



KBS INDUSTRIES LIMITED

(CIN- U74990DL2012PLC245998)

Our Company was originally incorporated at Delhi as “KBS Industries Private Limited” on 11th December, 2012 under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Delhi & Haryana. Consequent, upon the conversion of our Company into public limited company, the name of our Company was changed to “KBS Industries Limited” vide fresh Certificate of Incorporation dated 15th May, 2018 issued by the Registrar of Companies, Delhi & Haryana. The Corporation Identification Number of our Company is U74990DL2012PLC245998. For further details of incorporation, change of name and registered office of our Company, please refer to chapter titled “General Information” and “Our History and Certain Other Corporate Matters” beginning on page 63 and 149 respectively of this Draft Prospectus.

Registered Office: 1/486, 2nd Floor, Kashmere Gate, Delhi Central, Delhi - 110 006

Tel: +91-11- 2383 0661, 4706 5511;

Corporate Office: 609, B – Wing, Express Zone, Off Western Express Highway, Malad (E), Mumbai – 400 097

Tel: +91-22-6236 2911

Warehouse: F-1730 DSIDC Narela Industrial Area, New Delhi-110040;

Work: Plot No. 418, HSIIDC, Phase – I, Barhi Industrial Area, Sonipat, Haryana

Email: info@kbsindustries.in; **Website:** www.kbsltd.in

Contract Person: Ms. Komal Suresh Kumar Churiwala, Company Secretary & Compliance Officer

PROMOTERS OF OUR COMPANY: MR. ARJUN AND MR. ANIL ANAND

THE ISSUE

PUBLIC ISSUE OF *UPTO 48,00,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH (“EQUITY SHARES”) OF KBS INDUSTRIES LIMITED (THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF RS. [●] PER EQUITY SHARE (THE “ISSUE PRICE”), AGGREGATING RS. [●] LAKHS (“THE ISSUE”), OF WHICH UPTO 2,46,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE, AGGREGATING RS. [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTIONS BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF UPTO 45,54,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH CASH AT A PRICE OF RS. [●] PER EQUITY SHARE, AGGREGATING RS. [●] LAKHS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.73% AND 25.36% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH AND THE ISSUE PRICE OF RS. [●]/- I.E [●] TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to the chapter titled “Issue Procedure” beginning on page 244 of this Draft Prospectus. A copy will be delivered for registration to the Registrar of companies as required under Section 26 of the Companies Act, 2013.

All potential investors may participate in the Issue through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to the chapter titled “Issue Procedure” beginning on page 244 of this Draft Prospectus. 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. Qualified Institutional Buyers and Non-Institutional Investors shall compulsorily participate in the Issue through ASBA process. A Copy will be delivered for registration to the Registrar as required under Section 26 of the Companies Act, 2013.

THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENT) REGULATIONS, 2009 AS AMENDED FROM TIME TO TIME. For further details please refer to Section titled “Issue structure” beginning on Page 241 of this Draft Prospectus

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for our Equity Shares of the Company. The face value of the Equity Shares is Rs. 10 and the issue price of Rs. [●] per Equity Share is [●] times of face value. The issue price (as determined by our Company in consultation with the Lead Manager and as stated in the chapter titled on “Basis for Issue Price” beginning on page 99 of this Draft Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of the Company or regarding the price at which the equity shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of this Draft Prospectus. **Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page 15 of this Draft Prospectus.**

ISSUER’S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares of our Company offered through this Draft Prospectus are proposed to be listed on the SME Platform of National Stock Exchange of India Limited (“NSE”) (“NSE EMERGE”). Our Company has received an In Principle approval letter dated [●] from NSE for using its name in this offer document for listing of our shares on the NSE EMERGE. For the purpose of this Issue, the designated Stock Exchange will be the National Stock Exchange of India Limited (“NSE”).

LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE

 Navigant	
NAVIGANT CORPORATE ADVISORS LIMITED 423, A Wing, Bonanza, Sahar Plaza Complex, J.B. Nagar, Andheri Kurla Road, Andheri (East), Mumbai-400 059 Tel No. +91-22-41204837/49735078 Email Id- navigant@navigantcorp.com Investor Grievance Email: info@navigantcorp.com Website: www.navigantcorp.com SEBI Registration Number: INM000012243 Contact Person: Mr. Sarthak Vijlani	KARVY COMPUTERSHARE PRIVATE LIMITED Karvy Selenium, Tower- B, Plot No. 31 & 32, Financial district, Nanakramguda, Serilingampally Mandal, Hyderabad, Telangana – 500 032 Tel No.: +91 – 40 – 6716 2222 Fax No.: +91 – 40 – 2343 1551 Email: einward.ris@karvy.com Investor Grievance Email: kbs.ipo@karvy.com Website: www.karisma.karvy.com SEBI Registration No.: INR000000221 Contact Person: Mr. M Murali Krishna
ISSUE OPENS ON: [●]	ISSUE CLOSES ON: [●]

*Note: Number of shares may need to be adjusted for lot size upon determination of issue price.

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

SECTION I: GENERAL

DEFINITIONS

TERMS	DESCRIPTION
"our Company", "the Company", "KBS", "KBS Industries", "KBS Group" or "the Issuer"	KBS Industries Limited, a Public Limited Company incorporated under the Companies Act, 1956
"you", "your" or "yours"	Prospective Investors in this Issue

COMPANY RELATED TERMS

TERMS	DESCRIPTION
AOA/Articles/ Articles of Association	Articles of Association of KBS Industries Limited
Banker to the Issue	[•]
Board of Directors / Board/Director(s)	The Board of Directors of KBS Industries Limited
NSE	National Stock Exchange of India Limited (the Designated Stock Exchange)
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and / or Provisions of the Companies Act, 1956 w.r.t. to the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
Depositories Act	The Depositories Act, 1996 as amended from time to time
CIN	Company Identification Number
DIN	Directors Identification Number
Depositories	NSDL and CDSL
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended from time to time.
Director(s)	Director(s) of KBS Industries Limited, unless otherwise specified
Equity Shares / Shares	Equity Shares of our Company of face value of Rs. 10 each unless otherwise specified in the context thereof
EPS	Earnings Per Share.
GIR Number	General Index Registry Number.
Gol/ Government	Government of India.
Statutory Auditor / Auditor	M/s. SSRV & Associates, Chartered Accountants, the Statutory Auditors of our Company
Peer Review Auditor(s)	M/s. SSRV & Associates, Chartered Accountants.
Promoters	Promoters of the Company being Mr. Arjun and Mr. Anil Anand
Promoter Group Companies / Group Companies / Group Enterprises	Unless the context otherwise specifies, refers to those entities mentioned in the section titled "Our Promoter Group / Group Companies / Entities" on page 168 of this Draft Prospectus.
HUF	Hindu Undivided Family
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial Public Offering
Key Managerial Personnel / Key Managerial Employees	The officers vested with executive powers and the officers at the level immediately below the Board of Directors as described in the section titled "Our Management" on page 154 of this Draft Prospectus.
MOA/ Memorandum/ Memorandum of Association	Memorandum of Association of KBS Industries Limited

TERMS	DESCRIPTION
Non-Resident	A person resident outside India, as defined under FEMA
Non-Resident Indian/ NRI	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations
Overseas Corporate Body / OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this Issue.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Registered office of our Company	1/486, 2 nd Floor, Kashmere Gate, Delhi Central, Delhi - 110 006
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI Regulation/ SEBI (ICDR) Regulations	The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME Platform of NSE/Stock Exchange / EMERGE	The SME platform of NSE for listing of Equity Shares offered under Chapter X-B of the SEBI (ICDR) Regulations
SWOT	Analysis of strengths, weaknesses, opportunities and threats
RoC/ Registrar of Companies	Registrar of Companies, Delhi

ISSUE RELATED TERMS

Term	Description
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Applicants
Allottee	An Applicant to whom the Equity Shares are Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Application	An indication to make an offer during the Issue Period by a prospective pursuant to submission of Application Form or during the Anchor Investor Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price including all revisions and modifications thereto.
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Collecting Intermediaries	(i) an SCSB, with whom the bank account to be blocked, is maintained (ii) a syndicate member (or sub-syndicate member) (iii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ("broker") (iv) a depository participant ("DP") (whose name is mentioned on the website of the stock exchange as eligible for this activity) (v) a registrar to an issue and share transfer agent ("RTA") (whose name is mentioned on the website of the stock exchange as eligible for this activity)
Application Supported by Blocked Amount/ (ASBA)/ASBA	An application, whether physical or electronic, used by Applicants to make an application authorising an SCSB to block the Application Amount in the specified

Term	Description
	bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant
ASBA Application	An Application made by an ASBA Applicant
Application Amount	The value indicated in Application Form and payable by the Applicant upon submission of the Application, less discounts (if applicable).
Banker(s) to the Issue/	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Public Issue Account(s) may be opened, and as disclosed in the Prospectus and Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue
Issue Closing Date	The date after which the SCSBs may not accept any Application for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation Applicants may refer to the Prospectus for the Issue Closing Date
Issue Opening Date	The date on which the SCSBs may start accepting application for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Issue Opening Date
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants (can submit their application inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Issue Period
Lead Manager(s)/Lead Manager/ LM	The Lead Manager to the Issue as disclosed in the Draft Prospectus/ Prospectus and the Application Form of the Issuer.
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Companies Act	The Companies Act, 1956 and The Companies Act, 2013 (to the extant notified)
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Applicants including the Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Application Forms used by the ASBA Applicants applying through the ASBA and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Designated Date	The date on which the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Applicants in the Issue
Designated Stock Exchange	The designated stock exchange as disclosed in the Draft Prospectus/Prospectus of the Issuer

Term	Description
Discount	Discount to the Issue Price that may be provided to Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with the Designated stock exchange in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoter and immediate relatives of the promoter. For further details /Applicant may refer to the Prospectus
Equity Shares	Equity shares of the Issuer
FCNR Account	Foreign Currency Non-Resident Account
Applicant	The Applicant whose name appears first in the Application Form or Revision Form
FPI(s)	Foreign Portfolio Investor
Fixed Price Issue/ Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Lead Manager(s)
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Application Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Application Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less Market Maker Reservation Portion
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FPIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or RIBs and who have applied for Equity Shares for an amount of more than Rs. 2,00,000 (but not including NRIs other than Eligible NRIs)
Non Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the Prospectus and the Application Form
Non Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs registered with SEBI and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA

Term	Description
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Prospectus	The prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act 1956 read with section 26 of Companies Act 2013, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the ASBA Accounts on the Designated Date
QIB Category Qualified Institutional Buyers or QIBs	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Refunds through electronic transfer of funds	Refunds through ASBA
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the Draft Prospectus / Prospectus and Application Form
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors / RIIs	Investors who applies or for a value of not more than Rs. 2,00,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies for a value of not more than Rs. 2,00,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Applicant in an issue to modify the quantity of Equity Shares in an Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies, Delhi
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 http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
SME IPO	Initial public offering as chapter XB of SEBI (ICDR) Regulation
SME Issuer	The Company making the Issue under chapter XB of SEBI (ICDR) Regulation
Stock Exchanges/SE	The stock exchanges as disclosed in the Draft Prospectus/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Specified Locations	Refer to definition of Broker Centers
Underwriters	[•]
Underwriting Agreement	Underwriting Agreement entered between Company and Underwriters
Working Day	Working days shall be all trading days of stock exchanges excluding Sundays and bank holidays

CONVENTIONAL AND GENERAL TERMS

Term	Description
A/c	Account
Act/ Companies Act	The Companies Act, 2013, as amended
AGM	Annual General Meeting
AMC	Annual Maintenance Contracts
AS	Accounting Standards Accountants of India issued by the Institute of Chartered Accountant of India
AY	Assessment Year
B2B	Business to Business
BV	Book Value
CAGR	Compounded Annual Growth Rate
CAPEX	Capital Expenditure
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
CROSS	Client Relation and Order Supply System
EGM	Extraordinary General Meeting
EPF	Employees Provident Fund
EPS	Earnings per Share
ESI	Employees State Insurance
FDI	Foreign Direct Investment
Financial Year/ Fiscal/ FY	The period of twelve (12) months ended March 31 of that particular year.
FEMA Regulations	FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations 2000 and amendments thereto
GIR	General Index Registry Number
GOI/Government	Government of India
HR	Human Resource
HTML	Hyper Text Markup Language
IFRS	International Financial Reporting Standard
Indian GAAP	Generally Accepted Accounting Principles in India
ISO	International Organization for Standardization
I.T. Act	Income Tax Act, 1961 as amended from time to time
IVRS	Interactive Voice Response System
LLC	Limited Liability Company
Ltd.	Limited
MD	Managing Director
MIS	Management Information System
Mgmt.	Management
MOA /Memorandum/ Memorandum of Association	Memorandum of Association of our Company
NA	Not Applicable
NAV	Net Asset Value
NBFCs	Non Banking Financial Companies
NOC	No Objection Certificate
Non-Resident	A person resident outside India, as defined under FEMA and includes a non-resident Indian
NRE Account	Non-Resident External Account

Term	Description
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 under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended
NRO Account	Non-Resident Ordinary Account
NSC	National Savings Certificate
NSDL	National Securities Depository Limited
Overseas Corporate Body/ OCB	“Overseas Corporate Body” (OCB) means a Company, partnership firm, society and other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trust, in which not less than 60% beneficial interest is held by NRIs directly or indirectly but irrevocably as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000. OCBs are not allowed to participate in this Issue.
PAN	Permanent Account Number
PAT	Profit After Tax
Person(s)	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/ or incorporated in the jurisdiction in which it exists and operates, as the context requires
P/E Ratio	Price Earning Ratio
Post Office RDs	Post Office Recurring Deposits
PPF	Public Provident Fund
Qty.	Quantity
Quarter	A period of three consecutive months
R&D	Research and Development
RBI	Reserve Bank of India
RDBMS	Relational Database Management System
RFID	Radio Frequency Identification
Rs. / `	Indian Rupees, the official currency of the Republic of India
RONW	Return on Net Worth
SAS	Small Savings Agent Software
SBI	State Bank of India
SCADA	Supervisory Control and Data Acquisition
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended, including instructions and clarifications issued by SEBI from time to time.
Sq.ft.	Square feet
SQL	Structured Query Language
STT	Securities Transaction Tax
UAE	United Arab Emirates
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
UID	Unique Identification Number
UPS	Uninterruptible Power Supply

Industry Related Terms and Abbreviations

Term	Descr
ABS	Acrylonitrile butadiene styrene.
AMRUT	Atal Mission for Rejuvenation and Urban Transformation.
BIS	Bureau of Indian Standards. CAGR Compound annual growth rate
CENVAT	Central value added tax
CC Rod(s)	Continuous Cast Rod(s)
CPVC	Chlorinated polyvinyl chloride
CSO	Central Statistical Organisation.
CSR	Corporate social responsibility
DPR	Detailed Project Report
EBITDA	Earnings before interest, tax, depreciation and amortisation, which in the case of our Company, is equal to revenue from operations less cost of materials consumed, less purchase of stock in trade, less changes in inventories of manufactured goods, less employee benefit expenses, less other expenses
EIA	Environmental Impact Assessment
EMP	Environment Management Plan
EDC	Ethylene dichloride.
GI	Galvanised iron
GVT	Glazed vitrified
HDPE	High density polyethylene
ISI	Indian Standards Institution
MTPA	Million Tonnes Per Annum
PP	Polypropylene.
PPR	Polypropylene random
PVC	Polyvinyl chloride
PVDF	Polyvinylidene fluoride
PVT	Polished vitrified
RERA	Real Estate Regulatory Authority
RoCE	Return on capital employed
RoE	Return on equity
Rc	Refining Charge
SX-EW	Solvent Extraction and Electrowinning
Tc	Treatment Charge
UPVC	Unplasticised polyvinyl chloride.
VCM	Vinyl chloride monomer
WSS	Water supply and sanitation.
CAGR	Compound Annual Growth Rate
ASSOCHAM	Associated Chambers of Commerce and Industry
ERW	Electric Resistance Welded
HF	High Frequency
M/T, MT	Metric Ton
MOU	Memorandum of Understanding
EBITDA	Earnings Before Interest, Tax, Depreciation & Amortization
EU	European Union
DRI	Direct Reduced Iron
FY	Financial Year

Term	Descri
Franchisee	A person with whom our Company has entered into a franchisee or service agreement for Operating and managing training centres.
GER	Gross Enrolment Ratio
DRFC	Dedicated Rail Freight Corridor
FDI	Foreign direct investment
MCA	Masters of Computer Applications
PPP	Private Public Partnership
MOSPI	Ministry of Statistics and Programme Implementation
NBA	National Board of Accreditation
GW	Gigawatt
DIPP	Department of Industrial Policy and Promotion
IMF	International Monetary Fund
INR	Indian Rupee
ISO	International Organization for Standardization
MIDH	Mission for Integrated Development of Horticulture
Mn	Million
MNC	Multi National Corporation
NMDC	National Mineral Development Corporation
SAIL	Steel Authority of India Ltd
MT	Metric Tone
SRTMI	Steel Research and Technology Mission of India
PMG	Project Monitoring Group
SHS	square hollow sections
RBI	Reserve Bank of India
SCH	Single cross hybrid
USA	United States of America
UPS	Uninterruptible Power Supply

ABBREVIATIONS

ABBREVIATION	FULL FORM
AGM	Annual General Meeting
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
A.Y.	Assessment Year
B.A	Bachelor of Arts
B.Com	Bachelor of Commerce
B.Sc.	Bachelor of Science
BG/LC	Bank Guarantee / Letter of Credit
CAGR	Compounded Annual Growth Rate
C. A.	Chartered Accountant
CAIIB	Certified Associate of the Indian Institute of Bankers
CC	Cubic Centimeter
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
C.S.	Company Secretary
DP	Depository Participant
ECS	Electronic Clearing System
EGM / EOGM	Extra Ordinary General Meeting of the shareholders
EPS	Earnings per Equity Share

ABBREVIATION	FULL FORM
ESOP	Employee Stock Option Plan
EMD	Earnest Money Deposit
FCNR Account	Foreign Currency Non Resident Account
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time and the regulations issued there under.
FII	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India.
FIs	Financial Institutions.
FIPB	Foreign Investment Promotion Board, Department of Economic Affairs, Ministry of Finance, Government of India
FY / Fiscal	Financial Year
FVCI	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
Gol/ Government	Government of India
HUF	Hindu Undivided Family
BSC	Bachelor in Science
INR / Rs./ Rupees	Indian Rupees, the legal currency of the Republic of India
SME	Small And Medium Enterprises
SSC	Secondary School Certificate
M. Com.	Master of Commerce
NAV	Net Asset Value
No.	Number
NR	Non Resident
NSDL	National Securities Depository Limited
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
RoC/Registrar of Companies	Registrar of Companies, Delhi
RONW	Return on Net Worth
USD/ \$/ US\$	The United States Dollar, the legal currency of the United States of America

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

FINANCIAL DATA

Unless stated otherwise, the financial data in this Draft Prospectus is derived from our restated financial statements for the fiscal ended March 31, 2018, 2017, 2016, 2015 and 2014 and the respective notes, schedules and annexures thereto, prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, 2009, as stated in the report of our Auditors and the SEBI Regulations and set out in the section titled "Financial Information" on page 173.

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

There are significant differences between the Indian GAAP, the International Financial Reporting Standards (the "IFRS") and the Generally Accepted Accounting Principles in the United States of America (the "U.S. GAAP"). Accordingly, the degree to which the financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, the Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations on the financial disclosures presented in this Draft Prospectus should accordingly be limited. We have not attempted to quantify the impact of the IFRS or the U.S. GAAP on the financial data included in this Draft Prospectus, nor do we provide a reconciliation of our financial statements to those under the U.S. GAAP or the IFRS and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Certain figures contained in this Draft Prospectus, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal points, except for figures in percentage. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Prospectus as rounded-off to such number of decimal points as provided in such respective sources.

CURRENCY OF PRESENTATION

All references to "Rupees" or "Rs." or "INR" are to Indian Rupees, the official currency of the Republic of India. All references to "\$", "US\$", "USD", "U.S.\$" or "U.S. Dollar(s)" are to United States Dollars, if any, the official currency of the United States of America. This Draft Prospectus contains translations of certain U.S. Dollar and other currency amounts into Indian Rupees (and certain Indian Rupee amounts into U.S. Dollars and other currency amounts). These have been presented solely to comply with the requirements of the SEBI Regulations. These translations should not be construed as a representation that such Indian Rupee or U.S. Dollar or other amounts could have been, or could be, converted into Indian Rupees, at any particular rate, or at all.

In this Draft Prospectus, throughout all figures have been expressed in Lakhs, except as otherwise stated. The word "Lakhs", "Lac", "Lakhs" or "Lakh" means "One Hundred Thousand".

Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operation" and elsewhere in this Draft Prospectus, unless otherwise indicated, have been calculated based on our restated financial statement prepared in accordance with Indian GAAP.

INDUSTRY & MARKET DATA

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

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

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

FORWARD LOOKING STATEMENTS

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

These forward-looking statements include statements as to business strategy, revenue and profitability, planned projects and other matters discussed in this Draft Prospectus regarding matters that are not historical fact. These forward-looking statements contained in this Draft Prospectus (whether made by us or any third party) involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from expectations include, among others general economic conditions, political conditions, conditions in the finance & investment sector, inclement weather, interest rates, inflation etc. and business conditions in India and other countries.

- General economic and business conditions in India and other countries;
- Ability to retain the customers is heavily dependent upon various factors including our reputation and our ability to maintain a high level of service quality including our satisfactory performance for the customers;
- We operate in a significantly fragmented and competitive market in each of our business segments;
- Regulatory changes relating to the finance and capital market sectors in India 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 that 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 and foreign laws, regulations and taxes and changes in competition in our industry;
- Changes in the value of the Rupee and other currencies;
- The occurrence of natural disasters or calamities; and
- Change in political and social condition in India.

For further discussion of factors that could cause Company's actual results to differ, see the section titled "Risk Factors" on page 15 of this Draft Prospectus. 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, the Lead Manager, and their respective affiliates 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 SEBI requirements, our Company and the Lead Manager will ensure that investors in India are informed of material developments until listing and trading permission by the Stock Exchange.

SECTION II

RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this offer including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face.

Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

To obtain a better understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 118, “Industry Overview” beginning on page 104 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 198 respectively, of this Draft Prospectus as well as other financial information contained herein.

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

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

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this section is derived from our financial statements under Indian GAAP, as restated in this Draft Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “Definitions and Abbreviation” beginning on page 2 of this Draft Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

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



INTERNAL RISK FACTORS

A. Business Risk/Company Specific Risk

1. Our manufacturing operations at our Manufacturing Facility Situated at Plot No. 418, HSIIDC, Phase - I, Barhi Industrial Area, Sonipat, Haryana are critical to our business and any shutdown of our manufacturing facilities may have an adverse effect on our business, results of operations and financial condition.

Our Company is engaged in manufacturing and supply of high quality Semi finished copper and copper alloy products (Rods, Bus bars, Strips, Wires, Plates, Sheets and Circles) and our success depend on our ability to successfully manufacture and deliver our products to meet our customer demand. Our manufacturing facility is also susceptible to damage or interruption or operating risks, such as human error, power loss, breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, loss of services of our external contractors, terrorist attacks, acts of war, break-ins, earthquakes, other natural disasters and industrial accidents and similar events. It is also subject to operating risk arising from compliance with the directives of relevant government authorities. In past, there have been two instances where our facility met with a fire situation. Operating risks may result in personal injury and property damage and in the imposition of civil and criminal penalties.

If our Company experience delays in production or shutdowns at our facility due to any reason, including disruptions caused by disputes with its workforce or any external factors, our Company's operations will be significantly affected, which in turn would have a material adverse effect on its business, financial condition and results of operations. Further, continuous addition of industries in and around our manufacturing facilities without commensurate growth of its infrastructural facilities may put pressure on the existing infrastructure therein, which may adversely affect our business.

2. We intend to set up a new manufacturing facility at Survey No. 51/1/2, Village Kala, Silvassa, Dadra & Nagar Haveli- 396230 to expand our Production in manufacturing of PVC Insulated Cable and the Company is in process of setting up the infrastructure. Any failure to succeed in setting up the new manufacturing unit may have an adverse effect on our financial performance.

Our Company is already established in manufacturing and supply of high quality Semi finished copper and copper alloy products (Rods, Bus bars, Strips, Wires, Plates, Sheets and Circles) and in view of

growing trend and to grab the synergy of existing manufacturing facility, Our Company has decided to expend the production by setting up a new manufacturing unit at Survey No. 51/1/2, Village Kala, Silvassa, Dadra & Nagar Haveli- 396230 for manufacturing of PVC Insulated Cable for which the Company has yet to construct the Infrastructure. For more details of our projects, please refer the chapter “objects of the issue” on page 91 of this Draft Prospectus. We may be unsuccessful or delay in setting up the new manufacturing unit and we cannot provide you with any assurances as to the timing and amount of any returns or benefits that we may receive from new manufacturing facility. Any delay of setting up the same may delay to delay returns on the investment put into and thus may negatively affect our profitability, business, financial condition, results of operations, cash flows and prospects.

3. **The capacity of our current plant units is not fully utilized. Consecutively, if there is also any under-utilization of our capacities in next three years, it could affect our ability to fully absorb fixed costs and thus may adversely impact our financial performance.**

The capacity of our current plant is not fully utilized. Even though the capacity utilization of our plant situated at Plot No. 418, HSIIDC, Phase - I, Barhi Industrial Area, Sonipat, Haryana is upto 60% at present, the capacities of our products has not been fully utilized at this plant. Following are the details of past details of capacity utilizations at our plant:

Fiscal 2018		Fiscal 2017		Fiscal 2016		Fiscal 2015		Products manufactured
Installed	Utilized	Installed	Utilized	Installed	Utilized	Installed	Utilized	
4800 MT P.A	2880 MT P.A	4800 MT P.A	2500 MT P.A	4800 MT P.A	1800 MT P.A	4800 MT P.A	900 MT P.A	Copper Rod & Copper Ingot

Also, Our Company had used to increase its Capacity in previous. Further, we propose to fully utilize our production capacities in coming years based on our estimates of market demand and profitability. In the event of nonmaterialization of our estimates and expected order flow for our product and/or failure of optimum utilization of our capacities, due to factors including adverse economic scenario, change in demand or for any other reason, our capacities may not be fully utilized thereby impairing our ability to fully absorb our fixed cost and may adversely impact our financial performance.

4. **Activities involving our manufacturing process can be dangerous and can cause injury to people or property in certain circumstances. A significant disruption at any of our manufacturing facilities may adversely affect our production schedules, costs, sales and ability to meet customer demand.**

Our business operations are subject to hazards such as risk of equipment failure, work accidents, fire or explosion and require individuals to work under potentially dangerous circumstances or with flammable materials. Although we employ safety procedures in the operation of our facilities and maintain what we believe to be adequate insurance, there is a risk that an accident or death may occur in one of our facilities. An accident may result in destruction of property or equipment, environmental damage, manufacturing or delivery delays, or may lead to suspension of our operations and/or imposition of liabilities. Any such accident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost to defend litigation can be significant. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations, cash flows and prospects.

In particular, if operations at our manufacturing facility were to be disrupted as a result of any significant workplace accident, equipment failure, natural disaster, power outage, fire, explosion, terrorism, adverse weather conditions, labour dispute, obsolescence or other reasons, our financial performance may be adversely affected as a result of our inability to meet customer demand or committed delivery schedules for our products. Interruptions in production may also increase our costs and reduce our sales, and may require us to make substantial capital expenditures to remedy the

situation or to defend litigation that we may become involved in as a result, which may negatively affect our profitability, business, financial condition, results of operations, cash flows and prospects.

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

Usage of heavy machinery, handling of materials by labour during production process or otherwise, lifting of materials by humans, cranes, heating processes of the furnace etc. may result in accidents, which could cause injury to our labour, employees, other persons on the site and could also damage our properties thereby affecting our operations. Further our plants and machinery and personnel are not covered under insurance and hence any such occurrence of accidents could hamper our production and consequently affect our profitability.

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

Our Company has entered into related party transactions with our Promoter, Directors and the Promoter Group aggregating to Rs. 3462.86 Lakhs during the financial year 2017-18. While our Company believes that all such transactions have been conducted on the arms length basis, there can be no assurance that it could not have been achieved on more favorable terms had such transactions not been entered into with related parties. Furthermore, it is likely that our Company will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For further details, please refer to Financial Information on page 173 of Draft Prospectus.

7. The Registered Office, Corporate office and Warehouse of our Company is not owned by us.

We operate from our registered office situated at 1/486, 2nd Floor, Kashmiri Gate, Delhi- 110006. The same has been taken on lease from Mrs. Achala Anand, one of the member of the Promoter group to use the place situated at 1/486, 2nd Floor, Kashmiri Gate, Delhi- 110006 as registered office vide agreement dated 1st July, 2018 for a period 11 (Eleven) months commencing from 1st July, 2018. Any discontinuance of facility to use the office will lead us to locate any other premises. Our inability to identify the new premises may adversely affect the operations, finances and profitability of our Company.

Our Corporate office is situated at Office No. B/609, Floor No. 6, Express Zone, Malad East, Mumbai-400097, Western Express Highway, Mumbai Sub-urban District, CTS Number 1. The same has been taken on lease from Arti Kabra, R/o- Flat No. 903, Floor No. 9, Building Name Mayfair Greens, Hiranandani Heritage, Kandivali, Maharashtra- 400067 to use the place for commercial purpose and our Company is using the office as its Corporate office for a period 24 (Twenty Four) months commencing from 1st November, 2017 and ending on 31st October, 2019. Any discontinuance of facility to use the office will lead us to locate any other premises. Our inability to identify the new premises may adversely affect the operations, finances and profitability of our Company.

Our warehouse is situated at F-1730 DSIDC Narela Industrial Area, New Delhi-110040. The same has been taken on lease from Ms. Surinder Kaur Bedi w/o Mr. Jagjit Singh Bedi resident of 10/25, East Patel Nagar, New Delhi-110008 to use the place for Industrial purpose and our Company is using the premise as its warehouse for a period 36 (Thirty Six) months commencing from 1st April, 2017 and ending on 31st March, 2019. Any discontinuance of facility to use the office will lead us to locate any other premises. Our inability to identify the new premises may adversely affect the operations, finances and profitability of our Company.

For further details please refer to section titled Our Business on page 118 of this Draft Prospectus.

- 8. Conflicts of interest may arise out of common business undertaken by our Company and our promoter Group Entities.**

Our Promoter Group Entities namely M/s Arjun Enterprises Private Limited is authorized to carry out business similar to that of our Company. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and our Group Entity in circumstances where our respective interests diverge. In cases of conflict, our Promoters may favour other companies in which our Promoters have interests. There can be no assurance that our Promoters or our Group Entities or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition.

- 9. Our Logo  is in the process of getting registered. If we fail to obtain trademark registration our brand building efforts may be hampered which might lead to adverse effect on our business.**

We have made an application vide Application no. 3874525 and 3874527 on 29th June, 2018 under class 6 and Class 9 respectively for registration of our Logo/trademark under the Trademarks Act, 1999 and are in the process of getting the same registered. If our Company is unable to obtain registration of trademark, it may not be able to successfully enforce or protect our intellectual property rights and obtain statutory protections available under the Trademarks Act, 1999, as otherwise available for registered trademarks in future could have a material adverse effect on our business, which in turn could adversely affect our results of operations. For further details please refer to section titled Government & Other Approvals on page 221 of this Draft Prospectus.

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

We use to import our raw material from outside India and payment for these purchases is made in foreign currency. Changes in value of currencies with respect to the Rupee may cause fluctuations in our operating results expressed in Rupees. The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. Any adverse or unforeseen fluctuations with respect to the unhedged exchange rate of any foreign currency for Indian Rupees may affect our Company's results of operations.

- 11. Since our Company is manufacturing the manufacturing and supply of high quality Semi finished copper and copper alloy products and our major customers are industrial customers. Our historical revenues have been significantly dependent on few customers. If our customers choose not to source their requirements from us, our business, financial condition and results of operations may be adversely affected.**

Our top 10 customers have contributed over 57.49% of our revenues for the period ended 31st March, 2018. Any decline in our quality standards, growing competition and any change in the demand by these customers may adversely affect our ability to retain them. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability.

However, the composition and revenue generated from these clients might change as we continue to add new clients in normal course of business. We intend to retain our customers by offering solutions to address specific needs in a proactive, cost effective and time efficient manner. This helps us in providing better value to each customer thereby increasing our engagement with our new and existing customer base that presents a substantial opportunity for growth.

- 12. The Promoter Group of our Company does not include Mr. Vijay Sachdeva, Ms. Anita Sachdeva, Mr. Saurabh Sachdeva, Mrs. Cherry Rajpal, Ms. Premlata Trehan, Ms. Shalini Arora, Mr. Harshvardhan Trehan and/ or their entity(ies) in which they may have an interest.**

The Promoter Group of our Company does not include certain relatives of our promoters, namely, Mr. Vijay Sachdeva, Ms. Anita Sachdeva, Mr. Saurabh Sachdeva, Mrs. Cherry Rajpal, Ms. Premlata Trehan, Ms. Shalini Arora, Mr. Harshvardhan Trehan and/ or their entity(ies) in which they may have an interest.

Also, Our Promoters have provided a confirmation, other members of the promoter group namely, Mr. Vijay Sachdeva, Ms. Anita Sachdeva, Mr. Saurabh Sachdeva, Mrs. Cherry Rajpal, Ms. Premlata Trehan, Ms. Shalini Arora, Mr. Harshvardhan Trehan and/ or their entity(ies) in which they may have an interest are not included in the promoter group. The Promoters have also confirmed that they do not have any financial interest in the Company and do not own shareholding in KBS Industries Limited and are also not involved in the business of KBS Industries Limited, directly or indirectly and apart from the said confirmation, there are no formal disassociation arrangements between them.

- 13. The average cost of acquisition of Equity Shares by our Promoter may be less than the Issue Price.**

The average cost of acquisition of Equity Shares by our Promoters may be less than the Issue Price. The details of average cost of acquisition of Equity Shares acquired by our Promoters is set out below:

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Mr. Arjun	24,07,500	10.37
Mr. Anil Anand	66,27,214	10.99

**The average cost of acquisition of our Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer, the Equity Shares, including the issue of bonus shares, if any, to them. The average cost of acquisition of our Equity Shares by our Promoters has been reduced due to the issuance of bonus shares to them, if any. For more information, please refer to the section titled "Capital Structure" on page 71.*

- 14. Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Prospectus is based on certain assumptions and has been subjected to estimates of our management, and accordingly, our future production and capacity utilization may vary.**

Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Draft Prospectus is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials, assumptions relating to operational efficiencies. Actual production levels and utilization rates may differ significantly from the estimated production capacities or historical estimated capacity utilization information of our facilities. Undue reliance should therefore not be placed on our production capacity or historical estimated capacity utilization information for our existing facilities included in this Draft Prospectus. For further information, see the section titled Our Business on page 118.

