 24 and 25 and Articles 36 to 41 shall apply in relation to Transfers of Encumbered Shares by any Person and such Person shall be free to Transfer the Encumbered Shares in accordance with the terms of the Share Pledge Agreement-I and/or

the Transaction Documents-I.

- (c) None of the restrictions contained under these Articles 27 to 31 shall apply in relation to Transfers of Called Shares by any Person under the Call Option Agreement and the Seller shall be free to Transfer the Pledged Shares in accordance with the terms of the Call Option Agreement without any restriction set out in these Articles and without any prior approval of the Investors or any of the other Shareholders. No rights of preemption or other transfer restrictions, such as right of first refusal, tag along right, etc. which the Investor may have under the Agreement or under these Articles shall apply to the Pledged Shares.

33.

- 1) The instrument of transfer of any share shall be in writing and executed by or on behalf of both the transferor and transferee.
  - 2) The transferor shall be deemed to remain a holder of the shares until the name of the transferee is entered in the register of members in respect thereof.
34. No fee shall be charged for transmission of shares, or for registration of any owner of attorney, probate, letters of administration or other similar documents. No fee shall also be charged for registration of transfers, consolidation or sub-division or for issue of new certificates in replacement of those, which are old, decrepit, worn out or where the pages on the reverse for recording transfers have been fully utilized.
35. The Board may appoint from time to time a sub-committee consisting of one or more Director(s) and/or one or more senior executive(s) of the Company to deal with matters relating to transfer/transmission of shares/debentures/other securities and such other matters incidental thereto with such powers and duties as the Board deems fit.

#### **TAG ALONG RIGHT**

36. The Investor shall have the right (the “**Tag Along Right**”) but not the obligation, to require the Promoters to cause the Transferee in a Transfer of Equity Securities to purchase from the Investor and/or its Affiliates, for the same consideration per Equity Security and upon the same terms and conditions as are to be paid and given to the Promoters and/or its Affiliates (except that the Investor and its Affiliates will not be required to make any representations or warranties except as provided in Article 40 or otherwise be liable for any indemnification (except in respect of their own breach)), such number of Equity Securities equal to Equity Securities proposed to be transferred (“**Sale Securities**”) multiplied by a fraction, the numerator of which is the total number of Equity Securities held by the Investor together with its Affiliates and the denominator of which is the total number of Equity Securities held by the Promoters together with its Affiliates. If the Investor holds Equity Securities in the form of Preference Shares, for the purpose of determining price for Transfer of such Preference Shares, the Preference Shares shall be deemed to be convertible into (i) 9.74% of the a Fully Diluted Share Capital, if the Tag Along Right is being exercised prior to the Investor Retention Determination Date, or (ii) Equity Shares representing the Investor Retention Entitlement, if the Tag Along Right is being exercised after the Investor Retention Determination Date.
37. If the Promoters and/or its Affiliates propose to make a Transfer of Equity Securities to a Transferee (in a single or series of related transactions) such that the aggregate Ownership of the Promoters together with its Affiliates would be less than 50.1% immediately upon the closing of such Transfer of the Equity Securities in accordance with Article 46, or if any Transferee acquires control (whether solely or jointly with the Promoters) of the Company, the Investor and its Affiliates shall be entitled to require the Promoters to in turn require the Transferee to acquire up to all of the Equity Securities held by the Investor together with its Affiliates at such time.
38. **Tag Along Notice**

Within 25 (twenty five) Business Days following the receipt of the Tag Along Notice, in the event the Investor and/or its Affiliates elects to exercise its Tag Along Right, it shall deliver a written notice of such election (“**Tag Along Notice**”) to the Promoters and/or its Affiliates (“**Tag Acceptance Notice**”) indicating the number of Equity Securities calculated in accordance with Article 36 or 37 that the Investor and/or its Affiliates proposes to Transfer to such Transferee (“**Tag Along Securities**”). Such notice shall be irrevocable and shall constitute a binding agreement by the Investor and/or its Affiliates to sell such Equity Securities on the terms and conditions set forth in the Tag Acceptance Notice. In the event the Investor fails to issue a Tag Acceptance Notice within the specified period of 25 (Twenty Five) Business Days following the receipt of the Tag Along Notice or rejects the Tag Along Notice, the Promoters and its Affiliates shall be free to transfer the Sale Securities at a term no less favourable than those specified in the Tag Along Notice within the time period specified under Article 31.

39. **Non-Consummation**

Where the Investor and/or its Affiliates have properly elected to exercise its Tag Along Right and the proposed Transferee fails to purchase Equity Securities from the Investor and/or its Affiliates, the Promoters and/or its Affiliates shall not make the proposed Transfer, and if purported to be made, such Transfer shall be void and the Company shall not register any such Transfer of Equity Securities.

40. **Closing**

The closing of any purchase of Equity Securities by the Transferee from the Investor and/or its Affiliates shall take place simultaneous with the closing of the purchase of Equity Securities by the Transferee from the Promoters and its Affiliates or at such other time and place as the Investor may agree in writing. At such closing, the Investor and/or its Affiliates shall deliver certificates representing the Tag Along Securities, accompanied by duly executed instruments of transfer or duly executed transfer instructions to the relevant depository participant. Such Tag Along Securities shall be free and clear of any Encumbrance (other than Encumbrances arising hereunder or attributable to actions by the Offerees), and the Investor and/or its Affiliates shall so represent and warrant and shall further represent and warrant that it is the beneficial and record owner of such Tag Along Securities. The Investor and its Affiliates shall not be required to make any other representations or warranties. Any Transferee purchasing the Tag Along Securities shall deliver at such closing (or on such later date or dates as may be provided in the Tag Along Notice with respect to payment of consideration by the proposed Transferee) payment in full of the total value of the consideration for the proposed transfer in accordance with the terms set forth in the Tag Along Notice, an executed Deed of Adherence and any requisite transfer taxes. At such closing, all of the parties to the transaction shall execute such additional documents as may be necessary or appropriate to effect the sale of the Equity Securities to the Transferee.

41. **Post-IPO Tag Along Right**

Notwithstanding anything mentioned in Article 36 to 40, the Investor shall not have a Tag Along Right in respect of any Transfer or sale of Equity Securities by the Promoters and/or its Affiliates anytime after the successful completion of an IPO and provided that such Transfer or sale of Equity Securities by the Promoters and/or its Affiliates together with prior Transfers or sales in the current Financial Year do not exceed 5% of the Share Capital. Without prejudice to Article 44 and 45, if such 5% threshold is exceeded in a Financial Year, then to the extent permissible under applicable Law, the Tag Along Right shall apply, unless such Equity Securities are sold in an IPO.

**INITIAL PUBLIC OFFERING, BUY BACK RIGHTS, ETC.**

42. **Initial Public Offering**

1) **IPO Period**

- a) An IPO should be conducted as soon as practicable and the Company shall make its best efforts to conduct an IPO within 5 (Five) years from the Funding Date (the “**Target Period**”), subject to compliance with Law including the guidelines and regulations of the Securities and Exchange Board of India (“**SEBI Regulations**”), and in accordance with the principles set forth in this Article 43(1), and the Promoters shall undertake best efforts to undertake an IPO within the Target Period. The terms and conditions of any IPO, including the size of the issue, price of the Equity Shares and related matters shall be as finalized by the Company with the prior consent of the Investor and the Promoters.
- b) Without prejudice to any other rights of the Investor under these Articles, if the IPO does not take place by or within 4 (Four) years of the Funding Date, the Investor shall have the right, but not the obligation, to inform and consult with the Company and the Promoters regarding its intention to initiate the IPO. If the Promoters, the Company and the Investor are unable to reach a joint agreement to initiate an IPO, then the Investor may, by way of a secondary offering of its Equity Shares to the public (subject to applicable Law) trigger an IPO by addressing a written notice in this regard to the Company. In such offer for sale the Investor shall have the right to require that its Equity Shares (including, subject to applicable Law, the Equity Shares issued to the Investor pursuant to conversion of the Preference Shares) are sold in an offer for sale as a part of the IPO. Further, in such offer for sale, the Company shall be obligated to issue fresh Equity shares comprising a minimum of 50% of the Equity Shares to be offered or issued in the IPO (“**Company IPO Obligation**”). In the event, after the Equity Shares (including, subject to applicable Law, the Equity Shares issued to the Investor pursuant to conversion of the Preference Shares) being offered by the Investor and the Equity Shares representing the Company IPO Obligation are less than what is required to be offered to meet the then existing mandatory initial public offer norms prescribed by any Governmental Authority, the balance shall be met either (i) by the Company by way of a fresh issuance of Equity Shares; or (ii) at the Promoters’ sole option, by an offering by the Promoters of its Equity Shares; or (iii) a combination of (i) and (ii), as may agreed between the Company and the Promoters. In such IPO, the Company and the Promoters shall take all necessary steps to effect an IPO of the Company within 12 (twelve) months of the said notice provided however that the Company shall seek the prior written consent of the Investor in respect of all the terms and conditions of such IPO. Further, in any such IPO, the Investor shall not be required to provide any information other than in relation to the Equity Shares being offered for sale.
- c) Without prejudice to the above, the Investor shall have the first right to require that such of its Equity Shares that are free of Encumbrances shall be sold in an offer for sale as a part of any IPO or subsequent public offering by the Company.

#### 44. **Advisors to IPO**

With the prior consent of the Investor, the Company shall retain leading reputed investment banks and underwriters to advise on the Company’s options with respect to the IPO. The Company and the Promoters shall take all such steps, and extend all such co-operation to each other and the lead managers, underwriters and others as may be required for the purpose of expeditiously making and completing the IPO including (i) preparing and signing the relevant offer documents; (ii) conducting road shows with adequate participation of senior management; (iii) entering into appropriate and necessary agreements; (iv) providing all necessary information and documents necessary to prepare the offer documents; (v) filing with appropriate regulatory authorities; and (vi) obtaining any necessary regulatory or other approvals in relation to the IPO. All expenses in relation to the IPO shall be borne by the Company, including without limitation all registration, filing and qualification fees, and printers, legal and accounting fees and disbursements.

#### 45. **Investor Not a Promoter**

Under no circumstances shall the Investor and its Affiliates be referred to or otherwise considered as a ‘promoter’ of the Company in connection with any IPO or any documents filed in connection

therewith. In the event of an IPO, the Company and the Promoters shall do all that is necessary, subject to applicable Law, to ensure that the Investor is not classified as 'promoter' of the Company and the Equity Securities held by the Investor and its Affiliates are not subject to any lock-in requirements as a 'promoter'.

**46. Buy Back of the Shares of the Company**

46.1 The Company may buy back any number of its issued and outstanding Shares and any other Securities, subject to such limits, upon such terms and conditions and subject to such approvals as may be required by applicable Law, provided such buy back is offered to all shareholders / security holders on a pro-rata basis.

46.2 Without prejudice to the provisions of Clause 46.1, the Company shall be entitled to buyback the Equity Securities of the Company after commencement of the First Buy Back Period. However, the Promoters and Other Shareholders shall not accept a buyback offer by the Company in respect of any of their Equity Securities without the prior consent of the Investor. The buy back of securities of the Company during the First Buy Back Period and the Second Buy Back Period shall be in accordance with and subject to the terms and conditions of Article 48.

**47. Acquisition Rights of the Promoters**

Notwithstanding anything contained herein in these Articles, the Promoters shall have an option to acquire or cause to be acquired from the Investor and/or its Affiliates, during the First Buy Back Period and the Second Buy Back Period, the Preference Shares or Equity Shares then held by the Investor in accordance with and subject to the terms and conditions of Article 48.

**BUY BACK OPTION**

48. The Company shall be entitled to buy back the Equity Securities of the Company (including those of the Investor) after the expiry of 60 months from the Funding Date in accordance with the terms specified in this Article 48, provided there has been no IPO. Further, the Promoters shall also be entitled to acquire the Equity Securities of the Investor after the expiry of 60 months from the Funding Date in accordance with the terms specified in this Article 48 provided there has been no IPO.

**1) Buy Back Option**

a) Subject to the terms and conditions of this Article 48 (1), the Company shall be entitled to offer to buyback the Equity Securities of the Company. However, the Promoters and Other Shareholders shall not accept a buyback offer by the Company in respect of any of their Equity Securities without the prior consent of the Investor.

b) The Company shall have an option (the “**Buy Back Option**”) to buy back from the Investor and/or its Affiliates, the Preference Shares or Equity Shares then held by the Investor in accordance with the terms and conditions of this Article 48. The Buy Back Option may be exercised by the Company only once in the First Buy Back Period (and any number of times during the Second Buy Back Period) by issuance of written notice to the Investor specifying its intention to trigger the Buy Back Option and the number of Equity Securities (“**Buy Back Securities**”) to be acquired within the First Buy Back Period or the Second Buy Back Period, as the case may be (“**Buy Back Initiation Notice**”). Subject to the provisions of Article 48 (2) below, a Buy Back Initiation Notice served by the Company pursuant to the above Article 48(1) (b) shall constitute a legally binding and irrevocable offer made by the Company to the Investor and/or its Affiliates for the buy back of the Buy Back Securities.

c) The Buy Back Option may be exercised by the Company at any time:

- (i) after the expiry of 60 (sixty) months from the Funding Date but prior to the expiry of 72 (seventy two) months from the Funding Date (“**First Buy Back Period**”); or



- (ii) after the expiry of 72 (seventy two) months from the Funding Date (“**Second Buy Back Period**”),

in each case, provided no IPO has been successfully consummated nor is being undertaken at the commencement of the First Buy Back Period or the Second Buy Back Period, as the case may be. The Company shall be entitled to exercise the Buy Back Option only during the First Buy Back Period or the Second Buy Back Period, as the case may be, and not at any time prior.

## 2) **Investor’s rights**

Within 30 (thirty) days of receipt of a Buy Back Initiation Notice, the Investor shall have the option (but not the obligation) to deliver a written notice to the Company (with a copy to the Promoters) of its intention to decline to tender any Equity Securities for buy back (“**Buy Back Rejection Notice**”), failing which the Investor shall be deemed to have accepted the offer made pursuant to the delivery of the Buy Back Initiation Notice. If the Investor issues a Buy Back Rejection Notice, the Company’s Buy Back Option in relation to the Buy Back Period during which the Buy Back Initiation Notice was delivered shall automatically lapse and cease to be available to the Company.