- 15. We do not hold any patents or other form of intellectual property protection in relation to our manufacturing processes, and our inability to maintain the integrity and secrecy of our manufacturing processes may adversely affect our business.**

Our research and development efforts are primarily directed towards developing more efficient production processes that are typically applicable to the current range of products we manufacture. Like our competitors, we possess extensive technical knowledge about our products. Our know-how may

not be adequately protected by intellectual property rights such as patent registration. We employ a high level of automation in our production processes, which result in high productivity and quality.

We also rely in part on mutual trust for protection of our trade secrets and confidential information relating to our manufacturing processes. It is our policy to take precautions to protect our trade secrets and confidential information against breach of trust by our employees, consultants, customers and suppliers and our agreements with employees incorporate confidentiality provisions. However, it is possible that unauthorized disclosure of our trade secrets or confidential information may occur. We cannot assure you that we will be successful in the protection of our trade secrets and confidential information. Our manufacturing processes may not be eligible for intellectual property protection and others may be able to use the same or similar automation in production processes, thereby undermining any competitive advantage we may have derived from such processes and adversely affecting our financial condition and results of operations.

16. We have experienced negative cash flows and any negative cash flows in the future could adversely affect our financial conditions and results of operations.

The detailed break up of cash flows as restated is summarized in below mentioned table and our Company have reported negative cash flow in certain financial years and which could affect our business and growth:

(In Lakhs.)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Net Cash flow from Operative activities	1,690.43	(588.48)	(846.91)	(339.31)	302.51
Net Cash Flow from investing activities	(733.00)	(66.68)	(25.36)	(13.90)	(1,431.47)
Net Cash Flow from Financing activities	364.93	698.26	1,095.82	(105.67)	1,554.42
Net Cash Flow for the Year	1,322.36	43.10	223.55	(458.88)	425.45

17. Any delay or default in payment from our customers could result in the reduction of our profits and affect our cash flows. consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. Accordingly, we have and may continue to have high levels of outstanding receivables.

For the Fiscal Years 2016, 2017, 2018, our trade receivables were Rs. 2,281.77 Lakhs, Rs. 2,593.61 Lakhs, Rs. 3,900.82 lakhs respectively, which constituted 15.23%, 13.06%, 14.56% (on an annualized basis), respectively, of our total restated standalone revenues for the same periods, respectively. If our customers delay or default in making these payments, our profits margins and cash flows could be adversely affected.

18. We are dependent upon the growth prospects of the industries, where end product made by using our product is used

Our Company mainly manufacture the products for the Industrial Customer who manufacture their product by using our product and that has substantial demand from varied industries and their sub-sectors. We thus cater to the requirements of these industries and any slowdown in the growth rate or downward trend in any of these industries directly or indirectly impact our own growth prospects and may result in decline in profits and turnover of sales.

19. Our cost of production is exposed to fluctuations in the prices of Raw materials.

Our Company is dependent on third party suppliers for procuring the raw material. We are exposed to fluctuations in the prices of these raw materials as well as its unavailability, particularly as we typically do not enter into any long term supply agreements with our suppliers and our major requirement is met

in the spot market. We may be unable to control the factors affecting the price at which we procure the materials. We also face the risks associated with compensating for or passing on such increase in our cost of production/ trades on account of such fluctuations in prices to our customers. Upward fluctuations in the prices of raw material may thereby affect our margins and profitability, resulting in a material adverse effect on our business, financial condition and results of operations. Though we enjoy favourable terms from the suppliers both in prices as well as in supplies, our inability to obtain high-quality materials in a timely and cost-effective manner would cause delays in our production and delivery schedules, which may result in the loss of our customers and revenues.

20. We are highly dependent on our suppliers for uninterrupted supply of Products.

Our Company is also engaged in trading of copper and allied products. As a trader our business is heavily depended on the products supplied by various Suppliers. We procure the products with customisation from various suppliers based on availability of desired quality, quantity and other financial terms. We are required to rely on various suppliers and the quality of products supplied by them. We are reliant on our suppliers for giving us timely delivery, products of agreed quality and products customised as per our need. Our sales and profitability would be adversely affected in case of any management inabilities or errors on part of our suppliers.

Also, we may face the risk of the management of our supplier companies collaborating with some other trader and thus reducing our share of supply, which we cannot ensure would be as per our required terms. Any negative development involving our suppliers and their products, could adversely affect our business growth, profitability, results of operations and goodwill and we may not be in a position to alter or avoid such developments.

21. Our global Purchases expose us to numerous regulatory requirements and are subject to Government Treaties and any adverse change in Government treaties could adversely affect global sales and Purchases, and thus could harm our business operations.

Since, Our Company is engaged in Importing of our raw material for manufacturing of copper and allied products and therefore, we are subject to numerous, legal requirements on matters as diverse as import/export controls, trade restrictions, Government Treaties, the tariffs, taxation, sanctions, government affairs, anti-corruption etc., Any adverse change in these matters, regulations etc. could result in disgorgement of profits, prohibitions on doing business and have an adverse impact on our business operations.

However, we have been following laws of land and meet mandatory levels of product standards and safety.

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

Our manufacturing processes requires substantial amount of power facilities. The quantum and nature of power requirements of our industry and Company is such that it cannot be fully supplemented/ augmented by alternative/ independent sources of power supply since it involve significant capital expenditure and per unit cost of electricity produced is very high in view of increasing oil prices and other constraints.

We are mainly dependent on State Government for meeting our electricity requirements. Any disruption / non availability of power shall directly affect our production which in turn shall have an impact on profitability and turnover of our Company.

- 23. Improper handling, processing or storage of our raw materials or products, or spoilage of and damage to such raw materials and products, could damage our reputation and have an adverse effect on our business, results of operations and financial condition.**

Our raw materials as well as the products that we manufacture are subject to risks during their manufacture, or storage. Although, raw materials procured by us are extensively tested at our facilities, we cannot assure you that quality tests conducted by us will be accurate at all times. Any shortcoming in the production or storage of our products due to negligence, human error or otherwise, may damage our products and result in noncompliance with applicable quality standards. Any allegation that our products do not match requisite quality standards could damage our reputation, adversely affect our sales and result in legal proceedings being initiated against us, irrespective of whether such allegations have any factual basis.

We sell our products, directly to customers and if the products sold by those customers are found to be faulty on account of our products, our customers may return our goods, terminate their relationships with us and initiate legal proceedings against us. We cannot assure you that we will not be subject to such product liability claims in the future. Should any of our products be perceived or found to be faulty, we may be subject to regulatory action, product recalls and our reputation, business, results of operations and financial condition may be adversely affected.

We may also be exposed to liability from consumers for defects in the quality of our products, which may be occasioned by manufacturing defects or contamination, spoilage or damage to our raw materials. Significant product liabilities could adversely affect our reputation, sales revenues and results of operations.

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

We believe that the industry in which our Company operates faces competitive pressures in recruiting and retaining skilled and unskilled labour. Our industry being labour intensive is highly dependent on labour force for carrying out its business operations. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Such disruptions may adversely affect our business and results of operations, reputation and may also divert the management's attention and result in increased costs. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages.

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

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

- a. Environment (Protection) Act, 1986
- b. Air (Prevention and Control of Pollution) Act, 1981
- c. Water (Prevention and Control of Pollution) Act, 1974
- d. Hazardous Waste Management & Handling Rules, 2008
- e. other regulations promulgated by the Ministry of Environment and Forests and the Pollution Control Boards of the state of Maharashtra

which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from the operations of our business.

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

26. We are subject to stringent labour laws or other industry standards and any strike, work stoppage or increased wage demand by our employees or any other kind of disputes with our employees could adversely affect our business, financial condition and results of operations.

Our manufacturing activities are labour-intensive. As of date, we have 40 permanent employees engaged across various operational and business divisions. We are subject to a number of stringent labour laws that protect the interests of our workers, including legislation that stipulates rigorous procedures for dispute resolution and retrenchment of workers and imposes financial obligations on employers. We may experience labour unrest and lock out and other labour action, which may have an adverse impact on our operations, and if not resolved in a timely manner, could lead to disruptions in our operations. We cannot guarantee that we will not experience any strike, work stoppage or other industrial action in the future and any such event could adversely affect our business, results of operation and financial condition. Further, our third-party raw material suppliers may experience strikes or other labour disruptions and shortages that could affect our operations, possibly for a significant period of time, result in increased wages, shortage in manpower and other costs and otherwise have a material adverse effect on our business, results of operations or financial condition. Additionally, our inability to recruit employees, in particular skilled employees and retain our current workforce could have a material adverse effect on our business, financial condition and profitability.

Furthermore, certain recent changes, and proposed changes to Indian labour laws could adversely affect our business. For instance, a recent amendment to the Payment of Bonus Act, 1965, has, inter alia, increased the eligibility ceiling for bonus payments to employees of factories and certain other establishments from 10,000 per month to 21,000 per month. The GoI also proposes to enact the Code on Industrial Relations Bill, 2015 and the Labour Code on Wages Bill, 2015, which seeks to consolidate all existing labour legislation in the country (including the Minimum Wages Act, 1948) into distinct codes dealing with industrial relations, wages, social security, industrial safety and welfare. Furthermore, the Ministry of Labour and Employment, GoI has recently proposed an amendment to Indian contract labour legislation that will increase the minimum wage of contract labourers to 10,000 per month. Any such changes, if implemented, could adversely affect our operating margins, manufacturing operations, cash flows and results of operations.

27. Our inability to maintain an optimal level of inventory for our business may impact our operations adversely.

Our daily operations largely depend on consistent inventory control which is generally dependent on our projected sales in different months of the year. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively and to maintain a range of finished products. If we over-stock inventory, our required working capital will increase and if we under-stock inventory, our ability to meet consumer demand and our operating results may be adversely affected. Any mismatch between our planning and the actual off take by customers can impact us adversely.

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

Modernization and technology up gradation is essential to reduce costs and increase the efficiency. Our technology may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. Although we believe that we are utilizing latest technology by using latest machineries and equipments, we shall continue to strive to keep our technology updated. In case of a new found technology in the Copper Manufacturing Industry, we may be required to implement new technology employed by us. Further, the cost in upgrading our technology is significant which could substantially affect our finances and operations.

29. Our business requires us to obtain and renew certain registrations; licenses and permits from government and regulatory authorities and the failure to obtain and renew them in a timely manner may adversely affect our business operations.

Our business operations require us to obtain and renew from time to time, certain approvals, licenses, registration and permits, some of which may expire and for which we may have to make an application for obtaining the approval or its renewal. Our Company is required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all.

Further, these permits, licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions and this may lead to cancellation, revocation or suspension of relevant permits/ licenses/ approvals, which may affect our business adversely. For more information about the licenses required in our business and the licenses and approvals applied for renewal and approvals yet to apply, please refer section "Government and other statutory approvals" appearing on page 221 of this Draft Prospectus.

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

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

31. Our ability to retain the clients is heavily dependent upon various factors including our reputation and Our skill to maintain the quality in Products manufactured by us and our ability to maintain a high level of service quality including our satisfactory performance for the customers. Any failure by us to retain or attract customers may impact its business and revenues.

We believe our strong brand reputation & our skill to maintain the quality in Products manufactured by us has helped us to attract and retain our customers. As a result, our reputation and perception of our brands are critical to our business. Although, we believe that we as well as our customers have a dedicated and talented team that comprise of experienced personnel in the field of copper manufacturing. Our business heavily relies on our reputation as well as the quality and popularity of the product provided by us and our visibility and perception amongst customers. It is important that we retain the trust placed by our customers. We must also continue to attract more and increase the number of our customers at a consistent rate. We attempt to retain our position by maintaining quality and by our ability to improve and add value to the performance of our customers in their respective areas. This requires constant upgradation of the methodology and technologies are adequately equipped. Further, we rely on a variety of advertising efforts tailored to target the customers. Failure to maintain and enhance our reputation or any actual or perceived reasons leading to reduction of benefits from our customers or any negative publicity against us may affect the rate of customers. Any failure by us to retain or attract customers may adversely impact our business and revenues.

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

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

33. We could become liable to customers, suffer adverse publicity and incur substantial costs as a result of defects in our products, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity.

Any failure or defect in our products could result in a claim against us for damages, regardless of our responsibility for such a failure or defect. We currently carry no products liability insurance with respect to our products. Although we attempt to maintain quality standards, we cannot assure that all our products would be of uniform quality, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity.

Also, our business is dependent on the trust our customers have in the quality of our products. Any negative publicity regarding our company, brand, or products, including those arising from a drop in quality of merchandise from our vendors, mishaps resulting from the use of our products, or any other unforeseen events could affect our reputation and our results from operations.

34. Changes in customer preferences could affect our business, financial condition, results of operations and prospects.

Any change in the customer preference can render our old stock obsolete, as changes in customer preference are generally beyond our control. Some or all of our products may become less attractive in light of changing customer preferences or better products by competitors and we may be unable to adapt to such changes in a timely manner. However, we constantly focus on research and development and to develop new products to cater the customer needs, any change in customer preferences that decreases demand could affect our business, financial condition, results of operations and prospects.

- 35. Our Company's failure to maintain the quality standards of the products could adversely impact our business, results of operations and financial condition.**

The demand for our products depends on quality that we market. Any failure of ours to maintain the quality standards may affect our business. Although we have put in place strict quality control procedures, we cannot assure that our products will always be able to satisfy our customer's quality standards. Any negative publicity regarding our Company, or products, including those arising from any deterioration in quality of our products or any other unforeseen events could adversely affect our reputation, our operations and our results from operations.

- 36. Our Company is dependent on third party transportation providers for the delivery of our goods and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations.**

Our Company uses third party transportation providers for delivery of our goods. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. In addition goods may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of products, which may also affect our business and results of operation negatively. An increase in the freight costs or unavailability of freight for transportation of our raw materials or finished goods may have an adverse effect on our business and results of operations.

Further, disruptions of transportation services due to weather related problems, strikes, lock-outs, inadequacies in the road infrastructure, or other events could impair ability to procure raw materials on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

- 37. We face risks and uncertainties associated with the implementation of expansion and new projects which may impact our business, operations and revenue.**

Our business plan includes expansion of our Industrial customers for growth opportunities and thereby increase the revenue. We may face risks and uncertainties in relation to expansion and achieving our business plans efficiently, which may include various factors i.e. we may face difficulties in recruiting, training and retaining sufficient skilled faculty members, technical and management personnel and inability to or difficulty in satisfying clients expectations. This may adversely affect our business, results of operation and revenues.

- 38. Our lenders have charge over our immovable properties, Stock Etc. in respect of finance availed by us.**

We have provided security in respect of loans / facilities availed by us from banks and financial institutions by creating a charge over our immovable property. The total amounts outstanding and payable by us as secured loans were Rs. 5,161.55 lakhs as on 31st March, 2018. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be subject to forfeiture by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further details of secured loans of our Company, please refer the chapter titled *Financial Indebtedness* on page 196 of this Draft Prospectus.

- 39. Unsecured loans taken by our Company from related parties can be recalled by the lenders at any time.**

As on March 31, 2018, our Company has unsecured loans amounting to Rs. 2,032.17 lakhs from related parties that are repayable on demand to the relevant lender. Further, some of these loans are not

repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows. For further details of unsecured loans of our Company, please refer the chapter titled *Financial Indebtedness* on page 196 of this Draft Prospectus.

40. Our Company may incur penalties or liabilities for non-compliances with certain provisions of the Companies Act and other applicable laws in the last five (5) Years.

Our Company may incur penalties or liabilities for non compliance with certain provisions including lapsed/ made delay in certain filings and/or errorness filing/ Non Filing of eforms under Company Act applicable to it and Non Registration of Rent Agreement in the past years. Such non compliances/delay Compliances /errorness filing/ Non Filing/Non Registration may incur the penalties or liabilities which may affect the results of operations and financial conditions.

41. Our Promoters and member of Promoters Group have provided personal guarantees to certain loan facilities availed by us, which if revoked may require alternative guarantees, repayment of amounts due or termination of the facilities.

Our Promoters and Member of Promoter Group have provided personal guarantees in relation to certain loan facilities availed of by us. In the event that any of these guarantees are revoked, the lenders for such facilities may require alternate guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facilities. We may not be successful in procuring alternative guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial condition. For further details of Guarantees by our Promoter and Promoter Group, please refer the chapter titled *Financial Indebtedness* on page 196 of this Draft Prospectus.

42. Termination of agreements/arrangements with Customers, could negatively impact our revenues and profitability.

Our major customer are industrial customers. All our customers manufacture their product by using our product as raw material in one or more product categories. Many of our client contracts can be terminated with or without cause by providing notice and without termination-related penalties. Additionally, most of clients carry no commitment to a specific volume of business or future work. Our business is dependent on the decisions and actions of our customers, and there are a number of factors relating to our clients that are outside our control that might result in the termination of an assignment or the loss of a client, including a demand for price reductions. Therefore our business may be adversely affected if any of our contracts are terminated by our customers.

43. Our success depends largely on our senior management and our ability to attract and retain our key personnel.

Our success depends on the continued services and performance of the members of our management team and other key employees. Competition for senior management in the industry is intense, and we may not be able to retain our existing senior management or attract and retain new senior management in the future. The loss of the services of our Promoters could seriously impair our ability to continue to manage and expand our business. Further, the loss of any other member of our senior management or other key personnel may adversely affect our business, results of operations and financial condition. We do not maintain key man's life insurance for our Promoters, senior members of our management team or other key personnel.

44. The industry segments in which we operate being fragmented, we face competition from other players as well as from our customers, which may affect our business operations and financial conditions.

We sell our products to companies who use our products to manufacture their own products under their own brand to end users and we don't manufacture the end product at our own, however, warranties with respect to defects in raw materials and workmanship affecting normal use of products are provided by us.

The industry in which we operate is competitive in the sense that our competitive success include, amongst other things, price, demand for our products, and availability of raw materials, and reliability. Our competitors vary in size, and may have greater financial, production, marketing, personnel and other resources than us and certain of our competitors have a longer history of established businesses and reputations in the Indian market as compared with us. Competitive conditions in some of our segments have caused us to incur lower net selling prices and reduced gross margins and net earnings. These conditions may continue indefinitely. Changes in the identity, ownership structure, and strategic goals of our competitors and the emergence of new competitors in our target markets may impact our financial performance. New competitors may include foreign-based companies and domestic producers who could enter our markets.

Also our Customers may their own start their manufacturing of copper and allied products which they currently use to procure from us and may discontinue sourcing our products or may lower sourcing our products and ultimately it may adversely impact our revenue and financial position.

Our failure to compete effectively, including any delay in responding to changes in the industry and market, together with increased spending on advertising, may affect the competitiveness of our products, which may result in a decline in our revenues and profitability.

45. Insurance coverage obtained by us may not adequately protect us against unforeseen losses.

We have maintained insurance coverage of our assets and accident policies as specified in section titled Insurance Policies on page 131 of the Draft Prospectus. We believe that the insurance coverage maintained, would reasonably cover all normal risks associated with the operation of our business, however, there can be no assurance that any claim under the insurance policies maintained by us will be met fully, in part or on time. In the event we suffer loss or damage that is not covered by insurance or exceeds our insurance coverage, our results of operations and cash flow may be adversely affected.

46. Our promoter and promoter group will continue to retain significant control over our Company after the IPO.

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

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

- 47. There is no monitoring agency appointed by our Company and the deployment of funds are at the discretion of our Management and our Board of Directors, though it shall be monitored by the Audit Committee.**

As per SEBI (ICDR) Regulations, 2009 appointment of monitoring agency is required only for Issue size above Rs. 10,000 Lakhs. Hence, we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the NSE and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

- 48. Delay in raising funds from the IPO could adversely impact the implementation schedule.**

The proposed expansion, as detailed in the section titled “*Objects of the Issue*” is to be entirely funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute the expansion process within the given time frame, or within the costs as originally estimated by us. Any time overrun or cost overrun may adversely affect our growth plans and profitability.

- 49. The Objects of the Issue for which funds are being raised, are based on our management estimates and any bank or financial institution or any independent agency has not appraised the same. The deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in the chapter titles “Objects of the Issue”.**

The fund requirement and deployment, as mentioned in the “Objects of the Issue” on page 91 of this Draft Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter “Objects of the Issue” is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency.

Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter “Objects of the Issue” will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

- 50. The Objects of the Issue for which funds are being raised, are based on our management estimates and the Quotations/Estimates etc taken by Our Company from various vendors/suppliers as mentioned in the chapter titles “Objects of the Issue”.**

The fund requirement as mentioned in the “Objects of the Issue” on page 91 of this Draft Prospectus is based on the estimates of our management and the Quotations/Estimates taken by our Company from various vendors/suppliers as mentioned in the Chapter titles “Objects of the Issue”. The fund requirements are based on the management estimates and those quotations/estimates. However, We cannot assure that vendors/suppliers will supply the services/products as per Quotations/Estimates. In case of any revision of Prices of quotations/estimates, we may have to revise our business plan and consequently these fund requirements may be changed. Any such variance may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

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

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

B. Risk related to this Issue and Investment in our Equity Shares

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

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

53. Our ability to pay any dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.

The amount of our future dividend payments, if any, will depend upon our Company's future earnings, financial condition, cash flows, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. There can be no assurance that our Company will be able to pay dividends.

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

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

EXTERNAL RISK FACTORS

55. Political, Economic and Social changes in India could adversely affect our business.

Our business, and the market price and liquidity of our Company's shares, may be affected by changes in Government policies, including taxation, social, political, economic or other developments in or affecting India could also adversely affect our business. Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms including significantly relaxing restrictions on the private sector. In addition, any political instability in India may adversely affect the Indian economy and the Indian securities markets in general, which could also affect the trading price of our Equity Shares.

56. The Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have effected significant changes to the existing Indian company law/ listing 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 come into effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital (including provisions in relation to issue of securities on a private placement basis), disclosures in Issuing documents, corporate governance norms, accounting policies and audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in futures trading. Further, the Companies Act, 2013 imposes greater monetary and other liability on us and our directors for any non-compliance. To ensure compliance with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention. The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to the limited jurisprudence on them. In the event our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013 which are yet to be notified. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

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

Our performance is dependent on the health of the overall Indian economy. There have been periods of slowdown in the economic growth of India. India economic growth is affected by various factors including domestic consumption and savings, balance of trade movements primarily resulting from export demand and movements in key imports, such as oil and oil products, and annual rainfall, which affect agricultural production. For example, in the monsoon of 2009, Several parts of the country experienced below average rainfall, leading to reduced farm output which impaired economic growth. In the past, economic slowdowns have harmed industries and industrial development in the country. Any future slowdown in the Indian economy could harm our business, financial condition and results of operations.

58. The extent and reliability of Indian infrastructure could adversely affect our results of operations and financial condition.

India's physical infrastructure is less developed than that of many developed countries. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity. Any deterioration of India's physical infrastructure would harm the national economy.

59. Global economic downturn and adverse market conditions could cause our business to suffer. A slowdown in economic growth in India could cause our business to suffer.

The developed economies of the world viz. U.S., Europe, Japan and others are in midst of a downturn affecting their economic condition and markets general business and consumer sentiment has been adversely affected due to the global slowdown and there can be no assurance whether the developed

economies or the emerging market economies will see good economic growth in the near future. Consequently, this has also affected the global stock and commodity markets. Our performance and growth is directly related to the performance of the Indian economy. The performance of the Indian economy is dependent among other things on the interest rate, political and regulatory actions, liberalization policies, commodity and energy prices etc. A change in any of the factors would affect the growth prospects of the Indian economy, which may in turn adversely impact our results of operations, and consequently the price of our Equity Shares.

60. Any downgrading of India's debt rating by an independent agency may harm our ability to raise debt financing.

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect on our capital expenditure plans, business and financial performance.

61. Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and adversely affect the financial markets and our business.

Some parts of India have experienced communal disturbances, terrorist attacks and riots during recent years. If such events recur, our operational and marketing activities may be adversely affected, resulting in a decline in our income. The Asian region has, from time to time, experienced instances of civil unrest and hostilities among neighbouring countries. Since May 1999, military confrontations between countries have occurred in Kashmir. The hostilities between India and its neighbouring countries are particularly threatening because India and certain of its neighbours possess nuclear weapons. Hostilities and tensions may occur in the future and on a wider scale. Also, since 2003, there have been military hostilities and continuing civil unrest and instability in Afghanistan. There has also recently been hostility in the Korean Peninsula. In July 2006 and November 2008, terrorist attacks in Mumbai resulted in numerous casualties. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy and could have a material adverse effect on the market for securities of Indian companies, including our Equity Shares.

62. The occurrence of natural disasters may adversely affect our business, financial condition and results of operations.

The occurrence of natural disasters, including hurricanes, floods, earthquakes, tornadoes, fires and pandemic disease may adversely affect our financial condition or results of operations. The potential impact of a natural disaster on our results of operations and financial position is speculative, and would depend on numerous factors. The extent and severity of these natural disasters determines their effect on the Indian economy. Although the long term effect of diseases such as the H5N1 —avian flu virus, or H1N1, the swine flu virus, cannot currently be predicted, previous occurrences of avian flu and swine flu had an adverse effect on the economies of those countries in which they were most prevalent. An outbreak of a communicable disease in India would adversely affect our business and financial conditions and results of operations. We cannot assure you that such events will not occur in the future or that our business, financial condition and results of operations will not be adversely affected.

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

operations, financial condition 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 GoI 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 which is proposed to be effective from April 1, 2016. While the GoI 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 rationalized 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.

Further, the General Anti Avoidance Rules ("GAAR") are proposed to be made effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us. We have not determined the impact of these 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. Further, the GoI may introduce a waiver or incentive scheme in relation to specific population segments such as MSEs in public interest, pursuant to which we may be required to issue our products and services at discounted rates. This may affect our business and results of operations.

PROMINENT NOTES:

1) SIZE OF THE ISSUE:

Public issue of upto 48,00,000 Equity Shares of face value of Rs.10.00 each of our Company for cash at a price of Rs. [●] per Equity Share (including a share premium of Rs. [●] per Equity Share) ("Issue Price") aggregating to Rs. [●] lakhs ("the Issue") of which upto 2,46,000 Equity Shares aggregating to Rs. [●] lakhs will be reserved for subscription by Market Maker ("Market Maker Reservation Portion"). The Issue less the Market Maker Reservation Portion i.e. issue of upto 45,54,000 Equity Shares of face value of Rs.10.00 each at an Issue Price of Rs. [●] per equity share aggregating to Rs. [●] lakhs is hereinafter referred to as the "Net Issue". The Issue and the Net Issue will constitute 26.73% and 25.36%, respectively of the post issue paid-up equity share capital of our Company.

2) The average cost of acquisition of Equity Shares by the Promoters:

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Mr. Arjun	24,07,500	10.37
Mr. Anil Anand	66,27,214	10.99

**The average cost of acquisition of our Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer, the Equity Shares, including the issue of bonus shares, if any, to them. The average cost of acquisition of our Equity Shares by our Promoters has been reduced due to the issuance of bonus shares to them, if any. For more information, please refer to the section titled "Capital Structure" on page 71.*

3) Our Net worth as on 31st March, 2018 is Rs. 2,522.83 Lakhs as per Restated Financial Statements.

- 4) The Book - Value per share as on 31st March, 2018 is Rs. 19.18 as per Restated Financial Statements.
- 5) For information on changes in our Company's name, Registered Office and changes in the objects clause of the MOA of our Company, please refer "Our History and Corporate Structure" on page 149 of this Draft Prospectus.
- 6) Investors may please note that in the event of over subscription, allotment shall be made on proportionate basis in consultation with the NSE, the Designated Stock Exchange. For more information, please refer to "*Basis of Allotment*" on Page 255 of the Draft Prospectus. The Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner as set out therein.
- 7) Investors are advised to refer to the paragraph on "*Basis for Issue Price*" on page 99 of this Draft Prospectus before making an investment in this Issue.
- 8) No part of the Issue proceeds will be paid as consideration to Promoters, Promoter Group, Directors, key management employee, associate companies, or Group Companies.
- 9) Investors may contact the Lead Manager or the Compliance Officer for any complaint/clarifications/information pertaining to the Issue. For contact details of the Lead Manager and the Compliance Officer, refer the front cover page.
- 10) Other than as stated in the section titled "*Capital Structure*" beginning on page 71 of this Draft Prospectus, our Company has not issued any Equity Shares for consideration other than cash.
- 11) Except as mentioned in the sections titled "*Capital Structure*" beginning on page 71 of this Draft Prospectus, we have not issued any Equity Shares in the last twelve months.
- 12) Except as disclosed in the sections titled "*Our Promoters*" or "*Our Management*" beginning on pages 154 and 156 respectively of this Draft Prospectus, none of our Promoters, our Directors and our Key Managerial Employees have any interest in our Company except to the extent of remuneration and reimbursement of expenses and to the extent of the Equity Shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as directors, member, partner and/or trustee and to the extent of the benefits arising out of such shareholding.
- 13) Any clarification or information relating to the Issue shall be made available by the LM and our Company to the investors at large and no selective or additional information would be available for a section of investors in any manner whatsoever. Investors may contact the LM for any complaints pertaining to the Issue. Investors are free to contact the LM for any clarification or information relating to the Issue who will be obliged to provide the same to the investor.
- 14) For transactions in Equity Shares of our Company by the Promoter Group and Directors of our Company in the last six (6) months, please refer to paragraph under the section titled "*Capital Structure*" on page 71 of this Draft Prospectus.
- 15) There are no certain contingent liabilities as on 31st March, 2018 as per Restated Financial Statements mentioned on page 173 of this Draft Prospectus.
- 16) For details of any hypothecation, mortgage or other encumbrances on the movable and immovable properties of our Company please refer to the section titled "*Financial Information*" on page 173 of this Draft Prospectus.

- 17) Except as disclosed in the section titled *"Our Promoter Group / Group Companies / Entities"* on page 168, none of our Group Companies have business interest in our Company.
- 18) For interest of Promoters/Directors, please refer to the section titled *"Our Promoters"* beginning on page 165 of this Draft Prospectus.
- 19) The details of transactions with the Group Companies/ Group Enterprises and other related party transactions are disclosed as Annexure 27 of restated financial statement under the section titled *"Financial Information"* on page 173 of the Draft Prospectus.

SECTION III: INTRODUCTION

SUMMARY

This is only the summary and does not contain all information that you shall consider before investing in Equity Shares. You should read the entire Draft Prospectus, including the information on “Risk Factors” and related notes on page 15 of this Draft Prospectus before deciding to invest in Equity Shares.

INDUSTRY OVERVIEW

GLOBAL PROSPECTS AND POLICIES

World growth strengthened in 2017 to 3.8 percent, with a notable rebound in global trade. It was driven by an investment recovery in advanced economies, continued strong growth in emerging Asia, a notable upswing in emerging Europe, and signs of recovery in several commodity exporters. Global growth is expected to tick up to 3.9 percent this year and next, supported by strong momentum, favorable market sentiment, accommodative financial conditions, and the domestic and international repercussions of expansionary fiscal policy in the United States. The partial recovery in commodity prices should allow conditions in commodity exporters to gradually improve.

Over the medium term, global growth is projected to decline to about 3.7 percent. Once the cyclical upswing and US fiscal stimulus have run their course, prospects for advanced economies remain subdued, given their slow potential growth. In emerging market and developing economies, in contrast, growth will remain close to its 2018-19 level as the gradual recovery in commodity exporters and a projected increase in India’s growth provide some offset to China’s gradual slowdown and emerging Europe’s return to its lower-trend growth rate. Nevertheless, 40 emerging market and developing economies are projected to grow more slowly in per capita terms than advanced economies, failing to narrow income gaps vis-à-vis the group of more prosperous countries.

Despite strong aggregate figures in the baseline forecast and buoyant market sentiment, the current momentum is not assured. Upside and downside risks are broadly balanced over the next several quarters, but risks farther down the road are skewed to the downside. With still-easy financial conditions and persistently low inflation that has required protracted monetary policy accommodation, a potential further buildup of financial vulnerabilities could give way to rapid tightening of global financial conditions, denting confidence and growth. The support to growth that comes from procyclical policies, including in the United States, will eventually need to be reversed. Other risks include a shift toward inward-looking policies that harm international trade and a worsening of geopolitical tensions and strife.

The current favorable juncture offers a window to enact policies and reforms that protect the upswing and raise medium-term growth to the benefit of all—strengthening the potential for higher and more inclusive growth, building buffers that will help deal more effectively with the next downturn, improving financial resilience to contain financial market risks, and fostering international cooperation.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2018/03/20/world-economic-outlook-april-2018#Chapter%201>)

RECENT DEVELOPMENTS AND PROSPECTS

An Investment-Led Pickup in Growth

At 3.8 percent, global growth last year was ½ percentage point faster than in 2016 and the strongest since 2011. Two-thirds of countries accounting for about three-fourths of global output experienced faster growth in 2017 than in the previous year (the highest share of countries experiencing a year-over-year growth pickup since 2010). The preliminary outcome for global growth in 2017 was 0.2 percentage point stronger than forecast in

the October 2017 World Economic Outlook (WEO), with upside surprises in the second half of 2017 in advanced as well as emerging market and developing economies.

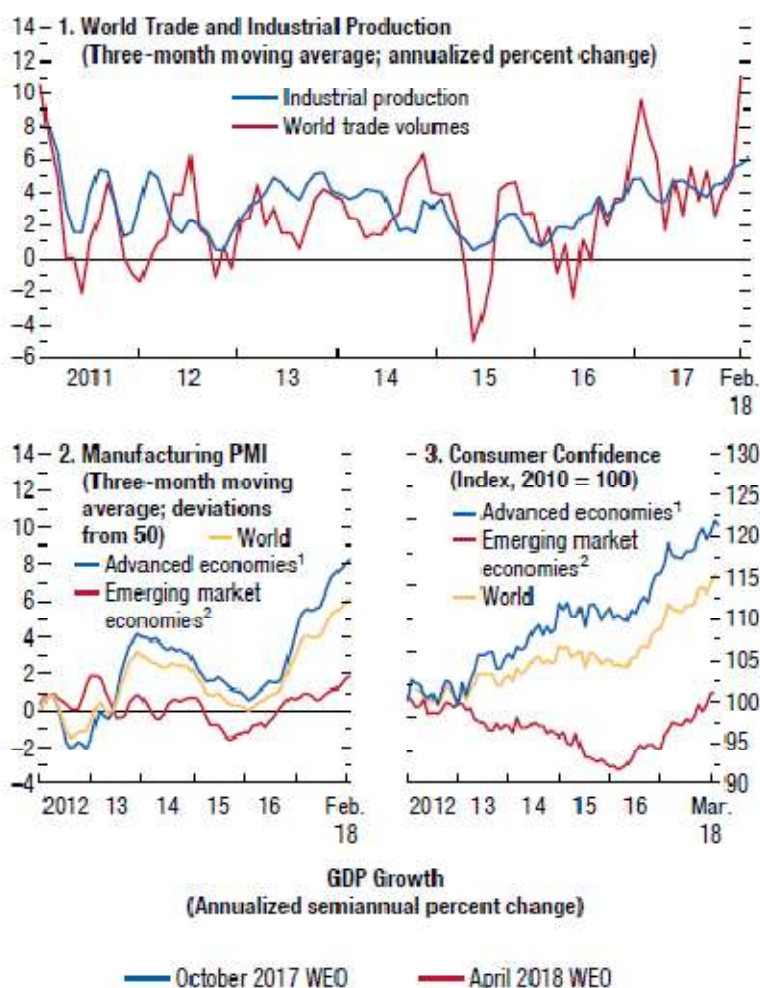
Resurgent investment spending in advanced economies and an end to the investment decline in some commodity-exporting emerging market and developing economies were important drivers of the uptick in global GDP growth and manufacturing activity (Figures 1.1-1.3).

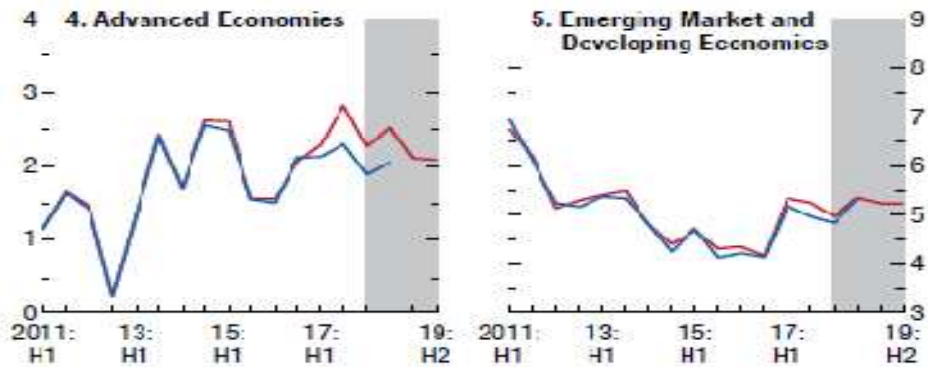
- Across advanced economies, the 0.6 percentage point pickup in 2017 growth relative to 2016 is explained almost entirely by investment spending, which remained weak since the 2008-09 global financial crisis and was particularly subdued in 2016 (Figure 1.2, left column). Both stronger gross fixed capital formation and an acceleration in stock building contributed to the pickup in investment, with accommodative monetary policy, stronger balance sheets, and an improved outlook helping release pent-up demand for capital goods.

- Across emerging market and developing economies, the 0.4 percentage point pickup in 2017 growth came primarily from an acceleration in private consumption (Figure 1.2, right column). But the picture is mixed within the group. Growth in China and India last year was supported by resurgent net exports and strong private consumption, respectively, while investment growth slowed. An end to fixed investment contractions in commodity-exporting countries that were severely affected by the commodity price downturn during 2015-16 (notably Brazil and Russia, but also Angola, Ecuador, and Nigeria) instead played an important role in their growth pickup in 2017. Higher fixed investment growth (2.3 percentage points above its 2016 level) also supported the growth performance of other emerging market and developing economies, alongside stronger private consumption.

Figure 1.1. Global Activity Indicators

Global growth surprised on the upside in the second half of 2017 amid strengthening industrial production and trade.





Sources: CFB Netherlands Bureau for Economic Policy Analysis; Haver Analytics; Markit Economics; and IMF staff estimates.

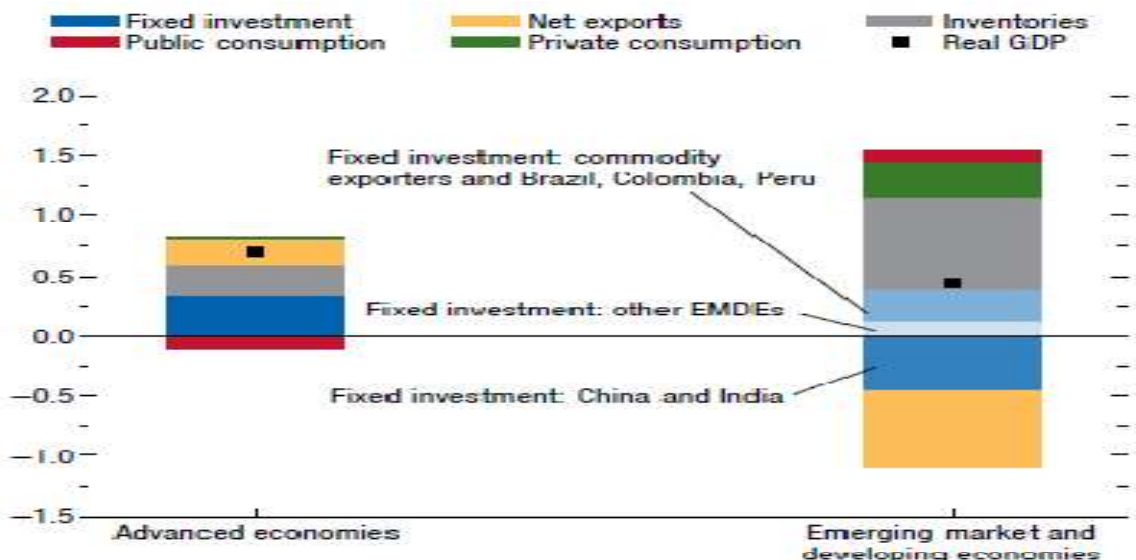
Note: CC = consumer confidence; PMI = purchasing managers' index; WEO = *World Economic Outlook*.

¹Australia, Canada (FMI only), Czech Republic, Denmark, euro area, Hong Kong SAR (CC only), Israel, Japan, Korea, New Zealand (PMI only), Norway (CC only), Singapore (PMI only), Sweden (CC only), Switzerland, Taiwan Province of China, United Kingdom, United States.

²Argentina (CC only), Brazil, China, Colombia (CC only), Hungary, India (PMI only), Indonesia, Latvia (CC only), Malaysia (FMI only), Mexico (PMI only), Philippines (CC only), Poland, Russia, South Africa, Thailand (CC only), Turkey, Ukraine (CC only).

Figure 1.2. Contributions to the Change in Real GDP Growth, 2016–17
(Percentage points)

Stronger investment spending in advanced economies and an end to fixed investment contractions in commodity exporters were important contributors to the pickup in global growth.



Source: IMF staff calculations.

Note: EMDs = emerging market and developing economies.

A Cyclical Rebound in Global Trade

Global trade—which tends to be highly correlated with global investment (see Figure 1.3 and Chapter 2 of the October 2016 WEO)—recovered strongly in 2017 after two years of weakness, to an estimated real growth rate of 4.9 percent. The upsurge was more pronounced in emerging market and developing economies (with trade growth rising from 2.2 percent in 2016 to 6.4 percent in 2017), reflecting improved investment growth rates in formerly stressed commodity exporters as well as the recovery in advanced economy investment and domestic demand more generally.

Among advanced economies, large exporters, such as Germany, Japan, the United Kingdom, and the United States, contributed strongly to the recovery in exports (Figure 1.4, panel 1), while the recovery in imports was broad based, except in the United Kingdom (Figure 1.4, panel 2).

Among emerging market and developing economies, as shown in Figure 1.4, panel 3, the rebound in export growth was particularly strong in emerging Asia, especially China.¹ In contrast, the rebound in imports largely reflects an import recovery among commodity exporters—countries that had earlier experienced sharp investment and import contractions during the 2015–16 commodity price downturn. This is shown in Figure 1.4, panel 4: the blue bars represent commodity exporters that had a particularly pronounced cycle in imports (Angola, Brazil, Ecuador, Nigeria, Russia); the green bars represent remaining commodity exporters, which account for an important part of the import demand cycle among other emerging market and developing economies.

Figure 1.3. Global Investment and Trade
(Percent change)

Global trade recovered strongly in 2017 after two years of weakness as investment spending picked up.

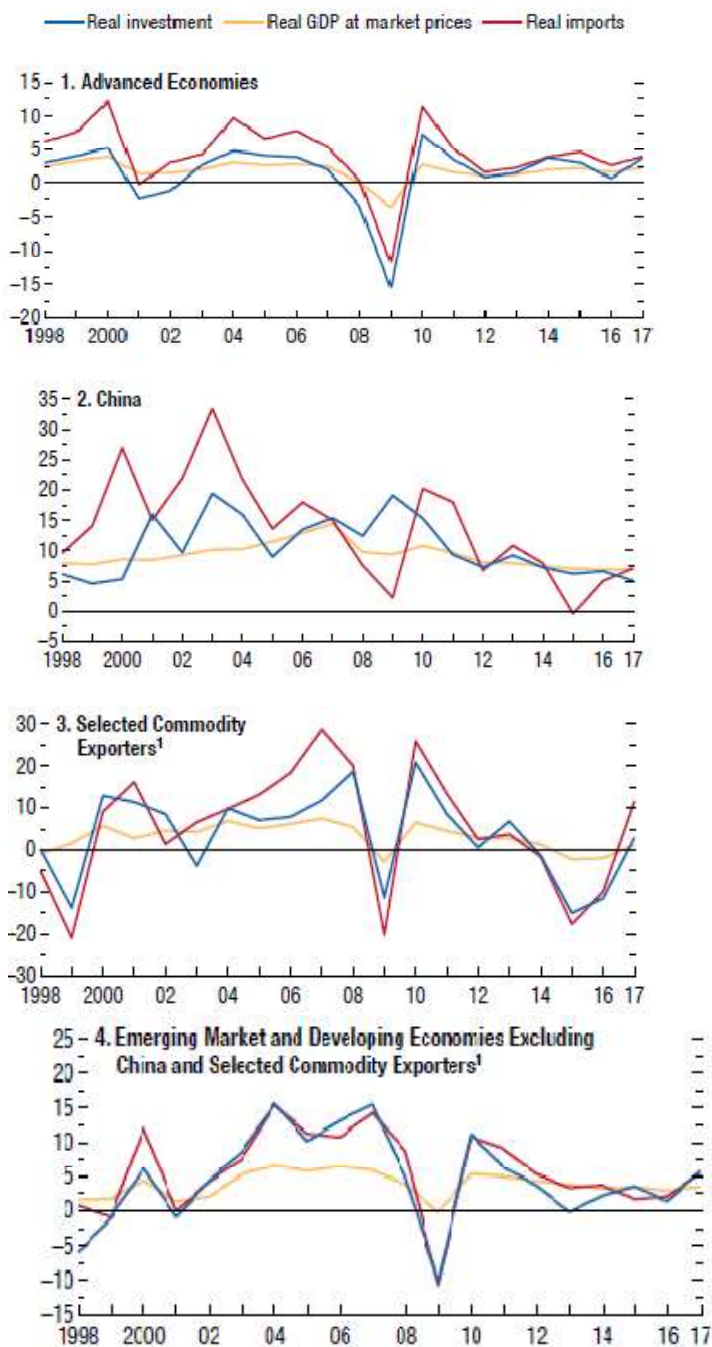
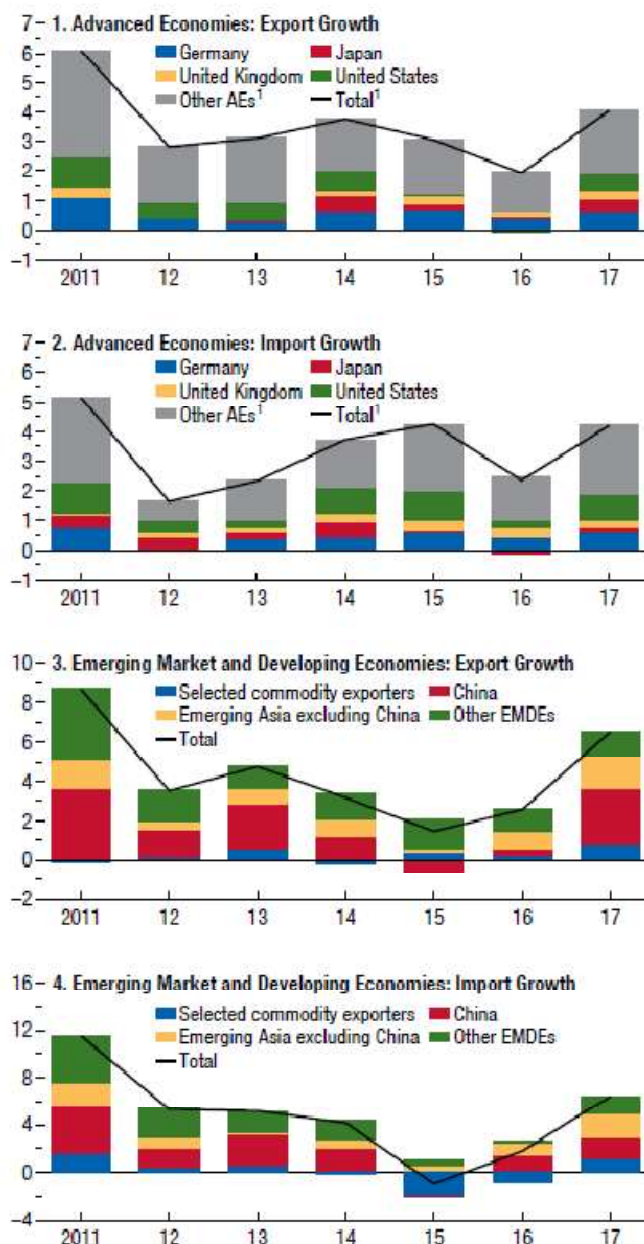


Figure 1.4. Contributions to Trade Growth
(Percent)

The trade recovery was particularly pronounced in emerging market and developing economies.



Source: IMF staff calculations.

Note: Trade growth reflects export and import volumes from external sector data. AEs = advanced economies; EMDEs = emerging market and developing economies; selected commodity exporters = Angola, Brazil, Ecuador, Nigeria, Russia.

¹Excludes Ireland.

Rising Commodity Prices

The IMF's Primary Commodities Price Index rose 16.9 percent between August 2017 and February 2018—that is, between the reference periods for the October 2017 WEO and the current report (Figure 1.5). As described in the Commodities Special Feature, the increase was driven primarily by rising oil and natural gas prices. Among the other subindices, metals and agricultural commodity prices also rose, although less rapidly than energy prices.

- Oil prices increased to more than \$65 a barrel in January, the highest level since 2015, following unplanned outages on the US Gulf Coast and in Libya, the North Sea, and Venezuela; an extension to the end of 2018 of the Organization of the Petroleum Exporting Countries agreement on production targets; and stronger global economic growth. Prices moderated to \$63 a barrel in February, 27 percent above their August level.

- The natural gas price index—an average for Europe, Japan, and the United States—rose sharply, by 45 percent from August 2017 to February 2018, reflecting seasonal factors. Strong demand for liquefied natural gas (LNG) in China, where the government has restricted the use of coal to mitigate air pollution, helped drive the spot LNG price to its highest level in three years. Higher oil prices also added upward pressure in countries where oil-linked pricing is more common.

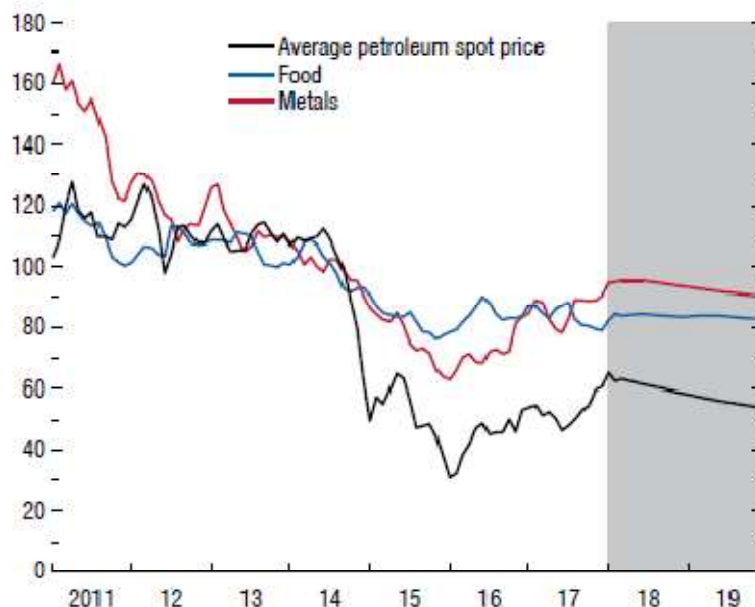
- Metal prices increased 8.3 percent from August to February, in line with stronger growth in all major economies. Demand for base metals—especially aluminum—was strong, while supply was limited in part due to China's production capacity cuts. Iron ore prices rose 4.1 percent from August to February, rallying recently thanks to strong steel prices and

- The IMF's agricultural price index rose 4.1 percent from August 2017 to February 2018, as unfavorable weather conditions in recent months are expected to reduce this year's harvests of many grains and oilseeds. The subindices of food and agricultural raw materials rose 4.1 percent and 6.0 percent, respectively.

Figure 1.5. Commodity and Oil Prices

(Deflated using US consumer price index; index, 2014 = 100)

Commodity prices, notably of oil and natural gas, have risen since the fall, but the medium-term outlook remains subdued.



Sources: IMF, Primary Commodity Price System; and IMF staff estimates.

Indian Economy Overview

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

Market size

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

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

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

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

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

Recent Developments

With the improvement in the economic scenario, there have been various investments in various sectors of the economy. The M&A activity in India increased 53.3 per cent to US\$ 77.6 billion in 2017 while private equity (PE) deals reached US\$ 24.4 billion. Some of the important recent developments in Indian economy are as follows:

- India's merchandise exports and imports grew 11.02 per cent and 21.04 per cent on a y-o-y basis to US\$ 273.73 billion and US\$ 416.87 billion, respectively, during April-February 2017-18.
- India's Foreign Direct Investment (FDI) inflows reached US\$ 208.99 billion during April 2014 - December 2017, with maximum contribution from services, computer software and hardware, telecommunications, construction, trading and automobiles.
- India's Index of Industrial Production (IIP) rose 7.5 per cent year-on-year in January 2018 while retail inflation reached a four month low of 4.4 per cent in February 2018.
- Employment on net basis in eight key sectors in India including manufacturing, IT and transport increased by 136,000 in July-September quarter of 2017-18.
- The average salary hike of Indian employees is estimated to be 9.4 per cent and that of key talents is estimated to be nearly 15.4 per cent in 2018, backed by increased focus on performance by companies, according to Aon Hewitt.
- Indian merchandise exports in dollar terms registered a growth of 4.48 per cent year-on-year in February 2018 at US\$ 25.83 billion, according to the data from Ministry of Commerce & Industry.
- Indian companies raised Rs 1.6 trillion (US\$ 24.96 billion) through primary market in 2017.
- Moody's upgraded India's sovereign rating after 14 years to Baa2 with a stable economic outlook.
- The top 100 companies in India are leading in the world in terms of disclosing their spending on corporate social responsibility (CSR), according to a 49-country study by global consultancy giant, KPMG.
- The bank recapitalisation plan by Government of India is expected to push credit growth in the country to 15 per cent, according to a report by Ambit Capital.
- India has improved its ranking in the World Bank's Doing Business Report by 30 spots over its 2017 ranking and is ranked 100 among 190 countries in 2018 edition of the report.
- India's ranking in the world has improved to 126 in terms of its per capita GDP, based on purchasing power parity (PPP) as it increased to US\$ 7,170 in 2017, as per data from the International Monetary Fund (IMF).
- India is expected to have 100,000 startups by 2025, which will create employment for 3.25 million people and US\$ 500 billion in value, as per Mr T V Mohan Das Pai, Chairman, Manipal Global Education.
- The World Bank has stated that private investments in India is expected to grow by 8.8 per cent in FY 2018-19 to overtake private consumption growth of 7.4 per cent, and thereby drive the growth in India's gross domestic product (GDP) in FY 2018-19.
- The Niti Aayog has predicted that rapid adoption of green mobility solutions like public transport, electric vehicles and car-pooling could likely help India save around Rs 3.9 trillion (US\$ 60 billion) in 2030.
- Indian impact investments may grow 25 per cent annually to US\$ 40 billion from US\$ 4 billion by 2025, as per Mr Anil Sinha, Global Impact Investing Network's (GIIN's) advisor for South Asia.
- The Union Cabinet, Government of India, has approved the Central Goods and Services Tax (CGST), Integrated GST (IGST), Union Territory GST (UTGST), and Compensation Bill.
- The Nikkei India manufacturing Purchasing Managers' Index increased at the fastest pace in December 2017 to reach 54.7, signaling a recovery in the economy.

Government Initiatives

The Union Budget for 2018-19 was announced by Mr Arun Jaitley, Union Minister for Finance, Government of India, in Parliament on February 1, 2018. This year's budget will focus on uplifting the rural economy and strengthening of the agriculture sector, healthcare for the economically less privileged, infrastructure creation and improvement in the quality of education of the country. As per the budget, the government is committed towards doubling the farmers' income by 2022. A total of Rs 14.34 lakh crore (US\$ 225.43 billion) will be spent for creation of livelihood and infrastructure in rural areas. Budgetary allocation for infrastructure is set at Rs 5.97 lakh crore (US\$ 93.85 billion) for 2018-19. All-time high allocations have been made to the rail and road sectors.

India's unemployment rate is expected to be 3.5 per cent in 2018, according to the International Labour Organisation (ILO).

Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. Mr. Narendra Modi, Prime Minister of India, has launched the Make in India initiative with an aim to boost the manufacturing sector of Indian economy, to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors. The Government of India, under the Make in India initiative, is trying to give boost to the contribution made by the manufacturing sector and aims to take it up to 25 per cent of the GDP from the current 17 per cent. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.

Road Ahead

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

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

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

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

COPPER INDUSTRY: FY 2018 UPDATE AND AND OUTLOOK FOR FY 2019

Domestic Production, Consumption, Exports and Imports of Copper during FY18

India ranks 5th in global refined copper production and during FY18 refined copper production grew by 6.0% y-o-y compared with 0.9% last year. Increase in production can be attributed to better operational efficiencies resulting in better capacity utilization.

Demand for refined copper has risen by 0.9% from its previous year's de-growth on account of use of copper in building and construction activities and in the electrical wiring segment. Development of the SMART cities, metro projects and the construction of renewable energy have augmented the use of copper during FY18 (April-February).

India has been a net exporter of refined copper, exporting 'A grade' copper. Exports during the year (April-February) were 344 thousand tonnes which increased by 14.7% over FY17 (April-Feb). Value-wise refined copper exports during FY18 (April-February) was USD 2,201 million vis-à-vis to the value being USD 1,545 million during FY17. Exports have increased as global markets copper markets were facing a deficit due to low availability of copper ore, which was beneficial to India as we have a low consumption base and surplus production.

China is the main importer of Indian copper.

Table 1: Domestic Production, Imports, Exports and Consumption of Refined Copper (KT)

	Production	% change	Consumption	% change	Exports	% change	Imports	% change
FY16	790	-	456	-	290	-	31	-
FY17	795	0.6%	454	-0.4%	300	3.4%	34	10.1%
FY18	843	6.0%	458	0.9%	344	14.7%	37	8.9%

Source: CMIE

Note: Production data is from April to March whereas Consumption, Exports and Imports are from April to February.

Global Developments

Global Supply Demand of Mined Copper

Globally Chile (30%) ranks 1st in world mined copper production followed by Peru (11%) and China (10%). Chile contributes to 1/3 of the world's mined copper production.

Table 3: Global Mined Copper Production (KT)

	CY15	CY16	CY17
Global Mined Copper Production	19,132	20,217	20,028
% Change (y-o-y)	-	5.7%	-0.9%

Source: ICSG

Global mined copper production had fallen during CY17 on account of the supply disruption caused due to the issues faced in the Chilean (Escondida Copper Mine) and Indonesian (Grasberg UG Copper) copper mines (during Q1CY17). Chilean mine workers had gone on a strike in order to oppose the new labour laws while the Grasberg mine operator, Freeport-McMoRan was facing an issue regarding the renewal of its copper concentrate export permit with the Indonesian government. There had also been an 11% drop in China mined copper production during CY17 compared with CY16.

Consumption-wise, China (50%) is the largest consumer of refined copper as well where 46% of the refined copper is used in the power sector followed by its usage in making of household appliances and manufacturing of automobiles.

Global Supply Demand of Refined Copper

Table 4: Global Refined Copper Production and Demand (KT)

	CY15	CY16	CY17
Global Refined Copper Production	22,870	23,309	23,503
% Change (y-o-y)	-	1.9%	0.8%
Global Refined Copper Demand	23,041	23,429	23,758
% Change (y-o-y)	-	1.7%	1.4%
Surplus/Deficit	-171	-120	-255

Source: ICSG

Chart 1: Region- Wise Total Copper Demand during CY17.

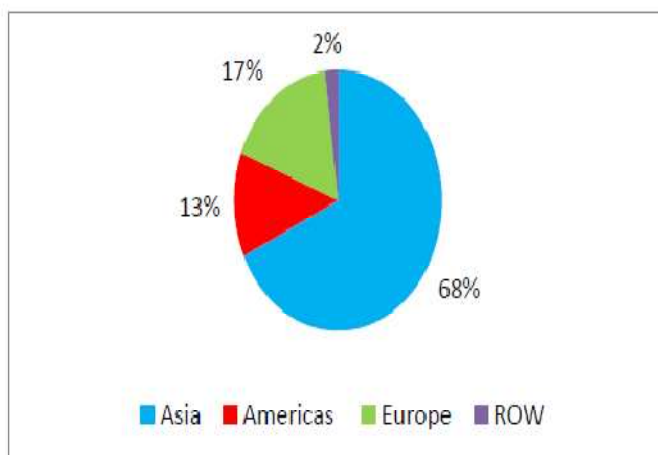
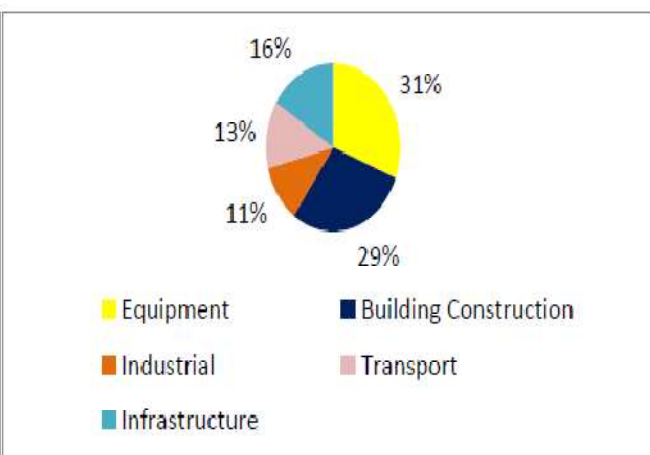


Chart 2: World End use demand of Refined Copper



Source: ICSG

Globally the production of refined copper has remained subdued (0.7% growth) due to the low availability of mined copper. Chile has reported a decline of 7% of refined copper and Japan has also registered a drop of 4.2% during CY17 as compared with its CY16 production levels. The main contributors to the increase in production were China and India.

Demand for copper has registered a marginal growth rate of only 1.4% during CY17 due to the fall in demand from the Chinese economy during the start of CY17 and also because demand of copper from the Eurozone was still recovering. Globally the demand of copper is to rise from the transportation segment due to impetus given for the manufacturing of electric vehicles and from capacity additions in the renewable energy segment. Demand from the equipment, building construction and infrastructure sectors have also supplemented to the refined copper usage.

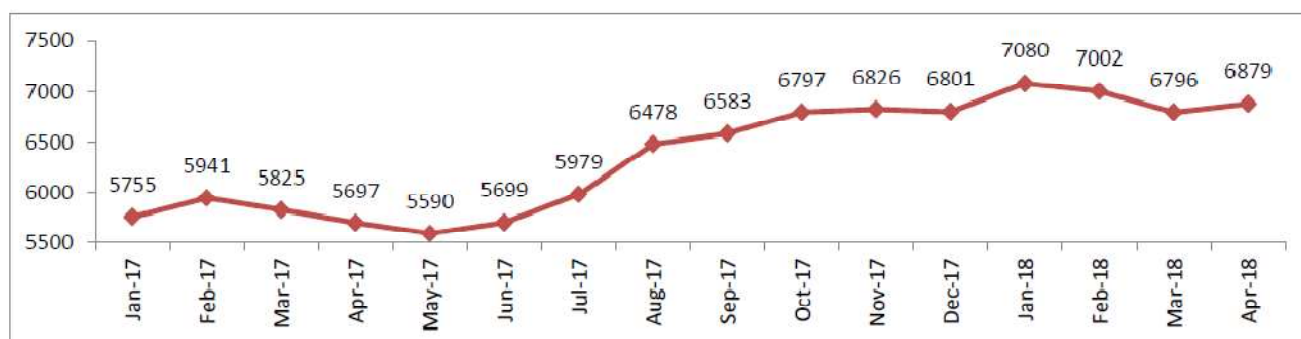
Global Copper Trade Movements

Chile, Japan, Russia, Australia, Zambia, China, Kazakhstan, Netherlands, India and Peru are the major exporters of refined copper where as China, Germany, United States, Italy, Taiwan, South Korea, Turkey, Thailand, Malaysia and United Arab Emirates are the major importing countries of refined copper.

Chile (36%) is the major exporter of mined copper and China is a major importer of mined (65%) and refined copper (36%). There has been an increase of refined copper imports from the North American and South American regions particularly from the United States.

Global Copper Price Movements

Chart 3: Price movements of LME Copper during FY18 (USD/tonne)



Source: LME

Table 5: LME Copper price trends (USD/tonne)

	FY16	FY17	FY18
LME Copper	5,276	5,159	6,447
Growth (%) y-o-y		-2.2%	25.0%

Source: LME

Global copper prices have risen by 25% during FY18. Prices had risen on account of supply side distortions due to the disruptions in the Chilean and Indonesian mines. Price of copper started rallying from December 2017 onwards due to pick-up of refined copper demand in China and also because of the shutdown of polluting smelters in China, which have not been following the efficiency norms. The Chinese government has taken a stance to improve the air quality and reduce pollution in the country.

(Source:

<http://www.careratings.com/upload/NewsFiles/SplAnalysis/Copper%20Industry%20Update%20June%202018.pdf>)

CABLE INDUSTRY IN INDIA

The industry which has been growing at the rate of around 15 per cent currently will start growing at the CAGR of over 20 per cent over the next five years.

The wires and cables industry in India has come a long way, growing from being a small industry to a very large one, over the past decade. The increasing demand for power, light and communication has kept demand high for wire and cable. This trend will continue as demand for reliable, efficient energy and data communications will strengthen the wires and cables industry in the future as well.

Over the last 20 years, the industry has shifted from being an unorganised sector to an organised one. Still, 35 per cent of the industry continues to be a part of the unorganised sector. In India, the size of the cable manufacturing industry is approximately Rs 40,000 crores.

The specialised cable industry is roughly of the size of Rs 10,000 crores. The government has announced ambitious plans for infrastructure development. One of the primary focus area of the development plan is railways, with over Rs 800,000 crore as promised investment over the period of 2015-2020. In addition, the government has earmarked Rs 50,000 crore (US\$ 7.53 billion) to develop 100 smart cities across the country.

High way projects worth \$93 billion, which include government flagship National Highways Building Project (NHDP) with total investment of \$45 billion over next three years, have also been announced. The Digital India campaign will require an investment of Rs 4,50,000 crore. Ministry of Power is also looking at an investment of Rs 15,000 lakh crore over the next 5 years.

The wire and cable industry will eventually focus on supplying cables for specific applications pertaining to the industry needs.

India has a lot of potential in the mining, power, oil and gas, metro railways, cement industry, steel industry and other sectors. Power cables, a critical segment of the power sector, is experiencing an escalating demand owing to the growth in power generation infrastructure. India is one of the biggest consumers of electric energy after the US and China.

Accelerated urbanization and growing concern over pollution have increased the investment in metro rails for urban mass transportation. The country is predicted to develop metro rails in at least 50 cities across India. Such developments where each project requires more than \$150 million is likely to attract many Indian and foreign companies to take advantage of the huge growth opportunities.

Different kinds of cables like extra high voltage cables, elastomer cables, etc are presently being used for special applications such as mining, in oil sector, shipbuilding, cranes, elevators, solar power plants to harness power for new generation motor vehicles, windmill solutions as well as security systems.

The growth in renewable power generation would be one of the primary factors for the growth of the electric cable and wire market. The focus of several countries across world to commercialize renewable power generation will create a significant demand for electrical wires and cables. This is mainly due to the lack of a transmission and distribution (T&D) infrastructure at locations where renewable energy resources are set up. Moreover, the expansion of the existing renewable power generation plants in the emerging countries will also result in increasing the demand for electrical wires and cables.

Initiatives such as excise duty exemption for ferro-silicon magnesium and pig iron used for manufacturing components for wind-operated electric power generators, and the target set by the Jawaharlal Nehru National Solar Mission to generate more than 1,00,000 MW of solar power by the end of the year 2022, will boost the demand for electrical wires and cables.

Rural electrification is another major factor which is expected to propel the growth of the electric wire and cable market in the country. The government's goal to provide electricity to every home by 2020 should attract major investments in the sector.

(Source: <https://timesofindia.indiatimes.com/business/india-business/govt-initiatives-to-boost-cable-industry-in-india/articleshow/60332457.cms>)

Electric Wire and Cable Market in India 2016-2020

Overview of the electric wire and cable market in India

Market research analysts at Technavio have predicted that the electric wire and cable market in India will grow steadily during the next four years and post a CAGR of almost 16% by 2020. This market research analysis identifies the growth in renewable power generation to be one of the primary factors for the growth of the **electric cable** and wire market. The focus of several countries across world to commercialize renewable power generation will create a significant demand for **electrical wires and cables**. This is mainly due to the lack of a transmission and distribution (T&D) infrastructure at locations where renewable energy resources are set up. Moreover, the expansion of the existing renewable power generation plants, in the emerging countries, will also result in the increasing demand for **electrical wires** and cables. Initiatives such as excise duty exemption for Ferro-silicon-magnesium and pig iron used for manufacturing components for wind-operated electric power generators and the target set by the Jawaharlal Nehru National Solar Mission to generate more than 1,00,000 MW of solar power by the end of 2022, will boost the demand for electrical **wires and cables** in this region.