## 3) **Buy Back Exercise Notice**

- a) In the event the Investor accepts or is deemed to have accepted the concerned Buy Back Option, the Company shall be obliged to buy back all and not less than all of Buy Back Securities referenced in the Buy Back Initiation Notice within the relevant Buy Back Period. The Company shall be permitted to buy back the Buy Back Securities in one or more tranches, not exceeding 4 (four) tranches in all, each of which tranches shall constitute an offer to buy back at least 25% of the Equity Securities held by the Investor at as on the date of issue of the Buy Back Initiation Notice, and the buy back of all tranches must be completed within the Buy Back Period in which the Buy Back Initiation Notice was delivered.
- b) After acceptance or deemed acceptance by the Investor, the Company shall serve a written exercise notice to the Investor in respect of each tranche of buy back of the Buy Back Securities (the “**Buy Back Exercise Notice**”). The Buy Back Exercise Notice shall specify the date for consummation of the buy back of Preference Shares or Equity Shares, as the case may be, then held by the Investor, which date shall be no later than 30 (thirty) Business Days from the date of delivery the Buy Back Exercise Notice and the number of Buy Back Securities proposed to be bought back by the Company in that tranche.

## 4) **Buy Back Price**

The aggregate consideration payable by the Company to the Investor and/or its Affiliates for the Buy Back Option shall be as follows:

- a) for a Buy Back Option exercised within the First Buy Back Period, the First Buy Back Price per Equity Security mentioned in the Buy Back Exercise Notice; and
- b) for a Buy Back Option exercised within the Second Buy Back Period, the Second Buy Back Price per Equity Security mentioned in the Buy Back Exercise Notice, and, if an IPO Default Event has occurred, an additional amount in respect of each Equity Security calculated as follows:

$(IF+I)/N$ , Where:

‘IF’ is an amount of Rs. 1,50,00,000 (Rupees One Crore Fifty Lakhs only) ,

‘I’ is a gross amount equal to 10% (ten) percent per annum, compounded annually, on an amount of Rs. 1,50,00,000 (Rupees One Crore Fifty Lakhs only), calculated on a cumulative basis from the Funding Date upto the date of buy back of the Equity Security, and

'N' is the total number of Equity Securities being bought back.

5) **General**

Each of the Promoters and the Company shall undertake all such acts, deeds and things as may be necessary or desirable (including without limitation passing of all necessary board and shareholder resolutions) in order to ensure consummation of the Buy Back Option in the accordance with the provisions of this Article 48.

6) **Acquisition Option**

- a) Subject to the terms and conditions of this Article 48 (6), the Promoters shall be entitled to offer to purchase the Equity Securities of the Company.
- b) The Promoters shall have an option (the "**Acquisition Option**") to purchase from the Investor and/or its Affiliates, the Preference Shares or Equity Shares then held by the Investor in accordance with the terms and conditions of this Article 48. The Acquisition Option may be exercised by the Promoters only once in each of the First Buy Back Period (and any number of times during the Second Buy Back Period) by issuance of written notice to the Investor specifying its intention to trigger the Acquisition Option and the number of Equity Securities ("**Acquisition Securities**") to be acquired within the First Buy Back Period or the Second Buy Back Period, as the case may be ("**Acquisition Initiation Notice**"). Subject to Article 48 (7) below, an Acquisition Initiation Notice served by the Promoters pursuant to the above Article shall constitute a legally binding and irrevocable offer made by the Promoters to the Investor and/or its Affiliates for the purchase of the Acquisition Securities.
- c) The Acquisition Option may be exercised by the Promoters at any time during the First Buy Back Period or the Second Buy Back Period, in each case, provided no IPO has been successfully consummated nor is being undertaken at the commencement of the First Buy Back Period or the Second Buy Back Period, as the case may be. The Promoters shall be entitled to exercise the Acquisition Option only during the First Buy Back Period or the Second Buy Back Period, as the case may be, and not at any time prior.

7) **Investor's rights**

Within 30 (thirty) days of receipt of an Acquisition Initiation Notice, the Investor shall have the option (but not the obligation) to deliver a written notice to the Promoters (with a copy to the Company) of its intention to decline to tender any Equity Securities for acquisition ("**Acquisition Rejection Notice**"), failing which the Investor shall be deemed to have accepted the offer made pursuant to the delivery of the Acquisition Initiation Notice. If the Investor issues an Acquisition Rejection Notice, the Promoters' Acquisition Option in relation to the Buy Back Period during which the Acquisition Initiation Notice was delivered shall automatically lapse and cease to be available to the Promoters.

8) **Acquisition Exercise Notice**

- a) In the event the Investor accepts or is deemed to have accepted the concerned Acquisition Option, the Promoters shall be obliged to purchase all and not less than all of Acquisition Securities referenced in the Acquisition Initiation Notice within the relevant Buy Back Period. The Promoters shall be permitted to purchase the Acquisition Securities in one or more tranches, not exceeding 4 (four) tranches in all, each of which tranches shall constitute an offer to purchase at least 25% of the Equity Securities held by the Investor as on the date of issue of the Acquisition Initiation Notice, and the purchase of all tranches must be completed within the Buy Back Period in which the Acquisition Initiation Notice was delivered.
- b) After acceptance or deemed acceptance by the Investor, the Promoters shall serve a written exercise notice to the Investor in respect of each tranche of purchase of the Acquisition Securities (the "**Acquisition Exercise Notice**"). The Acquisition Exercise Notice shall specify the date for consummation of the purchase of Preference Shares or Equity Shares, as the case may

be, then held by the Investor, which date shall be no later than 30 (thirty) Business Days from the date of delivery the Acquisition Exercise Notice and the number of Acquisition Securities proposed to be bought by the Promoters in that tranche.

**9) Acquisition Price**

The aggregate consideration payable by the Promoters to the Investor and/or its Affiliates for the Acquisition Option shall be as follows:

- a) for an Acquisition Option exercised within the First Buy Back Period, the First Buy Back Price per Equity Security mentioned in the Acquisition Exercise Notice; or
- b) for an Acquisition Option exercised within the Second Buy Back Period, the Second Buy Back Price per Equity Security mentioned in the Acquisition Exercise Notice and, if an IPO Default Event has occurred, an additional amount in respect of each Equity Security calculated as follows:

$(IF+I)/N$ , Where:

‘IF’ is an amount of Rs. 1,50,00,000 (Rupees One Crore Fifty Lakhs only),

‘I’ is a gross amount equal to 10% (ten) percent per annum, compounded annually, on an amount of Rs. 1,50,00,000 (Rupees One Crore Fifty Lakhs only), calculated on a cumulative basis from the Funding Date upto the date of purchase of the Equity Security, and

‘N’ is the total number of Equity Securities being purchased.

The Investor shall duly transfer the Equity Securities as specified in the Acquisition Exercise Notice simultaneously with the receipt of the First Buy Back Price or Second Buy Back Price (as the case may be) per Equity Security mentioned in the Acquisition Exercise Notice, for all Equity Securities mentioned in the Acquisition Exercise Notice.

**10) General**

Each of the Promoters and the Company shall undertake all such acts, deeds and things as may be necessary or desirable (including without limitation passing of all necessary board and shareholder resolutions) in order to ensure consummation of the Acquisition Option in the accordance with the provisions of Article 48 (6) to Article 48 (10).

If the Company has exercised the Buy Back Option during the First Buy Back Period or the Second Buy Back Period, as the case may be, then the Promoters shall no longer be entitled to exercise the Acquisition Option during the First Buy Back Period and the Second Buy Back Period respectively, and *vice-versa*, unless otherwise agreed in writing by the Company, the Investor, the Other Shareholders and the Promoters.

48A . Notwithstanding anything contained in these Articles, upon the Company repaying the entire Advance Payment and the Company Fee to the Investor or Affiliate of the Investor, as the case may be, in terms of the Agreement, the Individual Promoters and the Company shall be entitled, without requirement of any approval from the Investor to amend the Charter Documents in such manner as the Individual Promoters and the Company, may deem fit,

**49. Promoter Entitlement**

In consideration of the investment opportunity provided by the Promoters to the Investor, the Investor has granted the Promoters an option to acquire the Promoter Entitlement in accordance with and subject to the terms and conditions of this Article 50.

**1) Notification of Transfer Price**

The Investor shall be required to inform the Promoters (by delivering a notice to the Promoters) of the price at which the Investor transfers any Equity Shares or Preference Shares, expressed in United States Dollars based on the exchange rate realised by the Investor at the time of Transfer (“**Transfer Price**”) to any person other than (i) an Affiliate of the Investor or (ii) the Promoters, their respective affiliates or any one or more of them, or (iii) the Company, pursuant to an offer made by the Company to buy back its Equity Securities.

## 2) **Promoter notice**

- a) The Promoters shall be entitled to deliver a notice (“**Promoter Entitlement Notice**”) to the Investor at any time after (i) at least 5 years have passed after the Funding Date, or (ii) at least one year has passed after an IPO has been completed, whichever occurs later, provided the Company’s Equity Shares are listed on one or more Stock Exchanges as on the date of the Promoter Entitlement Notice, and provided further that the aggregate market value of the Equity Shares then held by the Investor (based on the price at which the Equity Shares are traded on the Stock Exchange), when expressed in United States Dollars (converted on the basis of the United States Dollars – Rupee exchange rate prevailing as on the date of the Promoter Entitlement Notice), is at least 3.5 (three point five) times of “x”, where “x” is the actual total amount invested by the Investor (expressed in United States Dollars based on the USD Exchange Rate) *less* distributions. The Promoter Entitlement Notice shall include details of the proportion in which Compensation Shares should be transferred to the respective Promoters, together with details of the demat accounts of the respective Promoters. The Promoters shall be entitled to deliver only one Promoter Entitlement Notice.

For the purpose of the above Article, the term “distributions” means the amount of dividend and other cash distributions paid to and received by the Investor and/or its Affiliates in respect of the Equity Securities from the Completion Date upto the date of the Promoter Entitlement Notice; and (b) a gross amount equal to 28% (twenty eight) percent per annum, compounded annually, on the amounts referred to in (a), calculated on a cumulative basis from the respective dates of receipt of such amounts upto the date of the Promoter Entitlement Notice.

- b) For a period of 30 days from the date of receipt of the Promoter Entitlement Notice, the Investor shall be entitled to determine whether or not to sell the Equity Shares held by it. The Investor shall inform the Promoters of their decision in this regard by or before the end of the 30th (thirtieth) day from the date of receipt of the Promoter Entitlement Notice.
- c) The Promoters shall be entitled to receive upto a maximum of such number of Equity Shares as represent the difference between the Investor Retention Entitlement and 7.59% of Fully Diluted Share Capital from the Investor (“**Compensation Shares**”), and the Investor shall be obliged to transfer Compensation Shares to the Promoters, if and to the extent Compensation Shares result from the following formula:

$$CS = (E*45/100) / ATP, \text{ where}$$

CS is the number of Compensation Shares; E is the Excess; and  
ATP is the Average Transfer Price.

For the purposes of the above calculation, in the event the Investor transfers Equity Shares during the Sale Window, the Average Transfer Price shall be calculated as the weighted average of the Transfer Price realised by the Investor during the Sale Window. In the event the Investor does not transfer Equity Shares during the Sale Window, the Average Transfer Price shall be calculated as the average trading price of the Equity Shares of the Company on the National Stock Exchange during the Sale Window.

- d) Within a period of 21 (twenty one) Business Days following the end of the Sale Window, the Investor shall be required to transfer Compensation Shares (if any) to the Promoters in consideration of the investment opportunity granted to the Investor by the Promoters and for nominal additional consideration which shall be mutually agreed between the Promoters and the Investor, but which shall not, in any event, exceed Rs. 1,000 in the aggregate (“**Agreed Price**”).

The Investor's obligation in this regard shall be deemed to be satisfied if the Investor takes such actions as are required by applicable Law to be taken by a seller of Equity Shares. The Investor has agreed and accepted that the consideration for acquisition of the Compensation Shares is sufficient and adequate.

- e) Irrespective of whether or not a Promoter Entitlement Notice has been delivered, the Investor shall be obliged to transfer to the Promoters, Equity Shares representing the Compensation Shares for the Agreed Price, at all times after the aggregate Transfer Price realised by the Investor and notified to the Promoters in accordance with Article 50(1) above is greater than the MMOIC, provided however that the maximum number of Equity Shares that the Investor shall be required to thus transfer to the Promoters shall not exceed such number of Equity Shares as represent the difference between the Investor Retention Entitlement and 7.59% of the Fully Diluted Share Capital. The number of Compensation Shares to be transferred by the Investor to the Promoters shall be calculated in accordance with the formula under Article 50(2)(c) above, except that the Average Transfer Price shall be the weighted average Transfer Price.
- f) All Distributions received by the Investor shall be taken into account for computing the MMOIC.
- g) If the Investor has transferred any Compensation Shares to the Promoters in accordance with Article 50(2)(d) above, then the Investor shall have no liability or responsibility to transfer any Compensation Shares pursuant to Article 50(2)(e) above. Similarly, if the Investor has transferred any Compensation Shares to the Promoters in accordance with Article 50(2)(e) above, then the Investor shall have no liability or responsibility to transfer any Compensation Shares pursuant to Article 50(2)(d) above.
- h) All Taxes, costs, charges and expenses to be borne in connection with the transfer of Compensation Shares shall be borne by the Promoters and (ii) it shall be the responsibility of the Promoters to ensure that all filings and notifications in connection with the transfer of the Compensation Shares are completed and that all approvals and consents required under applicable Law in connection with the transfer of the Compensation Shares are obtained. Provided that the Investor shall provide all requisite assistance and execute all necessary deeds and documents that may be required by the Promoters for obtaining such approvals.

### **CALLS ON SHARES**

- 50. 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 make such calls as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Board. The Board shall determine the period of notice to be given to the members, the value of the call payable and the time period within which such call is payable and the persons to whom such calls is payable.
  - a) A call shall be deemed to have been made at the time when the resolution of the board authorizing the call was passed and may be required to be paid in installments.
  - b) The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 51. 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, whom by reason of their residing at a distance of other cause. The Board may deem fairly entitled to such extension but no member shall be entitled to such extension.
- 52. If a 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 till the time of actual payment at such rate as shall from time to time be fixed by the Board, but nothing in this Article shall render it compulsory from the board to

demand or recover any interest from any such member.

53. A Call may be revoked at the discretion of the Board.

- a) The board may, if it thinks fit, receive from any member willing to advance the same, all or any apart of the monies uncalled and unpaid upon any shares held by him and
- b) Upon all or any of the monies so advanced may (until the same would, but for such advance become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct and subject to applicable Law, 6% per annum, as may be agreed upon between the board and the member paying the sum in advance.