One of the major trends that will gain traction in this market is the increasing sales of HVDC power cables. Due to their benefits such as reduced transmission losses, light weight, and dimensions, HVDC cables such as HVDC underground cables and HVDC light cables will play a significant role in long-distance and high-voltage power transfer and in submarine power transmission. Also, HVDC power systems are the most sought after option for long-distance power bulk power delivery and will be used in several energy projects to build cross-border infrastructure.

Competitive landscape and key vendors

The market consists of a number of international and regional or local vendors who face intense competition from the unorganized vendors. The regional and unorganized players in the market are offering products at a comparative price which induces the well-established international electric **wire and cable manufacturers** to focus on differentiating their products to sustain their market shares. In addition to innovative product offerings, cable and **wire manufacturers** are also following strategies such as mergers and acquisitions to acquire new technologies and expand their customer reach.

The leading vendors in the market are -

- Finolex Cables
- Havells India
- KEI Industries
- Polycab Wires

The other prominent vendors in the market are Cable Corporation of India, Apar Industries Limited, Cords Cable Industries, KEC International, LS Cable India, Shilpi Cable Technologies, Universal Cable, and V-Guard Industries.

Segmentation by source and analysis of the electric wire and cable market in India

- Organized sector
- Unorganized sector

During 2015, the organized segment accounted for the major market shares and dominated this industry. This sector consists of cable and electrical wire manufacturers that manufacture cables with the best raw material and ensure quality by testing them at various stages. With the increasing awareness of the importance of quality

wiring at buildings, there will be a significant increase in the demand for **electrical wiring** from the organized sector in the coming years. Moreover, factors such as intense competition from the organized vendors will also compel several unorganized suppliers to exit the market. As a result, this market segment will continue to dominate the market throughout the predicted period.

(Source: <https://www.technavio.com/report/india-engineering-tools-electric-wire-and-cable-market-india-2016-2020>)

SUMMARY OF BUSINESS

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

In this section, a reference to the “Company” or “we”, “us” or “our” means KBS Industries Limited.

All financial information included herein is based on our Restated Financial Statements included on page 173 of this Draft Prospectus.

OVERVIEW

Our Company was incorporated as KBS Industries Private Limited at Delhi as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated December 11, 2012 bearing corporate identification number U74990DL2012PTC245998 issued by Registrar of Companies, Delhi. Subsequently, our Company was converted into public limited company pursuant to Shareholders Resolution passed at the Extra-Ordinary General Meeting of our Company held on April 14th, 2018 and the name of our Company was changed to KBS Industries Limited pursuant to issuance of fresh Certificate of change of name dated May 15, 2018 issued by the Registrar of Companies, Delhi. The Corporate Identification Number of our Company is U74990DL2012PLC245998.

Our Company is an ISO 9001:2015 certified company, engaged in the manufacturing and supply of high quality Semi finished copper and copper alloy products (Rods, Bus bars, Strips, Wires, Plates, Sheets and Circles). We have capability and flexibility to meet customer requirements, exact specification and size. We have set up manufacturing facilities and team of highly qualified, motivated and experienced staff in production and sales to meet customers ever growing quality and service expectation.

Mission of KBS is to offer continuously world class customer service. Our Company has a good experience in this industry and has made sure our customer to get best product and service at the right time. The manufacturing facility of our Company is situated at Plot No. 418, HSIIDC, Phase-I, Barhi Industrial Area, Haryana, India and the registered office of our Company is situated at 1/486, 2nd Floor, Kashmere Gate, Central Delhi, DL 110006 IN. Our Company is promoted by Mr. Anil Anand and Mr. Arjun, who have vast experience in the field of manufacturing of copper related products. Further, KBS Industries Limited has acquired M/s. H.K. Industries, a proprietorship firm engaged in the business of trading of copper wire, copper rod, enamelled wire, ferrous and non-ferrous metal dated 25th March 2016 for further expansion and growth of the Company.

Keeping in mind the further expansion, our Company is planning to add a new line of business which is concerned in manufacturing of wire and cables in order to enter the retail segment. Further, KBS Industries Limited is setting up a new plant of around 156 Lakhs Coils of 90Mtrs P.A. capacity at Survey No. 51/1/2, Village Kala, Silvassa, Dadra and Nagar Haveli- 396230. It will serve the purpose for manufacturing wires and cables from the copper rod manufactured by the Company itself.

Details of Total Revenue for the last Five (5) years and for the period ended on 31st March, 2018 are as under:-

(Amt in Lakhs)					
Financial Year	Revenue from Operation	Other Income	Total Revenue	Profit before Depreciation, Interest and Tax	Profit after Tax

Financial Year	Revenue from Operation	Other Income	Total Revenue	Profit before Depreciation, Interest and Tax	Profit after Tax
2013-2014	1036.61	3.41	1040.02	35.28	8.33
2014-2015	5012.97	0.63	5013.60	347.38	22.01
2015-2016	15025.86	21.74	15047.60	507.43	63.82
2016-2017	19855.17	25.46	19880.63	894.08	323.34
2017-2018	26787.97	11.72	26799.69	1441.14	728.20

Being a client centric organization, we strive hard to offer superior quality products to our respected patrons. Backed with the team of dexterous and experienced professionals, we never accept any sort of compromise with the quality of our products.

In order to execute all the business operations in a streamlined manner, we have appointed a proficient team of professionals. These professionals make sure that all the products are defect-free and will deliver high performance. All the professionals utilize their experience and in-depth knowledge in executing the work assigned to them. To maintain the quality standard of the product our professionals follow established norms and guidelines of the industry.

Under the visionary guidance of our mentors, we have able to acquire a formidable position in the highly competitive market. The management skill, business acumen, leadership quality and vast industrial knowledge of our mentors have led our organization to execute the best and gain the confidence of numerous patrons across the region.

PRODUCT AND REGION WISE WISE TURNOVER

Financial Year 2013-14

(Amt in Lakhs)

Product Name	Haryana	Delhi	Grand Total	Percentage (%)
Copper Wire Rod	26.99	-	26.99	2.60
Copper Scrap	-	995.55	995.55	96.04
Trade of Copper	-	14.08	14.08	1.36
Total	26.99	1,009.63	1,036.62	100.00

Financial Year 2014-15

(Amt in lakhs)

Product Name	Haryana	Narela	Shahdara	Other part of Delhi	Grand Total	Percentage (%)
Copper Wire Rod	188.40	102.09	81.48	2,325.79	2,697.75	53.82
Copper Scrap	12.04	-	-	-	12.04	0.24
Trade of Copper	-	-	-	2,303.17	2,303.17	45.94
Total	200.45	102.09	81.48	4,628.96	5,012.97	100.00

Financial Year 2015-16

(Amt in Lakhs)

Product Name	Haryana	Narela	Shahdara	Other part of Delhi	Grand Total	Percentage (%)
Copper Wire Rod	5,207.10	1,261.28	9,53.67	780.25	8,202.30	54.59
Copper Scrap	-	15.20	125.46	-	140.65	0.94
Brass Scrap	822.00	-	25.45	-	847.46	5.64

Product Name	Haryana	Narela	Shahdara	Other part of Delhi	Grand Total	Percentage (%)
Trade of Copper	-	-	-	5,835.46	5,835.46	38.83
Total	6,029.10	1,276.48	1,104.58	6,615.70	15,025.86	100.00

Financial Year 2016-17

(Amt In Lakhs)

Product Name	Haryana	Narela	Shahdara	Other part of Delhi	Mumbai	Grand Total	Percentage (%)
Copper Wire Rod	3,006.25	297.37	1,726.87	5,502.11	-	10,532.60	53.05
Copper Strip	107.79	-	-	-	-	107.79	0.54
Copper Scrap	-	1,615.5	-	-	-	1,615.59	8.14
Copper Ingot	554.13	-	-	-	-	554.13	2.80
Trade of Copper	-	-	-	401.16	6,643.89	7,045.05	35.47
Total	3,668.17	1,912.9	1,726.87	5,903.28	6,643.8	19,855.1	100.00

Financial Year 2017-18

(Amt in Lakhs)

Product Name	Haryana	Narela	Shahdara	Other part of Delhi	Mumbai	Grand Total	Percentage (%)
Copper Wire Rod	6,406.25	1,682.13	844.22	1,232.48	-	10,165.09	37.95
Metal Alloy	132.45	684.63	-	-	-	817.08	3.05
Copper Strip	312.44	111.83	-	-	-	424.28	1.58
Copper Scrap	232.55	-	26.12	345.28	-	603.96	2.25
Brass Scrap	866.97	-	-	-	-	866.97	3.24
Copper Ingot	1,006.25	228.07	-	-	-	1,234.32	4.61
Copper Rod	806.65	405.31	-	10,82.58	-	2,294.55	8.56
Trade of Copper	-	-	-	-	10,381.73	10,381.73	38.76
Total	9,763.57	3,111.9	870.34	2,660.35	10,381.7	26,787.9	100.00

OUR KEY UNIQUE BUSINESS STRENGTHS ARE:

- Diversified Product Portfolio:** Our Company has a varied product base to cater to the requirements of our customers. Our Product Portfolio includes diversified variety of copper products which are used in different sectors. Our products range includes copper rods, billets and ingots.
- Strategically located manufacturing facilities with a core focus on quality:** Due to the size of copper products, an important factor in their cost is transportation costs. Therefore, it is a competitive advantage to manufacture these products as close as possible to the ultimate consumers. We have checks and testing systems in place, from the procurement of raw material to the manufactured product, for ensuring the quality of our products.
- Experienced Promoters and a well trained employee base:** Our promoters Mr. Anil Anand and Mr. Arjun are experienced in our line of business. Our management and employee team combines expertise and experience to outline plans for the future development of the Company. Our Promoters have significant industry experience and has been instrumental in the consistent growth of our Company. We believe that the knowledge and experience of our promoter and management will enables us to identify

new opportunities, rapidly respond to market conditions, adapt to changes in the business landscape and competitive environment and enhances the growth in the business.

4. **Quality Assurance:** We conduct stringent quality tests at every stage of manufacturing process and the desired chemical compositions are maintained right through the process. Subsequent to manufacturing, the products are cautiously inspected and evaluated on various parameters.
5. **Improving functional efficiency:** Our Company intends to improve operating efficiency to achieve cost reductions to have a competitive edge over the peers. We believe that this can be done through continuous process, improvement and customer services.
6. **Sales Service** - Our Company understands that to suggest the proper solution, customers have to be attended personally by a trained sales person and to achieve the same. We have established nationwide network of sales force with its own offices in major centers and network of dealers.

OUR BUSINESS STRATEGIES:

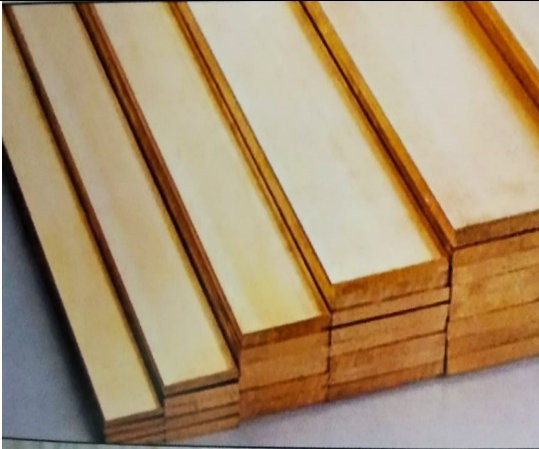
1. **Expansion of Domestic Market:-**We intend to expand our geographical reach and enter the large domestic market for growth opportunities of our business. Currently, we have limited presence and we plan to deepen our presence in the existing market and expand our reach and penetrate into the large available market by giving scale down low price solution and grab major market share.
2. **Competitive Pricing:-**To remain aggressive and capitalize a good market share, we believe in offering competitive prices to our customers. This helps us to sustain the cut-throat competition and withhold a strong position in the market.
3. **Constant technology upgradation:-** We intend to focus on upgradation of our machineries and equipments used in our business and will continue to do so to improve our productivity
4. **Leveraging our Market skills and Relationships:-**This is a continuous process in our organization and the skills, that we impart in our people, give importance to customers. We aim to enhance the growth by leveraging our relationships and further enhancing customer satisfaction. We plan to increase our customers by meeting orders in hand on time, maintaining our customer relationship and renewing our relationship with existing buyers.
5. **Improving operational efficiencies:** Improving operational efficiencies is the key to success of any business. Our Company intends to improve efficiencies to achieve cost reductions, so that they can be competitive. We believe that this can be done through domestic presence and economies of scale. Increasing our penetration in existing regions will enable us to penetrate into new catchment areas within these regions. As a result of these measures, our Company will be able to increase its market share and profitability.
6. **Attract, train and retain qualified personnel:-** We believe that maintaining quality, ensuring timely delivery, minimising costs, and completion of our proposed project depend largely upon the technical skill and workmanship of our employees and adoption of latest technology. We intend to improve our competitiveness by increasing our focus on training our staff and honing their skills. We continuously train our workforce to enhance their knowledge and equip them with the latest skill sets.

SWOT Analysis

STRENGTHS	OPPORTUNITIES
Diversified, mature and strong manufacturing base, with robust supply	Rapid growth in metros, airports and other infrastructure projects is

STRENGTHS	OPPORTUNITIES
chain; • Rugged performance design of domestic electrical equipment • State of art technology in most sub sectors at par with global standards • Domestic availability of low cost skilled manpower.	expected to generate huge demand for matching BTG and T&D equipment; • External demand: With the electricity sector being a sunrise sector across the entire developing world, there exists a significant export potential for the domestic industry.
WEAKNESSES	THREATS
• Upward volatility in raw materials and other metal prices; • Dependence of some sub-sectors on import of critical inputs • Looming shortage of skilled technical manpower and low productivity. • Factors beyond their control such as government approvals, release of funds etc.	• Poor financial health of DISCOMs and very high AT&C losses; • Rising global concerns on the trade-offs between economic growth, energy security and environmental sustainability.

OUR PRODUCTS- MANUFACTURING		
PRODUCT NAME	PRODUCT	DESCRIPTION
Wire Rod		Coiled wire rod about 8 mm in diameter is drawn down by wire mills to make pure copper wire of all gages. Our copper rods can be manufactured and supplied in different forms in either straight lengths or coils.
Billet		30' logs, about 8" diameter of pure copper are sawed into these shorter lengths which are extruded and then drawn as tube, rod and bar stock of many varied sizes and shapes. Rod stock may be used for forging.

PRODUCT NAME	PRODUCT	DESCRIPTION
Ingot		Bricks of pure copper may be used by mills for alloying with other metals or used by foundries for casting.
Cake		Slabs of pure copper generally about 8" thick and up to 28' long, may be hot and cold rolled to produce plate, sheet, strip and foil.
Wire Copper		Copper has been used in electric wiring since the invention of the electromagnet and the telegraph in the 1820s.
Bus Bar/Strips		In electrical power distribution, bus bar is a strip or bar of copper, brass or aluminium that conducts electricity within a switchboard, distribution board, substation, battery.

SUMMARY OF FINANCIAL INFORMATION

STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(Rs. In Lakhs)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Equity & Liabilities					
Shareholders' Funds					
Share Capital	1,315.47	1,315.47	749.75	749.75	648.50
Reserve & Surplus	1,207.35	479.15	94.88	31.43	8.69
Total (A)	2,522.83	1,794.62	844.63	781.18	657.19
Share Application Money	-	-	627.39	-	-
Non Current Liabilities					
Long Term Borrowings	2,486.72	2,160.29	1,484.77	1,013.00	1,224.15
Deferred Tax Liabilities (Net)	63.38	24.88	2.49	5.39	1.49
Other Long Term Liabilities					
Total (B)	2,550.11	2,185.17	1,487.26	1,018.39	1,225.64
Current Liabilities					
Short Term Borrowings	4,707.00	2,495.59	2,194.00	1,058.00	215.00
Trade Payables	2,521.50	1,979.06	2,378.34	90.02	9.44
Short Term Provisions	699.24	419.02	78.84	31.69	1.68
Total (C)	7,927.74	4,893.67	4,651.18	1,179.71	226.12
Total (D=A+B+C)	13,000.67	8,873.47	7,610.45	2,979.28	2,108.95
Assets					
Fixed Assets:					
Tangible Assets	1,956.30	1,350.39	1,343.18	1,390.96	1,425.23
Intangible Assets	-	-	-	-	-
Capital Work in Progress	-	-	-	-	-
Long Term Loans & Advances	13.61	12.47	10.30	2.54	1.99
Non Current Investments	64.04	19.65	17.60	-	-
Total (E)	2,033.94	1,382.52	1,371.08	1,393.50	1,427.22
Current Assets					
Inventories	5,215.02	4,344.34	3,278.22	194.60	107.98

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Trade Receivables	3,900.82	2,593.61	2,281.77	1,263.57	31.91
Cash & Bank Balances	1,621.06	298.70	255.61	32.06	490.93
Short Term Loans & Advances	99.38	52.27	98.70	52.43	18.83
Other Current Assets	130.44	202.03	325.07	43.13	32.08
Total (F)	10,966.72	7,490.94	6,239.37	1,585.79	681.73
Total (G=E+F)	13,000.67	8,873.47	7,610.45	2,979.28	2,108.95

STATEMENT OF PROFIT AND LOSS, AS RESTATED
(Rs. In Lac)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Income					
Revenue from Operations	26,787.97	19,855.17	15,025.86	5,012.97	1,036.62
Other Income	11.72	25.46	21.74	0.63	3.41
Total	26,799.69	19,880.64	15,047.60	5,013.60	1,040.03
Expenditure					
Cost of Materials Consumed	26,098.31	19,946.93	17,527.28	4,724.99	1,109.89
Decrease/ (Increase) in Stock	(870.68)	(1,066.12)	(3,083.62)	(86.62)	(107.98)
Employees Costs	54.95	45.80	51.84	13.80	1.73
Depreciation & Amortization	81.58	55.24	47.89	47.62	4.27
Preliminary Expenses Written Off	-	-	-	-	-
Interest & Finance Charges	396.43	415.30	384.28	266.85	18.45
Operating, Administrative and Selling Expenses & Other Expenses	76.07	59.94	44.67	14.05	1.10
Total	25,836.65	19,457.10	14,972.34	4,980.69	1,027.46
Net Profit before Tax	963.04	423.54	75.26	32.91	12.57
Less: Provision for Taxes:					
Current Tax	196.33	80.70	14.34	7.00	2.76
Deferred tax	38.50	19.49	-2.90	3.90	1.49
Earlier Year Taxes	-	-	-	-	-
Net Profit After Tax & Before Extraordinary Items	728.20	323.34	63.82	22.01	8.33
Extra Ordinary Items	-	-	-	-	-
Net Profit	728.20	323.34	63.82	22.01	8.33

STATEMENT OF CASH FLOW, AS RESTATED

	(Rs. In Lakhs)				
Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
CASH FLOW FROM OPERATING ACTIVITIES					
Net profit before taxes	963.04	423.54	75.26	32.91	12.57
Adjustment for:					
Add: Depreciation & Amortisations	81.58	55.24	47.89	47.62	4.27
Operating Profit before Working capital changes	1044.62	478.78	123.16	80.53	16.84
Adjustments for:					
Decrease (Increase) in Inventories	(870.68)	(1,066.12)	(3,083.62)	(86.62)	(107.98)
Decrease (Increase) in Trade & Other Receivables	(1,307.22)	(311.84)	(1,018.20)	(1,231.65)	(31.91)
Increase/(Decrease) in Short Term Borrowings	2,211.41	301.11	1,136.38	843.00	215.10
Decrease (Increase) in Short Term Loans & Advances (Excel Taxes)	(47.10)	152.49	(46.10)	(33.78)	228.18
Decrease (Increase) in Other Current Assets	71.59	17.34	(282.07)	(11.21)	(24.83)
Increase (Decrease) in Trade Payables	542.44	(399.50)	2,288.31	80.58	9.44
Increase (Decrease) in Short Term Provisions (Excel Taxes)	280.22	78.41	46.67	30.37	1.56
Increase (Decrease) in Other Current Liabilities		261.04	-	-	-
Net Changes in Working Capital					
Cash Generated from Operations	1,925.26	(488.29)	(835.47)	(328.78)	306.39
Taxes	234.83	100.20	11.44	10.53	3.88
Net Cash Flow from Operating Activities (A)	1,690.43	(588.48)	(846.91)	(339.31)	302.51
CASH FLOW FROM INVESTING ACTIVITIES					
Sale /(Purchase) of Fixed Assets and CWIP	(687.48)	(62.46)		(13.35)	(1,429.49)
Decrease (Increase) in Non Current Investments	(44.39)	(2.05)	(17.60)	-	-
Loans and advances given / repaid (Net)	(1.13)	(2.17)	(7.76)	(0.55)	(1.99)
Interest received					
Net Cash Flow from Investing Activities (B)	(733.00)	(66.68)	(25.36)	(13.90)	(1,431.47)
CASH FLOW FROM FINANCING ACTIVITIES					
Receipt of Securities Premium		61.66			
Receipt of Share Application Money		(627.39)			
Deffered Tax Liabilities	38.50	22.39	(2.90)	3.90	1.49
Interest & Finance Charges					
Increase / (Repayment) of Long Term Borrowings	326.43	675.88	471.33	(210.82)	1,195.43
Issue of shares		565.72	627.39	101.25	357.50
Decrease (Increase) in Long Term Loans & Advances					
Net Cash Flow from Financing Activities (C)	364.93	698.26	1,095.82	(105.67)	1,554.42
Net Increase / (Decrease) in Cash & Cash Equivalents	1,322.36	43.10	223.55	(458.88)	425.45
Cash and cash equivalents at the beginning of the year / Period	298.70	255.61	32.06	490.93	65.47
Cash and cash equivalents at the end of the year/ Period	1,621.06	298.70	255.61	32.06	490.93

ISSUE DETAILS IN BRIEF

The following table summarizes the issue details:

Particulars	Details of Equity Shares
Issue of Equity Shares by our Company	Issue of upto 48,00,000 Equity Shares having face value of Rs. 10 each at a price of Rs. [●] per Equity Share (including a share premium of Rs. [●] per Equity share) aggregating Rs. [●] lakhs.
Of which:	
Market Maker Reservation Portion	Upto 2,46,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. [●] per Equity Share aggregating Rs. [●] lakhs.
Net Issue to the Public*	Upto 45,54,000 Equity Shares of face value of Rs.10 each fully paid of the Company for cash at price of Rs. [●] per Equity Share aggregating Rs. [●] lakhs.
	Of which:
	Not less than 22,77,000 Equity Shares of face value of Rs.10 each fully paid of the Company for cash at price of Rs. [●] per Equity Share aggregating Rs. [●] lakhs will be available for allocation to investors up to Rs. 2.00 Lakhs.
	Upto 22,77,000 Equity Shares of face value of Rs.10 each fully paid of the Company for cash at price of Rs. [●] per Equity Share aggregating Rs. [●] lac will be available for allocation to investors above Rs. 2.00 Lakhs
Pre and Post Issue Equity Shares	
Equity Shares outstanding prior to the Issue	1,31,54,714 Equity Shares of face value of Rs.10 each
Equity Shares outstanding after the Issue	Upto 1,79,54,714 Equity Shares of face value of Rs. 10 each
Use of Proceeds	For further details please refer chapter titled Objects of the Issue, beginning on page 91 of this Draft Prospectus for information on use of Issue Proceeds.

The Issue has been authorised by our Board pursuant to a resolution dated 9th June, 2018 and by our Equity Shareholders pursuant to a resolution passed at the extraordinary general meeting held on 18th June, 2018.

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

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

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

**Note: Number of shares may need to be adjusted for lot size upon determination of issue price.*

For further details please refer to section titled “*Issue Information*” beginning on page 235 of this Draft Prospectus.

GENERAL INFORMATION

KBS INDUSTRIES LIMITED

Our Company was originally incorporated at Delhi as “KBS Industries Private Limited” on 11th December, 2012 under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Delhi & Haryana. Consequent, upon the conversion of our Company into public limited company, the name of our Company was changed to “KBS Industries Limited” vide fresh Certificate of Incorporation dated 15th May, 2018 issued by the Registrar of Companies, Delhi & Haryana. The Corporation Identification Number of our Company is U74990DL2012PLC245998.

REGISTERED OFFICE:

1/486, 2nd Floor,
Kashmere Gate, Delhi Central,
Delhi - 110 006
Tel: +91--11- 2383 0661, 4706 5511;
Email: info@kbsindustries.in
Website: www.kbsltd.in

CORPORATE OFFICE:

609, B - Wing, Express Zone,
Off Western Express Highway,
Malad (E), Mumbai - 400 097
Tel: +91-22-6236 2911
Email: info@kbsindustries.in
Website: www.kbsltd.in

FACTORY:

Plot No. 418, HSIIDC, Phase - I,
Barhi Industrial Area,
Sonipat, Haryana
Tel: +91-130-4000418;
Email: info@kbsindustries.in
Website: www.kbsltd.in

WAREHOUSE:

F-1730 DSIDC Narela Industrial Area,
New Delhi-110040
Email: info@kbsindustries.in
Website: www.kbsltd.in

**Our Company maintains books of account and papers at the Corporate Office of the Company.*

COMPANY REGISTRATION NUMBER: 245998

COMPANY IDENTIFICATION NUMBER: U74990DL2012PLC245998

Our Company is registered with the Registrar of Companies, Delhi.

Address:

4th Floor, IFCI Tower,
61, Nehru Palace,

New Delhi- 110019
Tel: 011-26235707, 26235708, 26235709
Fax: 011-26235702,
Email: roc.delhi@mca.gov.in
Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE: National Stock Exchange of India Limited

LISTING OF SHARES OFFERED IN THIS ISSUE: National Stock Exchange of India Limited

For details in relation to the changes to the name of our Company, please refer to the section titled “Our History and Corporate Structure” beginning on page 149 of this Draft Prospectus.

CONTACT PERSON:

MS. KOMAL SURESH KUMAR CHURIWALA
609, B - Wing, Express Zone,
Off Western Express Highway,
Malad (E), Mumbai - 400 097
Tel: +91-22-6236 2911
Email: cs@kbsindustries.in
Website: www.kbsltd.in

BOARD OF DIRECTORS:

Our Board of Directors comprise of the following members:

NAME	DESIGNATION	DIN	ADDRESS
Mr. Arjun	Managing Director	05125256	Flat No. 505, A Wing, Hubtown Sunmist Sai Wadi, Telli Galli, Andheri Mumbai 400069
Ms. Monica Sachdeva	Executive Director	03627539	34/34, Block-34, West Patel Nagar New Delhi 110 008
Mr. Anil Anand	Non Executive and Non Independent Director	02073604	House No-24, Ground Floor, Road No - 70 West Punjabi Bagh New Delhi 110 026
Ms. Hetal Kishor Vora	Non - Executive and Independent Director	08155319	26-B, Flat No. 14, Govind Nagar, Sodawala Lane, Hanuman Mandir, Borivali West, Mumbai -400 092
Mr. Gaurav Jhanwar	Non - Executive and Independent Director	08154094	Gandhi Chowk, Parbatsar Nagaur, Rajasthan - 341 512

For further details of Management of our Company, please refer to section titled “Our Management” on page 154 of this Draft Prospectus.

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Komal Suresh Kumar Churiwala
609, B - Wing, Express Zone,
Off Western Express Highway,

Malad (E), Mumbai - 400 097
Tel: +91-22-6236 2911
Email: cs@kbsindustries.in
Website: www.kbsltd.in

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

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

Applicants can contact the Compliance Officer or the Lead Manager or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account and refund orders, etc. All complaints, queries or comments received by Stock Exchange / SEBI shall be forwarded to the Lead Manager, who shall respond to the same.

<u>CHIEF FINANCIAL OFFICER</u> Ms. Monica Sachdeva 609, B - Wing, Express Zone, Off Western Express Highway, Malad (E), Mumbai - 400 097 Tel: +91-22-6236 2911 Email: info@kbsindustries.in Website: www.kbsltd.in	<u>BANKER TO THE COMPANY</u> Canara Bank Marthanda,84,Dr.A B Road,Bhim Nagar, Worli (W),Mumbai -400018 Worli Br. Mumbai. State Bank Of India B.N. Agarwal Market, Shyamkamal Trade Centre, Vile Parle East, Mumbai -4000057 Comm.Br. Vile Parle (East). Vijaya Bank Plot No. 5,TPS III, Land Marks, Beasant Road, Opp. Railway Station, Vile Parle (W), Mumbai - 400056
<u>STATUTORY AUDITORS</u> M/S. SSRV & ASSOCIATES, Chartered Accountants Office No. 215, Gundecha Industrial Estate Akurli Road, Kandivali (E) Mumbai 400 101 Tel: +91-22 6060 1105 E-mail: ssrvandassociateas@gmail.com Membership No. 403437 Firm Registration No. - 135901W Contact Person: Mr. Vishnu Kabra	<u>PEER REVIEW AUDITORS</u> M/S. SSRV & ASSOCIATES, Chartered Accountants Office No. 215, Gundecha Industrial Estate Akurli Road, Kandivali (E) Mumbai 400 101 Tel: +91-22 6060 1105 E-mail: ssrvandassociateas@gmail.com Membership No. 403437 Firm Registration No. - 135901W Contact Person: Mr. Vishnu Kabra
<u>LEAD MANAGER</u> NAVIGANT CORPORATE ADVISORS LIMITED 423, A Wing, Bonanza,	<u>LEGAL ADVISORS TO THE ISSUE</u> RMA LEGAL Ms. Meenakshi Acharya

Sahar Plaza Complex, J B Nagar, Andheri Kurla Road, Andheri East, Mumbai-400 059 Tel No. +91-22-41204837/49735078 Email Id- navigant@navigantcorp.com Investor Grievance Email: info@navigantcorp.com Website: www.navigantcorp.com SEBI Registration Number: INM000012243 Contact Person: Mr. Sarthak Vijlani	Partner 39, Mittal Chambers Nariman Point, Mumbai Tel No : +91-22-43470063 Website: www.rmalegal.net
<u>REGISTRAR TO THE ISSUE</u> KARVY COMPUTERSHARE PRIVATE LIMITED Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032 Tel : +91 40 6716 2222 Fax : + 91 40 2343 1551 Website: https://karisma.karvy.com E-mail: einward.ris@karvy.com Investor Grievance E-mail: kbs.ipo@karvy.com Contact Person : Mr. M Murali Krishna SEBI Registration : INR000000221	<u>PUBLIC ISSUER BANKER / BANKER TO THE ISSUE</u> [•]

SELF CERTIFIED SYNDICATE BANKS

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

BROKER CENTRES/ DESIGNATED CDP LOCATIONS/ DESIGNATED RTA LOCATIONS

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchange at www.nseindia.com.

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

CREDIT RATING

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

TRUSTEES

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

IPO GRADING

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

BROKERS TO THE ISSUE

All members of the recognized stock exchanges would be eligible to act as Brokers to the Issue.

APPRAISAL AND MONITORING AGENCY

As per Regulation 16(1) of the SEBI (ICDR) Regulations, 2009 the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 100.00 Crores. Since the Issue size is less than Rs. 100.00 Crores, our Company has not appointed any monitoring agency for this Issue. However, as per the Regulation 18 (3) read with part C of schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee of our Company would be monitoring the utilization of the proceeds of the Issue.

DETAILS OF THE APPRAISING AUTHORITY

The objects of the Issue and deployment of funds are not appraised by any independent agency/ bank/ financial institution.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Navigant Corporate Advisors Limited is the sole Lead Manager to this Issue, a statement of inter se allocation responsibilities among Lead Manager's is not required.

EXPERT OPINION

Except the report of the Peer Review Auditor on the financial statements and statement of tax benefits included in the Draft Prospectus, our Company has not obtained any other expert opinion.

UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting Agreement is dated [●], Pursuant to the terms of the Underwriting Agreement; the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Name, address, telephone number and e-mail address of the Underwriters	Number of Equity Shares Underwritten	Amount Underwritten (Rupees In Lakhs)	% of Total Amount Underwritten (Rupees In Lakhs)
NAVIGANT CORPORATE ADVISORS LIMITED 423, A Wing, Bonanza, Sahar Plaza Complex, J B Nagar, Andheri Kurla Road, Andheri East, Mumbai-400 059 Tel No. +91-22-41204837/49735078 Email Id- navigant@navigantcorp.com Investor Grievance Email:	[●]	[●]	[●]

Name, address, telephone number and e-mail address of the Underwriters	Number of Equity Shares Underwritten	Amount Underwritten (Rupees In Lakhs)	% of Total Amount Underwritten (Rupees In Lakhs)
info@navigantcorp.com Website: www.navigantcorp.com SEBI Registration Number: INM000012243 Contact Person: Mr. Sarthak Vijlani			
Total	[•]	[•]	[•]

The above mentioned is indicative underwriting and will be finalized after determination of the Issue Price and actual allocation subject to the provisions of the SEBI Regulations.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company has entered into an agreement dated [•] with the Lead Manager and Market Maker to fulfill the obligations of Market Making.

NAME AND ADDRESS OF THE MARKET MAKER

Name	[•]
Correspondence Address:	[•]
Tel No.:	[•]
Fax No.:	[•]
Email:	[•]
Website:	[•]
Contact Person:	[•]
SEBI Registration No.:	[•]
NSE Code	[•]

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

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs.1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
4. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

5. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on NSE Emerge and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.
6. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market - for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
7. The Market Maker(s) shall have the right to terminate said arrangement by giving a three months notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations, 2009. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.

8. **Risk containment measures and monitoring for Market Makers:** NSE will have all margins, which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
9. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/02/2012 dated January 20, 2012 has laid down that for issue size upto Rs. 250 crore, the applicable price bands for the first day shall be:
 - i. In case equilibrium price is discovered in the call auction, the price band in the normal trading session be 5% of the equilibrium price.
 - ii. In case equilibrium price is not discovered in the call auction, the price band in the normal trading session shall be 5% of the Issue size.

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by exchange from time to time. The call auction is not applicable of those companies, which are listed at SME Platform.

10. **Punitive Action in case of default by Market Makers:** NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

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

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

12. In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations, 2009. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.
13. All the above mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

CAPITAL STRUCTURE

The Share Capital of the Company as at the date of this Draft Prospectus, before and after the Issue, is set forth below.