55A. No Liability for Calls

Nothing in the Share Pledge Agreement shall be construed as placing on the Debenture Trustee or any Debenture Holder any liability whatsoever in respect of any calls, contributions, installments or other payments relating to any Collateral or to any rights, shares or other securities accruing, offered, distributed, paid or arising as aforesaid.

**FORFEITURE OF SHARES**

54. If a member fails to pay any call, or installment of call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remain unpaid, serve a notice on him requiring payment of so much call or installment as is unpaid, together with any interest which may have accrued.
55. The notice aforesaid shall:
- a. Name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
  - b. State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made will be liable to be forfeited
56. If the requirements of any such notice as aforesaid are not complied with, any shares in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
57. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
58. At any time before a sale or disposed as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
59. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all money, which at the date forfeiture, were presently payable by him to the Company in respect of the shares.
60. The liability of such person shall cease if and when the Company shall have received the payment in full of all such moneys in respect of the shares.
61. A duly verified declaration in writing that the declarant is a Director, the Manager, or the Secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.
62. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the persons to whom the share is sold or disposed of.
63. The transferee shall thereupon be registered as the holder of the share.
64. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the shares.
65. The provisions of these Articles as to forfeiture shall apply in the case of nonpayment of any sum which by the terms of issue of share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the sum had been payable by virtue of a call duly made and notified

## PRE-EMPTIVE RIGHTS

66. The Company shall not, at any time prior to an IPO, issue any securities (including any Equity Securities) of any type or class to any Person (the “**Proposed Recipient**”) unless the Company has offered each Shareholder in accordance with the provisions of this Article 69 the right to purchase / subscribe to such Shareholder’s Pro Rata Share of such issuance for a per unit consideration, payable solely in cash, equal to the per unit consideration to be paid by the Proposed Recipient and otherwise on the same terms and conditions as are offered to the Proposed Recipient; provided, however, that the foregoing restriction shall not apply to any issuance of Equity Securities (i) to the Investor pursuant to the exercise of the Conversion option attached to any of the Preference Shares, (ii) pursuant to the terms of an employee stock option plan (the terms of which have been mutually agreed between the Investor, Promoters and Company) provided that such issuance of Equity Securities do not exceed in the aggregate 5% of the pre-Completion Share Capital on a Fully Diluted Basis, (iii) upon the conversion, exercise or exchange of options, warrants or convertible securities issued on or after the date of these Articles in accordance with the terms hereof, (iv) in an IPO approved by the Board in accordance with this Article.

67. **Notice**

Not less than 45 (Forty Five) Business Days before a proposed issuance of securities by the Company other than in connection with an issuance permitted under Article 69(i), (ii) and (iii) (a “**Proposed Issuance**”), the Company shall deliver to each Shareholder written notice of the Proposed Issuance setting forth (i) the number, type and terms of the securities to be issued, and (ii) the consideration to be received by the Company in connection with the Proposed Issuance, and (iii) the identity of the Proposed Recipients.

68. **Exercise of Rights**

Within 30 (Thirty) Business Days following delivery of the notice referred to in Article 70, each Shareholder electing to exercise its rights under Articles 69 to 71 shall give written notice to the Company specifying the number of securities to be purchased by such Shareholder and the calculation by such Shareholder of its Pro Rata Share. Except as provided in the next succeeding sentence, failure by any Shareholder to give such notice within such 30 (Thirty) Business Day period shall be deemed a waiver by such Shareholder of its rights under Article 69 to 72 with respect to such Proposed Issuance. If any Shareholder fails to give the notice required under this Article 71 solely because of the Company’s failure to comply with the notice provisions of Article 70, then the Company shall not issue securities pursuant to Article 69 to 72 and if purported to be issued, such issuance of securities shall be void. A Shareholder may assign to its Affiliate the right to acquire the securities pursuant to Article 69 to 72, provided that such Affiliate complies with the provisions of Article 23 as if it were a Permitted Transferee.

69. **Failure to Subscribe**

Subject to the Company’s compliance with the notice provisions of Article 70, in the event that any Shareholder (a “**Non-Subscribing Shareholder**”) notifies the Company that it declines to exercise its right to subscribe to its Pro Rata Share of the Proposed Issuance, in part or in whole, is deemed to have waived its right in accordance with Article 71, or fails to settle the payment of the consideration required for the Proposed Issuance within the 45 (Forty Five) Business Day period following delivery of the notice referred to in Article 71 (except where such period is extended for an additional period necessary to obtain any Governmental Approvals required for such subscription and payment), the other Shareholders shall be entitled to subscribe to such securities not subscribed to by any Non-Subscribing Shareholder, consistent with applicable Law.

## ANTI-DILUTION RIGHTS

70. In the event the Company proposes to issue any Equity Securities to any Person(s) anytime prior to an IPO or undertake any such action which results in issuance of Equity Securities at a valuation



less than the valuation on the basis of which the Investor has subscribed to the Equity Securities of the Company, the Investor shall be entitled to receive additional Equity Securities from the Company, at the lowest price per security permissible such that the original subscription price of the Investor is reduced to the price at which such securities are proposed to be issued.

71. For the purposes of the aforesaid Article 73, if such issuance is before Investor Retention Determination Date, the Investor shall be deemed to have subscribed to Equity Shares of the Company at a value of Rs. 4,240 (Rupees Four Thousand Two Hundred and Forty only) per Equity Share at Completion. If the issuance is after Investor Retention Determination Date, the Investor shall be deemed to have subscribed to Equity Shares of the Company on the basis of the valuation per Equity Share arrived at pursuant to the Investor Retention Entitlement.
72. Provided that nothing in Articles 73 to 75 shall apply to any issuance or proposed issuance of any Equity Securities:
  - i. to the existing Shareholders or its Affiliates; or
  - ii. pursuant to the terms of an employee stock option plan (the terms of which have been mutually agreed between the Investor, Promoters and Company) provided that such issuance of Equity Securities do not exceed in the aggregate 5% of the pre-Completion Share Capital on a Fully Diluted Basis).

#### **GENERAL MEETINGS**

73. All general meetings other than annual general meetings shall be called extra-ordinary general meetings. The Board shall have the authority to convene all general meetings, including the annual general meetings and the extra-ordinary general meetings of the Company and fix the date, time, place and agenda of such meetings.
74. All members of the Company who are body corporate shall appoint any one or more persons to represent such members at the general meetings of the Company, such members should notify the Company of its representatives by duly filing with the Secretary of the Company, a copy of the document appointing the representative.
75. Subject to the provisions of the Act, all Shareholders Meetings shall require a quorum of at least 5 (Five) Shareholders present in person or through their representative; provided, however, that after Completion Date such quorum must always include a duly appointed representative of the Investor and the Promoters. If such quorum is not present within half hour from the time appointed for the meeting, the meeting shall a period of seven (7) calendar days at the same time and place or to such other day and at such other time and place as the Directors may determine thereafter as the chairman may determine after prior consultations with the Investor Director.

An adjourned Shareholder Meeting shall be deemed to have been appropriately convened in accordance with this Article only if a written notice of the date of such adjourned Shareholder Meeting shall have been delivered to all Shareholders at least 5 (five) Business Days prior to the date of such adjourned Shareholder Meeting.

76. In the absence of a valid quorum at such second adjourned meeting, the Shareholders present in person or through their representative thereat shall, notwithstanding anything to the contrary herein contained, constitute a quorum and all business transacted thereat shall be regarded as having been validly transacted provided, however, that in any such adjourned meeting, no decision in respect of any matter listed under Article 122 shall be taken in respect of the Company unless the representative of the Investor is present and consents to such decision.
77. In the event the Investor is unable to send a representative to attend an adjourned Shareholder Meeting at which a decision relating to a matter specified under Article 122 is proposed to be discussed in accordance with the agenda circulated prior to the originally scheduled Shareholder Meeting, the

Investor shall be entitled to provide a written notice to the Company at any time prior to the commencement of the adjourned Shareholder Meeting, directing that no matter(s) specified under Article 122 shall be discussed or decided on at such adjourned Shareholder Meeting. Upon issue of such notice by the Investor (or on behalf of the Investor), the Board shall not be entitled to consider any matter specified under Article 122 at such adjourned Shareholder Meeting (or any other subsequent adjourned meeting), provided that in the event no notice is issued by the Investor (or on its behalf), the Shareholders present at the adjourned Shareholder Meeting shall be entitled to consider and decide on a matter specified under Article 122 at such adjourned Shareholder Meeting or any other subsequent adjourned meeting (only if and to the extent such matter was disclosed in the agenda circulated for the original Shareholder Meeting).

78. During the period between the Funding Date and Completion Date, where any resolution is sought to be passed at the Shareholder Meeting in respect of any matter specified under Article 122, then such matter shall be presented at the Shareholders Meeting only if the same has been approved by the nominee Director of the Investor at a Board Meeting.
79. The chairman, if any, of the Board shall preside as chairman at every general meeting of the Company.
80. If there is no such chairman or if such chairman is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman of the meeting the Directors present shall elect one of their number to be chairman of the meeting. If at any meeting no Director is willing to act as chairman or if no Director is present within fifteen minutes after the time appointed for holding the meeting the members present shall choose one of their number to be chairman of the meeting.
81. **Complete Effect**

Each Shareholder shall vote its Equity Shares at any general or extraordinary general meeting of the Shareholders or matters required to be voted by way of a postal ballot (a “**Shareholders Meeting**”), and shall take all other actions necessary, to give effect to the provisions of these Articles. In addition, each Shareholder shall vote its Equity Shares at any Shareholders’ Meeting upon any matter submitted for action by the Shareholders or with respect to which the Shareholders may vote and shall cause its Directors on the Board to vote, in conformity with the specific terms and provisions of these Articles to the extent legally permissible to give complete legal effect to the provisions of these Articles. The Company, the Investor, the Other Shareholders and the Promoters shall use their best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary or desirable under Law to consummate or implement expeditiously the transactions contemplated by, and these Articles and understanding contained in these Articles. The Shareholders shall vote their Equity Shares and shall take all other action necessary or required, to ensure that at all times the Charter Documents or the charter documents of the relevant Material Subsidiary, as the case may be, facilitate, and do not conflict with, the provisions of these Articles, and require the approval of the Company or the Board in order for each of the actions set out on Article 122 to be taken by such Material Subsidiary.

## VOTING

82. Subject to any rights or restrictions for the time being attached to any class or classes of shares, and subject to the provisions of these Articles (including Article 122)-
- a) On a show of hands, every member present in person shall have one vote:
  - and
  - b) On a poll the voting rights of members shall be as laid down in Section 87 of the Act.
83. Subject to the provisions of these Articles (including Article 122), at any general meeting a resolution put to vote at the meeting shall be decided either by show of hands or by way of a poll.
84. In the case of an equality of votes the chairman of the meeting shall not be entitled to any second or casting vote.

85. Votes may be given either personally or by proxy. No member shall be entitled to be present or to vote either personally or otherwise at any General Meeting or upon a poll or to be reckoned in a quorum unless all calls or other sums presently payable by him or her in respect of the shares in the Company have been paid 7 days prior to the date of General Meeting. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares have been paid in the Company.
86. The instrument of appointment of a proxy shall be in the form prescribed by the Act or in a form as near thereto as circumstances admit and shall be signed by the appointer. The instrument shall be deposited at the registered Office of the Company not less than 48 hours before the time for holding of the General Meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.

89A. Voting Rights and Dividends on the Pledged Shares

89A.1 So long as no Event of Default has occurred and is continuing, subject to the provisions of the Transaction Documents:

- (i) the Pledgor shall be entitled to exercise any and all voting and other consensual rights pertaining to the Pledged Shares or any part thereof except the right to sell, transfer, assign, charge, pledge or otherwise encumber the Collateral and for all or any part thereof for any purpose not in violation of or inconsistent with any of the terms of the Share Pledge Agreement or any other Transaction Documents provided that the Pledgor agrees that it will not vote in any manner that is inconsistent with the terms of the Share Pledge Agreement or the Transaction Documents, or which would give rise to an Event of Default, and will not vote in favour of any resolution which would have the effect of altering the rights of the Debenture Trustee hereunder or under any of the Transaction Documents or the terms of the Pledged Shares or any rights attaching to the Pledged Shares in any way. All such rights of the Pledgor to vote shall cease forthwith upon the occurrence of an Event of Default and the provisions of Article 89A.2 shall apply; and
- (ii) the Pledgor shall be entitled to receive and retain any and all dividends and other distributions paid in respect of the Pledged Shares, provided, however, that any and all:
  - (A) dividends paid or payable and/or other distribution made other than in cash in respect of, and instruments, securities and other property received, receivable or otherwise distributed in respect of, or in exchange for, any Pledged Shares;
  - (B) dividends and other distributions paid or payable in cash in respect of or in connection with any liquidation or dissolution or amalgamation or in connection with a reduction of capital of the Company;
  - (C) dividends paid by the Company in contravention of the Transaction Documents; and
  - (D) cash paid, payable or otherwise distributed in respect of principal of, or any buy-back of, or in exchange for, any Pledged Shares,

shall (whether or not an Event of Default shall have occurred and be continuing) be forthwith delivered in the same form as received (with any necessary endorsement) to the Debenture Trustee to be held as part of the Collateral and shall, if received by the Pledgor, be received and held by the Pledgor in trust for the Debenture Trustee for the benefit of the Debenture Holders and shall be segregated from the other property and funds of the Pledgor.

89A.2 Notwithstanding anything else provided in these Articles, upon the occurrence of and during the continuance of an Event of Default:

- (i) The rights of the Pledgor, to exercise or refrain from exercising the voting and other consensual rights and the right to receive dividends and other distributions that it would otherwise be entitled to exercise or receive and retain pursuant to Article 89A.1 above shall cease, and all such rights shall be vested in the Debenture Trustee, who shall thereupon have the sole right to exercise or refrain from exercising such voting and other consensual rights and for this purpose, to attend any general meeting of members or meeting of any class of members of the Company, and to receive such dividends and distributions in respect of the Pledged Shares.
- (ii) All dividends received by a Pledgor shall be held by the Pledgor upon trust for the benefit of the Debenture Trustee, and shall be kept segregated from other funds of the Pledgor and shall be made over to the Debenture Trustee in the same form as received (with any necessary endorsement).

### **BOARD OF DIRECTORS**

- 87. The following persons shall be the first directors of the Company.  
 1.Sri Prabhakara Rao Mandava 2.Smt. Mandava. Asha Priya  
 3.Dr. Sateesh Kumar Puligundla
- 88. The Directors may allow and pay to any Director who is not bonafide resident of the place where a meeting is held and who shall come to such place for the purpose of attending the meeting, such sum as the Board may consider fair compensation of traveling, hotel and sitting fees and other expenses properly incurred by him:  
 A. in attending and returning from meetings of the Board or any committee, or of share holders; or  
 B. in connection with the business of the Company
- 89. The Directors may, subject to applicable restrictions if any, under applicable Law, be remunerated separately for the performance of special or executive duties approved from time to time by the Board but not exceeding that permitted under Section 309 of the Act and such remuneration may be either in addition to or in substitution for his share in the remuneration above provided.
- 90. A Director shall not be required to hold any shares in the share capital of the Company as his qualification shares.
- 91. The Company may exercise the powers conferred by Section 49 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the Board.
- 92. The Company may exercise the powers conferred on it by Section 156 and 157 of the Act with regard to the keeping of a foreign register, and the Board may (subject to the provisions of those sections) make and vary such regulations as it may deem proper respecting the keeping of any such register.
- 93. All cheques, promissory notes, drafts, hundies, bills of exchange and other negotiable instruments and all receipts for monies paid to the Company, shall signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine subject to the provisions of these Articles.
- 94. Every Director present at the Meeting of the Board or committee thereof shall sign his name either in the minute's book or any book kept for that purpose.
- 95. a. Subject to the provisions of these Articles, the Board shall have power at any time and from time to time, to appoint a person as an additional Director provided the number of the Directors and additional Directors together shall not hold at any time exceed the maximum strength fixed for the Board by these Articles.

- b. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act.
- 96. A Director may at any time and the Secretary, of the Company, if any, upon the request of a Director, shall summon a meeting of the Directors.
- 97. Subject to the provisions of these Articles, the Board may appoint, from time to time one or more of their number to the office of the Managing Director or Joint managing Director or whole time Director or deputy managing Director or executive Director or manager for such terms and on such remuneration (whether by way of salary or commission, or partly in one and partly in another) as they may think fit. The Directors so appointed shall not while holding that office be subject to retirement by rotation or taken into account in determining the rotation of retirement of Directors but their appointment shall be subject determination ipso if they cease from any cause to be Director or if the Company in general meeting resolve that their tenure of the office of Managing Director or Joint

managing Director or whole time Director or deputy managing Director or executive Director or manager be determined.

98. Subject to the provision of the Act and the provisions of these Articles, the Board may from time to time entrust and confer upon the Managing Director for the time being such of the powers exercisable under these presents by the Directors as it may think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient and they may 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, withdraw, revoke, alter or vary all or any of the said powers.
99. Subject to the provisions of Section 314 of the Act and the provisions of these Articles, the Directors may choose one or more among themselves as whole time Directors / executive Directors who would be in charge of branches or of separate departments of the Company or who may be called upon to perform extra services for the Company and they shall be paid such remuneration as may be decided by the Board.
100. Any Director, being willing shall be called upon to perform extra services or to make any special exertion for any of the purposes of the Company or in giving special alteration to the business of the Company or as member of a committee of the Board. The Board may subject to the Section 314 of the Act, remunerate the Director so doing either by fixed sum or by percentage of profits or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled.
101. Nominee Directors from Financial Institutions such as IFCI, LIC, UTI and Banks shall be inducted on to the Board if any Nominee from the above FI's/Banks are appointing by the lenders and such Nominee Directors so appointed shall hold office so long as any monies remain owing by the Company to the said FI's/Banks.

The said nominee Directors appointed under these Article shall be entitled to receive all notices of and attend all General Meeting, Board Meetings and Meetings of the Committee or which the Nominee Director/s is/are member/s as also the minutes of such meeting The Corporation also shall be entitled to receive all such notices and minutes. Such Nominee Directors shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Corporation.

102. **Authority of the Board**

Subject to the provisions of these Articles and the Act, the Board shall be responsible for the management, supervision, direction and control of the Company and, as a holding Company, its Subsidiaries. Subject to the provisions of these Articles, the Board shall be entitled to delegate powers to such persons and such committees that the Board may create to assist it in its business strategy and objectives.

Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

103. **Size of the Board**

- 1) Unless otherwise determined by the Company in a General Meeting, and subject to the provisions of the Act, the Board shall consist of at least three (3) Directors but no more than twelve (12) Directors or such maximum number of Directors as may be prescribed in the Act.. The Investor and its Affiliates shall have the right to nominate 1 (one) Director ("**Investor Director**") provided that such right shall be transferable, directly or indirectly, by the Investor to one or more of its Affiliates. The Investor Director shall be a Director whose office is not capable of being vacated by retirement or by rotation.

- 2) The Promoters and their Affiliates shall have the right to nominate 2 (two) non-retiring Directors (“Promoter Directors”) provided that such right shall always be exercised only by Mr. M. Prabhakara Rao. All other Directors nominated by the Promoters and their Affiliates shall be liable to retire or rotation if required under applicable Law.
- 3) The Promoters and their Affiliates shall have the right to nominate 2 (two) non-retiring Directors (“**Promoter Directors**”) provided that such right shall always be exercised only by Mr. M. Prabhakara Rao. All other Directors nominated by the Promoters and their Affiliates shall be liable to retire by rotation if required under applicable Law.
- 4) Subsequent to an IPO, the Promoters shall ensure that the Company appoints, and the Company shall appoint at all times such number of Independent Directors to the Board as required under applicable Law. Provided that the maximum number of Directors constituting the Board shall be increased to such number as may be required to appoint the Independent Directors under applicable Law in addition to the Investor Director and the Promoter Directors. Notwithstanding anything specified in Article 106(1) and (2), the Company shall be entitled to nominate Independent Directors on the Board of the Company even before the IPO.

104. **Election of Directors**

The Promoters, the Investor and their respective Affiliates shall each exercise its votes in relation to all the Equity Securities held by it at any Shareholders Meeting called for the purpose of filling the positions on the Board or in any decision of the Board for such purpose to elect, and shall take all other actions necessary to ensure the election to the Board of such number of Directors as specified in Article 106.

105. **Invitee**

The Investor shall be entitled to appoint one nominee (“**Invitee**”) as an observer to all meetings of the Board, each committee thereof and ExCo. For the avoidance of doubt, the Invitee shall not be a Director and shall have no rights or obligations as that of a Director.

- 1) The Invitee shall not be deemed to be an employee, consultant, contractor, Director, partner or associate of the Company nor shall such the Invitee incur any liability, duties or functions in any such capacity.
- 2) The Invitee shall be entitled to participate in the discussions at all such meetings and due consideration shall be provided to the opinion of such Invitee.

106. **Executive Committee**

- 1) The Board of the Company shall form an executive committee (“**ExCo**”) as a committee of the Board as soon as practicable after Funding.
- 2) The ExCo shall consist of a total of 4 members, comprising 1 Promoter Director, the Investor Director, the Chief Executive Officer and the Chief Financial Officer. Prior to any of the following matters being referred to the Board, the ExCo shall meet and consider such matters, and shall recommend an appropriate course of action to the Board:
  - a) any proposal relating to the acquisition of any material business, whether by way of an acquisition of assets, or shares or a merger or amalgamation or otherwise;
  - b) entering into any partnership or joint venture arrangement with any other Person in relation to any business;
  - c) undertaking any project or activity that involves capital expenditure in excess of Rs. 25,00,00,000 (Rupees Twenty Five Crores);
  - d) appointment, removal or changes to the office of the Chief Executive Officer and the Chief

- Financial Officer;
- e) change in the statutory auditors of the Company; and
- f) preparation, adoption or modifications to any Business Plan.

- 3) All decision to be taken at the ExCo shall require the affirmative vote or consent of the Investor Director and the Promoter Director.
- 4) The provisions of Articles 111 to 118 (both inclusive) shall, insofar as they apply to the Board, also apply *mutatis mutandis* to the ExCo in the same manner and to the same extent as they apply to the Board.

#### 107. **Board Committees**

In the event any committee(s) is/are formed by the Board (including but not limited to in respect of audit and remuneration matters), the Investor shall have the right to, and the Company shall, appoint the Investor Director in addition to the Promoter Directors, as a member of such audit and remuneration committee(s) and shall invite the Invitee to meetings of such audit and remuneration committees of the Board. The provisions of Articles 111 to 118 shall, insofar as they apply to the Board, also apply to such other committees of the Board, in the same manner and to the same extent as they apply to the Board.

- a. A committee may elect a chairman of its meetings.
- b. If no such chairman is elected, or if at any meeting the chairman is not present within fifteen minutes after the time appointed for holding the meeting.

#### 108. **Removal and Replacement of Directors**

- 1) The Investor Director shall be removed from the Board, with or without cause, upon, and only upon, the affirmative vote of the Investor. Each Shareholder shall exercise its vote in relation to the Equity Securities of the Company controlled by it for the removal of the Investor Director upon the written request of the Investor. Except in the event of the Investor acting to remove the Investor Director in accordance with the foregoing sentence, no Shareholder shall exercise its votes in relation to the Equity Securities of the Company controlled by it for the removal of the Investor Director in any other circumstances. In the event the Investor Director resigns or is removed in accordance with this Article 111, the Investor will have the right to nominate such Investor Director's successor or replacement, and such successor or replacement Investor Director shall be nominated and elected on or as soon as practicable after the date of such resignation or removal and in any event within 25 (Twenty Five) Business Days after such resignation or removal.
- 2) A Promoter Director shall be removed from the Board, with or without cause, upon, and only upon, the affirmative vote of the Promoters (as exercised by Mr. M. Prabhakara Rao as mutually agreed in writing between the Promoters. Each Shareholder shall exercise its vote in relation to the Equity Securities of the Company controlled by it for the removal of the relevant Promoter Director upon the written request of the Promoters. Except in the event of the Promoters acting to remove an Promoter Director in accordance with the foregoing sentence, no Shareholder shall exercise its votes in relation to the Equity Securities of the Company controlled by it for the removal of the Promoter Director in any other circumstances. In the event an Promoter Director resigns or is removed in accordance with this Article 111, the Promoters will have the right to nominate such Promoter Director's successor or replacement, and such successor or replacement of the Promoter Director shall be nominated and elected on or as soon as practicable after the date of such resignation or removal and in any event within 25 (Twenty Five) Business Days after such resignation or removal.

#### 109. **Alternate Director**



The Investor and the Promoters shall be entitled, acting through the respective Director(s) nominated by them to nominate an alternate Director to act in accordance with the Act for any Director nominated by them respectively and shall issue a written notice to the Company providing the name and contact address of such alternate Director ("**Alternate Director Nomination Notice**"). The Board shall appoint the alternate Director so nominated within 5 (Five) Business Days of the receipt of such Alternate Director Nomination Notice. The Investor and the Promoters shall also have a right to withdraw their respective nominated alternate Director(s) and nominate another instead. The Investor and the Promoters shall take all such actions, including exercising their respective votes in relation to the Equity Securities controlled by them respectively, as may be required to cause any alternate Director nominated pursuant to this Article 112 to be duly elected or appointed.

**110. Directors' Access**

The Investor Director shall be entitled to examine the books, accounts and records of the Company and shall have free access, at all reasonable times and with prior reasonable written notice, to any and all properties and facilities of the Company. The Company shall provide such information relating to the business affairs and financial position of the Company or its Subsidiaries, as the Investor Director may reasonably require. Such information shall be as mutually agreed on a good faith basis by the Promoters and the Investor. Subject to the confidentiality restrictions as mutually agreed in writing between the Promoters and the Investor, the Investor Director may provide such information to the Investor and its Affiliates and its Representatives (as defined hereinafter).

**111. Frequency and Location of Board Meetings**

Meetings of the Board shall take place at least once in every three-month period and at least 4 (four) times in each Financial Year. Meetings shall be held in New Delhi, Hyderabad or any other location approved in writing by a majority of the Directors.

**112. Notice**

A meeting of the Board may be called by the chairman of the Board or any Director giving notice in writing to the Company secretary of the Company specifying the date, time and agenda for such meeting, provided however that in relation to matters referred to under Article 109(2), the same shall only included in agenda if they have already been discussed by the ExCo. The Company secretary shall upon receipt of such notice give a copy of such notice to all other Directors of such meeting, accompanied by a written agenda specifying in reasonable detail the business of such meeting. The Company shall ensure that notice of a meeting of the Board shall be accompanied by necessary background and other information and/or supporting documents pertaining to the business proposed to be transacted thereat. Not less than 7 (seven) Business Days notice of a meeting of the Board shall be given to all Directors and the Invitee; provided, however, that such notice period: (i) shall not apply in the case of an adjourned meeting pursuant to Article 116; and (ii) may be reduced with the written consent of a majority of the Directors, provided, however, that such majority shall always be required to include the Investor Director.

**113. Quorum**

- 1) Subject to the provisions of the Act, all meetings of the Board shall require a quorum of one third of the total strength (excluding Directors, if any, whose places may be vacant at the time and any fraction contained in the one third being rounded off as one); or two Directors, whichever is higher provided, however, that the quorum must include the Investor Director and one Promoter Director. If such a quorum is not established within one hour from the time appointed for the meeting, the meeting shall adjourn to the same place and time no earlier than seven Business Days later. If such a quorum is not present within one hour from the time appointed for the adjourned meeting, the meeting shall adjourn to the same place and time, no earlier than a further 7 (seven) Business Days later, at which meeting the Directors present

shall constitute a valid quorum even though if the Investor Director is not present.

- 2) An adjourned Board meeting shall be deemed to have been appropriately convened in accordance with Article 116(1) above only if a written notice of the date of such adjourned meeting shall have been delivered to all Directors at least five (5) Business Days prior to the date of such adjourned meeting. Notwithstanding anything to the contrary contained in these Articles, no decision in respect of any matter specified under Article 122 may be taken at an adjourned Board meeting with respect to the Company unless the prior written consent of the Investor Director has been received with respect to such matter.
- 3) Provided that in the event the Investor Director is unable to attend an adjourned Board meeting at which a decision relating to a matter specified under Article 122 is proposed to be discussed in accordance with the agenda circulated prior to the originally scheduled Board meeting, the Investor Director shall be entitled to provide a written notice to the Company at any time prior to the commencement of the adjourned Board meeting, directing that no matter(s) specified under Article 122 shall be discussed or decided on at such adjourned meeting. Upon issue of such notice by the Investor Director or the Investor (or on their behalf), the Board shall not be entitled to consider any matter specified under Article 122 at such adjourned Board meeting (or any other subsequent adjourned meeting), provided that in the event no notice is issued by the Investor Director or the Investor (or on their behalf), the Board shall be entitled to consider and decide on a matter specified under Article 122 at such adjourned Board meeting or any other subsequent adjourned meeting (only if and to the extent such matter was disclosed in the agenda circulated for the original Board meeting).