(Rs. in Lakhs, except share data)

Sr. No	Particulars	Aggregate value at face value	Aggregate value at Issue Price
A.	Authorized Share Capital		
	2,50,00,000 Equity Shares of face value of Rs.10 each	2500.00	2500.00
B.	Issued, subscribed and paid-up Equity Share Capital before the Issue		
	1,31,54,714 Equity Shares of face value of Rs. 10 each	1315.47	-
C.	Present Issue in terms of the Draft Prospectus		
	Issue of upto 48,00,000 Equity Shares of Rs. 10 each at a price of Rs. [●] per Equity Share.	480.00	[●]
	Which comprises		
	Reserved for Market Maker of up to 2,46,000 Equity Shares of Rs. 10 each at a price of Rs. [●] per Equity Share.	[●]	[●]
	Net Issue to the Public of up to 45,54,000 Equity Shares of Rs. 10 each at a at a price of Rs. [●] per Equity Share.	[●]	[●]
	Of the Net issue to the public		
	Not less than 22,77,000 Equity Shares of Rs.10 each at a price of Rs. [●] per Equity Share will be available for allocation for Investors of up to Rs. 2.00 Lakhs	[●]	[●]
	Upto 22,77,000 Equity Shares of Rs.10 each at a price of Rs. [●] per Equity Share will be available for allocation for Investors of up to Rs. 2.00 Lakhs	[●]	[●]
D.	Equity Capital after the Issue		
	Upto 1,79,54,714 Equity Shares of Rs. 10 each	[●]	---
E.	Securities Premium Account		
	Before the Issue	56.57	
	After the Issue	[●]	

**This Issue has been authorized by the Board of Directors pursuant to a board resolution dated 9th June, 2018 and by the shareholders of our Company pursuant to a special resolution dated 18th June, 2018 passed at the EGM of shareholders under section 62 (1)(c) of the Companies Act, 2013.*

Our Company has no outstanding convertible instruments as on the date of the Draft Prospectus.

CHANGES IN THE AUTHORIZED SHARE CAPITAL OF OUR COMPANY:

Sr. No.	Particulars of Change		Date of Shareholders' Meeting	Meeting AGM/EGM
	From	To		
1	-	10,000 Equity Shares of Rs. 10 each	-	Incorporation
2	10,000 Equity Shares of Rs. 10 each	1,00,00,000 Equity Share of Rs. 10 each	21 st January, 2013	EGM
3	1,00,00,000 Equity Share of Rs. 10 each	1,50,00,000 Equity Share of Rs. 10 each	1 st April, 2016	EGM
4	1,50,00,000 Equity Share	2,50,00,000 Equity Share	20 th January, 2018	EGM

Sr. No.	Particulars of Change		Date of Shareholders' Meeting	Meeting AGM/EGM
	From	To		
	of Rs. 10 each	of Rs. 10 each		

NOTES FORMING PART OF CAPITAL STRUCTURE

1. Equity Share Capital history of our Company

Date of/ issue allotment of Shares	No. of Equity Shares Issued	Face value (Rs.)	Issue price (Rs.)	Consideration (cash, bonus, consideration other than cash)	Nature of allotment (Bonus, swap etc.)	Cumulative no. of Equity Shares	Cumulative paid-up share capital (Rs.)	Cumulative share premium (Rs.)
11/12/2012	10,000	10	10	Cash	Subscription to MOA (A)	10,000	1,00,000	Nil
31/03/2013	29,00,000	10	10	Cash	Further Allotment (B)	29,10,000	2,91,00,000	Nil
06/01/2014	20,45,000	10	10	Cash	Further Allotment (C)	49,55,000	4,95,50,000	Nil
31/03/2014	15,30,000	10	10	Cash	Further Allotment (D)	64,85,000	6,48,50,000	Nil
27/03/2015	10,12,500	10	10	Cash	Further Allotment (E)	74,97,500	7,49,75,000	Nil
11/04/2016	56,57,214	10	11	Cash	Further Allotment (F)	1,31,54,714	13,15,47,140	56,57,214

- A. Initial Subscribers to Memorandum of Association subscribed 10,000 Equity Shares of face value of Rs. 10 each as per the details given below:-**

S.No.	Name of the Allottees	Number of Equity Shares
1	Mr. Arjun Anand	5,000
2	Ms. Somya Khetrapal	5,000
	Total	10,000

- B. Further Allotment of 29,00,000 Equity Shares of face value of Rs. 10 each as per the details given below:-**

S.No.	Name of the Allottees	Number of Equity Shares
1	Mr. Arjun	2,00,000
2	M/s. Assemble Construction Pvt. Ltd.	3,00,000
3	M/s. Esquire Enclave Pvt. Ltd.	1,00,000
4	M/s. Evernew Conclave Pvt. Ltd.	3,00,000
5	M/s. Faster Trade Ventures Pvt. Ltd.	2,00,000
6	M/s. Glorious Soft Solution Pvt. Ltd.	1,10,000
7	M/s. Highrank Infrastructure Pvt. Ltd.	3,00,000
8	M/s. Paradise Soft Solution Pvt. Ltd.	1,10,000
9	M/s. Rudramukhi Projects Pvt. Ltd.	4,00,000
10	M/s. Shp Financial Services Pvt. Ltd.	1,00,000

S.No.	Name of the Allottees	Number of Equity Shares
11	Ms. Soumya Khetrapal	4,50,000
12	Ms. Monica Sachdeva	1,30,000
13	M/s. Visible Realestate Ventures Pvt. Ltd.	2,00,000
	Total	29,00,000

C. Further Allotment of 20,45,000 Equity Shares of face value of Rs. 10 each as per the details given below:-

S.No.	Name of the Allottees	Number of Equity Shares
1	Mr. Arjun	4,50,000
2	Ms. Monica Sachdeva	3,52,000
3	Mr. Anil Anand	2,50,000
4	Mr. Ashish Anand	3,35,000
5	Mrs. Achala Anand	3,00,000
6	Ms. Soumya Khetrapal	2,58,000
7	B B Sales Corporation	1,00,000
	Total	20,45,000

D. Further Allotment of 15,30,000 Equity Shares of face value of Rs. 10 each as per the details given below:-

S.No.	Name of the Allottees	Number of Equity Shares
1	Mr. Arjun	3,50,000
2	Ms. Monica Sachdeva	30,000
3	Mr. Anil Anand	4,00,000
4	Mrs. Achala Anand	4,00,000
5	Ms. Soumya Khetrapal	3,50,000
	Total	15,30,000

E. Further Allotment of 10,12,500 Equity Shares of face value of Rs. 10 each as per the details given below:-

S.No.	Name of the Allottees	Number of Equity Shares
1	Mr. Arjun	5,02,500
2	Ms. Monica Sachdeva	60,000
3	Mr. Anil Anand	1,00,000
4	Globe Enterprise	3,50,000
	Total	10,12,500

F. Further Allotment of 56,57,214 Equity Shares of face value of Rs. 10 each as per the details given below:-

S.No.	Name of the Allottees	Number of Equity Shares
1	Mr. Anil Anand	56,57,214
	Total	56,57,214

2. We have not issued any Equity Shares for consideration other than Cash.
3. We have not issued any Equity Shares out of revaluation reserves or in terms of any scheme approved under Sections 391- 394 of the Companies Act, 1956 or Sections 230- 233 of the Companies Act, 2013.
4. We have not issued any Equity Shares in the last two (2) year preceding the date of Draft Prospectus:
5. We have not issued any shares at price below issue price within last one year from the date of this Draft Prospectus
6. **Shareholding of our Promoters:**

Set forth below are the details of the build-up of shareholding of our Promoters.

1. Mr. Arjun									
Date of Allotment / Transfer	Consideration	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition/Transfer price (Rs.)	Source of Funds	Nature of Transactions	Pledge	Pre-issue shareholding %	Post-issue shareholding %
11/12/2012	Cash	5,000	10	10	Owned	Acquisition	No		
31/03/2013	Cash	2,00,000	10	10	Owned	Acquisition	No		
06/01/2014	Cash	4,50,000	10	10	Owned	Acquisition	No		
31/03/2014	Cash	3,50,000	10	10	Owned	Acquisition	No		
27/03/2015	Cash	5,02,500	10	10	Owned	Acquisition	No		
31/03/2018	Cash	9,00,000	10	11	Owned	Acquisition	No		
		24,07,500						18.30	[●]

2. Anil Anand									
Date of Allotment / Transfer	Consideration	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition/Transfer price (Rs.)	Source of Funds	Nature of Transactions	Pledge	Pre-issue shareholding %	Post-issue shareholding %
06/01/2014	Cash	2,50,000	10	10	Owned	Acquisition	No		
31/03/2014	Cash	4,00,000	10	10	Owned	Acquisition	No		
27/03/2015	Cash	1,00,000	10	10	Owned	Acquisition	No		
31/03/2016	Cash	2,20,000	10	11	Owned	Acquisition	No		
11/04/2016	Cash	5,65,72,14	10	11	Owned	Acquisition	No		
Total		66,27,214						50.38	[●]

Details of Promoters' contribution locked in for three years:

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

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute 20% of the post-Issue Equity Share capital of our Company as Promoters Contribution and have agreed not to sell

or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution from the date of filing of this Draft Prospectus until the commencement of the lock-in period specified above.

Name	No. of shares locked in	Date of Allotment/ Acquisition/ Transfer	Face Value (Rs. per share)	Issue Price / Purchase Price / Transfer Price (Rs. per share)	Source of Funds	Pledge	% of Pre-Issue Paid up Equity capital	% of Post Issue Paid up Equity capital
Mr. Anil Anand	36,00,000	11/04/2016	10	11	Owned	No		
Total	36,00,000						27.37	[•]

We further confirm that the minimum Promoter Contribution of 20% which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired by the Promoters during the preceding one year, at a price lower than the price at which Equity Shares are being offered to public in the Issue.
- Private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.
- The Equity Shares held by the Promoters and offered for minimum 20% Promoters' Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters' Contribution subject to lock-in.
- Equity shares issued to our Promoters on conversion of partnership firms into limited companies.

Specific written consent has been obtained from the Promoters for inclusion of the Equity Shares for ensuring lock-in of three years to the extent of minimum 20% of post -Issue paid-up Equity Share Capital from the date of allotment in the proposed public Issue. Promoters' Contribution does not consist of any private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.

The minimum Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoters under the SEBI (ICDR) Regulations, 2009. The Promoters' Contribution constituting 20% of the post-Issue capital shall be locked-in for a period of three years from the date of Allotment of the Equity Shares in the Issue.

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

- a) have not been subject to pledge or any other form of encumbrance; or

- b) have not been acquired, during preceding three years, for consideration other than cash and revaluation of assets or capitalization of intangible assets is not involved in such transaction;
- c) is not resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the Issuer or from bonus issue against Equity Shares which are ineligible for minimum Promoters' Contribution;
- d) have not been acquired by the Promoters during the period of one year immediately preceding the date of filing of this Draft Prospectus at a price lower than the Issue Price.

Other requirements in respect of lock-in:

In terms of Regulation 39 of the SEBI ICDR Regulations, the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.

In terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 36 or 37 of the SEBI ICDR Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

Further in terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by the Promoters may be transferred to and amongst the Promoter Group or to new promoters or persons in control of the Issuer subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

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

In addition to 20% of the post-Issue shareholding of our Company held by the Promoters (locked in for three years as specified above), in accordance with regulation 36 of SEBI (ICDR) Regulations, 2009, the entire pre-Issue share capital of our Company (including the Equity Shares held by our Promoters) shall be locked in for a period of one year from the date of Allotment in this Issue.

The Equity Shares held by persons other than our Promoters and locked-in for a period of one year from the date of Allotment, in accordance with regulation 37 of SEBI (ICDR) Regulations, 2009, in the Issue may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of transferees for the remaining period and compliance with the Takeover Code.

8. Shareholding pattern of our Company:

The table below presents the current shareholding pattern of our Company as on the date of this Draft Prospectus.

Table I - Summary of Shareholding Pattern

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities* (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights		Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class X	Class Y	Total							
(A)	Promoter and Promoter Group	6	13154214	-	-	13154214	99.997	13154214	-	13154214	99.997	-	99.997	-	-	-	-
(B)	Public	1	500	-	-	500	0.003	500	-	500	0.003	-	0.003	-	-	-	-
(C-)	Non Promoter Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C-1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C-2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	7	13154714	-	-	13154714	100.00	13154714	-	13154714	100.00	-	100.00	-	-	-	-

Table II - Statement showing Shareholding Pattern of the Promoter and Promoter Group

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C 2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
		(Not to be Disclosed)							No of Voting Rights		Total as a % of Total Voting Rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class X	Class Y	Total							
(1)	Indian																	
(a)	Individual / Hindu Undivided Family		6	13154214	-	-	13154214	99.997	13154214	-	13154214	99.997	-	99.997				
	Anil Anand	-	1	6627214	-	-	6627214	50.38	6627214	-	6627214	50.38	-	50.38	-	-	-	-
	Arjun	-	1	2407500	-	-	2407500	18.30	2407500	-	2407500	18.30	-	18.30	-	-	-	-
	Monica Sachdeva	-	1	1421500	-	-	1421500	10.81	1421500	-	1421500	10.81	-	10.81	-	-	-	-
	Achala Anand	-	1	800000	-	-	800000	6.08	800000	-	800000	6.08	-	6.08	-	-	-	-
	Ashish Anand	-	1	335000	-	-	335000	2.55	335000	-	335000	2.55	-	2.55	-	-	-	-
	Ms. Somya Kheterpal	-	1	1563000	-	-	1563000	11.88	1563000	-	1563000	11.88	-	11.88	-	-	-	-
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C 2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
									No of Voting Rights					Total as a % of Total Voting Rights	No. (a)	As a % of total Shares held (b)	No. (a)		As a % of total Shares held (b)
									Class X	Class Y	Total								
		(Not to be Disclosed)																	
(c.)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(d)	Any Other (Body Corporate)	-												-	-	-	-	-	
	Sub Total (A-1)		6	13154214	-	-	13154214	99.997	13154214	-	13154214	99.997	-	99.997	-	-	-	-	
(2)	Foreign																		
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(c.)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

Sr. No.	Category & Name of the Shareholders (I)	PA N (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C 2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
		(Not to be Disclosed)							No of Voting Rights		Total as a % of Total Voting Rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class X	Class Y	Total							
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (A-2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		6	13154214	-	-	13154214	99.997	13154214	-	13154214	99.997	-	99.997	-	-	-	-

Table III - Statement showing Shareholding Pattern of the Public shareholder

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
		(Not to be Disclosed)							No of Voting Rights			Total as a % of Total Voting Rights		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class X	Class Y	Total							
(1)	Institutions																	
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c.)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Financial Institutions/	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
		(Not to be Disclosed)							No of Voting Rights			Total as a % of Total Voting Rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class X	Class Y	Total								
	Banks																		
(g)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Any Other (Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Central Government/ State Government(s) / President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
		(Not to be Disclosed)							No of Voting Rights			Total as a % of Total Voting Rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class X	Class Y	Total								
(3)	Non-institutions																		
(a)	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	-	1	500	-	-	500	0.003	500	-	500	0.003	-	0.003	-	-	-	-	-
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c.)	Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

KBS INDUSTRIES LIMITED

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of shareholder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
		(Not to be Disclosed)							No of Voting Rights			Total as a % of Total Voting Rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class X	Class Y	Total								
(d)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other - Body Corporate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(3)	-	1	500	-	-	500	0.003	500	-	500	0.003	-	0.003	-	-	-	-	-
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)	-	1	500	-	-	500	0.003	500	-	500	0.003	-	0.003	-	-	-	-	-

Table IV - Statement showing Shareholding Pattern of the Non Promoter- Non Public shareholder

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of share holder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
		(Not to be Disclosed)							No of Voting Rights			Total as a % of Total Voting Rights		No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class X	Class Y	Total							
(1)	Custodian/DR Holder																	
(a)	Name of DR Holder (if available)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub total (C)(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

KBS INDUSTRIES LIMITED

Sr. No.	Category & Name of the Shareholders (I)	PAN (II)	No. of share holder (III)	No. of fully paid up equity shares held (IV)	Partly paid-up equity shares held (V)	Nos. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Total shareholding , as a % assuming full conversion of convertible securities (as a percent age of diluted share capital) (XI)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
														No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		
		(Not to be disclosed)							No of Voting Rights			Total as a % of Total Voting Rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
									Class X	Class Y	Total								
	Regulations, 2014)																		
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the Securities and Exchange Board of India (Listing obligations and disclosures Requirement) Regulation, 2015, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of NSE before commencement of trading of such Equity Shares.

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

Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)
Mr. Arjun	24,07,500	10.37
Mr. Anil Anand	66,27,214	10.99

10. None of our Directors or Key Managerial Personnel hold Equity Shares in our Company, other than as follows:

Name of the Shareholders	No. of Equity Shares	Pre-Issue percentage Shareholding
Mr. Arjun	24,07,500	18.30
Mr. Anil Anand	66,27,214	50.38
Ms. Monica Sachdeva	14,21,500	10.81
TOTAL	1,03,56,714	79.49

11. Pre-Issue and Post Issue Shareholding of our Promoter and Promoter's Group

Set forth is the shareholding of our Promoter and Promoter Group before and after the proposed issue:

Particulars	Pre Issue		Post Issue	
	No. of Shares	%	No. of Shares	%
Promoter:				
Mr. Arjun	24,07,500	18.30	24,07,500	[•]
Mr. Anil Anand	66,27,214	50.38	66,27,214	[•]
Promoter Group				
Mrs. Achala Anand	8,00,000	6.08	8,00,000	[•]
Ms. Monica Sachdeva	14,21,500	10.81	14,21,500	[•]
Mr. Ashish Anand	3,35,000	2.55	3,35,000	[•]
Ms. Somya Kheterpal	15,63,000	11.88	15,63,000	
TOTAL	1,31,54,214	99.997	1,31,54,214	[•]

12. Equity Shares held by top ten shareholders

- (a) Our top ten shareholders and the number of Equity Shares held by them as on date of the Draft Prospectus are as under:

Sr. No.	Name of the Shareholders	No. of Shares	% age of Pre-Issue Capital
1	Mr. Anil Anand	66,27,214	50.38
2	Ms. Arjun	24,07,500	18.30
3	Ms. Somya Kheterpal	15,63,000	11.88
4	Ms. Monica Sachdeva	14,21,500	10.81
5	Mrs. Achala Anand	8,00,000	6.08
6	Mr. Ashish Anand	3,35,000	2.55
7	Mr. Yogesh Kabra	500	0.003
	Total	1,31,54,714	100.00

(b) Our top ten shareholders and the number of Equity Shares held by them ten days prior to the date of the Draft Prospectus are as under:

Sr. No.	Name of the Shareholders	No. of Shares	% age of Pre-Issue Capital
1	Mr. Anil Anand	66,27,214	50.38
2	Ms. Arjun	24,07,500	18.30
3	Ms. Somya Kheterpal	15,63,000	11.88
4	Ms. Monica Sachdeva	14,21,500	10.81
5	Mrs. Achala Anand	8,00,000	6.08
6	Mr. Ashish Anand	3,35,000	2.55
7	Mr. Yogesh Kabra	500	0.003
	Total	1,31,54,714	100.00

(c) Our top ten shareholders and the number of Equity Shares held by them two years prior to date of the Draft Prospectus are as under:

S.No	Name of the Shareholders	Number of Shares	% age of then Capital
1	Mr. Arjun	24,07,500	32.11
2	Mrs. Achala Anand	8,00,000	10.67
3	Mr. Anil Anand	9,70,000	12.94
4	Ms. Monica Sachdeva	13,22,000	17.63
5	Mr. Ashish Anand	3,35,000	4.47
6	Ms. Soumya Kheterpal	15,63,000	20.85
7	B B Sales Corporation	1,00,000	1.33
	Total	4,70,250	100.00

13. There is no "Buyback", "Standby", or similar arrangement for the purchase of Equity Shares by our Company/Promoters/Directors/Lead Manager for purchase of Equity Shares offered through the Draft Prospectus.
14. None of the persons belonging to the category Public are holding more than 1% of the total number of shares as on the date of this Draft Prospectus:
15. There have been no purchase or sell of Equity Shares by the Promoters, Promoter Group and the Directors during a period of six months preceding the date on which the Draft Prospectus is filed with NSE - Emerge, excepts as detailed below:

Date of Transfer	Nature of Transactions	No. of Equity Shares	Face value per Share (Rs.)	Transfer price (Rs.)
25 th May, 2018	Transfer by B B Sales Corporation (Chunilal) to Ms. Monica Sachdeva	99,500	10	13.65

16. Our Company has not raised any bridge loans against the proceeds of this Issue.
17. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed in paragraph on "Basis of Allotment" on page 255 of this Draft Prospectus.

18. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalizing the basis of allotment to the nearest integer during finalizing the allotment, subject to minimum allotment lot.

Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-up capital is locked-in.

19. As on date of filing of this Draft Prospectus, the entire issued share capital of our Company is fully paid-up. The Equity Shares offered through this Public Issue will be fully paid up.
20. On the date of filing the Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.
21. Our Company has not issued any Equity Shares out of revaluation reserves and not issued any bonus shares out of capitalization of revaluation reserves.
22. Lead Manager to the Issue viz. Navigant Corporate Advisors Limited does not hold any Equity Shares of our Company.
23. Our Company has not revalued its assets since incorporation.
24. Our Company has not made any public issue since incorporation.
25. There will be only one denomination of the Equity Shares of our Company unless otherwise permitted by law, our Company shall comply with such disclosure, and accounting norms as may be specified by SEBI from time to time.
26. There will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from submission of this Draft Prospectus until the Equity Shares to be issued pursuant to the Issue have been listed.
27. Except as disclosed in the Draft Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six (6) months from the date of opening of the Issue, by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise. However, during such period or a later date, it may issue Equity Shares or securities linked to Equity Shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
28. At any given point of time, there shall be only one denomination for a class of Equity Shares of our Company.
29. Our Company does not have any ESOS/ESPS scheme for our employees and we do not intend to allot any shares to our employees under ESOS/ESPS scheme from the proposed Issue. As and when, options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Employee Stock Option Scheme and Employees Stock Purchase Plan) Guidelines 1999.
30. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.

31. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
32. Our Company has Seven (7) members as on the date of filing of this Draft Prospectus.

OBJECTS OF THE ISSUE

Our Company proposes to utilize the net proceeds from the Issue towards funding the following objects and achieve the benefits of listing the equity shares on the NSE Emerge. We believe that the listing of Equity shares will enhance our brand name and provide liquidity to the existing shareholders. Listing will also provide a public market for the Equity Shares in India.

Objects of the Fresh Issue

1. To finance the Expenditure towards Land & Site Development and Other Civil Work;
2. To part finance the requirement of Working Capital;
3. To meet General corporate purposes;
4. To meet the expenses of the Issue.

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

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

Utilization of Net Proceeds

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

(Rs. In Lakhs)

S. No.	Particulars	Amounts*
1)	Gross Proceeds	[•]*
2)	(Less) Issue related expenses*	[•]*
3)	Net Proceeds	[•]*

* To be finalized on determination of Issue Price.

FUND REQUIREMENTS

We intend to utilise the Net Proceeds from the Issue, in the manner set below:

Rs. In lakhs

S. No.	Particulars	Amounts	% of gross proceeds	% of Net proceeds
1.	To finance the Expenditure towards Land & Site Development and Other Civil Work.	[•]*	[•]*	[•]*
2.	To part finance the requirement of Working Capital	[•]*	[•]*	[•]*
3.	To meet General corporate purposes	[•]*	[•]*	[•]*
4.	To meet the expenses of the Issue	[•]*	[•]*	[•]*
	Total	[•]*	[•]*	[•]*

* To be finalized on determination of Issue Price.

The requirements of the objects detailed above are intended to be funded from the Proceeds of the Issue and Internal Accruals. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Issue.

The fund requirement and deployment is based on internal management estimates and our Company's current business plan and is subject to change in light of changes in external circumstances or costs, other

financial conditions, business or strategy. These estimates have not been appraised by any bank or financial institution.

Any amount, deployed by our Company out of internal accruals towards the aforementioned objects till the date of receipt of Issue Proceeds shall be recouped by our Company from the Issue Proceeds of the Issue. In case of delays in raising funds from the Issue, our company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

As we operate in competitive environment, we may have to revise our expenditure and fund requirements as a result of variations in cost estimates, exchange rate fluctuations and external factors which may not be within the control of our management. This may entail rescheduling and revising the planned expenditures and fund requirements and increasing or decreasing expenditures for a particular purpose at the discretion of our management, within the objects.

For further details on the risks involved in our business plans and executing our business strategies, please see the section titled "Risk Factors" beginning on page 15 of this Draft Prospectus.

Schedule of implementation/ Utilization of Issue Proceeds

Our Company proposes to deploy the Net Proceeds in the aforesaid objects as follows:

(Rs. In lakhs)

Sr. No.	Particulars	Amount Required	Amount Proposed to be Deployed from IPO Proceeds	Estimated Schedule of Deployment of Net Proceeds	
				FY 2018-19	FY 2019-20
1.	To finance the Expenditure towards Land & Site Development and Other Civil Work.	[•]*	[•]*	[•]*	[•]*
2.	To part finance the requirement of Working Capital	[•]*	[•]*	[•]*	[•]*
3.	To meet General corporate purposes	[•]*	[•]*	[•]*	[•]*
4.	To meet the expenses of the Issue	[•]*	[•]*	[•]*	[•]*
	Total	[•]*	[•]*	[•]*	[•]*

* To be finalized on determination of Issue Price.

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

MEANS OF FINANCE:

Amount In lakhs

Sr. No.	Objects of the offer	Amount Required	IPO Proceeds
1.	To finance the Expenditure towards Land & Site Development and Other Civil Work.	[•]*	[•]*
2.	To part finance the requirement of Working Capital.	[•]*	[•]*

Sr. No.	Objects of the offer	Amount Required	IPO Proceeds
3.	To meet General corporate purposes.	[•]*	[•]*
4.	To meet the expenses of the Issue.	[•]*	[•]*
	Total	[•]*	[•]*

* To be finalized on determination of Issue Price.

DETAILS OF THE OBJECTS

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

1. TO FINANCE EXPENDITURE TOWARDS LAND & SITE DEVELOPMENT AND OTHER CIVIL WORK

Our Company is engaged in the manufacturing and supply of high quality Semi finished copper and copper alloy products (Rods, Bus bars, Strips, Wires, Plates, Sheets and Circles). The manufacturing facility of our Company is situated at Plot No. 418, HSIIDC, Phase-I, Barhi Industrial Area, Haryana, India.

To synergies the existing manufacturing facility, Our Company has decided to set up a new manufacturing facility at Survey No. 51/1/2, Village Kala, Silvassa, Dadra & Nagar Haveli- 396230 to expend our Production in manufacturing of PVC Insulated Cable. Our Company has already identified the land at Survey No. 51/1/2, Village Kala, Silvassa, Dadra & Nagar Haveli- 396230 and also entered into a agreement to sell dated 5th May, 2018 with M/s Sainath Industries, a partnership firm, duly constituted under the provisions of partnership Act, 1932 having registration No. BA-93343 and having registered office at office No. 34, 2nd Floor, Rungta Bhuvan, 94/100, Fanaswadi, Mumbai-400002. The said land is Non Agricultural land bearing survey No. 51/1/2, admeasuring 9700 Sq. Meter with factory Building admeasuring 539.04 Sq. Meters constructed thereupon situated at village kala of Union Territory of Dadra and Nagar Haveli in the jurisdiction of Registration office of Silvassa.

DETAILS OF NEW MANUFACTURING FACILITIES

Estimated Production Capacity: Presuming 300 operating days in a year and single Shift (12 Hours)-working basis the installed production capacity of the unit would be manufacturing of 156 Lakhs Coils of 100 Mtrs P.A., which would likely to be increased in the subsequent years.

Product to be manufactured: PVC Insulated Cable. PVC cables are major equipment for transmission & distribution of electrical power. They are suitable for use in substations, distribution systems, Industrial installations, house wiring, street lighting. PVC insulated wires and cables are the ultimate medium for distribution of electricity.

Plant and Machinery: Our Company has imported the required plant and Machinery for the plant to manufacture the PVC Insulated Cables.

Raw Material

The raw material for cable is Copper wire, PVC, Batch Color, Packing material. Copper may be sourced from local and international market. Cables are made by using Copper rod as a raw material then it is passed through wire drawing machine, after drawing operation the coil of drawer wire are put in the electric furnance in a pot for getting it annealed soft cable, After the cable is annealed it is wound on reels and are put for bunching on a wire bunching machine for getting different sized range of bunched cable. Then PVC core insulation is done of bunched cable, after outer sheathing cable rewinding and testing is done cables are ready for dispatch.

The cables are used for electrification in Industry, Agriculture by project, home and other electrical goods.

Commencement of Production:

Plant will become operational in the middle of year 2019.

The detailed break up of the above mentioned object is as under:

Sr. No.	Particulars	Amount in Lakhs
1	Construction of factory building and wall	[•]
	Total	[•]
	To be financed from IPO Proceeds	[•]

i) Construction of Factory Building and wall

The details of the construction of factory building and wall are as follows:

Sr. No.	Particulars	Amount (In
a.	Construction of Boundary wall	[•]
b.	Construction of Factory Building	[•]
	Total	[•]

The details of the Factory buildings are as follows:

Sr. No.	Particulars	Amount (In
a.	Construction of Factory Shed, Internal CC Road, Compound Wall, Labour Quarter, Construction of Borewall, Underground water tank	[•]
	Total	[•]

The Cost of Construction of Factory Building and wall is based on estimate given by [•] vide its letter dated [•]

2. TO PART FINANCE WORKING CAPITAL REQUIREMENTS OF THE COMPANY.

Our Business is a working capital intensive industry. The increasing operations of our company will in turn lead to the increase in the requirement of working capital. The lead time for procuring the products is high and also in order to ensure readily available customized product along with a low lead time for our clients, we enjoy a lower credit period. Further, we are required to provide sufficient credit period to our clients resulting in high receivables and we enjoy minimum credit from our suppliers through against the same. We intend to increase our turnover over the years for which we would be required to provide extended credit period to our customers, but the credit period that we avail from our suppliers shall not increase substantially. This would require us to have adequate working capital to ensure a smooth and uninterrupted flow of our business operations. Accordingly, we expect a further increase in the working capital requirements in view of current and potential business operations that we may undertake. Accordingly, we have proposed to use Rs. [•] lakhs out of the issue proceeds to meet the increase in long term working capital requirements.

(Rs. In lakhs)

Sr. No.	Particulars	31.03.2017	31.03.2018	31.03.2019
		Audited	Audited	Projected
A.	Current Assets			
	Inventories	4,344.34	5,215.02	[•]
	Trade receivables	2,593.61	3,900.82	[•]

Sr. No.	Particulars	31.03.2017	31.03.2018	31.03.2019
		Audited	Audited	Projected
	Other current assets	553.00	1,850.88	[●]
	Total Current Assets	7,490.94	10,966.72	[●]
B.	Current Liabilities			[●]
	Trade payable	1,979.06	2,521.50	[●]
	Other current liabilities& Provisions	419.02	699.24	[●]
	Total Current Liabilities	2,398.08	3,220.74	[●]
				[●]
C.	Working Capital Gap (A-B)	5,092.86	7,745.98	[●]
D.	Owned Funds/Internal Accruals available for working capital	-	-	[●]
E.	Working Capital funding through IPO Proceeds	-	-	[●]

As per our estimates we would require Rs. [●] lakhs out of the issue proceeds to meet the working capital requirements.

** To be finalized on determination of Issue Price.*

Justification of Holding Level

Inventories	We have Inventories holding period of 70 days in financial year 2017-18 against which is slightly lower than previous year's holding period as we are expecting increase in our revenues from the sale of goods and therefore, expect to hold more inventories. we are confident enough that inspite of increased capacity and sales, we will be able to maintain our inventory at same level of days consumption.
Trade Receivables	We have assumed Trade Receivable holding period level of around 55 days in financial year 2017-18 which is slightly higher than previous financial year's holding period levels as we are expecting to allow more lenient credit period to our clients. Our Company has estimated the holding level for Trade Receivable as [●] days of revenue from operations for the Financial Year 2018-19, considering normal credit period.
Trade Payables	In financial year 2017-18, Our payable's credit period was around 36 days as as our company will strive to adhere to stricter credit policy to achieve better and favourable pricing terms and to ensure continued relations with the existing suppliers. By making early payments to the suppliers (i.e. availing lower credit periods), the company shall be able to get competitive prices for its raw materials which would result in a reduction in the raw material cost as a percentage of sales thereby increasing the profitability of the Company. Thus the Company has estimated credit period of [●] days in a FY 2018-19 which would in turn help in reducing the cost of sales and improve profitability margins.

ISSUE RELATED EXPENSES

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. [●] Lakhs.

Particulars	Amount (Rs. in Lakhs)	% of Total Issue Expenses	% of Total Issue Size
Issue management fees, Underwriting Fees selling commissions,	[●]*	[●]*	[●]*

Particulars	Amount (Rs. in Lakhs)	% of Total Issue Expenses	% of Total Issue Size
brokerages, Payment to other intermediaries such as Legal Advisors, Registrars etc.			
Market Making Fees for three years	[●]*	[●]*	[●]*
Printing & Stationery, Distribution, Postage, etc.	[●]*	[●]*	[●]*
Advertisement & Marketing Expenses	[●]*	[●]*	[●]*
Regulatory & other expenses	[●]*	[●]*	[●]*
Miscellaneous Expenses	[●]*	[●]*	[●]*
Total	[●]*	[●]*	[●]*

** To be finalized on determination of Issue Price.*

Details of funds already deployed till date and sources of funds deployed

The funds deployed up to 31st August, 2018 pursuant to the object of this Issue as certified by the Auditors of our Company, viz. M/s. SSRV & Associates, Chartered Accountants pursuant to their certificate dated 10th September, 2018 is given below:

Deployment of funds	Amount (Rs. In Lakhs)
Issue Related Expenses	6.65
Total	6.65

Sources of funds	Amount (Rs. In Lakhs)
Internal Accruals	6.65
Bank Finance	-
Total	6.65

BRIDGE FINANCING

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

APPRAISAL BY APPRAISING AGENCY

None of the Objects have been appraised by any bank or financial institution or any other independent third party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

INTERIM USE OF FUNDS

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

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

MONITORING UTILIZATION OF FUNDS

As the size of the Issue does not exceed Rs. 10,000 lakhs, in terms of Regulation 16 of the SEBI Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

Pursuant to Regulation 32 of the Listing Regulations, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Issue Proceeds. Until such time as any part of the Issue Proceeds remains unutilized, our Company will disclose the utilization of the Issue Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Issue Proceeds have been utilized so far, and details of amounts out of the Issue Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Issue Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Issue Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next financial year. Further, in accordance with Regulation 32(1) (a) of the Listing Regulations our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Issue Proceeds for the objects stated in this Draft Prospectus.

CONFIRMATION REGARDING PURCHASE OF SECOND-HAND EQUIPMENT AND MACHINERY

No second-hand equipment and machinery is proposed to be purchased by our Company from the Net Proceeds.

OTHER CONFIRMATIONS

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

VARIATION IN OBJECTS

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the Postal Ballot Notice) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

BASIC TERMS OF THE ISSUE

The Equity Shares, now being issued, are subject to the terms and conditions of this Draft Prospectus, Application form, Confirmation of Allocation Note (CAN), the Memorandum and Articles of Association of our Company, the guidelines for listing of securities issued by the Government of India and SEBI (ICDR) Regulations, 2009, the Depositories Act, Stock Exchanges, RBI, ROC and/or other authorities as in force on the date of the Issue and to the extent applicable. In addition, the Equity Shares shall also be subject to such other conditions as may be incorporated in the Share Certificates, as per the SEBI (ICDR) Regulations, 2009 notifications and other regulations for the issue of capital and listing of securities laid down from time to time by the Government of India and/or other authorities and other documents that may be executed in respect of the Equity Shares.

This Issue has been authorized by the Board of Directors pursuant to a board resolution dated 9th June, 2018 and by the shareholders of our Company pursuant to a special resolution dated 18th June, 2018 passed at the EGM of shareholders under section 62 (1)(c) of the Companies Act, 2013.

Face Value	Each Equity Share shall have the face value of Rs.10/- each.
Issue Price	Each Equity Share is being issued at a price of Rs. [●] each and is one time or at par of the Face Value.
Market and Trading Lot	The Market lot and Trading lot for the Equity Share is [●] ([●]) and the multiple of [●] subject to a minimum allotment of [●] Equity Shares to the successful applicants.
Terms of Payment	100% of the Issue price of Rs. [●]/- shall be payable on Application. For more details please refer to Issue Procedure on page 244 of this Draft Prospectus.
Ranking of the Equity Shares	The Equity Shares shall be subject to the Memorandum and Articles of Association of our Company and shall rank pari passu in all respects including dividends with the existing Equity Shares of our Company.

MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level.

This Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 40 of the Companies Act, 2013.

BASIS FOR ISSUE PRICE

The Issue Price has been determined by our Company in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares is Rs.10/- and Issue Price is Rs. [●]/- per Equity Shares i.e. [●] times the face value.

Investors should read the following summary with the “Risk Factors” beginning from page 15 of this Draft Prospectus, section titled “Our Business” beginning from page 118 and “Financial Information” beginning from page 173 of this Draft Prospectus. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

QUALITATIVE FACTORS

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

1. **Diversified Product Portfolio:** Our Company has a varied product base to cater to the requirements of our customers. Our Product Portfolio includes diversified variety of copper products which are used in different sectors. Our products range includes copper rods, billets and ingots.
2. **Strategically located manufacturing facilities with a core focus on quality:** Due to the size of copper products, an important factor in their cost is transportation costs. Therefore, it is a competitive advantage to manufacture these products as close as possible to the ultimate consumers. We have checks and testing systems in place, from the procurement of raw material to the manufactured product, for ensuring the quality of our products.
3. **Experienced Promoters and a well trained employee base:** Our promoters Mr. Anil Anand and Mr. Arjun are experienced in our line of business. Our management and employee team combines expertise and experience to outline plans for the future development of the Company. Our Promoters have significant industry experience and has been instrumental in the consistent growth of our Company. We believe that the knowledge and experience of our promoter and management will enable us to identify new opportunities, rapidly respond to market conditions, adapt to changes in the business landscape and competitive environment and enhance the growth in the business.
4. **Quality Assurance:** We conduct stringent quality tests at every stage of manufacturing process and the desired chemical compositions are maintained right through the process. Subsequent to manufacturing, the products are cautiously inspected and evaluated on various parameters.
5. **Improving functional efficiency:** Our Company intends to improve operating efficiency to achieve cost reductions to have a competitive edge over the peers. We believe that this can be done through continuous process, improvement and customer services.
6. **Sales Service** - Our Company understands that to suggest the proper solution, customers have to be **attended** personally by a trained sales person and to achieve the same. We have established nationwide network of sales force with its own offices in major centres and network of dealers

QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated financial statements of the Company for Financial Year 2016, 2017, 2018 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

I. Basic Earnings per Share (EPS) (on Face value of Rs. 10 per share) as per Accounting Standard 20

Year ended	EPS (Rs.)	Weight
March 31, 2016	0.85	1
March 31, 2017	2.46	2
March 31, 2018	5.54	3
Weighted average	3.73	

- EPS Calculations have been done in accordance with Accounting Standard 20-“Earning per Share” issued by the Institute of Chartered Accountants of India.
- Basic earnings per share are calculated by dividing the net profit after tax by the weighted average number of Equity Shares outstanding during the period. Weighted Average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

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

- Based on fiscal year as on 31st March, 2018; at EPS of Rs. 5.54 as per Restated Financial Statements, the P/E ratio is [●].
- Based on weighted average EPS of Rs. 3.73 as per Restated Financial Statements, the P/E ratio is [●].
- Industry PE*:

Particulars	P/E Ratio
Lowest	[●]
Highest	[●]
Average	[●]

*Source: [●]

III. Return on Net worth (RoNW)

Year Ended	RoNW (%)	Weight
March 31, 2016	7.56	1
March 31, 2017	18.02	2
March 31, 2018	28.86	3
Weighted Average	21.70	

- **Note:** The RoNW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year excluding miscellaneous expenditure to the extent not written off.

IV. Minimum Return on Total Net Worth post issue needed to maintain Pre Issue EPS for the year ended March 31, 2018 is [●] % on restated financial Statements.

V. Net Asset Value per Equity Shares (NAV)

Particulars	Amount (In Rs.) On the basis of Financial Statements
Net Asset Value per Equity Share as of March 31, 2018	19.18
Net Asset Value per Equity Share after the Issue	[●]
Issue Price per equity share	[●]

Net Asset Value per Equity Share has been calculated as net worth divided by weighted number of equity shares outstanding at the end of the period.

VI. Comparison with other listed companies

There are listed companies in India in the Manufacturing of Copper with one or more business segments common to ours and these are as given below:

Companies	EPS#	PE Ratio	RoNW %	Current Market Price/ Issue Price	NAV (Per Share)	Face Value (Rs. Per share)	Total Income (Rs. Lakhs)	PAT (Profit for the year) (Rs. in lakhs)
KBS Industries Limited	5.54	[●]	28.86	[●]	19.18	10	26,799.69	728.80
Peer Group*								
Arcotech Limited (On standalone basis)	0.37	38.30	1.72%	14.17	21.62	2.00	78,848.03	391.28
Hindustan Copper Limited (On standalone basis)	0.86	67.38	5.22%	57.95	1.65	5.00	1,74,698.00	7960.00

(1. Based on March 31, 2018 restated financial statements)

Source: bseindia.com and Audited Financials for the year ended March 31, 2018 and for calculating PE ratio, closing market price as on 12th September, 2018 or latest trading date prior to 12th September, 2018 has been considered.

The Company in consultation with the Lead Managers and after considering various valuation fundamentals including Book Value and other relevant factors, believes that Issue price of Rs. [●] per Equity Share for the Public Issue is justified in view of the above parameters.

For further details refer to the section titled **“Risk Factors”** beginning on page 15 and the financials of the Company including profitability and return ratios, as set out in the section titled **“Financial Information”** beginning on page 173 of this Draft Prospectus for a more informed view.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors,
KBS Industries Limited
1/486, 2nd Floor,
Kashmere Gate, Delhi Central,
Delhi - 110 006.

Sub: Statement of Possible Special Tax Benefits Available to the Company and its shareholders prepared in accordance with the requirements under Schedule VIII-Clause (VII) (L) of the SEBI (ICDR) Regulations, 2009, as amended (the "Regulations")

We hereby report that the enclosed annexure prepared by KBS Industries Limited, states the possible special tax benefits available to KBS Industries Limited ("the Company") and the shareholders of the Company under the Income Tax Act, 1961 ("Act"), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company may or may not choose to fulfil. The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and shareholders do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that, this Statement is only intended to provide general information to the investors and 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 proposed initial public offering of equity shares ("the Offer") by the Company.

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

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

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Prospectus/ Prospectus or any other offer related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

M/S. SSRV & ASSOCIATES,
Chartered Accountants
Sd/-
Vishnu Kabra
Membership No. - 403437
FRN No. 135901W
Place: Mumbai;
Date: 12th September, 2018

ANNEXURE TO THE STATEMENT OF TAX BENEFITS:

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares 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.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

A. SPECIAL TAX BENEFITS TO THE COMPANY

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

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

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

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein.

Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

SECTION IV

ABOUT OUR COMPANY

INDUSTRY OVERVIEW

(The information in this chapter has been extracted from publicly available documents prepared by various sources etc. This data has not been prepared or independently verified by us or the Lead Manager or any of their or our respective affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled “Risk Factors” on page 15 of this Draft Prospectus. Accordingly, investment decisions should not be based on such information)

INDUSTRY OVERVIEW

GLOBAL PROSPECTS AND POLICIES

World growth strengthened in 2017 to 3.8 percent, with a notable rebound in global trade. It was driven by an investment recovery in advanced economies, continued strong growth in emerging Asia, a notable upswing in emerging Europe, and signs of recovery in several commodity exporters. Global growth is expected to tick up to 3.9 percent this year and next, supported by strong momentum, favorable market sentiment, accommodative financial conditions, and the domestic and international repercussions of expansionary fiscal policy in the United States. The partial recovery in commodity prices should allow conditions in commodity exporters to gradually improve.

Over the medium term, global growth is projected to decline to about 3.7 percent. Once the cyclical upswing and US fiscal stimulus have run their course, prospects for advanced economies remain subdued, given their slow potential growth. In emerging market and developing economies, in contrast, growth will remain close to its 2018-19 level as the gradual recovery in commodity exporters and a projected increase in India's growth provide some offset to China's gradual slowdown and emerging Europe's return to its lower-trend growth rate. Nevertheless, 40 emerging market and developing economies are projected to grow more slowly in per capita terms than advanced economies, failing to narrow income gaps vis-à-vis the group of more prosperous countries.

Despite strong aggregate figures in the baseline forecast and buoyant market sentiment, the current momentum is not assured. Upside and downside risks are broadly balanced over the next several quarters, but risks farther down the road are skewed to the downside. With still-easy financial conditions and persistently low inflation that has required protracted monetary policy accommodation, a potential further buildup of financial vulnerabilities could give way to rapid tightening of global financial conditions, denting confidence and growth. The support to growth that comes from procyclical policies, including in the United States, will eventually need to be reversed. Other risks include a shift toward inward-looking policies that harm international trade and a worsening of geopolitical tensions and strife.

The current favorable juncture offers a window to enact policies and reforms that protect the upswing and raise medium-term growth to the benefit of all—strengthening the potential for higher and more inclusive growth, building buffers that will help deal more effectively with the next downturn, improving financial resilience to contain financial market risks, and fostering international cooperation.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2018/03/20/world-economic-outlook-april-2018#Chapter%201>)

RECENT DEVELOPMENTS AND PROSPECTS

An Investment-Led Pickup in Growth

At 3.8 percent, global growth last year was ½ percentage point faster than in 2016 and the strongest since 2011. Two-thirds of countries accounting for about three-fourths of global output experienced faster growth in 2017

than in the previous year (the highest share of countries experiencing a year-over-year growth pickup since 2010). The preliminary outcome for global growth in 2017 was 0.2 percentage point stronger than forecast in the October 2017 World Economic Outlook (WEO), with upside surprises in the second half of 2017 in advanced as well as emerging market and developing economies.

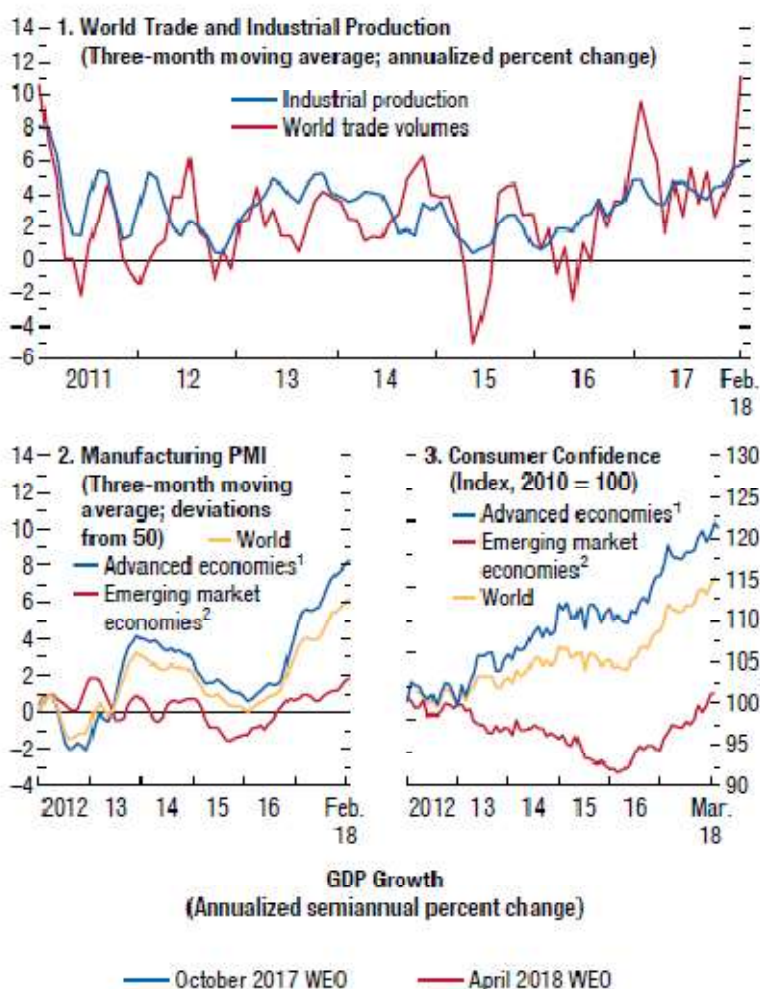
Resurgent investment spending in advanced economies and an end to the investment decline in some commodity-exporting emerging market and developing economies were important drivers of the uptick in global GDP growth and manufacturing activity (Figures 1.1-1.3).

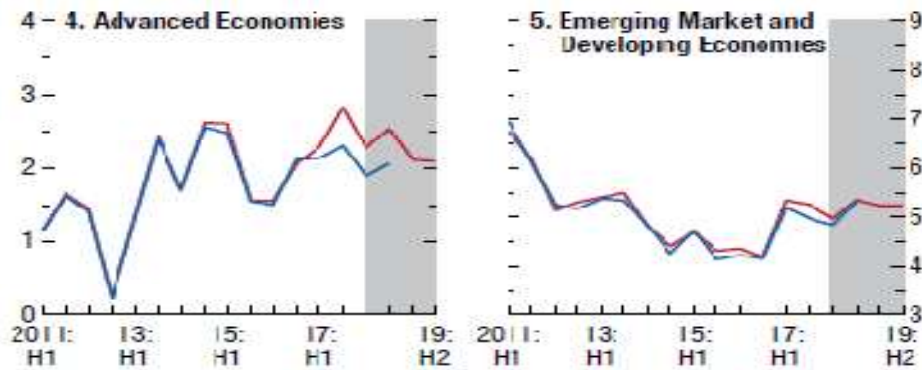
- Across advanced economies, the 0.6 percentage point pickup in 2017 growth relative to 2016 is explained almost entirely by investment spending, which remained weak since the 2008-09 global financial crisis and was particularly subdued in 2016 (Figure 1.2, left column). Both stronger gross fixed capital formation and an acceleration in stock building contributed to the pickup in investment, with accommodative monetary policy, stronger balance sheets, and an improved outlook helping release pent-up demand for capital goods.

- Across emerging market and developing economies, the 0.4 percentage point pickup in 2017 growth came primarily from an acceleration in private consumption (Figure 1.2, right column). But the picture is mixed within the group. Growth in China and India last year was supported by resurgent net exports and strong private consumption, respectively, while investment growth slowed. An end to fixed investment contractions in commodity-exporting countries that were severely affected by the commodity price downturn during 2015-16 (notably Brazil and Russia, but also Angola, Ecuador, and Nigeria) instead played an important role in their growth pickup in 2017. Higher fixed investment growth (2.3 percentage points above its 2016 level) also supported the growth performance of other emerging market and developing economies, alongside stronger private consumption.

Figure 1.1. Global Activity Indicators

Global growth surprised on the upside in the second half of 2017 amid strengthening industrial production and trade.





Sources: CPB Netherlands Bureau for Economic Policy Analysis; Haver Analytics; Markit Economics; and IMF staff estimates.

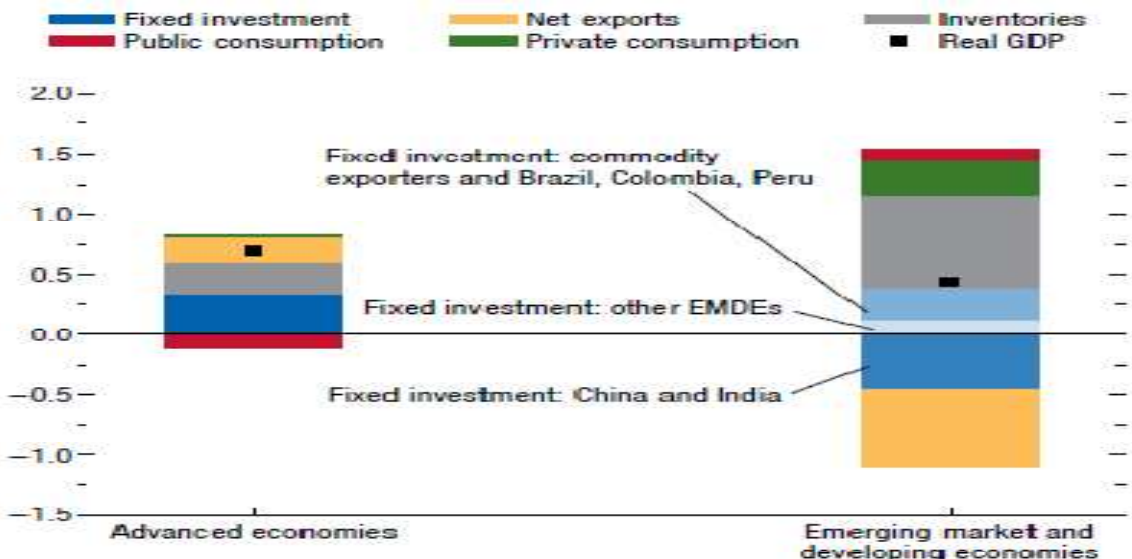
Note: CC = consumer confidence; PMI = purchasing managers' index; WEO = *World Economic Outlook*.

¹Australia, Canada (PMI only), Czech Republic, Denmark, euro area, Hong Kong SAR (CC only), Israel, Japan, Korea, New Zealand (PMI only), Norway (CC only), Singapore (PMI only), Sweden (CC only), Switzerland, Taiwan Province of China, United Kingdom, United States.

²Argentina (CC only), Brazil, China, Colombia (CC only), Hungary, India (PMI only), Indonesia, Latvia (CC only), Malaysia (PMI only), Mexico (PMI only), Philippines (CC only), Poland, Russia, South Africa, Thailand (CC only), Turkey, Ukraine (CC only).

Figure 1.2. Contributions to the Change in Real GDP Growth, 2016–17
(Percentage points)

Stronger investment spending in advanced economies and an end to fixed investment contractions in commodity exporters were important contributors to the pickup in global growth.



Source: IMF staff calculations.

Note: EMDEs = emerging market and developing economies.

A Cyclical Rebound in Global Trade

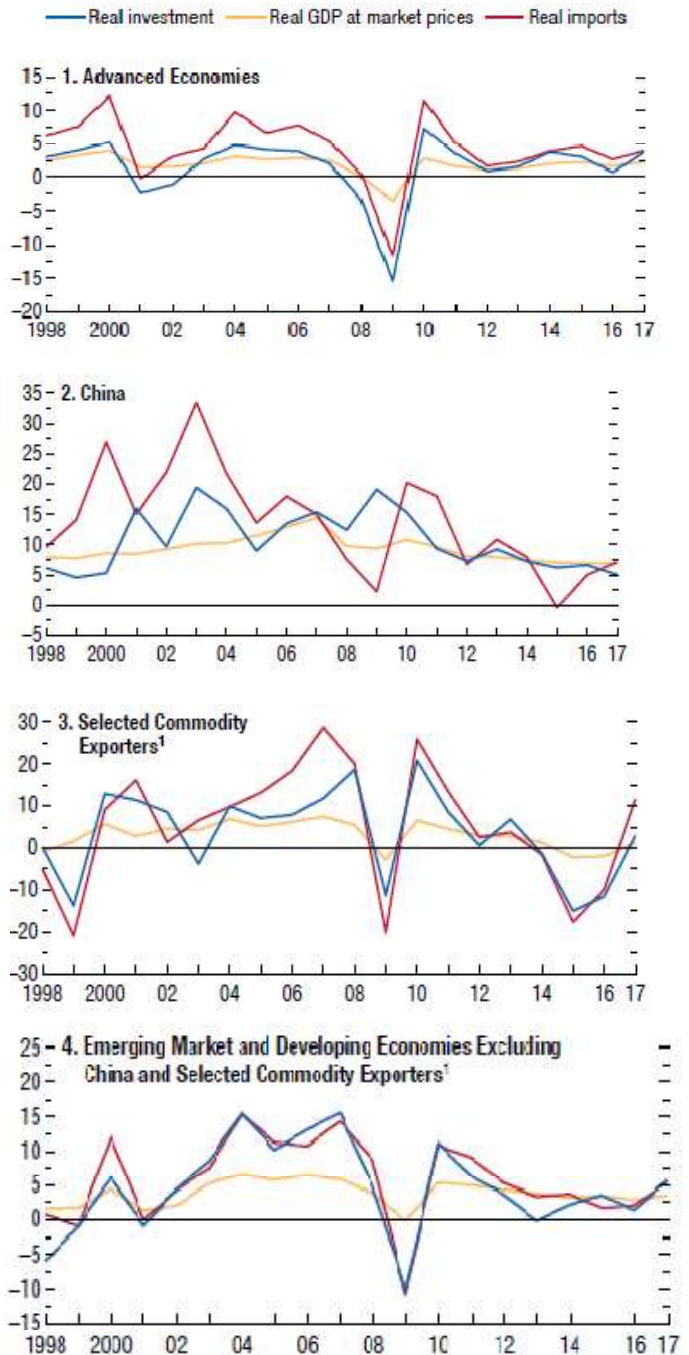
Global trade—which tends to be highly correlated with global investment (see Figure 1.3 and Chapter 2 of the October 2016 WEO)—recovered strongly in 2017 after two years of weakness, to an estimated real growth rate of 4.9 percent. The upsurge was more pronounced in emerging market and developing economies (with trade growth rising from 2.2 percent in 2016 to 6.4 percent in 2017), reflecting improved investment growth rates in formerly stressed commodity exporters as well as the recovery in advanced economy investment and domestic demand more generally.

Among advanced economies, large exporters, such as Germany, Japan, the United Kingdom, and the United States, contributed strongly to the recovery in exports (Figure 1.4, panel 1), while the recovery in imports was broad based, except in the United Kingdom (Figure 1.4, panel 2).

Among emerging market and developing economies, as shown in Figure 1.4, panel 3, the rebound in export growth was particularly strong in emerging Asia, especially China.¹ In contrast, the rebound in imports largely reflects an import recovery among commodity exporters—countries that had earlier experienced sharp investment and import contractions during the 2015–16 commodity price downturn. This is shown in Figure 1.4, panel 4: the blue bars represent commodity exporters that had a particularly pronounced cycle in imports (Angola, Brazil, Ecuador, Nigeria, Russia); the green bars represent remaining commodity exporters, which account for an important part of the import demand cycle among other emerging market and developing economies.

Figure 1.3. Global Investment and Trade
(Percent change)

Global trade recovered strongly in 2017 after two years of weakness as investment spending picked up.

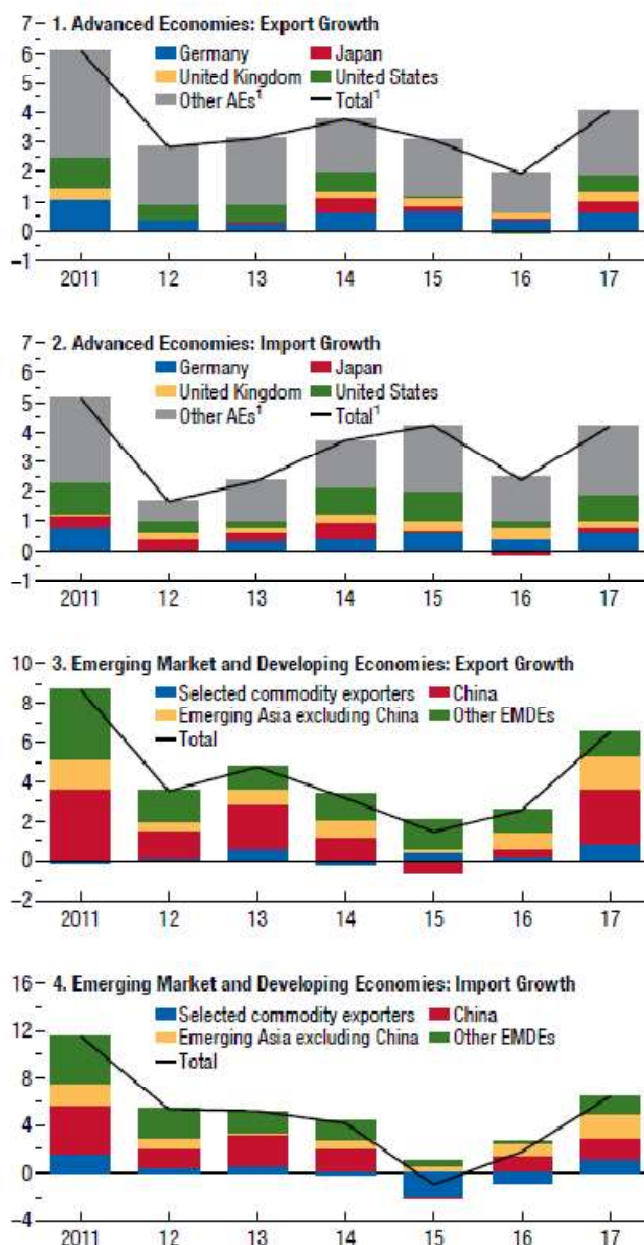


Source: IMF staff calculations.

¹Selected commodity exporters = Angola, Brazil, Ecuador, Nigeria, Russia.

Figure 1.4. Contributions to Trade Growth
(Percent)

The trade recovery was particularly pronounced in emerging market and developing economies.



Source: IMF staff calculations.

Note: Trade growth reflects export and import volumes from external sector data. AEs = advanced economies; EMDs = emerging market and developing economies; selected commodity exporters = Angola, Brazil, Ecuador, Nigeria, Russia.

[†]Excludes Ireland.

Rising Commodity Prices

The IMF's Primary Commodities Price Index rose 16.9 percent between August 2017 and February 2018—that is, between the reference periods for the October 2017 WEO and the current report (Figure 1.5). As described in the Commodities Special Feature, the increase was driven primarily by rising oil and natural gas prices. Among the other subindices, metals and agricultural commodity prices also rose, although less rapidly than energy prices.

- Oil prices increased to more than \$65 a barrel in January, the highest level since 2015, following unplanned outages on the US Gulf Coast and in Libya, the North Sea, and Venezuela; an extension to the end of 2018 of the Organization of the Petroleum Exporting Countries agreement on production targets; and stronger global economic growth. Prices moderated to \$63 a barrel in February, 27 percent above their August level.

- The natural gas price index—an average for Europe, Japan, and the United States—rose sharply, by 45 percent from August 2017 to February 2018, reflecting seasonal factors. Strong demand for liquefied natural gas (LNG) in China, where the government has restricted the use of coal to mitigate air pollution, helped drive the spot LNG price to its highest level in three years. Higher oil prices also added upward pressure in countries where oil-linked pricing is more common.

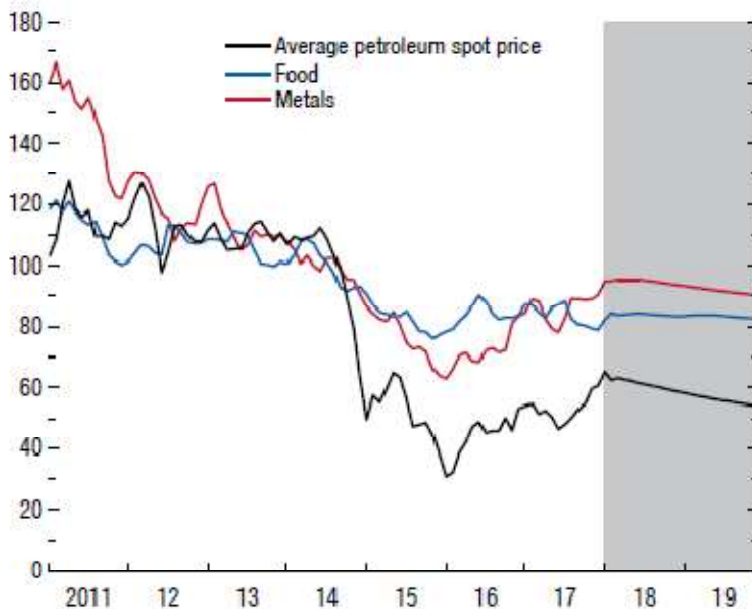
- Metal prices increased 8.3 percent from August to February, in line with stronger growth in all major economies. Demand for base metals—especially aluminum—was strong, while supply was limited in part due to China's production capacity cuts. Iron ore prices rose 4.1 percent from August to February, rallying recently thanks to strong steel prices and

- The IMF's agricultural price index rose 4.1 percent from August 2017 to February 2018, as unfavorable weather conditions in recent months are expected to reduce this year's harvests of many grains and oilseeds. The subindices of food and agricultural raw materials rose 4.1 percent and 6.0 percent, respectively.

Figure 1.5. Commodity and Oil Prices

(Deflated using US consumer price index; index, 2014 = 100)

Commodity prices, notably of oil and natural gas, have risen since the fall, but the medium-term outlook remains subdued.



Sources: IMF, Primary Commodity Price System; and IMF staff estimates.

Indian Economy Overview

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

Market size

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

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

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

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

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

Recent Developments

With the improvement in the economic scenario, there have been various investments in various sectors of the economy. The M&A activity in India increased 53.3 per cent to US\$ 77.6 billion in 2017 while private equity (PE) deals reached US\$ 24.4 billion. Some of the important recent developments in Indian economy are as follows:

- India's merchandise exports and imports grew 11.02 per cent and 21.04 per cent on a y-o-y basis to US\$ 273.73 billion and US\$ 416.87 billion, respectively, during April-February 2017-18.
- India's Foreign Direct Investment (FDI) inflows reached US\$ 208.99 billion during April 2014 - December 2017, with maximum contribution from services, computer software and hardware, telecommunications, construction, trading and automobiles.
- India's Index of Industrial Production (IIP) rose 7.5 per cent year-on-year in January 2018 while retail inflation reached a four month low of 4.4 per cent in February 2018.
- Employment on net basis in eight key sectors in India including manufacturing, IT and transport increased by 136,000 in July-September quarter of 2017-18.
- The average salary hike of Indian employees is estimated to be 9.4 per cent and that of key talents is estimated to be nearly 15.4 per cent in 2018, backed by increased focus on performance by companies, according to Aon Hewitt.
- Indian merchandise exports in dollar terms registered a growth of 4.48 per cent year-on-year in February 2018 at US\$ 25.83 billion, according to the data from Ministry of Commerce & Industry.
- Indian companies raised Rs 1.6 trillion (US\$ 24.96 billion) through primary market in 2017.
- Moody's upgraded India's sovereign rating after 14 years to Baa2 with a stable economic outlook.
- The top 100 companies in India are leading in the world in terms of disclosing their spending on corporate social responsibility (CSR), according to a 49-country study by global consultancy giant, KPMG.
- The bank recapitalisation plan by Government of India is expected to push credit growth in the country to 15 per cent, according to a report by Ambit Capital.
- India has improved its ranking in the World Bank's Doing Business Report by 30 spots over its 2017 ranking and is ranked 100 among 190 countries in 2018 edition of the report.
- India's ranking in the world has improved to 126 in terms of its per capita GDP, based on purchasing power parity (PPP) as it increased to US\$ 7,170 in 2017, as per data from the International Monetary Fund (IMF).
- India is expected to have 100,000 startups by 2025, which will create employment for 3.25 million people and US\$ 500 billion in value, as per Mr T V Mohan Das Pai, Chairman, Manipal Global Education.
- The World Bank has stated that private investments in India is expected to grow by 8.8 per cent in FY 2018-19 to overtake private consumption growth of 7.4 per cent, and thereby drive the growth in India's gross domestic product (GDP) in FY 2018-19.
- The Niti Aayog has predicted that rapid adoption of green mobility solutions like public transport, electric vehicles and car-pooling could likely help India save around Rs 3.9 trillion (US\$ 60 billion) in 2030.
- Indian impact investments may grow 25 per cent annually to US\$ 40 billion from US\$ 4 billion by 2025, as per Mr Anil Sinha, Global Impact Investing Network's (GIIN's) advisor for South Asia.
- The Union Cabinet, Government of India, has approved the Central Goods and Services Tax (CGST), Integrated GST (IGST), Union Territory GST (UTGST), and Compensation Bill.
- The Nikkei India manufacturing Purchasing Managers' Index increased at the fastest pace in December 2017 to reach 54.7, signaling a recovery in the economy.

Government Initiatives

The Union Budget for 2018-19 was announced by Mr Arun Jaitley, Union Minister for Finance, Government of India, in Parliament on February 1, 2018. This year's budget will focus on uplifting the rural economy and strengthening of the agriculture sector, healthcare for the economically less privileged, infrastructure creation and improvement in the quality of education of the country. As per the budget, the government is committed towards

doubling the farmers' income by 2022. A total of Rs 14.34 lakh crore (US\$ 225.43 billion) will be spent for creation of livelihood and infrastructure in rural areas. Budgetary allocation for infrastructure is set at Rs 5.97 lakh crore (US\$ 93.85 billion) for 2018-19. All-time high allocations have been made to the rail and road sectors.