**114. Voting**

At any Board meeting, each Director may exercise one vote. Other than in relation to the matters specified under Article 122, the adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted meeting of the Board or, in the case of a circular resolution, the signature of a majority of the Directors to whom the resolution is circulated. Subject to Article 84 and Article 119 the Board shall not at any meeting adopt any resolution covering any matter that is not expressly specified on the agenda for such meeting, unless a majority of the Directors present at such meeting (which shall include at least one Investor Director and one Promoter Director) vote in favour of such resolution.

**115. Telephonic / Video Participation**

If permitted by the Act, Directors may participate in Board meetings by telephone or video conferencing or any other means of contemporaneous communication, provided that each Director must acknowledge his presence for the purpose of the meeting and any Director not doing so shall not be entitled to speak or vote at the meeting. A Director may not leave the meeting by disconnecting his telephone or other means of communication unless he has previously obtained the express consent of the chairman of the meeting and a Director shall conclusively be presumed to have been present and formed part of the quorum at all times during the meeting unless he has previously obtained the express consent of the chairman of the meeting to leave the meeting as aforesaid.

**116. Company Affirmative Voting Matters**

- 1) Subject to Articles 116 and 78 (pertaining to adjourned meetings) and any additional requirements imposed by the Act and to the last sentence of this Article 119, neither the Company nor any Shareholder, Director, officer, committee, committee member, employee, agent or any of their respective delegates shall, without the affirmative written consent or approval of at least a majority of the Directors, including the affirmative written consent or approval of (i) at least one Promoter Director and (ii) the Investor Director, obtained at a validly convened Board meeting, take or permit the Company or any Material Subsidiary to take any of the actions set forth under Article 122, whether by circular resolution or otherwise. All matters in

respect of the actions set forth under Article 122 (whether such action is to be taken by the Company or its Subsidiaries) must be referred to the Board, and no Shareholder, Director, officer, committee, committee member, employee, agent or any of their respective delegates shall take any actions purporting to commit the Company or any Material Subsidiary in relation to any such matters without the prior approval of the Board (which shall include the approval of (i) at least one Promoter Director and (ii) the Investor Director) in accordance with this Article 119.

- 2) The Company and the Promoters shall ensure that if any Material Subsidiary or the board of Directors or any shareholders, as the case may be, of any Material Subsidiary is to consider any matter specified under Article 122 (as such matters are applicable or relate to any Material Subsidiary), then prior to such action being undertaken by the Material Subsidiary or prior to the meeting of the board of Directors, any committee or the general meeting of the shareholders, as the case may be, of the concerned Material Subsidiary where such matter is proposed to be discussed, the Company shall cause such matter to be discussed with the Investor Director or the Investor and prepare a unanimous strategy for voting at such board meeting or general meetings of the Material Subsidiary. The Directors nominated by Company on the board of the concerned Material Subsidiary or the representatives of the Company, as the case may be, shall vote at the said board meeting or shareholder meeting, as the case may be, in accordance with the unanimous strategy evolved as per the discussions so held.
117. The Board may elect a chairman for its meetings and determine the period for which he is to hold office. If no such chairman is elected or if at any time meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the Directors may elect any one present at the meeting to preside as chairman of the meeting.
  118. 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 under Article 116 or by the Act for a meeting of Board the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or for summoning a general meeting of the Company, but for no other purpose.

## **RESERVED MATTERS**

121.
  - 1) Commencement of any business, not being in the nature of the Seeds Business which, individually or in the aggregate, involves expenditure in excess of Rs. 25,00,00,000 (Rupees Twenty Five Crores only) in any two year period (not being treasury operations);
  - 2) Issue, allot, repurchase, redeem, alter, reorganize or retire Equity Shares or convertible securities or options in respect of such Equity Securities and any rights attached to such Equity Securities or otherwise permit any change in the equity structure of the Company, any changes in class rights for securities, undertake stock splits or stock consolidations, or modify or adopt any equity option plan except for any additional Equity Securities of the Company issued pursuant to an employee stock option plan adopted by the Company;
  - 3) Initiate or consummate an IPO or any other public offering of the Equity Securities of the Company;
  - 4) Delist any Equity Securities of the Company or any Subsidiary from any stock exchange;
  - 5) Acquire assets (or any interest therein) or sell or otherwise dispose of any assets, other than in the ordinary course of its business where the amount involved (whether in cash or otherwise and including any Indebtedness assumed, incurred or disposed of), individually or in the aggregate for all such acquisitions and sales or other dispositions, exceeds Rs. 20,00,00,000 (Rupees Twenty Crores only) or 5% of the revenue of the previous Financial Year, whichever is higher, or incur any capital expenditure where the amount involved (whether in cash or otherwise), individually or in the

- aggregate, in any financial year of the Company, exceeds Rs. 20,00,00,000 (Rupees Twenty Crores only) or 5% of the revenue of the previous Financial Year, whichever is higher;
- 6) Sell or otherwise dispose of any Equity Securities of any Subsidiary such that it ceases to be a subsidiary of the Company;
  - 7) Declare or pay any dividend or other distribution (whether in cash, securities, property or other assets) on any class of Equity Securities of the Company in excess of the (i) Dividend Thresholds till Conversion; or (ii) 50% of the profit after tax of the Company for the pertaining period as provided in the audited accounts of the Company, for the period commencing after Conversion;
  - 8) Incur, issue, assume or agree to incur, issue any Indebtedness (i) if, on a pro forma basis, if immediately after giving effect thereto the Company and its Subsidiaries (on a consolidated basis) would have a ratio of Net Indebtedness to EBITDA greater than 2 to 1; or (ii) to NSL Renewable Power Private Limited or any Promoter or any Affiliate of the Company or any Affiliate of NSL Renewable Power Private Limited or any Affiliate of any Promoter (each, a “**relevant person**”); or (iii) towards obligations owed by any relevant person to any Person. Provided however that nothing in this Article 122 (8) (including sub-Article (i) to (iii) above) shall apply to any credit support (including by providing a guarantee and/or indemnity) to be provided by the Company to the Promoters and/or any Affiliate of the Promoters for availing Indebtedness by Promoters and/or any Affiliate of the Promoters upto but not exceeding an aggregate of Rs. 250,00,00,000/- (Rupees Two Hundred Fifty Crores only).
  - 9) Enter into any arrangement, contract or agreement with any Related Party or an Affiliate (other than a wholly owned Subsidiary of the Company) with a value of more than 2% of the revenue of the previous Financial Year or Rs. 5,00,00,000 (Rupees Five Crores) per Financial Year, whichever is higher;
  - 10) Merge, amalgamate or consolidate the Company with any other entity;
  - 11) Cause the Company to seek appointment of a receiver, trustee, custodian or other similar official for it or all or any substantial part of its property, or make a general assignment for the benefit or its creditors or admit in writing its inability to pay its debts when they become due;
  - 12) Dissolve, liquidate, reorganise or restructure the Company or any Subsidiary, whether or not voluntary;
  - 13) Amend any Charter Documents of the Company;
  - 14) Adopt or make any changes to the accounting standards (including the Standard Accounting Policy), Management Policies, Investment Policy or tax policies or practices employed by the Company;
  - 15) Adoption of modification to any Business Plan;
  - 16) Change the statutory or internal auditors of the Company;
  - 17) Establish or set up any Person who is or would be a Subsidiary of the Company;
  - 18) Cause or permit the Company to cease carrying on the whole or a substantial part of its business;
  - 19) Enter into any binding agreement to take any of the foregoing actions; and
  - 20) Taking a decision in respect of Material Subsidiaries in respect of the matters specified in Article 122 (1) to Article 122 (20) above.

122. All acts done by any meeting of the Board or of a committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.

#### **MANAGER OR SECRETARY**

123. Subject to the provisions of the Act and the provisions of these Articles:
- a. A manager or a secretary may be appointed by Board for such term, at such remuneration and upon such conditions as it may think fit and any manager or secretary so appointed may be removed by the Board.
  - b. A Director may be appointed as manager or secretary.
124. A provision of the Act or these Articles requiring or authorising a thing to be done by or to a Director and the manager or secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of the manager or secretary.
125. Minutes of the proceedings of all general and board and other (if any) meetings shall be entered in the books maintained for that purpose in accordance with the provisions of Section 193 of the Act.

#### **COVENANTS**

126.

##### **1) Financial Records**

Subject to Article 127(4), the Company shall allow the Investor and its Authorized Representatives the right during normal business hours to inspect its books and accounting records and those of the Subsidiaries, to make extracts and copies there from at its own expense and to have full access to all of the Company's and each Subsidiary's property and assets.

##### **2) Reports**

The Company shall provide to the Investor:

- i. within 30 (Thirty) days after the end of each month, unaudited statements of income, statements of changes in Shareholders' equity and statements of cash flows of the Company and the Subsidiaries for such month and for the period from the beginning of the current Financial Year to the end of such month, and an unaudited balance sheet as of the end of such month;
- ii. within 30 (Thirty) days after the end of each month, monthly management review detailing key operational performance indicators and statistics;
- iii. within 60 (Sixty) days after the end of each quarter, unaudited statements of income, statements of changes in shareholders equity and statements of cash flows of the Company and the Subsidiaries for such quarter and for the period from the beginning of the current Financial Year to the end of such quarter, and an unaudited balance sheet as of the end of such quarter;
- iv. within 90 (Ninety) days after the end of each Financial Year, audited consolidated statements of income, statements of changes in shareholders equity and statements of cash flows of the Company for such year and an audited consolidated balance sheet as of the end of such year;
- v. within 30 (Thirty) days prior to the end of each Financial Year, a budget for the next Financial Year including operating and capital budgets and such other information requested by the Investor;
- vi. copies of minutes of board, committees and shareholders' meetings within 30 (Thirty) Business

Days of the occurrence of such events;

- vii. details of any events, occurrences or circumstances which may have a material adverse effect on the Company and/or its Subsidiaries; and
- viii. other relevant material information including business plans (including the Business Plan), capital expenditure budgets and management reporting information not set forth above, as the Investor may reasonable require.

### 3) **Breach and Litigation Notice**

The Company shall give the Investor all material information in relation to:

- i. any breach by the Company or any Subsidiary of any Law, which violation in any respect may have or had a material adverse effect on the Company and/or any Subsidiary;
- ii. any known litigation, or claim which may have or had a Material Adverse Effect on the Company and/or the Subsidiaries;
- iii. any material dispute or notice of any material dispute with a major customer or supplier of the Company and /or any Subsidiary.

### 4) **Access Rights**

The Company shall give reasonable access to the Investor and their authorized representatives (including employees, professional advisors, accountants, counsel and agents) (collectively the “**Authorized Representatives**”) to visit and inspect all properties, assets, corporate, financial and other records, reports, books, contracts and commitments of the Company and/or any Subsidiary, and to discuss and consult with respect to its business, actions plans, budgets and finances with the Directors and executive officers of the Company. Provided however that the Authorized Representatives of the Investor shall be appointed by the Investor with the consent of the Promoters, which consent shall not be unreasonably withheld. However the access rights shall be granted to such representatives with the consent of the Promoters, which consent shall not be unreasonably withheld. Further, Authorized Representatives shall be permitted access in accordance with this Article 128(4) no less than once per quarter in a Financial Year (but no more than once per quarter in a Financial Year) on Business Days and during working hours, upon 5 Business Days prior notice being given to the Company and Promoters (“**Permitted Access**”). Any access requested beyond the Permitted Access, shall be granted at the discretion of the Promoters, acting in a reasonable manner. All costs incurred in connection with such inspection shall be borne by the Investor.

To the extent consistent with applicable Law (and with respect to events which require public disclosure, only following the Company’s public disclosure thereof through applicable securities law filings or otherwise), the Company shall inform the Investor or its designated representative in advance with respect to any significant corporate actions and shall provide the Investor or its designated representative with the right to consult with the Company and its Subsidiaries with respect to such actions.

Where the relevant written material or information is distributed at a meeting of the Board or the Shareholders of the Company, it shall be deemed that the Investor was provided due notice of such event, material or information, provided the Investor Director or other representative of the Investor was present thereat.

### 5) **Related Party Transactions**

- i. Any and all agreements, contracts or similar arrangements between the Company and the Promoters or an Affiliate of the Promoters (each, a “**Related Party Transaction**”) shall (a) be on

an arms length basis (other than the Management Agreement), (b) not be unlawful or illegal, and (c) be as per the prevalent market standards and practices for industries engaged in a business similar or identical to the Seeds Business. All material information relating to any such Related Party Transactions proposed to be undertaken by the Company shall be disclosed by the Company to the Board, within 15 (fifteen) days of their being proposed and before any final decision is taken in relation to the transaction.

- ii. The Investor, with respect to any Related Party Transaction, shall have the sole and exclusive right to cause the Company to approve, amend and/or modify any such Related Party Transaction if such Related Party Transaction is (a) not on an arms length basis; (b) unlawful or illegal, or (c) is not as per the prevalent market standards and practices for industries engaged in a business similar or identical to the Seeds Business. Furthermore, the Investor, with respect to any Related Party Transaction, shall have the sole and exclusive right to cause the Company to enforce any such Related Party Transaction (including the exercise of any rights) thereunder with sufficient cause.
- iii. Any right of action which the Company may have in respect of breach of any Related Party Transaction may be prosecuted by the Investor Director (with respect to any Related Party Transaction), provided such Director acts in good faith. The Investor Director shall have full authority on behalf of the Company to negotiate, litigate and settle any claim arising out of the breach or exercise any right of termination arising out of the breach of such Related Party Transaction and the Shareholders shall take all steps within their power to give effect to the provisions of this Article 127(5).
- iv. The Investor shall have the right to unilaterally terminate, without cost or liability to the Company or the Investor any such Related Party Transactions upon a breach or default under any such agreement, in each case, following the expiration of any notice and cure period.

**6) Management Contracts**

The Company and Promoters shall procure that the Key Management of the Company shall enter into employment and non-disclosure agreements with the Company in a form and substance reasonably satisfactory to the Investor within 6 (Six) months of Funding.

**7) Insurance**

The Company shall, and shall ensure that each Subsidiary shall, keep insured at all times and maintain insurance policies in a sufficient amount and with such coverage as is mutually agreed to between the Investor and the Promoters. Such policies shall be sufficient to cover liabilities in relation to product liabilities, environmental liabilities, fire, acts of God that the facilities of the Company could be subject to and such other liabilities which the Company and the Subsidiaries may in the reasonable opinion of the Company and the Investor be considered at risk in the course of their respective businesses. The Company shall take out Directors and officers insurance for all Directors including the Investor Director in a sufficient amount and with such coverage as is mutually agreed to between the Investor and the Promoters.