India's unemployment rate is expected to be 3.5 per cent in 2018, according to the International Labour Organisation (ILO).

Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. Mr. Narendra Modi, Prime Minister of India, has launched the Make in India initiative with an aim to boost the manufacturing sector of Indian economy, to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors. The Government of India, under the Make in India initiative, is trying to give boost to the contribution made by the manufacturing sector and aims to take it up to 25 per cent of the GDP from the current 17 per cent. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.

Road Ahead

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

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

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

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

COPPER INDUSTRY: FY 2018 UPDATE AND AND OUTLOOK FOR FY 2019

Domestic Production, Consumption, Exports and Imports of Copper during FY18

India ranks 5th in global refined copper production and during FY18 refined copper production grew by 6.0% y-o-y compared with 0.9% last year. Increase in production can be attributed to better operational efficiencies resulting in better capacity utilization.

Demand for refined copper has risen by 0.9% from its previous year's de-growth on account of use of copper in building and construction activities and in the electrical wiring segment. Development of the SMART cities, metro projects and the construction of renewable energy have augmented the use of copper during FY18 (April-February).

India has been a net exporter of refined copper, exporting 'A grade' copper. Exports during the year (April-February) were 344 thousand tonnes which increased by 14.7% over FY17 (April-Feb). Value-wise refined copper exports during FY18 (April-February) was USD 2,201 million vis-à-vis to the value being USD 1,545 million during FY17. Exports have increased as global markets copper markets were facing a deficit due to low availability of copper ore, which was beneficial to India as we have a low consumption base and surplus production.

China is the main importer of Indian copper.

Table 1: Domestic Production, Imports, Exports and Consumption of Refined Copper (KT)

	Production	% change	Consumption	% change	Exports	% change	Imports	% change
FY16	790	-	456	-	290	-	31	-
FY17	795	0.6%	454	-0.4%	300	3.4%	34	10.1%
FY18	843	6.0%	458	0.9%	344	14.7%	37	8.9%

Source: CMIE

Note: Production data is from April to March whereas Consumption, Exports and Imports are from April to February.

Global Developments

Global Supply Demand of Mined Copper

Globally Chile (30%) ranks 1st in world mined copper production followed by Peru (11%) and China (10%). Chile contributes to 1/3 of the world's mined copper production.

Table 3: Global Mined Copper Production (KT)

	CY15	CY16	CY17
Global Mined Copper Production	19,132	20,217	20,028
% Change (y-o-y)	-	5.7%	-0.9%

Source: ICSG

Global mined copper production had fallen during CY17 on account of the supply disruption caused due to the issues faced in the Chilean (Escondida Copper Mine) and Indonesian (Grasberg UG Copper) copper mines (during Q1CY17). Chilean mine workers had gone on a strike in order to oppose the new labour laws while the Grasberg mine operator, Freeport-McMoRan was facing an issue regarding the renewal of its copper concentrate export permit with the Indonesian government. There had also been an 11% drop in China mined copper production during CY17 compared with CY16.

Consumption-wise, China (50%) is the largest consumer of refined copper as well where 46% of the refined copper is used in the power sector followed by its usage in making of household appliances and manufacturing of automobiles.

Global Supply Demand of Refined Copper

Table 4: Global Refined Copper Production and Demand (KT)

	CY15	CY16	CY17
Global Refined Copper Production	22,870	23,309	23,503
% Change (y-o-y)	-	1.9%	0.8%
Global Refined Copper Demand	23,041	23,429	23,758
% Change (y-o-y)	-	1.7%	1.4%
Surplus/Deficit	-171	-120	-255

Source: ICSG

Chart 1: Region- Wise Total Copper Demand during CY17.

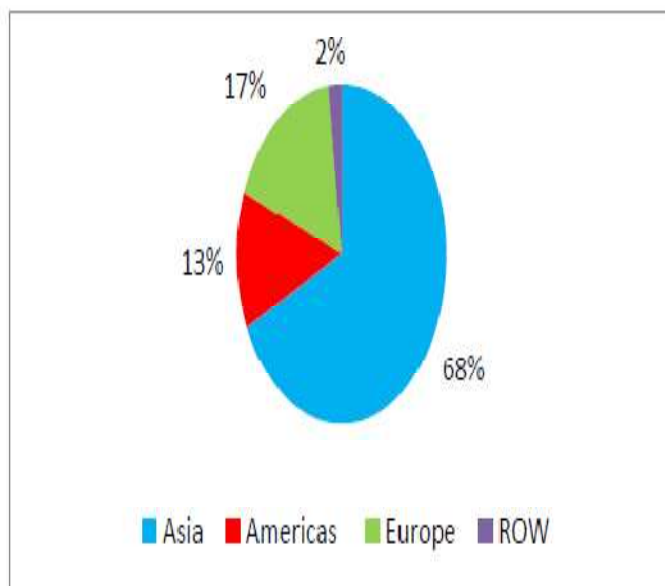
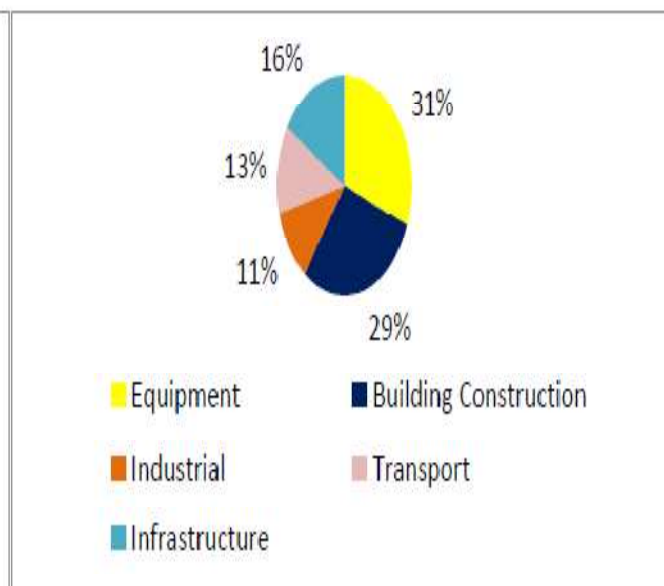


Chart 2: World End use demand of Refined Copper



Source: ICSG

Globally the production of refined copper has remained subdued (0.7% growth) due to the low availability of mined copper. Chile has reported a decline of 7% of refined copper and Japan has also registered a drop of 4.2% during CY17 as compared with its CY16 production levels. The main contributors to the increase in production were China and India.

Demand for copper has registered a marginal growth rate of only 1.4% during CY17 due to the fall in demand from the Chinese economy during the start of CY17 and also because demand of copper from the Eurozone was still recovering. Globally the demand of copper is to rise from the transportation segment due to impetus given for the manufacturing of electric vehicles and from capacity additions in the renewable energy segment. Demand from the equipment, building construction and infrastructure sectors have also supplemented to the refined copper usage.

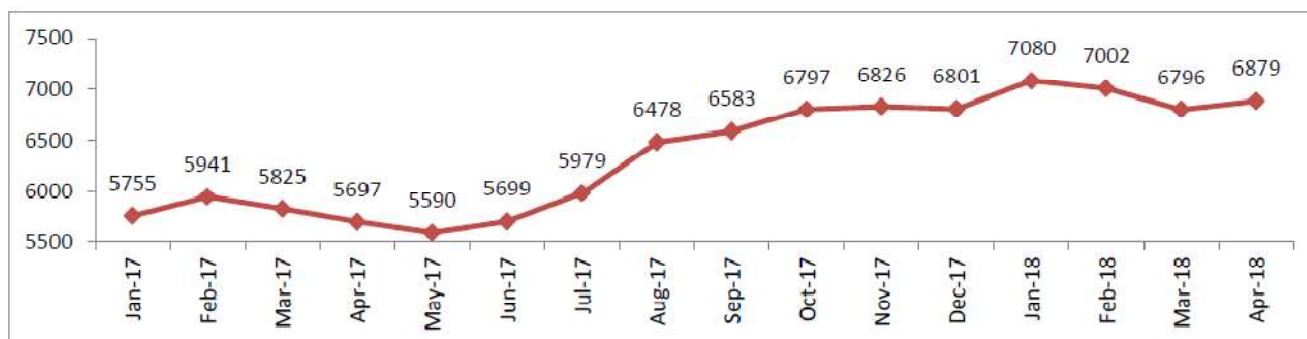
Global Copper Trade Movements

Chile, Japan, Russia, Australia, Zambia, China, Kazakhstan, Netherlands, India and Peru are the major exporters of refined copper where as China, Germany, United States, Italy, Taiwan, South Korea, Turkey, Thailand, Malaysia and United Arab Emirates are the major importing countries of refined copper.

Chile (36%) is the major exporter of mined copper and China is a major importer of mined (65%) and refined copper (36%). There has been an increase of refined copper imports from the North American and South American regions particularly from the United States.

Global Copper Price Movements

Chart 3: Price movements of LME Copper during FY18 (USD/tonne)



Source: LME

Table 5: LME Copper price trends (USD/tonne)

	FY16	FY17	FY18
LME Copper	5,276	5,159	6,447
Growth (%) y-o-y		-2.2%	25.0%

Source: LME

Global copper prices have risen by 25% during FY18. Prices had risen on account of supply side distortions due to the disruptions in the Chilean and Indonesian mines. Price of copper started rallying from December 2017 onwards due to pick-up of refined copper demand in China and also because of the shutdown of polluting smelters in China, which have not been following the efficiency norms. The Chinese government has taken a stance to improve the air quality and reduce pollution in the country.

(Source:

<http://www.careratings.com/upload/NewsFiles/SplAnalysis/Copper%20Industry%20Update%20June%202018.pdf>)

CABLE INDUSTRY IN INDIA

The industry which has been growing at the rate of around 15 per cent currently will start growing at the CAGR of over 20 per cent over the next five years.

The wires and cables industry in India has come a long way, growing from being a small industry to a very large one, over the past decade. The increasing demand for power, light and communication has kept demand high for wire and cable. This trend will continue as demand for reliable, efficient energy and data communications will strengthen the wires and cables industry in the future as well.

Over the last 20 years, the industry has shifted from being an unorganised sector to an organised one. Still, 35 per cent of the industry continues to be a part of the unorganised sector. In India, the size of the cable manufacturing industry is approximately Rs 40,000 crores.

The specialised cable industry is roughly of the size of Rs 10,000 crores. The government has announced ambitious plans for infrastructure development. One of the primary focus area of the development plan is railways, with

over Rs 800,000 crore as promised investment over the period of 2015-2020. In addition, the government has earmarked Rs 50,000 crore (US\$ 7.53 billion) to develop 100 smart cities across the country.

High way projects worth \$93 billion, which include government flagship National Highways Building Project (NHDP) with total investment of \$45 billion over next three years, have also been announced. The Digital India campaign will require an investment of Rs 4,50,000 crore. Ministry of Power is also looking at an investment of Rs 15,000 lakh crore over the next 5 years.

The wire and cable industry will eventually focus on supplying cables for specific applications pertaining to the industry needs.

India has a lot of potential in the mining, power, oil and gas, metro railways, cement industry, steel industry and other sectors. Power cables, a critical segment of the power sector, is experiencing an escalating demand owing to the growth in power generation infrastructure. India is one of the biggest consumers of electric energy after the US and China.

Accelerated urbanization and growing concern over pollution have increased the investment in metro rails for urban mass transportation. The country is predicted to develop metro rails in at least 50 cities across India. Such developments where each project requires more than \$150 million is likely to attract many Indian and foreign companies to take advantage of the huge growth opportunities.

Different kinds of cables like extra high voltage cables, elastomer cables, etc are presently being used for special applications such as mining, in oil sector, shipbuilding, cranes, elevators, solar power plants to harness power for new generation motor vehicles, windmill solutions as well as security systems.

The growth in renewable power generation would be one of the primary factors for the growth of the electric cable and wire market. The focus of several countries across world to commercialize renewable power generation will create a significant demand for electrical wires and cables. This is mainly due to the lack of a transmission and distribution (T&D) infrastructure at locations where renewable energy resources are set up. Moreover, the expansion of the existing renewable power generation plants in the emerging countries will also result in increasing the demand for electrical wires and cables.

Initiatives such as excise duty exemption for ferro-silicon magnesium and pig iron used for manufacturing components for wind-operated electric power generators, and the target set by the Jawaharlal Nehru National Solar Mission to generate more than 1,00,000 MW of solar power by the end of the year 2022, will boost the demand for electrical wires and cables.

Rural electrification is another major factor which is expected to propel the growth of the electric wire and cable market in the country. The government's goal to provide electricity to every home by 2020 should attract major investments in the sector.

(Source: <https://timesofindia.indiatimes.com/business/india-business/govt-initiatives-to-boost-cable-industry-in-india/articleshow/60332457.cms>)

Electric Wire and Cable Market in India 2016-2020

Overview of the electric wire and cable market in India

Market research analysts at Technavio have predicted that the electric wire and cable market in India will grow steadily during the next four years and post a CAGR of almost 16% by 2020. This market research analysis identifies the growth in renewable power generation to be one of the primary factors for the growth of the **electric cable** and wire market. The focus of several countries across world to commercialize renewable power generation will create a significant demand for **electrical wires and cables**. This is mainly due to the lack of a transmission and distribution (T&D) infrastructure at locations where renewable energy resources are set up.

Moreover, the expansion of the existing renewable power generation plants, in the emerging countries, will also result in the increasing demand for **electrical wires** and cables. Initiatives such as excise duty exemption for Ferro-silicon-magnesium and pig iron used for manufacturing components for wind-operated electric power generators and the target set by the Jawaharlal Nehru National Solar Mission to generate more than 1,00,000 MW of solar power by the end of 2022, will boost the demand for electrical **wires and cables** in this region.

One of the major trends that will gain traction in this market is the increasing sales of HVDC power cables. Due to their benefits such as reduced transmission losses, light weight, and dimensions, HVDC cables such as HVDC underground cables and HVDC light cables will play a significant role in long-distance and high-voltage power transfer and in submarine power transmission. Also, HVDC power systems are the most sought after option for long-distance power bulk power delivery and will be used in several energy projects to build cross-border infrastructure.

Competitive landscape and key vendors

The market consists of a number of international and regional or local vendors who face intense competition from the unorganized vendors. The regional and unorganized players in the market are offering products at a comparative price which induces the well-established international electric **wire and cable manufacturers** to focus on differentiating their products to sustain their market shares. In addition to innovative product offerings, cable and **wire manufacturers** are also following strategies such as mergers and acquisitions to acquire new technologies and expand their customer reach.

The leading vendors in the market are -

- Finolex Cables
- Havells India
- KEI Industries
- Polycab Wires

The other prominent vendors in the market are Cable Corporation of India, Apar Industries Limited, Cords Cable Industries, KEC International, LS Cable India, Shilpi Cable Technologies, Universal Cable, and V-Guard Industries.

Segmentation by source and analysis of the electric wire and cable market in India

- Organized sector
- Unorganized sector

During 2015, the organized segment accounted for the major market shares and dominated this industry. This sector consists of cable and electrical wire manufacturers that manufacture cables with the best raw material and ensure quality by testing them at various stages. With the increasing awareness of the importance of quality wiring at buildings, there will be a significant increase in the demand for electrical wiring from the organized sector in the coming years. Moreover, factors such as intense competition from the organized vendors will also compel several unorganized suppliers to exit the market. As a result, this market segment will continue to dominate the market throughout the predicted period.

(Source: <https://www.technavio.com/report/india-engineering-tools-electric-wire-and-cable-market-india-2016-2020>)

CARE Ratings Views and Opinion: Outlook for Copper Industry for FY19

In light of the order of the permanent closure of the Tuticorin smelter, the production of domestic refined copper is expected to be around 510 KT during FY19 resulting in 40% drop from the FY18 production levels. India's refined copper production during FY18 was 843 KT.

India has been a net exporter of refined copper (A 'grade quality) as there has been excess production in the domestic markets.

- *The Tuticorin smelter accounts for 40% of the country's copper smelting capacity, and has contributed to 48% of the refined copper production during FY18.*
- *Given that refined copper consumption is to increase in the given backdrop of robust infrastructure activities undertaken by the government, closure of smelter will impact the trade dynamics, of India leading us to resort to additional imports changing the country from a net exporter to a net importer. India exported 344 KT and imported 37 KT of refined copper during FY18 (April-February)*
- *Even if the two existing producers (Hindalco and HCL) increase their utilisation rate it will not be sufficient to meet the domestic demand. The industry's current utilisation level is well over 80% and even if they raise their utilisation levels to 100% they cannot meet the shortfall.*
- *Hindalco will not be able to divert its production to the domestic market due to its long-term export contracts.*

*Demand for the domestic copper market is dependent largely on the electrical (34%), building & construction (8%), automobiles (11%) and the consumer durables segments (8%). We estimate **domestic demand of refined copper to be around 530-535 KT during FY19.***

The SMART City development, impetus on increase of renewable energy, demand from the automobile segment and capex activities related in the railways and defense sector is likely to further support the domestic demand for the metal.

Global copper prices to hover around USD 6,800-7,000 per tonne during the short to medium term period on a monthly basis.

LME Copper prices are to rise in the coming few months as there has been a pick up Chinese Demand for refined copper since the start of the CY18.

- *China's decision to place a ban on copper scrap imports may also play a role in keeping copper prices high as demand for refined copper is expected to increase in the world markets*
- *It is expected that the copper supply will still be facing a deficit in the near future as copper concentrates are high in demand and supply is limited.*

(Source:
<http://www.careratings.com/upload/NewsFiles/SplAnalysis/Copper%20Industry%20Update%20June%202018.pdf>
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OUR BUSINESS

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

In this section, a reference to the “Company” means KBS Industries Limited. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for financial year ended March 31, 2018, 2017, 2016, 2015, and 2014 included in this Draft Prospectus on page 173.

OVERVIEW

Our Company was incorporated as KBS Industries Private Limited at Delhi as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated December 11, 2012 bearing corporate identification number U74990DL2012PTC245998 issued by Registrar of Companies, Delhi. Subsequently, our Company was converted into public limited company pursuant to Shareholders Resolution passed at the Extra-Ordinary General Meeting of our Company held on April 14th, 2018 and the name of our Company was changed to KBS Industries Limited pursuant to issuance of fresh Certificate of change of name dated May 15, 2018 issued by the Registrar of Companies, Delhi. The Corporate Identification Number of our Company is U74990DL2012PLC245998.

Our Company is an ISO 9001:2015 certified company, engaged in the manufacturing and supply of high quality Semi finished copper and copper alloy products (Rods, Bus bars, Strips, Wires, Plates, Sheets and Circles). We have capability and flexibility to meet customer requirements, exact specification and size. We have set up manufacturing facilities and team of highly qualified, motivated and experienced staff in production and sales to meet customers ever going quality and service expectation.

Mission of KBS is to offer continuously world class customer service. Our Company has a good experience in this industry and has made sure our customer to get best product and service at the right time. The manufacturing facility of our Company is situated at Plot No. 418, HSIDC, Phase-I, Barhi Industrial Area, Haryana, India and the registered office of our Company is situated at 1/486, 2nd Floor, Kashmere Gate, Central Delhi, DL 110006 IN. Our Company is promoted by Mr. Anil Anand and Mr. Arjun, who have vast experience in the field of manufacturing of copper related products. Further, KBS Industries Limited has acquired M/s. H.K. Industries, a proprietorship firm engaged in the business of trading of copper wire, copper rod, enamelled wire, ferrous and non-ferrous metal dated 25th March 2016 for further expansion and growth of the Company.

Keeping in mind the further expansion, our Company is planning to add a new line of business which is concerned in manufacturing of wire and cables in order to enter the retail segment. Further, KBS Industries Limited is setting up a new plant of around 156 Lakhs Coils of 90Mtrs P.A. capacity at Survey No. 51/1/2, Village Kala, Silvassa, Dadra and Nagar Haveli- 396230. It will serve the purpose for manufacturing wires and cables from the copper rod manufactured by the Company itself.

Details of Total Revenue for the last Five (5) years and for the period ended on 31st March, 2018 are as under:-

(Amt in Lakhs)

Financial Year	Revenue from Operation	Other Income	Total Revenue	Profit before Depreciation, Interest and Tax	Profit after Tax
2013-2014	1036.61	3.41	1040.02	35.28	8.33

Financial Year	Revenue from Operation	Other Income	Total Revenue	Profit before Depreciation, Interest and Tax	Profit after Tax
2014-2015	5012.97	0.63	5013.60	347.38	22.01
2015-2016	15025.86	21.74	15047.60	507.43	63.82
2016-2017	19855.17	25.46	19880.63	894.08	323.34
2017-2018	26787.97	11.72	26799.69	1441.14	728.20

Being a client centric organization, we strive hard to offer superior quality products to our respected patrons. Backed with the team of dexterous and experienced professionals, we never accept any sort of compromise with the quality of our products.

In order to execute all the business operations in a streamlined manner, we have appointed a proficient team of professionals. These professionals make sure that all the products are defect-free and will deliver high performance. All the professionals utilize their experience and in-depth knowledge in executing the work assigned to them. To maintain the quality standard of the product our professionals follow established norms and guidelines of the industry.

Under the visionary guidance of our mentors, we have able to acquire a formidable position in the highly competitive market. The management skill, business acumen, leadership quality and vast industrial knowledge of our mentors have led our organization to execute the best and gain the confidence of numerous patrons across the region.

PRODUCT AND REGION WISE WISE TURNOVER

Financial Year 2013-14

(Amt in Lakhs)

Product Name	Haryana	Delhi	Grand Total	Percentage (%)
Copper Wire Rod	26.99	-	26.99	2.60
Copper Scrap	-	995.55	995.55	96.04
Trade of Copper	-	14.08	14.08	1.36
Total	26.99	1,009.63	1,036.62	100.00

Financial Year 2014-15

(Amt in lakhs)

Product Name	Haryana	Narela	Shahdara	Other part of Delhi	Grand Total	Percentage (%)
Copper Wire Rod	188.40	102.09	81.48	2,325.79	2,697.75	53.82
Copper Scrap	12.04	-	-	-	12.04	0.24
Trade of Copper	-	-	-	2,303.17	2,303.17	45.94
Total	200.45	102.09	81.48	4,628.96	5,012.97	100.00

Financial Year 2015-16

(Amt in Lakhs)

Product Name	Haryana	Narela	Shahdara	Other part of Delhi	Grand Total	Percentage (%)
Copper Wire Rod	5,207.10	1,261.28	9,53.67	780.25	8,202.30	54.59
Copper Scrap	-	15.20	125.46	-	140.65	0.94
Brass Scrap	822.00	-	25.45	-	847.46	5.64
Trade of Copper	-	-	-	5,835.46	5,835.46	38.83

Product Name	Haryana	Narela	Shahdara	Other part of Delhi	Grand Total	Percentage (%)
Total	6,029.10	1,276.48	1,104.58	6,615.70	15,025.86	100.00

Financial Year 2016-17

(Amt In Lakhs)

Product Name	Haryana	Narela	Shahdara	Other part of Delhi	Mumbai	Grand Total	Percentage (%)
Copper Wire Rod	3,006.25	297.37	1,726.87	5,502.11	-	10,532.60	53.05
Copper Strip	107.79	-	-	-	-	107.79	0.54
Copper Scrap	-	1,615.5	-	-	-	1,615.59	8.14
Copper Ingot	554.13	-	-	-	-	554.13	2.80
Trade of Copper	-	-	-	401.16	6,643.89	7,045.05	35.47
Total	3,668.17	1,912.9	1,726.87	5,903.28	6,643.8	19,855.1	100.00

Financial Year 2017-18

(Amt in Lakhs)

Product Name	Haryana	Narela	Shahdara	Other part of Delhi	Mumbai	Grand Total	Percentage (%)
Copper Wire Rod	6,406.25	1,682.13	844.22	1,232.48	-	10,165.09	37.95
Metal Alloy	132.45	684.63	-	-	-	817.08	3.05
Copper Strip	312.44	111.83	-	-	-	424.28	1.58
Copper Scrap	232.55	-	26.12	345.28	-	603.96	2.25
Brass Scrap	866.97	-	-	-	-	866.97	3.24
Copper Ingot	1,006.25	228.07	-	-	-	1,234.32	4.61
Copper Rod	806.65	405.31	-	10,82.58	-	2,294.55	8.56
Trade of Copper	-	-	-	-	10,381.73	10,381.73	38.76
Total	9,763.57	3,111.9	870.34	2,660.35	10,381.7	26,787.9	100.00

OUR KEY UNIQUE BUSINESS STRENGTHS ARE:

- Diversified Product Portfolio:** Our Company has a varied product base to cater to the requirements of our customers. Our Product Portfolio includes diversified variety of copper products which are used in different sectors. Our products range includes copper rods, billets and ingots.
- Strategically located manufacturing facilities with a core focus on quality:** Due to the size of copper products, an important factor in their cost is transportation costs. Therefore, it is a competitive advantage to manufacture these products as close as possible to the ultimate consumers. We have checks and testing systems in place, from the procurement of raw material to the manufactured product, for ensuring the quality of our products.
- Experienced Promoters and a well trained employee base:** Our promoters Mr. Anil Anand and Mr. Arjun are experienced in our line of business. Our management and employee team combines expertise and experience to outline plans for the future development of the Company. Our Promoters have significant industry experience and has been instrumental in the consistent growth of our Company. We believe that the knowledge and experience of our promoter and management will enables us to identify new opportunities, rapidly respond to market conditions, adapt to changes in the business landscape and competitive environment and enhances the growth in the business.

4. **Quality Assurance:** We conduct stringent quality tests at every stage of manufacturing process and the desired chemical compositions are maintained right through the process. Subsequent to manufacturing, the products are cautiously inspected and evaluated on various parameters.
5. **Improving functional efficiency:** Our Company intends to improve operating efficiency to achieve cost reductions to have a competitive edge over the peers. We believe that this can be done through continuous process, improvement and customer services.
6. **Sales Service** - Our Company understands that to suggest the proper solution, customers have to be attended personally by a trained sales person and to achieve the same. We have established nationwide network of sales force with its own offices in major centers and network of dealers.

OUR BUSINESS STRATEGIES:

1. **Expansion of Domestic Market:-**We intend to expand our geographical reach and enter the large domestic market for growth opportunities of our business. Currently, we have limited presence and we plan to deepen our presence in the existing market and expand our reach and penetrate into the large available market by giving scale down low price solution and grab major market share.
2. **Competitive Pricing:-**To remain aggressive and capitalize a good market share, we believe in offering competitive prices to our customers. This helps us to sustain the cut-throat competition and withhold a strong position in the market.
3. **Constant technology upgradation:-** We intend to focus on upgradation of our machineries and equipments used in our business and will continue to do so to improve our productivity
4. **Leveraging our Market skills and Relationships:-**This is a continuous process in our organization and the skills, that we impart in our people, give importance to customers. We aim to enhance the growth by leveraging our relationships and further enhancing customer satisfaction. We plan to increase our customers by meeting orders in hand on time, maintaining our customer relationship and renewing our relationship with existing buyers.
5. **Improving operational efficiencies:** Improving operational efficiencies is the key to success of any business. Our Company intends to improve efficiencies to achieve cost reductions, so that they can be competitive. We believe that this can be done through domestic presence and economies of scale. Increasing our penetration in existing regions will enable us to penetrate into new catchment areas within these regions. As a result of these measures, our Company will be able to increase its market share and profitability.
6. **Attract, train and retain qualified personnel:-** We believe that maintaining quality, ensuring timely delivery, minimising costs, and completion of our proposed project depend largely upon the technical skill and workmanship of our employees and adoption of latest technology. We intend to improve our competitiveness by increasing our focus on training our staff and honing their skills. We continuously train our workforce to enhance their knowledge and equip them with the latest skill sets.

SWOT Analysis

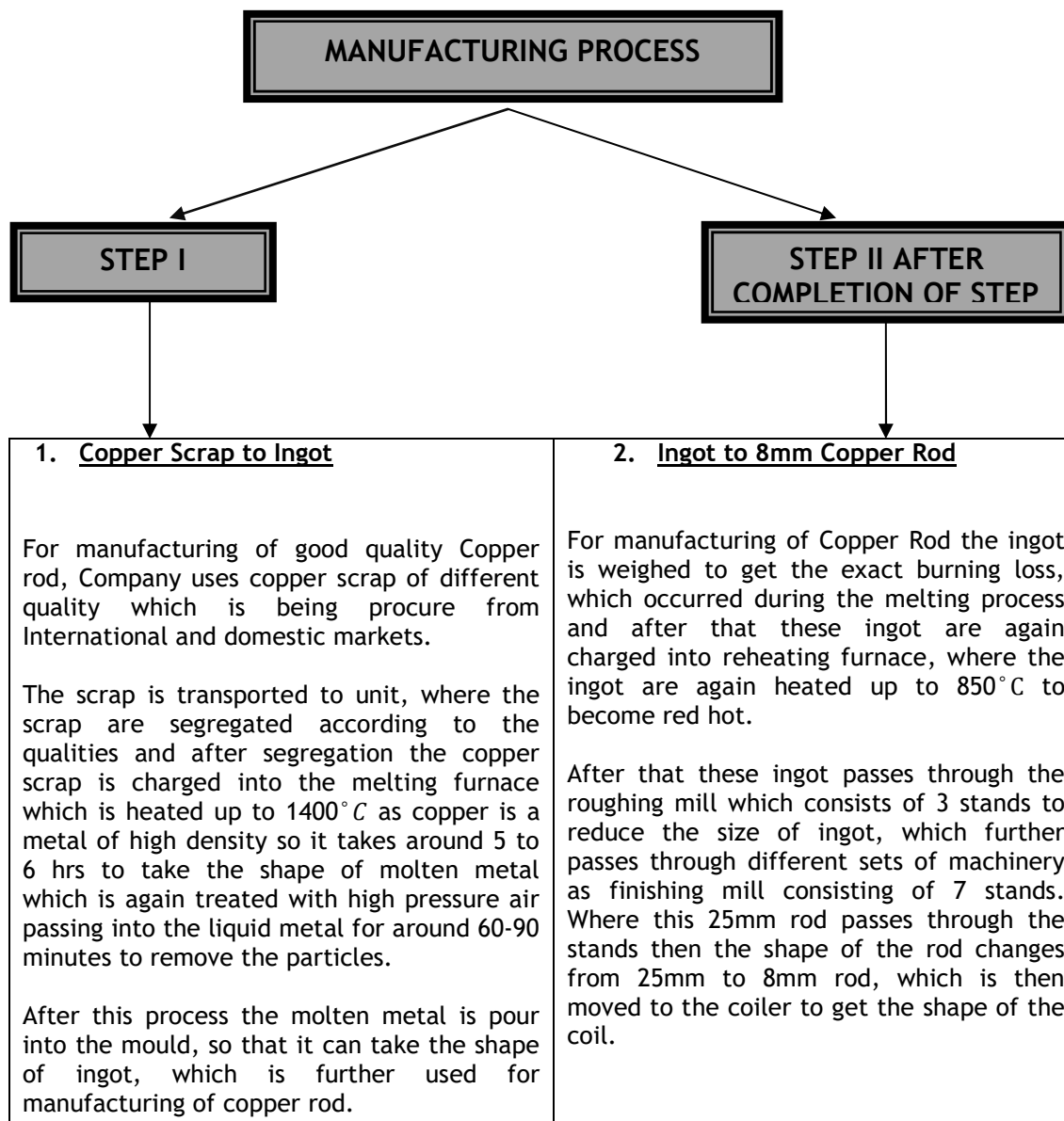
STRENGTHS	OPPORTUNITIES
• Diversified, mature and strong manufacturing base, with robust supply chain; • Rugged performance design of	• Rapid growth in metros, airports and other infrastructure projects is expected to generate huge demand for matching BTG and T&D equipment; • External demand: With the electricity

STRENGTHS	OPPORTUNITIES
domestic electrical equipment • State of art technology in most sub sectors at par with global standards • Domestic availability of low cost skilled manpower.	sector being a sunrise sector across the entire developing world, there exists a significant export potential for the domestic industry.
WEAKNESSES	THREATS
• Upward volatility in raw materials and other metal prices; • Dependence of some sub-sectors on import of critical inputs • Looming shortage of skilled technical manpower and low productivity. • Factors beyond their control such as government approvals, release of funds etc.	• Poor financial health of DISCOMs and very high AT&C losses; • Rising global concerns on the trade-offs between economic growth, energy security and environmental sustainability.

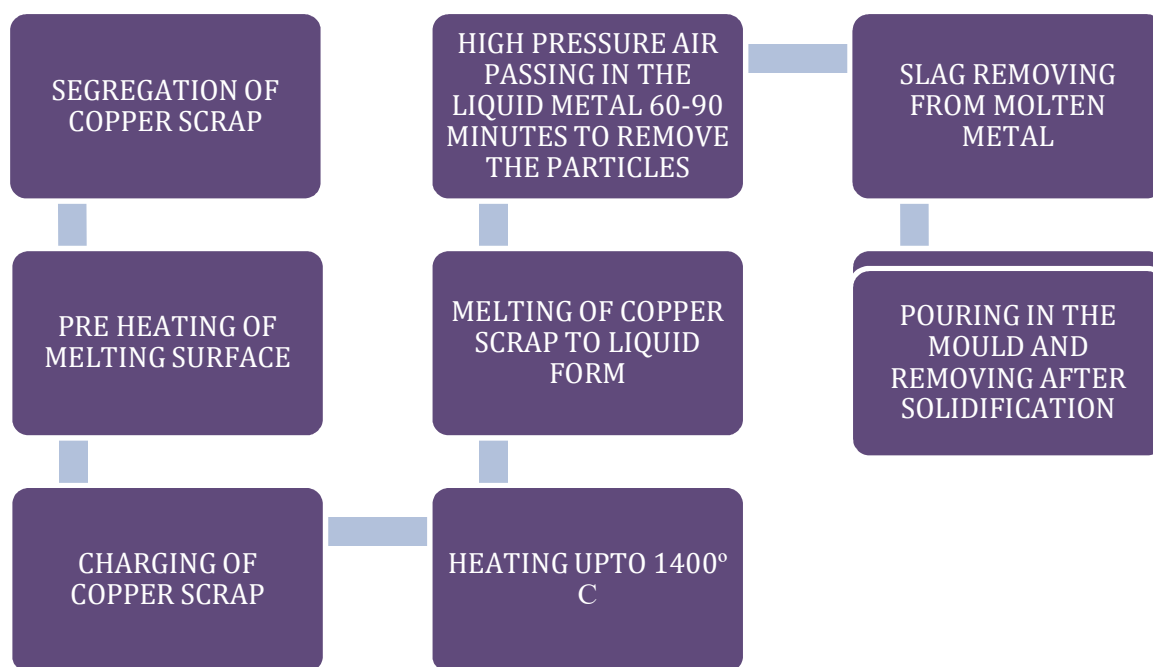
OUR PRODUCTS- MANUFACTURING		
PRODUCT NAME	PRODUCT	DESCRIPTION
Wire Rod		Coiled wire rod about 8 mm in diameter is drawn down by wire mills to make pure copper wire of all gages. Our copper rods can be manufactured and supplied in different forms in either straight lengths or coils.
Billet		30' logs, about 8" diameter of pure copper are sawed into these shorter lengths which are extruded and then drawn as tube, rod and bar stock of many varied sizes and shapes. Rod stock may be used for forging.