**8) Material Subsidiaries**

The Investor shall be entitled to information rights and to appoint one nominee Director on the Board of Directors in respect of all Material Subsidiaries.

**9) Liquidation Preference**

So long as the Investor holds the Preference Shares, in the event of winding up or liquidation of the Company, prior to payments to any class of shareholder including holders of preference shares, the Investor shall be entitled to be repaid an amount equal to the aggregate of (i) the Preference

Share Subscription Amount and (ii) all dividend that has cumulated or accrued in relation to the Preference Share but remains unpaid.

**10) Dividend Policy**

The Board shall, until complete conversion of the Preference Shares, adopt a policy of distributing to the Shareholders, the distributable profits of the Company generated by the operations of the Business for every Financial Year, consistent with prudent financial management and having regard to the following:

- i. applicable Law;
- ii. the terms of any loan agreements under which the Company has borrowed money from third parties; and
- iii. the terms and conditions of the Preference Shares.

**11) Authorized Capital**

The Company shall ensure, and the Promoters shall ensure that, the Company has sufficient authorized share capital for the conversion of the Preference Shares in accordance with their terms.

**12) Dematerialization of the Equity Shares**

The Company shall dematerialize the Equity Shares of the Company prior to the conversion of the Preference Shares in accordance with the terms and conditions of the Preference Shares.

**13) Monsanto Contracts**

All decisions (including performance or observation of terms) relating to Monsanto Agreement and/or any contract entered into by the Company with Mahyco Monsanto Biotech (I) Limited or their affiliates and business relationship with Mahyco Monsanto Biotech (I) Limited or their affiliates shall be made with the prior knowledge of, and after consultation, with the Investor.

**14) Access Rights and Further Assurances**

At all times until the Completion Date, the Company and the Promoters shall ensure that the Company shall give to the Investor and its Authorized Representatives reasonable access to its properties, accounts, books and records upon reasonable prior notice and during normal business hours to the premises and all the books and records of the Company and shall instruct the officers and employees of the Company to give promptly all information and explanations to the Investor or any such Persons as they may reasonably request. The Authorized Representatives shall be appointed with the consent of the Promoters, which consent shall not be unreasonably withheld.

The Promoters and the Company shall, at any time and from time to time upon the written request of the Investor and its Affiliates and at the reasonable cost and expense of the Investor and its Affiliates:

- (i) promptly and duly execute and deliver all such further instruments and documents, and do or procure to be done all such acts or things, as the Investor and/or its Affiliates may reasonably deem necessary or desirable in obtaining the full benefits of the Agreement and of the rights and Ownership granted under the Agreement and these Articles;
- (ii) do or procure to be done each and every act or thing which the Investor and its Affiliates may from time to time reasonably require to be done for the purpose of enforcing the Investor and its Affiliates rights under the Agreement.



The Investor shall and shall ensure that its Affiliates shall, at any time and from time to time upon the written request of the Promoters and at the reasonable cost and expense of the Promoters and / or its Affiliates:

- (i) promptly and duly execute and deliver all such further instruments and documents, and do or procure to be done all such acts or things, as the Promoters and/or its Affiliates may reasonably deem necessary or desirable in obtaining the full benefits of the Agreement and of the rights and Ownership granted under the Agreement and these Articles;
- (ii) do or procure to be done each and every act or thing which the Promoters and its Affiliates may from time to time reasonably require to be done for the purpose of enforcing the Promoters and its Affiliates rights under the Agreement.

#### **MANAGEMENT**

127. The Company and the Promoters shall ensure that the Key Management devotes their whole or substantially whole time and attention for the business of the Company and its Subsidiaries and shall not take up any executive position or executive responsibilities in any other entity during the term of their engagement with the Company. Further, the Promoters shall devote requisite time and attention for the business of the Company and its Subsidiaries.

147. **Legend**

#### **MISCELLANEOUS**

Each certificate for any Equity Securities now held or hereafter acquired by any Shareholder shall, bear a legend as follows:

“THE TRANSFER OF THE EQUITY SECURITIES REPRESENTED BY THIS CERTIFICATE SHALL BE SUBJECT TO THE PROVISIONS OF THE MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION OF THE COMPANY THE COMPANY WILL NOT REGISTER THE TRANSFER OF SUCH EQUITY SECURITIES UNLESS THE TRANSFER HAS BEEN MADE IN ACCORDANCE WITH THE MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION OF THE COMPANY.”

In the event the Equity Securities are dematerialized, an appropriate lien will be marked in the records of the depository participant.

#### **INDEMNITY**

148. Every office or agent for the time being of the Company shall be indemnified out of the Assets of the Company against any liability in defending any proceedings, whether civil or criminal, in which judgment is given in his favour of in which he is acquitted or in connection with any application under section 633 in which relief is granted to him by court.

#### **GENERAL AUTHORITY**

149. Where the Act requires that a company cannot undertake any act or exercise any rights or powers unless expressly authorized by its articles, these Articles shall in relation to the Company, be deemed to confer such right, authority or power.

## CHAPTER – III

### Article 1 : Overriding Effect

The provisions of these Articles 1 to 14 ( of this Chapter III) shall have effect notwithstanding anything contained in the other provisions of these Articles. In case of any conflict between the provisions of this Chapter III and the other Chapters of these Articles, the provisions of this Chapter III shall prevail provided however that the provisions of this Chapter III shall, without further act or deed, cease to be effective on and from the date on which all the amounts payable under the Bonds and the Loans, whether at present or in future, have been paid in full as confirmed by the Bond Trustee and the Loan Security Trustee respectively, in writing, provided that, the Bond NSL Share Pledge Agreement and Loan NSL Share Pledge Agreement (as defined in Chapter III) is not enforced, or the provisions of this Chapter III shall, without further act or deed, cease to be effective on occurrence of the IPO Event. In the event the Bond NSL Share Pledge Agreement and Loan NSL Share Pledge Agreement have been enforced and the Bonds and the Loan have been redeemed/ repaid in full, only the provisions of Articles 2 to 10 of Chapter III shall continue to be effective and in force and the other provisions of the Chapter III shall cease to have any force and effect from the date of satisfaction of the Obligations. For the avoidance of doubt, it is hereby clarified that the provisions of Article 2 to 10 of this Chapter III, shall apply to any transferee of NSL Pledged Shares in the event of enforcement of any part of the share pledge granted in respect of the Bonds or the Loans or transfer of the NSL Pledged Shares following an Asset Sale Event (the “**Transferee**”) and shall continue to operate even after the Bonds have been redeemed and the Loans have been repaid in full by enforcement of pledge on the NSL Pledged Shares or transfer of the NSL Pledged Shares following an Asset Sale Event in which event, the Transferee shall continue to retain all the rights enshrined in Articles 2 to 10 of this Chapter III and any reference in these Articles to the Bond Trustee and the Loan Security Trustee shall be construed as a reference to the Transferee. It is further clarified for avoidance of all doubts that the provisions of this Chapter III shall, without further act or deed, cease to be effective on occurrence of the IPO Event.

### Article 2 : Definitions:

In this Chapter, capitalised terms have the meaning set out in these Articles or as ascribed to them below. In case Chapter II terminates due to an initial public offering of Shares, the capitalized terms from Chapter II as used in this Chapter III shall continue to be in full force and effect notwithstanding the termination of Chapter II.

- 2.1 “**Affiliates**” shall have the meaning ascribed to it in the Bond Trust Deed and the Loan Agreement.
- 2.2 “**Applicable Law**” shall have the meaning ascribed to it in the Bond Trust Deed and the Loan Agreement
- 2.3 “**Asset Sale Event**” shall have the meaning ascribed to it in the Bond Trust Deed and the Loan Agreement.
- 2.4 “**Blackstone**” means Blackstone GPV Partners Mauritius V-C Ltd.
- 2.5 “**Bonds**” means the debt instruments in the form of 350, 10.35% collateralized, rated, unlisted, dematerialised, redeemable, taxable Rupee denominated bonds of the value of Rs. 1,00,00,000 (Rupees One Crore Only) per bond aggregating to Rs. 3,50,00,00,000 (Rupees Three Hundred and Fifty Crores only), issued by MHPL on the terms and conditions contained in the Bond Trust Deed;
- 2.6 “**Bondholders**” means the investors who subscribe to the Bonds and all of whom:
- (a) are registered as such as beneficial owners in the records of the Depository; or
  - (b) are registered as Bondholders in the register of bondholders maintained by the MHPL; (and shall include registered transferees of the Bonds from time to time with MHPL and the Depository) and in the event of any inconsistency between sub paragraph (a) and (b) above, sub paragraph (a) shall prevail.

- 2.7 **“Bond Event of Default”** shall have the meaning ascribed to it in the Bond Trust Deed.
- 2.8 **“Bond Instructing Group”** shall have the meaning ascribed to it in the Bond Trust Deed.
- 2.9 **“Bond NSL Pledged Shares”** means the shares of the Company pledged under the Bond NSL Share Pledge Agreement.
- 2.10 **“Bond NSL Share Pledge Agreement”** means the agreement between MHPL, MPR, MAP, the Common Security Trustee and the Bond Trustee dated 15th November, 2014 pursuant to which MHPL, MPR and MAP shall pledge approximately 21% of the equity share capital of the Company in favour of the Bond Trustee.
- 2.11 **“Bond Secured Obligations”** shall have the meaning ascribed to it under the Bond Trust Deed.
- 2.12 **“Bond Transaction Documents”** shall have the meaning ascribed to it under the Bond Trust Deed;
- 2.13 **“Bond Trustee”** shall mean Axis Trustee Services Limited;
- 2.14 **“Bond Trust Deed”** shall mean the bond trust deed dated 15th November, 2014 entered into by and between, Mr. Mandava Prabhakara Rao, Ms. Mandava Asha Priya, MHPL, the Company and the Bond Trustee;
- 2.15 **“Business Day”** shall have the meaning ascribed to it in the Bond Trust Deed and the Loan Agreement;
- 2.16 **“Common Security Trustee”** shall mean Axis Trustee Services Limited;
- 2.17 **“Contingent Liabilities”** shall have the meaning ascribed to it in the Bond Trust Deed and the Loan Agreement.
- 2.18 **“Deemed Date of Allotment”** shall have the meaning ascribed to it in the Bond Trust Deed;
- 2.19 **“Depository”** means National Securities Depository Limited and/or the Central Depository Service (India) Limited, as the case may be;
- 2.20 **“Escrow Accounts Agreement”** shall have the meaning ascribed to it in the Bond Trust Deed and the Loan Agreement;
- 2.21 **“Financial Indebtedness”** shall have the meaning ascribed to it in the Bond Trust Deed and the Loan Agreement.
- 2.22 **“Financial Year”** shall have the meaning ascribed to it in the Bond Trust Deed and the Loan Agreement.
- 2.23 **“First Asset Sale Event”** shall have the meaning ascribed to it in the Bond Trust Deed and the Loan Agreement.
- 2.24 **“Greenshoe Loans”** shall have the meaning ascribed to it in the Loan Agreement.
- 2.25 **“MHPL”** means Mandava Holdings Private Limited.
- 2.26 **“Lender”** means any Tranche A Lender or Tranche B Lender.
- 2.27 **“Loans”** means the Original Loans and/or the Greenshoe Loans, as the case may be.

- 2.28 **“Loan Agreement”** shall mean the rupee loan agreement dated 15th November, 2014 entered into by and between, *inter alia*, MHPL, Mandava Investments Private Limited, Lenders, the Company and the Loan Security Trustee.
- 2.29 **“Loan Event of Default”** shall have the meaning ascribed to it in the Loan Agreement.
- 2.30 **“Loan Security Trustee”** shall mean Axis Trustee Services Limited.
- 2.31 **“Loan NSL Pledged Shares”** means the shares of the Company pledged under the Loan NSL Share Pledge Agreement.
- 2.32 **“Loan NSL Share Pledge Agreement”** means the agreement between MHPL, MPR, MAP, the Common Security Trustee and the Loan Security Trustee pursuant to which MHPL, MPR and MAP shall pledge approximately 12% of the equity share capital of the Company in favour of the Loan Security Trustee.
- 2.33 **“Loan Secured Obligations”** shall have the meaning ascribed to it under the Loan Agreement.
- 2.34 **“Loan Transaction Documents”** shall have the meaning ascribed to such term in the Loan Agreement.
- 2.35 **“MPR”** means Mr. M. Prabhakar Rao, one of the promoters of MHPL.
- 2.36 **“MPR Escrow Account”** shall have the meaning ascribed to it under the Escrow Accounts Agreement.
- 2.37 **“MAP”** means Mrs. M. Asha Priya, one of the promoters of MHPL.
- 2.38 **“MAP Escrow Account”** shall have the meaning ascribed to it under the Escrow Accounts Agreement.
- 2.39 **“MHPL – NSL Dividend Escrow Account”** shall have the meaning ascribed to it under the Escrow Accounts Agreement.
- 2.40 **“Nominee Director”** shall mean the director appointed by the Bond Trustee and/or the Loan Security Trustee and/or the Transferee.
- 2.41 **“NSL Share Pledge Agreements”** means the Bond NSL Share Pledge Agreement and the Loan NSL Share Pledge Agreement.
- 2.42 **“NSL Subsidiaries”** shall have the meaning ascribed to it in the Bond Trust Deed and the Loan Agreement.
- 2.43 **“Pledgors”** means MHPL, MPR and MAP.
- 2.44 **“Pledged Shares”** shall mean the shares of the Company pledged pursuant to the Bond NSL Share Pledge Agreement and the Loan NSL Share Pledge Agreement.
- 2.45 **“Person”** shall have the meaning ascribed to it in the Bond Trust Deed and the Loan Agreement.
- 2.46 **“Obligations”** shall mean the Bond Secured Obligations and the Loan Secured Obligations, collectively. **“Original “Loans”** means the Original Tranche A Loan and the Original Tranche B Loan.
- 2.47 **“Original Tranche A Loan”** shall have the meaning ascribed to it in the Loan Agreement.
- 2.48 **“Original Tranche B Loan”** shall have the meaning ascribed to it in the Loan Agreement.
- 2.49 **“Shares”** means the equity shares of the Company of face value Rs. 10 (Rupees Ten only).

2.50 “**Second Asset Sale Event**” shall have the meaning ascribed to it in the Bond Trust Deed and the Loan Agreement.

2.51 “**Subsidiary**” means a ‘subsidiary’ as defined in clause (87) of Section 2 of the New Companies Act.

2.52 “**Tax**” shall have the meaning ascribed to it in the Bond Trust Deed and the Loan Agreement.

2.53 “**Tranche A Lender**” shall have the meaning ascribed to it in the Loan Agreement.

2.54 “**Tranche B Lender**” shall have the meaning ascribed to it in the Loan Agreement.

2.55 “**Transferee**” shall have the meaning ascribed to it in Article 1 above.

2.56 “**Transaction Documents**” shall mean the Bond Transaction Documents and the Loan Transaction Documents.

### **Article 3 : Appointment of nominee director by the Bond Trustee**

3.1 Upon the occurrence of the First Asset Sale Event or the Second Asset Sale Event, as the case may be, the Bond Trustee shall be entitled to appoint such number of Nominee Directors on the board of the Company in proportion to the Bond NSL Pledged Shares to the number of directors on the Board of NSL.

3.2 Upon the occurrence of the Bond Event of Default, the Bond Trustee shall be entitled to appoint such number of Nominee Directors on the board of the Company in proportion to the Bond NSL Pledged Shares to the number of directors on the Board of NSL.

3.3 The Nominee Director shall not be required to hold qualification shares and shall not be liable to retire by rotation. All expenditure related to travel and accommodation incurred by the Nominee Director in connection with attending the Board meetings shall be borne and payable by the Company in accordance with its policy and as is payable by the Company to the other directors on its Board. The Nominee Director shall be entitled to receive all notices, agenda, explanatory statements, minutes and other information provided to all other directors and to attend all general meetings and board meetings and meetings of any committees of the Board of which he is a member. In the event the Nominee Director is unable to attend any Board meetings, the Nominee Director may depute an observer to attend the same. The Nominee Director shall be entitled to furnish to the Bond Trustee a report of the proceedings of all such meetings along with all the information. The appointment or removal of the Nominee Director (including any replacement thereof) shall be by a notice in writing by the Bond Trustee addressed to the Company and shall take effect as provided in such notice. The Nominee Director shall be entitled to all the rights, privileges as specifically stated in this Article and indemnities like other directors of the Company including the sitting fees and expenses as are payable by the Company to the other directors on its Board. Any Nominee Director appointed in exercise of the powers under the Bond Trust Deed shall vacate such office immediately by submitting his resignation letter upon repayment of the Obligations.

3.4 In the event that the Bond Trustee appoints a Nominee Director on the Board, the Board shall not pass any resolutions in connection with the items set out in **Article 7 (Affirmative Vote Items)** unless the Nominee Director has voted in favour of such resolution provided however that in the event the Nominee Director is unable to attend the Board meeting at which a decision relating to a matter specified under **Article 7 (Affirmative Vote Items)** is proposed to be discussed in accordance with the agenda circulated prior to such a meeting, the Board shall be entitled to consider and decide and pass a resolution, without any voting by the Nominee Director, on a matter specified under **Article 7 (Affirmative Vote Items)** at such a meeting or any other subsequent adjourned meeting (only if and to the extent such matter was disclosed in the agenda circulated for the Board meeting).

3.5 The Nominee Director shall be entitled to provide a written notice to the Company at any time prior to the commencement of a Board meeting (“**Notice**”), directing that no matter(s) specified under **Article 7 (Affirmative Vote Items)** shall be discussed or decided on at such a meeting. Upon issue of such Notice by the Nominee Director (or on his behalf), the Board shall not be entitled to consider any matter specified under

**Article 7 (Affirmative Vote Items)** at such a Board meeting, provided however that in the event the Nominee Director has issued a Notice to the Company in relation to any resolution to be considered before the Board with respect to any matter(s) specified under **Article 7 (Affirmative Vote Items)** and the Board has pursuant to such a Notice refrained from considering any such resolution, the Nominee Director shall not be entitled to provide a second Notice in relation to the same resolution(s).

3.6 The Company shall not pass any shareholder resolution in connection with the items listed in **Article 7 (Affirmative Vote Items)** unless the Nominee Director has voted in favour of such item at the Board level, provided however that in the event the Nominee Director is unable to attend the Board meeting at which a decision relating to a matter specified under **Article 7 (Affirmative Vote Items)** is proposed to be discussed in accordance with the agenda circulated prior to the Board meeting, the Board shall be entitled to consider and decide and pass a resolution, without any voting by the Nominee Director, on a matter specified under **Article 7 (Affirmative Vote Items)** at such a meeting or any other subsequent adjourned meeting (only if and to the extent such matter was disclosed in the agenda circulated for the Board meeting). The Nominee Director shall be a non-executive director and shall not be responsible for the day-to-day management of the Company.

#### **Article 4 : Maximum number of Directors**

At all times the Company shall ensure that the currently appointed directors along with the appointments contemplated in this Chapter III shall not exceed 15 directors in the aggregate. The Company shall make entries in the register of directors upon appointment of the Nominee Director to update such register promptly and make requisite filings with the registrar of companies to record the appointment of the Nominee Director in accordance with Law.

#### **Article 5 : Appointment of nominee director by the Loan Security Trustee**

5.1 Upon the occurrence of the First Asset Sale Event or the Second Asset Sale Event, as the case may be, the Loan Security Trustee shall be entitled to appoint such number of Nominee Directors on the board of the Company in proportion to the Loan NSL Pledged Shares to the number of directors on the Board of the Company.

5.2 Upon the occurrence of the Loan Event of Default, the Loan Security Trustee shall be entitled to appoint such number of Nominee Directors on the board of the Company in proportion to the Loan NSL Pledged Shares to the number of directors on the Board of the Company.

5.3 The Nominee Director shall not be required to hold qualification shares and shall not be liable to retire by rotation. All expenditure related to travel and accommodation incurred by the Nominee Director in connection with attending the Board meetings shall be borne and payable by the Company in accordance with its policy and as is payable by the Company to the other directors on its Board. The Nominee Director shall be entitled to receive all notices, agenda, explanatory statements, minutes and other information provided to all other directors and to attend all general meetings and board meetings and meetings of any committees of the Board of which he is a member. In the event the Nominee Director is unable to attend any Board meetings, the Nominee Director may depute an observer to attend the same. The Nominee Director shall be entitled to furnish to the Loan Security Trustee a report of the proceedings of all such meetings along with all the information. The appointment or removal of the Nominee Director (including any replacement thereof) shall be by a notice in writing by the Loan Security Trustee addressed to the Company and shall take effect as provided in such notice. The Nominee Director shall be entitled to all the rights, privileges as specifically stated in this Article and indemnities like other directors of the Company including the sitting fees and expenses as are payable by the Company to the other directors on its Board. Any Nominee Director appointed in exercise of the powers under the Loan Agreement shall vacate such office immediately by submitting his resignation letter upon repayment of the Obligations.

5.4 In the event that the Loan Security Trustee appoints a Nominee Director on the Board, the Board shall not pass any resolutions in connection with the items set out in **Article 7 (Affirmative Vote Items)** unless the Nominee Director has voted in favour of such resolution provided however that in the event the Nominee Director is unable to attend the Board meeting at which a decision relating to a matter specified under **Article 7**

(*Affirmative Vote Items*) is proposed to be discussed in accordance with the agenda circulated prior to such a meeting, the Board shall be entitled to consider and decide and pass a resolution, without any voting by the Nominee Director, on a matter specified under **Article 7** (*Affirmative Vote Items*) at such a meeting or any other subsequent adjourned meeting (only if and to the extent such matter was disclosed in the agenda circulated for the Board meeting).

5.5 The Nominee Director shall be entitled to provide a written notice to the Company at any time prior to the commencement of a Board meeting (“**Notice**”), directing that no matter(s) specified under **Article 7** (*Affirmative Vote Items*) shall be discussed or decided on at such a meeting. Upon issue of such Notice by the Nominee Director (or on his behalf), the Board shall not be entitled to consider any matter specified under **Article 7** (*Affirmative Vote Items*) at such a Board meeting, provided however that in the event the Nominee Director has issued a Notice to the Company in relation to any resolution to be considered before the Board with respect to any matter(s) specified under **Article 7** (*Affirmative Vote Items*) and the Board has pursuant to such a Notice refrained from considering any such resolution, the Nominee Director shall not be entitled to provide a second Notice in relation to the same resolution(s).

5.6 The Company shall not pass any shareholder resolution in connection with the items listed in **Article 7** (*Affirmative Vote Items*) unless the Nominee Director has voted in favour of such item at the Board level, provided however that in the event the Nominee Director is unable to attend the Board meeting at which a decision relating to a matter specified under **Article 7** (*Affirmative Vote Items*) is proposed to be discussed in accordance with the agenda circulated prior to the Board meeting, the Board shall be entitled to consider and decide and pass a resolution, without any voting by the Nominee Director, on a matter specified under **Article 7** (*Affirmative Vote Items*) at such a meeting or any other subsequent adjourned meeting (only if and to the extent such matter was disclosed in the agenda circulated for the Board meeting). The Nominee Director shall be a non-executive director and shall not be responsible for the day-to-day management of the Company.

#### **Article 6 : Nominee director of Transferee**

Any Transferee pursuant to enforcement of the NSL Share Pledge Agreement or upon a sale following the occurrence of an Asset Sale Event shall have the right to appoint a Nominee Director on the board of the Company in accordance with the ratio of their aggregate shareholding in the Company to the number of directors on the board of the Company. For avoidance of any doubt, if two or more such Transferees want to appoint a Nominee Director on the board of the Company, then the ratio will be the sum of their aggregate shareholding collectively to the number of directors on the board of the Company. Such Nominee Director shall have the same rights as are provided to the Nominee Director appointed by the Bond Trustee and/or the Loan Security Trustee. The provisions of Article 3 and 4 and Articles 6 to 9 shall apply *mutatis mutandis* to any Transferee and Nominee Director appointed by any Transferee.

#### **Article 7 : Affirmative Vote Items**

7.1 Amending, restating, modifying or supplementing the constitutional documents of the Company or NSL Subsidiaries;

7.2 Any amendment or change of the rights, preferences, privileges or powers of, or the restrictions provided for the benefit of the Bondholders or the Lenders, as the case may be;

7.3 Granting any Person any special rights or privileges in the Company or NSL Subsidiaries;

7.4 Issuing any additional equity or other securities, including options in respect of, rights to subscribe for or to convert any instrument into, any equity or other securities, or other analogous rights or equity-linked securities or warrants. Provided however that nothing in this Article 7.4 will apply to an offer for sale of the equity shares of the Company by Blackstone;

7.5 Any change in the Company’s or NSL Subsidiaries’ statutory or internal auditors;

7.6 Any change in the Financial Year or accounting year of the Company;

- 7.7 Initiate or consummate an IPO or any other public offering of the equity securities or delist any equity securities of itself or any Subsidiaries from any stock exchange provided that in relation to the Company, no approval shall be required if the IPO is undertaken at a valuation of over INR 4,250 crores;
- 7.8 Finalising, approving and adopting the business plan, annual budget and annual accounts of the Company or NSL Subsidiaries and any change or deviation thereto;
- 7.9 Any merger, de-merger, acquisition, strategic sale, amalgamation, reorganization, reconstruction or consolidation of the Company or NSL Subsidiaries or similar transactions whether with or into any other business entity or otherwise;
- 7.10 Sale, transfer, assignment, mortgage, pledge, hypothecation, grant of any Encumbrances in, subject to any lien, or otherwise dispose of, any substantial assets of the Company or securities of the Company which are secured in favour of the Lender/ Bond Instructing Group;
- 7.11 Varying any rights, obligations or terms of any existing Encumbrance on the whole or any part of the assets or properties owned directly or indirectly by the Company and/or NSL Subsidiaries in favour of any Person or agreeing to any release, waiver or modification of any Encumbrance or security created under the Security Documents;
- 7.12 Any liquidation, winding up, dissolution, disposition, sale, license, Encumbrance or transfer of all or substantially all of the assets of the Company or NSL Subsidiaries, whether or not voluntary or any restructuring or reorganization which has a similar effect or closure of an existing business;
- 7.13 Declaration or payment of any dividends or distributions by the Company or NSL Subsidiaries or any of their respective Affiliates, as the case may be, in favour of any of their shareholders or buy-back of any capital;
- 7.14 Incurrence of any Financial Indebtedness or Contingent Liabilities or capital commitments and creation of charge on any property of the Company in excess of 2.5 times consolidated EBITDA of the previous Financial Year;
- 7.15 Incurrence of capital expenditure or expenditure of any assets in excess of Rs.30 crores in a Financial Year;
- 7.16 Guaranteeing any debt or obligation or providing indemnities;
- 7.17 Investment in any entity or enterprise whether a debt, credit, equity or equity linked instruments or otherwise and acquisition of shares, assets, business, business organization or division of any other Person;
- 7.18 The extension of any loan or advance to any party;
- 7.19 Establishing or creating any Subsidiaries or establishing, creating or participating in any joint ventures, collaborations or partnerships other than as contemplated by the Transaction Documents;
- 7.20 Liquidating and/or selling its shareholding in any of its Subsidiaries and/or any joint venture entity or permitting any action that will result in any Subsidiary or joint venture entity ceasing to be a Subsidiary or joint venture;
- 7.21 Permitting any change in, or the shareholdings of, its shareholders save for any change pursuant to any Transaction Document, the call option agreement dated November 1, 2010 entered between the Company, MPR and Vantage (Mauritius) Limited) or a change in the shareholdings of Blackstone;
- 7.22 Any decision in respect of listing of securities of the Company or NSL Subsidiaries including approval of the size and terms of any public offering of the Company's securities and any later round of financing,



appointment of merchant banker, the taking of steps towards or appointment of any advisers in connection with a potential sale or flotation (on any stock exchanges) of securities of the Company including an initial public offering. Provided however that nothing in this Article 7.22 will apply to an offer for sale of the equity shares of the Company by Blackstone;

7.23 Material change in the scope, nature and/or activities of the Company and commencement of any new line of business, which is unrelated to the business of the Company or NSL Subsidiaries;

7.24 Change in the constitution or legal status of the Company or NSL Subsidiaries e.g. conversion of any NSL Subsidiary from private company to a public company;

7.25 Making any changes to the register of holders of bonds maintained by the Company;

7.26 Doing or permitting any act which is not permitted under any provision of any Transaction Document;

7.27 Permitting any other act, which would in the opinion of the Lender/ Bond Instructing Group materially impact the rights and interest of the Lender/ Bond Instructing Group;

7.28 Any agreement, arrangement, transaction or assignment of any assets of the Company other than in the ordinary course of business;

7.29 Change in Tax and accounting policies of the Company or NSL Subsidiaries;

7.30 Entering into any agreement or transaction not in the ordinary course of NSL's business;

7.31 Delegation of authority or any of the powers relating to any matter contained in Article 7 by the Board to any individual or committee and any commitment or agreement to do any of the foregoing; and

7.32 Any agreement or understanding to achieve any of the matters specified in Articles 7.1 to 7.32 above.

#### **Article 8 : Quorum**

The Nominee Director shall be entitled to attend the meetings through electronic mode as permissible under the Act and the rules, regulations, notifications and circulars issued thereunder. The Company shall ensure that video- conference facility is available for Board meetings and all the requirements for the same pursuant to Applicable Law have been complied with. The Nominee Director shall be entitled to attend any Board meeting by video conference and need not be physically present for any Board meeting.

#### **Article 9 : No restriction on Transfer of Pledged Shares**

None of the restrictions contained under these Articles shall apply in relation to Transfers of Pledged Shares (in whole or in part) by any Person under the NSL Share Pledge Agreements and the Bond Trustee and Loan Security Trustee shall be free to Transfer any Pledged Shares in accordance with the terms of the NSL Share Pledge Agreements without any restriction set out in these Articles and without any prior approval of the Investors, any of the other Shareholders or any other person. No rights of pre-emption or other transfer restrictions, such as right of first refusal, tag along right, etc. which the Investor may have under any agreement or under these Articles shall apply to all the Pledged Shares.

#### **Article 10 : No Liability for Calls**

Nothing in the NSL Share Pledge Agreements shall be construed as placing on the Loan Security Trustee, the Lenders, the Bond Trustee or the Bond Instructing Group any liability whatsoever in respect of any calls, contributions, installments or other payments relating to any Pledged Shares.

#### **Article 11 : Compliance with the Transaction Documents**

The Company shall comply with the provisions of the Transaction Documents and shall take no action which is inconsistent with the provisions of the Transaction Documents.

#### **Article 12 : Rights associated with Pledged Shares**

12.1 So long as no Event of Default has occurred and is continuing, subject to the provisions of the Transaction Documents:

(a) the Pledgors shall be entitled to exercise any and all voting and other consensual rights pertaining to the Pledged Shares or any part thereof except the right to sell, transfer, assign, charge, pledge or otherwise encumber the Pledged Shares and for all or any part thereof for any purpose not in violation of or inconsistent with any of the terms of the Bond NSL Share Pledge Agreement, Loan NSL Share Pledge Agreement or any other Transaction Documents provided that the Pledgors agree that it will not vote in any manner that is inconsistent with the terms of the Bond NSL Share Pledge Agreement, Loan NSL Share Pledge Agreement or the Transaction Documents, or which would give rise to an Event of Default, and will not vote in favour of any resolution which would have the effect of altering the rights of the Bond Trustee and the Loan Security Trustee hereunder or under any of the Transaction Documents or the terms of the Pledged Shares or any rights attaching to the Pledged Shares in any way. All such rights of the Pledgors to vote shall cease forthwith upon the occurrence of an Event of Default which has not been cured and is continuing; and

(b) Any dividends received by the Pledgors from the Company shall be deposited in the MHPL – NSL Dividend Escrow Account, MPR Escrow Account or MAP Escrow Account respectively.

12.2 Notwithstanding anything else provided in these Articles, upon the occurrence of and during the continuance of an Event of Default:

(a) The rights of the Pledgors, to exercise or refrain from exercising the voting and other consensual rights and the right to receive dividends and other distributions that it would otherwise be entitled to exercise or receive and retain pursuant to Article 12.1 above on the Pledged Shares shall cease, and all such rights shall be vested in the Bond Trustee and/or the Loan Security Trustee, who shall thereupon have the sole right to exercise or refrain from exercising such voting and other consensual rights and for this purpose, to attend any general meeting of members or meeting of any class of members of the Company, and to receive such dividends and distributions in respect of the Pledged Shares.

(b) All dividends received on the Pledged Shares by the Pledgors shall be held by the Pledgors upon trust for the benefit of the Bond Trustee, and shall be kept segregated from other funds of the Pledgors and shall be made over to the Bond Trustee and the Loan Security Trustee in the same form as received (with any necessary endorsement) in accordance with the Transaction Documents.

#### **Article 13 : Restriction on Transfer of Shares**

13.1 Notwithstanding anything contained in these Articles, the Pledgors shall not transfer or otherwise dispose of any Shares in the share capital of the Company or any legal and beneficial interest, direct or indirect, in any Shares (other than any transfer/disposition of Shares required pursuant to the call option agreement dated November 1, 2010 entered between the Company, MPR and Vantage (Mauritius) Limited) or grant in favour of any person (other than by way of security in favour of the Bond Instructing Group and the Lenders) any interest or any option or other rights in any manner in respect of the Pledged Shares or any part thereof or change its depository participant or withdraw its dematerialisation account other than in accordance with the Transaction Documents and any such disposal or Transfer if effected shall be void ab initio and shall not create any right, title or interest of whatsoever nature in favour of any party.

13.2 Notwithstanding anything contained in these Articles, the Board shall register any transfer of Shares effected as a result of the Asset Sale Event or the enforcement of any of the rights of the Bond Trustee and the Loan Security Trustee under the Transaction Documents

13.3 Notwithstanding anything contained in these Articles, the Company shall not register any transfer of Shares if such transfer is not permitted under the Transaction Documents (other than any transfer of

Shares required pursuant to the call option agreement dated November 1, 2010 entered between the Company, MPR and Vantage (Mauritius) Limited).

13.4 In the event a member or shareholder receives any dividend or distribution or a payment on a loan in contravention of any Transaction Documents, he shall hold the same in trust for the Bond Trustee and the Loan Security Trustee and immediately pay the proceeds in accordance with the Transaction Documents.

#### **Article 14 : General**

No amendments or modifications to these Articles of the Company shall be made without the prior written consent of Bond Trustee and the Loan Security Trustee.

## **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

*The copies of the following contracts which have been entered into or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus to be delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid/Issue Closing Date.*

### **A. Material contracts for the Issue**

1. Issue agreement dated April 22, 2015 amongst our Company, Blackstone, Mandava Holdings Private Limited, the Promoter Selling Shareholder and the Managers.
2. Agreement dated April 22, 2015 amongst our Company, Blackstone, the Promoter Selling Shareholder and the Registrar to the Issue.
3. Escrow agreement dated [●] amongst our Company, Blackstone, the Promoter Selling Shareholder, the Managers, the Syndicate Members, the Escrow Collection Banks/Bankers to the Issue, the Refund Bank(s) and the Registrar to the Issue.
4. Syndicate agreement dated [●] amongst our Company, Blackstone, the Promoter Selling Shareholder, the Managers, the Syndicate Members and the Registrar to the Issue.
5. Underwriting agreement dated [●] amongst our Company, Blackstone, the Promoter Selling Shareholder and the Underwriters.

### **B. Other material contracts in relation to our Company**

1. Blackstone Investment Agreement dated August 18, 2010, deed of adherence dated November 24, 2011, letter of amendment dated June 20, 2012, Amendment and Adherence Agreement dated January 16, 2013 and Second Amendment Agreement dated January 2, 2014.
2. Amendment and Termination Agreement dated April 22, 2015.
3. Vantage Call Option Agreement dated November 1, 2010 and the termination of escrow agreement dated April 11, 2015.
4. Sub-licensing agreement entered into between our Company and Mahyco Monsanto Biotech (India) Limited dated February 21, 2004 and March 10, 2015 along with the extension letters dated March 4, 2014, May 30, 2014, August 22, 2014, November 4, 2014 and March 5, 2015.
5. Trait introgression research agreement entered into between our Company, Monsanto Holdings Private Limited and Mahyco Monsanto Biotech (India) Limited on February 2, 2011 along with the renewal letter dated March 20, 2015.
6. Trademark sub-licensing agreement entered into between our Company and Mahyco Monsanto Biotech (India) Limited dated February 21, 2004 and March 10, 2015 along with the extension letters dated March 4, 2014, May 30, 2014, August 22, 2014, November 4, 2014 and March 5, 2015.
7. Shared assets and services agreement entered into between our Company and Mandava Holdings Private Limited dated November 29, 2011.

8. Share subscription, share purchase cum shareholders agreement dated December 3, 2008 executed between (i) Nuziveedu Seeds Private Limited (currently known as NSL Renewable Energy Private Limited), (ii) Yaaganti Seeds Private Limited and (iii) nine other persons.
9. Share purchase agreement with Yaaganti Seeds Private Limited and certain other shareholders of Yaaganti Seeds Private Limited on February 28, 2014.
10. Share purchase agreement with NSL Textiles Limited, Prabhat Industrial Corporation Limited and Prabhat Agri Biotech Limited dated March 10, 2011.
11. Share purchase agreement dated April 28, 2012 with Mr. Sateesh Kumar Puligundla, Mr. D.V. Ranga Rao, Ms. P. Madhavi, Ms. D. Rajyashree, Ms. D. Padmini, Mr. P. Ramachandra Naidu and Prabhat Agri Biotech Limited.

### **C. Material documents**

1. Certified copies of the Memorandum and Articles of Association, as amended till date, certificate of commencement of business dated April 9, 2008, certificates of incorporation of our Company dated March 19, 2008, June 30, 2008, September 23, 2010 and September 18, 2012 and certificate of registration dated May 21, 2011 for order of Company Law Board approving change of registered office from the National Capital Territory of Delhi and Haryana to Andhra Pradesh.
2. Resolution of the Board dated March 16, 2015 authorising the Fresh Issue and approving the Offer for Sale.
3. Resolution of the shareholders dated March 28, 2015 authorising the Fresh Issue.
4. Resolution of the IPO Committee dated April 22, 2015 approving this Draft Red Herring Prospectus.
5. Resolution of the board of directors of Blackstone dated April 3, 2015 authorising the offer of its component of the Offer for Sale.
6. The examination reports of the Auditors, BSR & Associates, dated March 16, 2015 on our Restated Financial Information included in this Draft Red Herring Prospectus.
7. The statement of tax benefits dated March 26, 2015 included in this Draft Red Herring Prospectus.
8. Copies of the annual reports of our Company for Fiscal 2014, Fiscal 2013, Fiscal 2012, Fiscal 2011 and Fiscal 2010.
9. Consent of our Directors, the Managers, Syndicate Members, if any, Legal Counsel to the Company as to Indian law, Legal Counsel to the Managers as to Indian law, Legal Counsel to the Managers as to international law, Legal Counsel to Blackstone, Registrars to the Issue, Escrow Collection Banks/Bankers to the Issue, Bankers to our Company, Company Secretary and Compliance Officer, lenders to the Company, CARE Limited, Laxminiwas & Co. and the Chief Financial Officer as referred to in their specific capacities.
10. Consents from Laxminiwas & Co. and the Statutory Auditors to being named as “Experts” under the Companies Act, 2013.
11. In-principle listing approvals dated [●] and [●] from the NSE and the BSE, respectively.
12. Agreement amongst NSDL, our Company and Karvy Computershare Private Limited, dated January 27, 2011.
13. Agreement amongst CDSL, our Company and Karvy Computershare Private Limited, dated November 26, 2012.

14. Due diligence certificate dated April 22, 2015 to SEBI from the Managers.
15. Copy of the resolution of the Board dated June 16, 2010 in relation to appointment of Mr. Mandava Prabhakara Rao as the Chairman and Managing Director.
16. Copy of the resolutions of the Board and the shareholders of the Company, both dated September 24, 2012 in relation to the appointment of Dr. Sateesh Kumar Puligundla as an Executive Director and resolution of the Board dated March 16, 2015 extending the term of appointment of Dr. Sateesh Kumar Puligundla.
17. Consent letter from Blackstone consenting to the inclusion of their component of the Offer for Sale in the Issue.
18. Consent letter from the Promoter Selling Shareholder consenting to the inclusion of his component of the Offer for Sale in the Issue.
19. Consent from the Auditors for inclusion of their names as the statutory auditors and of their reports on accounts in the form and context in which they appear in this Draft Red Herring Prospectus.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance with applicable laws.

## DECLARATION

We, the Directors of the Company, hereby certify and declare that all relevant provisions of the Companies Act, and guidelines issued by the Government of India or the guidelines and regulations issued by SEBI, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA or the SEBI Act, or rules made thereunder or guidelines and regulations issued, as the case may be. We further certify that all statements in this Draft Red Herring Prospectus are true and correct.

### Signed by the Directors of the Company

<b>Mandava Prabhakara Rao</b> <i>Chairman and Managing Director</i>	<b>Sateeshkumar Puligundla</b> <i>Whole time Director</i>
<b>Kotaiah Pamidi</b> <i>Director</i>	<b>Gopala Krishna Muddusetty</b> <i>Director</i>
<b>Ashok Kumar Jha</b> <i>Director</i>	<b>Richard Blaise Saldanha</b> <i>Non-Executive Nominee Director</i>
<b>Bhaskara Nageswararao Mandavilli</b> <i>Director</i>	<b>Dilip Shripad Gokhale</b> <i>Director</i>
<b>Mandava Asha Priya</b> <i>Director</i>	<b>Utpal Sengupta</b> <i>Director</i>

### Signed by the Chief Financial Officer

     <b>Mannava Venkata Sharat Chandra</b>
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Place: Hyderabad

Date: April 22, 2015



Mr. Mandava Prabhakara Rao confirms that all statements made by him in this Draft Red Herring Prospectus in relation to himself and the Equity Shares being offered by him by way of the Offer for Sale pursuant to the Issue are true and correct.

**Signed by the Selling Shareholder, Mr. Mandava Prabhakara Rao**

Sd/-

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Date: April 22, 2015

**DECLARATION BY BLACKSTONE GPV CAPITAL PARTNERS MAURITIUS V-C LTD.**

BLACKSTONE GPV CAPITAL PARTNERS MAURITIUS V-C LTD. confirms that all statements specifically made or confirmed by it in this Draft Red Herring Prospectus specifically in relation to itself as a selling shareholder and the Equity Shares which are being offered by it by way of an offer for sale pursuant to the Issue, are true and correct. BLACKSTONE GPV CAPITAL PARTNERS MAURITIUS V-C LTD. assumes no responsibility for any other statements including the statements made by the Company or any expert or any other person(s) in the Draft Red Herring Prospectus.

**Signed by the Selling Shareholder, BLACKSTONE GPV CAPITAL PARTNERS MAURITIUS V-C LTD.**

For BLACKSTONE GPV CAPITAL PARTNERS MAURITIUS V-C LTD.

Sd/-

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Authorized Signatory

Name:

Date: April 22, 2015