PRODUCT NAME	PRODUCT	DESCRIPTION
Ingot		Bricks of pure copper may be used by mills for alloying with other metals or used by foundries for casting.
Cake		Slabs of pure copper generally about 8" thick and up to 28' long, may be hot and cold rolled to produce plate, sheet, strip and foil.
Wire Copper		Copper has been used in electric wiring since the invention of the electromagnet and the telegraph in the 1820s.
Bus Bar/Strips		In electrical power distribution, bus bar is a strip or bar of copper, brass or aluminium that conducts electricity within a switchboard, distribution board, substation, battery.

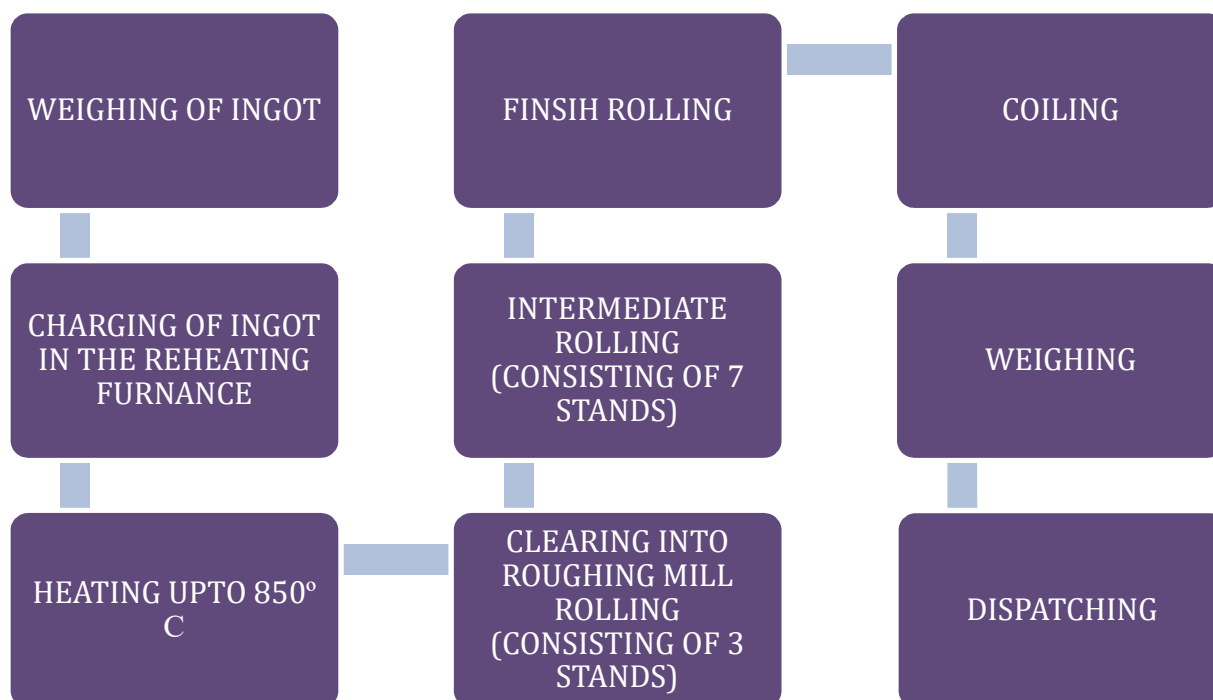
KEY MANUFACTURING PROCESS



FLOWCHART FOR MANUFACTURE OF COPPER INGOT



PROCESS FLOW CHART OF 8 MM COPPER WIRE ROD FROM COPPER INGOT



RAW MATERIALS

Our company uses copper scrap as raw material for manufacturing process which they purchase from different part of the world mainly Middle East. Company has good relation with overseas supplier, which supplies good quality of copper scrap. Company also purchases copper scrap from domestic market.

COLLABORATIONS

The Company has so far not entered into any technical or financial collaboration agreement.

LIST OF MAJOR CUSTOMERS

List of top twenty Customers for the financial Year ended March 31, 2018:-

Sr. No.	Customers Name	Location	Total Business during the year (Amt in Lakhs)	% of Total Turn over
1.	Aastik Trading Private Limited	Malad Mumbai	2,973.33	11.10
2.	Shri Pashupati Enterprises	Jaipur	2,775.51	10.36
3.	Bharti Udyog	Badli Industrial Area Delhi	1,445.06	5.39
4.	Shri Mewa Industries	Shahdara Delhi	1,442.43	5.38
5.	Shree Prabha Enterprises	Shahdara Delhi	1,377.36	5.14
6.	Dneo Cables Pvt. Ltd.	Jodhpur	1,198.95	4.48
7.	ShivamUdyog	Shahdara Delhi	1,175.06	4.39
8.	Arihant Trading & Metal Industries	Shahdara Delhi	1,124.98	4.20
9.	Mahabir Enterprises	Jaipur	1,091.62	4.08
10.	Kisan Mouldings Ltd	Andheri Mumbai	794.44	2.97
11.	Shiva Enterprises	Okhala New Delhi	453.49	1.69
12.	Raman Wire Industries	Wazirpur Delhi	419.83	1.57
13.	The Trade Bridge	Libaspur Delhi	412.02	1.54
14.	Seema Enterprises	Friends Industrial Area Delhi	402.69	1.50
15.	Akash Cable Tech	Libaspur Delhi	382.51	1.43
16.	Om Jagdish Metals	Shahdara Delhi	383.83	1.43
17.	VS Wires Enterprises	Prahladpur Delhi	367.44	1.37
18.	Adela Electricals Pvt Ltd	Narela Delhi	345.68	1.29
19.	KRG Cables Pvt Ltd	Shahdara Delhi	333.30	1.24
20.	Gupta Metal Industries	Jagdhari Haryana	270.39	1.01
Total				71.56

LIST OF MAJOR SUPPLIERS

List of top ten Suppliers for the financial year ended March 31, 2018.

Sr. No.	Suppliers Name	Location	Total Business during the year in (Amt in Lakhs)	% of Total Purchases
1.	Harshika Trading Pvt Ltd.	Malad Mumbai	5,388.18	20.87

Sr. No.	Suppliers Name	Location	Total Business during the year in (Amt in Lakhs)	% of Total Purchases
2.	Riya Enterprises	Shahdra Delhi	3,042.82	11.78
3.	Arjun Enterprises Pvt Ltd.	Bawana Delhi	2,259.87	8.752
4.	Paras Enterprises	Panipat Haryana	2,196.77	8.507
5.	RK International	Rohini New Delhi	1,086.57	4.208
6.	AV Impex	Andheri Mumbai	764.01	2.959
7.	HVR Project Pvt. Ltd.	Nagpur	668.04	2.587
8.	GIC Insuflex Conductors Pvt Ltd	Waliv Vasai	617.24	2.39
9.	Dynamic Sales Coporation	Rohini New Delhi	442.04	1.712
10.	Kamal Enterprises	Gurgaon Haryana	411.38	1.593
Total			16,876.91	65.36

HEALTH AND SAFETY

We seek to continue to focus on maintaining a safe work environment for our employees through the implementation of our safety policy and a structured multidisciplinary internal safety oversight body to oversee safety in our operations. We continue to focus on reducing employee injury incident rates and avoid lost time injuries. We follow a variety of guidelines including those suggested by our customers relating to safety, health & hygiene, and our customers require us to implement policies and measures to ensure health and work safety for our employees. Our work safety policies set forth overall principles as well as procedures of internal inspections of work safety related matters.

CONTINUE TO STRIVE FOR COST LEADERSHIP

We strive to continue to be the most cost-efficient player in each of the product verticals we enter. This cost leadership will be achieved through initiatives like having direct procurement and large product handling and warehousing capacities, and being a sizeable player in the industry. Economies of scale will also enable us to continuously improve our operational efficiencies.

UTILITIES AND MANUFACTURING FACILITIES

Our registered office situated at 1/486, 2nd Floor, Kashmere Gate, Central Delhi DL 110006 IN is well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly.

Our manufacturing unit located at Plot No. 418, HSIIDC, Phase-I, Barhi Industrial Area, Haryana, India is equipped with requisite utilities and modern infrastructure facilities including proper arrangements for power and water.

Our Corporate office located at Office No. B/609, Floor No. 6, Express Zone, Malad East, , Western Express Highway, Mumbai Sub-urban District, CTS Number 1, Mumbai, Maharashtra- 400097 is equipped with requisite facilities required to run business operations. Our Company maintains books of account and papers at the Corporate Office of the Company.

Power

Our Company meets its power requirements by purchasing electricity from Uttar Haryana Bijli Vitran Nigam Limited. The manufacturing unit also has one 125 KVA Generator Set and one part of Industry run on generator of 1250 KVA capacity.

Water

Water is a key and indispensable resource requirement in our manufacturing process. Our Company has made adequate arrangements to meet its water requirements.

PLANT AND MACHINERY:

A. LIST OF 12 TONES COPPER MELTING SUPER 'D' PLANT'

SR.NO.	DESCRIPTION	QTY
1.	Furnace shell 12 tones capacity	1 No.
2.	MS trolley for moulds 12' each.	2 Nos.
3.	Super winch Machines.	2 Nos.
4.	Hydraulic cylinders with power pack.	1 Set
5.	Rail line 90 pound 50'each..	2 Nos.
6.	Sleeper with clits	12 Nos.
7.	C.I Rest Plate for moulds, 12' each	2 Nos.
8.	Steel wire rope 5/8", 75ft.	80 ft.
9.	Air compressor ELGI Make, HP 15300	1 No.
10.	Air receiver 600 ltr. Capacity. 30 kg/cm2	1 No.
11.	Blower with 20 H.P Motor double stages	1 No.
12.	C.I. Moulds for copper Ingot	40 Nos.
13.	LAP Burner No.4	1 No.
14.	Flexible Hose Pipe 4" for blower.	1 No.
15.	Centralized Electrical Panel & Accessories	1 Set
16.	M.S Tubes for air bubbling.	2 Nos.
17.	Oil Service Tank 2000 ltr.	1 Set
18.	Oil Pipe Fitting, Blower Pipe Fittings	1 Set
19.	Fire Bricks with Refractory material	1 Set
20.	Chain Block	2 Each
21.	Fighter with 5 HP motor	1 Each
22.	Electrical hoist 2 tone capacity Rockwell	2 Nos.
23.	Hydraulic Pusher for INGOT-OUT	1 Set
24.	Misc.steel i.e. Girder, angles, Plates approx.	5 Tones
25.	Misc. small tools & accessories	1 Set

Pollution plant for above plant with furnace hood, ducting dia 16" to Connect the exhaust of sufurnace with I.D Fan 15hp, Trima Cyclone, S.S Wet scrubber, S.S water pump & fittings, Chimney 120' with base plate and accessories and fitting.

B. LIST OF MACHINARIES FOR COPPER RE-ROLLING MILL HAVING CAPACITY 12 MT./HOUR

1. Re-heating furnace oil fired Pusher type
2. 18" Roughing Mill consisting of 3 stands
3. 260 mm finishing Mill consisting of 7 stands
4. Workshop
5. Rolls for roughing & finishing mill roughing mill rolls.

CAPACITY AND CAPACITY UTILISATION

Plant	Fiscal 2018		Fiscal 2017		Fiscal 2016		Fiscal 2015		Products manufactured
	Installed	Utilized	Installed	Utilized	Installed	Utilized	Installed	Utilized	
418,HSIDC, Phase-I, Industrial Area, Barhi, Sonipat-13001, Haryana	4800 MT P.A	2880 MT P.A	4800 MT P.A	2500 MT P.A	4800 MT P.A	1800 MT P.A	4800 MT P.A	900 MT P.A	Copper Rod & Copper Ingot
Survey No. 51/1/2, Village Kala, Silvassa, Dadra & Nagar Haveli-396230	156 Lakhs Coils of 100 Mtrs P.A.	NIL	NIL	NA	NIL	NA	NIL	NA`	PVC Insulated Cable

HUMAN RESOURCES

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for its kind of business.

The details of manpower employed as on date of Draft Prospectus are as under:

Category	No. of Employee
Management:	
Directors	2
Chief Financial Officer	1
Administration, Accounts and Finance, Marketing:	
Company Secretary	1
Finance Department	3
Marketing Manager	1
Production Manager	1
Human Resource Manager	1
Helper, Labour, Driver, Security Guard etc.	30
TOTAL	40

MARKETING STRATEGY

We undertake an exercise periodically to identify existing and prospective customers with the potential to develop into large clients. Our senior management is actively involved in managing customer relationships and

business development through targeted interaction with multiple contacts at different levels on an ongoing basis. Our Company proposes to market the products to the major users of our products viz. infrastructure industry, construction industry, transportation and process engineering industry etc. We also propose to market our products through placing advertisement in newspapers, trade journals, participate in exhibitions and trade fairs and display our wide range of products to promote our products.

QUALITY

We are wholly committed to build and sustain itself as an organization, where quality shall be the hallmark of every aspect. We check the entire process right from procurement of materials to final delivery. Our maximum attention is to upgrade our process and system to enable us to achieve consistent product quality and customer satisfaction.

To maintain our quality policy, we shall follow the basic system in the organization as set out below:

1. All the members shall participate in achieving the targets.
2. There should be transparency in ideas and methods of implementation for quality improvement in every step and every corner of production and testing.
3. A laid down procedure to maintain quality shall be implemented and distributed in respective areas.
4. There shall be clear instructions to maintain lay down quality checking.
5. Quality checking shall be commencing from in-coming raw material stage which passes through processing stage, final product, packing, storage and upto final stage of dispatch.

EXPORT POSSIBILITIES & EXPORT OBLIGATION:

We do not have any outstanding export obligation.

COMPETITION

The electrical equipment industry's performance has a massive bearing on the course of the country's economic growth. Countries with a strong manufacturing base and effective government policies for equipment industry have traditionally outperformed others in terms of growth and prosperity. Apart from being the backbone of the industrial growth, it is one of the major sources of employment. The Indian electrical equipment industry has performed strongly over the last decade. However, if the industry wants to become globally competitive and more importantly, if India is to achieve the planned power generation and transmission capacity addition targets along with growth of infrastructure and other industrial sectors, it is important that the electrical equipment industry maintains a high rate of growth and responds to domestic and global changes effectively.

Indian consumers have become very price sensitive due to pressure from Indian competitors as well as from global competitors. But still respectable margins can be generated by creating differentiation for the customers in terms of product quality, reducing demand supply variation by supplying in just-in-time, innovating the packaging, reducing, inventory levels and scrap generation.

The Indian industry of wires and cables is using many innovative methods to improvise the products and meet the global standards.

INSURANCE

Sr. No.	Company	Insurance Company	Type of Policy	Premium	Policy No. and Insured Address	Validly	Sum Insured
1.	KBS Industries Ltd.	Bajaj Allianz	Burglary Insurance	Rs. 49,560	OG-19-1933-4010-00000159 Plot No. 418, HSIIDC, Phase-I, Barhi Industrial Area, Sonipat, Haryana	19 th April 2018 to 18 th April 2019	Rs. 42,00,00,000
2.	KBS Industries Ltd.	Bajaj Allianz	Standard Fire and Special Perils Policy	Rs. 2,83,744	OG-19-1933-4001-00000744 Plot No. 418, HSIIDC, Phase-I, Barhi Industrial Area, Sonipat, Haryana	20 th April 2018 to 19 th April 2019	Rs. 54,30,00,000
3.	KBS Industries Ltd.	SBI General Insurance	Marine Open Policy	Rs. 4,19,775	0000000008844256 Plot No. 418, HSIIDC, Phase-I, Barhi Industrial Area, Sonipat, Haryana	31 st March 2018 to 30 th March 2019	Rs. 100,00,00,000

TRADEMARK

Sr. No	Trademark Image	Trademark Type	Class	Applicant	Application No.	Date of Application	Validity/Renewal	Registration Status
1.		Device	Class 6	KBS Industries Limited	3874525	29 th June, 2018	-	Application is in process
2.		Device	Class 9	KBS Industries Limited	3874527	29 th June, 2018	-	Application is in process

LAND AND PROPERTIES

Sr. No.	Party 1	Party 2	Address	Nature of property	Approx. Area	Tenure	Stamp duty/Registration fees	Other Key Observation
PROPERTY TAKEN ON LEASE/ RENT BY THE COMPANY								
1.	Lease Agreement entered between Ms. Surinder Kaur Bedi w/o Mr. Jagjit Singh Bedi resident of 10/25, East Patel Nagar, New Delhi-110008 (Lessor)	M//s KBS Industries Private Limited (Lessee)	F-1730 DSIDC Narela Industrial Area, New Delhi-110040	Industrial	350 sq. mt out of which only main hall and one office room measuring 133 sq m along with two toilets without terrace rights is given on lease basis.	36 months commencing from 01/04/2017 and ending on 31/03/2019	Rs. 5,910 Registered	- Consideration Rs. 20,000 per month. - Initial payment: Rs.45,000 as a security deposit paid vide Cheque No.:544889 drawn on Karnataka Bank Ltd. - There will be 10% increase in the rent every twelve months. - The lessee shall be at liberty to terminate the lease upon giving notice in writing to the lessor of 2 months in advance or pay 2 months rent in lieu. - The lessee/lessor shall comply with all the rules and regulations, laws and by laws of New Delhi/Delhi Municipal Corporation, Delhi Development Authority, PNC, DSIDC or any other local authority having jurisdiction over the demised premises.
2.	Leave and License Agreement entered between Arti Kabra, R/o-	M//s KBS Industries Private Limited (Licensee)	Office No. B/609, Floor No. 6, Express Zone, Malad East, Mumbai-400097,	Corporate office	1,100 square feet	24 months commencing from 01/11/2	Registration fee Rs. 1,000 Stamp Duty Rs. 3,590	Consideration Rs. 55,000 per month for first 12 months. Rs. 60,500 per month for the next 12 months. Rs. 2,50,000 interest free refundable deposit for the use

Sr. No.	Party 1	Party 2	Address	Nature of property	Approx. Area	Tenure	Stamp duty/Registration fees	Other Key Observation
	Flat No. 903, Floor No. 9, Building Name Mayfair Greens, Hiranandani Heritage, Kandivali, Maharashtra- 400067 (Licensor)		Western Express Highway, Mumbai Sub- urban District, CTS Number 1			017 and ending on 31/10/2 019		of the said licensed premises. - The licensed premises shall be used only for commercial purpose by the licensee. - The licensor on giving reasonable notice to the licensee shall have the right to access either by himself or through authorized representative to enter, view and inspect the licensed premises. - The licensor can revoke and /or cancel the license in case of any default in payment by licensee or in case of any breach in the terms of this license agreement. - Notice of 3 months required after the initial period of 12 months of lock in, in case of cancellation/termination of this agreement.

Sr. No.	Party 1	Party 2	Address	Nature of property	Approx. Area	Tenure	Stamp duty/Registration fees	Other Key Observation
3	Rent Agreement entered between Mrs. Anand, w/o- Shri Anil Anand, r/o 24//70, Lower Ground Floor, West Punjabi Bag, New Delhi- 110026 (Landlord)	M//s KBS Industries Private Limited (Tenant)	1/486, 2 nd Floor, Kashmiri Gate, Delhi- 110006	Commercial	495 square feet	11 months with effect from 01.07.2018	Rs. 100	- Consideration: Rs. 12,500 payable per month - Security deposit: Rs. 37,500 in cash to the landlord refundable at the time of vacation of the said premises without any interest on it. - The property should not be sublet, assign or part with the possession of the premises without prior written permission of the landlord to anyone. - The property not to be used for any purpose other than business. - The tenant shall not use or deal with the premises in any manners contrary to any condition imposed by DDA/MCD or any statutory authority of Govt. of India
PROPERTY OWNED BY THE COMPANY								
4.	Sale Deed entered between M/s Trendz	M/s KBS Industries Pvt. Ltd (Vendee)	Built Up Shed No. 418, Phase- I, HSIIDC	Industrial	1,800 sq. mtrs	Sale of land dated 3 rd April	Stamp duty Rs. 7,12,550 Registration Fees Rs.	- Consideration: Rs. 142,51,000. - No legal heirs will have concern, right title or interest over the said property in any

Sr. No.	Party 1	Party 2	Address	Nature of property	Approx. Area	Tenure	Stamp duty/Registration fees	Other Key Observation
	Clothing Pvt. Ltd. through its Director Sh. PawanKochhar S/O- Shri Vijay Kumar Kochhar R/o 82 Godavari Apartments Alakananda, New Delhi-19(Vendor)		I.E,Barhi, Teh. Ganaur, Dist. Sonipat			2013	15,000/-	manner in the future. The seller shall be liable for previous bills, dues, taxes etc.

PROMOTERS INTEREST IN THE PROPERTY

Note 1: Interest in Property by our Promoters and Promoter Group

- We operate from the registered office situated at 1/486, 2nd Floor, Kashmiri Gate, Central Delhi- 110006. Mrs. Achala Anand, one of the members of the Promoter Group had provided the premise for registered office on lease vide rent agreement dated 1st July, 2018 for a period of 11 months commencing from 1st July, 2018. Any discontinuance of facility to use the office will lead us to locate any other premises. Our inability to identify the new premises may adversely affect the operations, finances and profitability of our Company.

Note 2: Purchase of Property

- We have not entered into any agreement to buy/sell any property with the Promoters or Director or a proposed director who had any interest directly or indirectly during preceeding two years.

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is an overview of certain laws and regulations in India, which are relevant to our Company. Certain information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below are not exhaustive, and are only intended to provide general information to applicants and is neither designed nor intended to be a substitute for professional legal advice.

The statements below are based on current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained by us, see the chapter titled “Government and Other Statutory Approvals” beginning on page 221 of this Draft Prospectus.

The following is an overview of some of the important laws and regulations, which are relevant to our industry.

I. Business Related Laws

The Legal Metrology Act, 2009

The Legal Metrology Act, 2009 (“L.M. Act”) governs the standards/units/denominations used for weights and measures, regulates trade and commerce in weights and measures and other goods which are sold or distributed by weight, measure or number. It also states that any transaction/contract relating to goods/class of goods shall be as per the weight / measurement / numbers prescribed by the L.M. Act. Moreover, the L.M. Act prohibits any person from quoting any price, issuing a price list, cash memo or other document, in relation to goods or things, otherwise than in accordance with the provisions of the L. M. Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in the Rules made by each State. The L.M. Act also provides for Legal Metrology (General) Rules, 2011, which may be followed for due compliance, if the respective State does not provide for rules in this regard.

Additionally, the L.M. Act provides for the following penalties in case of contravention of certain provisions thereof:

1. Penalty for use of weight, measure or numeration in contravention of the L.M. Act;
2. Penalty for alteration or tampering with the weight or measure;
3. Penalty for making a transaction, deal or contract in contravention of the L.M. Act.

Penalty for the buyer (buying in excess of the quantity specified, or price paid for) and seller (selling less the quantity specified, or price paid for).

The Micro, Small and Medium Enterprises Development Act, 2006

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

II. Laws relating to Employment and Labour

Child Labour (Prohibition and Regulation) Act, 1986

This statute prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under this Act the employment of child labour in the building and construction industry is prohibited.

The Payment of Gratuity Act, 1972 (“Gratuity Act”)

The Payment of Gratuity Act, 1972 (“PG Act”) applies to every factory and shop or establishment in which 10 (ten) or more employees are employed. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than 5 (five) years:

- a) On his/her superannuation;
- b) On his/her retirement or resignation;
- c) On his/her death or disablement due to accident or disease (in this case the minimum requirement of 5 (five) years does not apply).

The Workmen Compensation Act, 1923 (“WCA”)

The “WCA” has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries by accident arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The WCA makes every employer liable to pay compensation in accordance with the WCA if a personal injury/disablement/loss of life is caused to a workman (including those employed through a contractor) by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the WCA within one month from the date it falls due, the commissioner appointed under the WCA may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

The Employees’ Compensation Act, 1923

The Employees’ Compensation Act, 1923 (“EC Act”) has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The EC Act makes every employer liable to pay compensation in accordance with the EC Act if a personal injury/disablement/ loss of life is caused to a workman by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the EC Act within 1 (one) month from the date it falls due, the commissioner appointed under the EC Act may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

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

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”) provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a Redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favors or making sexually colored remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such

establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to Rs. 50,000 (Fifty Thousand).

Contract Labour (Regulation and Abolition) Act, 1970:

The Contract Labour (Regulation and Abolition) Act, 1970 ("CLRA") is an act to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 (twenty) or more workmen are employed or were employed on any day of the preceding 12 (twelve) months as contract labour. It also applies to every contractor who employs or who employed on any day of the preceding 12 (twelve) months, 20 (twenty) or more workmen provided that the appropriate Government may after 100 giving not less than 2 (two) months' notice, by notification in the Official Gazette, apply the provisions of the CLRA to any establishment or contractor. Further, it contains provisions regarding Central and State Advisory Board under the CLRA, registration of establishments, and prohibition of employment of contract labour in any process, operation or other work in any establishment by the notification from the State Board, licensing of contractors and welfare and health of the contract labour. The Contract Labour (Regulation and Abolition) Central Rules, 1971 are formulated to carry out the purpose of the CLRA.

Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen or between employers and employers which is connected with the employment or non-employment or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

Industrial Disputes Act, 1947 ("ID Act") and Industrial Dispute (Central) Rules, 1957

The ID Act and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The ID Act was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman. The ID Act includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment.

Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979

This Act has been enacted with an aim to regulate the employment of inter-state migrant workmen and to provide for their conditions of service. It is applicable to every establishment employing five or more inter-state migrant workmen or having employed in the past twelve months and to every contractor who employs or who employed five or more inter-state migrant workmen in the past twelve months. Every Principal Employer of the establishment employing inter-state migrant workmen has to make an application for the registration of the establishment in the prescribed manner and time. Also a contractor employing inter-state migrant workmen has to obtain a license for the same from the licensing officer appointed for the purpose by the Central or the State Government. The license is valid only for a specified period and requires to be renewed at its expiry. The Act levies some duties on the principal employer and the contractor. The contractor is to provide for adequate wages,

medical facilities and other benefits while it is the responsibility of the principal employer to provide for the displacement allowance and journey allowance to the workmen.

The Employees State Insurance Act, 1948 (“ESI Act”)

The Employees State Insurance Act, 1948 (“ESI Act”) provides for certain benefits to employees in case of sickness maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. Employers of factories and establishments covered under the ESI Act are required to pay contributions to the Employees State Insurance Corporation, in respect of each employee at the rate prescribed by the Central Government. Companies which are controlled by the Government are exempt from this requirement if employees receive benefits similar or superior to the benefits prescribed under the ESI Act. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

The Employees (Provident Fund and Miscellaneous Provisions) Act, 1952 (“EPF Act”)

The Employees Provident Funds and Miscellaneous Provisions Act, 1952 (“EPF Act”) was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPF Act provides for the institution of provident funds and pension funds for employees in establishments where more than 20 (twenty) persons are employed and factories specified in Schedule I of the EPF Act. Under the EPF Act, the Central Government has framed the “Employees Provident Fund Scheme”, “Employees Deposit-linked Insurance Scheme” and the “Employees Family Pension Scheme”. Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

The Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 (“PB Act”) is applicable to every factory and every other establishment employing 20 (twenty) or more persons. According to the provisions of the PB Act, every employer shall be bound to pay to every employee in respect of the accounting year a minimum bonus which shall be 8.33% of the salary or wage earned by the employee during the accounting year or ₹100 (One Hundred), whichever is higher, whether or not the employer has any allocable surplus in the accounting year. If the allocable surplus exceeds minimum bonus payable, then the employer must pay bonus proportionate to the salary or wage earned during that period, subject to maximum of 20% of such salary or wage. Allocable surplus is defined as 67% of available surplus in the financial year, before making arrangements for the payment of dividend out of profit of the Company.

The Payment of Wages Act, 1936

The Payment of Wages Act, 1936 (“PW Act”) is applicable to the payment of wages to persons in factories and other establishments. PW Act ensures that wages that are payable to the employee are disbursed by the employer within the prescribed time limit and no deductions other than those prescribed by the law are made by the employer.

The Maternity Benefit Act, 1961 (“Maternity Act”)

The purpose of “Maternity Act” is to regulate the employment of pregnant women and to ensure that they get paid leave for a specified period during and after their pregnancy. It provides inter-alia for payment of maternity benefits, medical bonus and enacts prohibition on dismissal, reduction of wages paid to pregnant women etc.

The Equal Remuneration Act, 1976 (“ER Act”)

The “ER Act” provides for the payment of equal remuneration to men and women workers for same work or work of a similar nature and for the prevention of discrimination, on the ground of sex, against women in the matter of employment. According to the Equal Remuneration Act, the term remuneration means the basic wage or salary and any additional emoluments whatsoever payable, either in cash or in kind, to a person employed in respect of employment or work done in such employment, if the terms of the contract of employment, express or implied, are fulfilled.

The Employees State Insurance Act, 1948

The Employees State Insurance Act, 1948 (“ESI Act”) provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. Employers of factories and establishments covered under the ESI Act are required to pay contributions to the Employees State Insurance Corporation, in respect of each employee at the rate prescribed by the Central Government. Companies which are controlled by the Government are exempt from this requirement if employees receive benefits similar or superior to the benefits prescribed under the ESI Act. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

The Minimum Wages Act, 1948

The Minimum Wages Act, 1948 (“MW Act”) came in to force with the objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MW Act, the appropriate government is authorized to fix the minimum wages to be paid to the persons employed in scheduled or non-scheduled employment. Every employer is required to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to the MW Act, in respect of which minimum rates of wages have been fixed or revised under the MW Act.

Shops and Establishment Acts

Shops and Establishment Acts are state legislations that seek to govern and regulate the working conditions of workers/employees employed in shops and commercial establishments within that State. Every shop or commercial establishment is required to register itself under the relevant state’s shop and establishment act, as per the procedure laid down therein.

III. Tax related legislation

Income-Tax Act, 1961 (“IT Act”)

The Income Tax Act, 1961 deals with the taxation of individuals, corporate, partnership firms and others. As per the provisions of this Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Act. The maintenance of books of Accounts and relevant supporting documents and registers are mandatory under the Act. Filing of returns of Income is compulsory for all assesses. The maintenance of books of Accounts and relevant supporting documents and registers are mandatory under the Act.

The Central Goods and Services Tax Act, 2017

The Government of India proposed a comprehensive national goods and services tax (“GST”) regime that would combine taxes and levies by the Central and State Governments into a unified rate structure. In this regard, the Constitution (101 Amendment) Act 2016, which received presidential assent on September 8, 2016, enabled the

Government of India and State Government to introduce GST. Accordingly, GST was enacted to make a provision for levy and collection of tax on supply of goods or services or both and was made effective from July 1, 2017. GST is a destination based tax levied on supply of goods and services. GST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. India adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state are levied with Central GST (CGST) by the Central Government and State GST (SGST) by the Government of that State. For inter-State transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST will be levied on all stages of the supply chain till the final sale to consumers, providing ITC the supply chain. There will be four tax rates namely 5%, 12%, 18% and 28%. The rates of GST applied are subject to variations based on the goods or services.

Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional tax is classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner.

Value Added Tax (“VAT”)

VAT is a system of multi-point Levy on each of the purchases in the supply chain with the facility of set-off input tax on sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. VAT is based on the value addition of goods, and the related VAT Liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period. VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each state that has introduced VAT has its own VAT Act, under which, persons Liable to pay VAT must register and obtain a registration number from Sales Tax Officer of the respective State.

Haryana Value Added Tax Act, 2003

An Act to provide for the imposition and collection of tax on the sale and purchase of goods in the state.

Delhi Value Added Tax Act, 2004 and amendment in 2016

An Act to provide for the imposition and collection of tax on the sale and purchase of goods in the state.

Maharashtra Value Added Tax Act, 2002

An Act to provide for the imposition and collection of tax on the sale and purchase of goods in the state.

Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975.

Customs duty is calculated on the transaction value of the goods. Customs duties are administrated by Central Board of Excise and Customs under the Ministry of Finance.

The Central Excise Act, 1944

The Central Excise Act, 1944 (Central Excise Act) consolidates and amends the law relating to Central Duties of Excise on goods manufactured or produced in India. Excisable goods under the Act means goods specified in the Schedule to the Central Excise Tariff Act, 1985 as being subject to duty of excise. Factory means any premises, including the precincts thereof, wherein or in any part of which excisable goods are manufactured, or wherein or in any part of which any manufacturing process connected with the production of these goods being carried on or is ordinarily carried out. Under the Act a duty of excise is levied on all excisable goods, which are produced or manufactured in India as and at the rates, set forth in the First Schedule to the Central Excise Tariff Act, 1985.

IV. Laws relating to Intellectual Property

The Trademarks Act, 1999 ("TM Act"), Trade Marks Act 1999 (as amended till date), Trademarks (Amendment) Act, 2010

Indian trademark law permits the registration of trademarks for goods and services. The Trade Marks Act, 1999 ("Trademark Act") governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. An application for trademark registration may be made by individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future. Once granted, trademark registration is valid for ten years, unless cancelled. If not renewed after 10 (ten) years, the mark lapses and the registration have to be restored. The Trademark (Amendment) Act, 2010 has been enacted by the government to amend the Trademark Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries. It also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to align the law with international practice.

V. Property related laws

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, and Indian Easements Act, 1882.

The Transfer of Property Act, 1882

The Transfer of Property Act, 1882 ("TP Act") as amended, establishes the general principles relating to transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingencies and vested interest in the property. It also provides for the rights and liabilities of the vendor and purchaser in a transaction of sale of land.

Indian Stamp Act, 1899, Bombay Stamp Act, 1958 and Indian Stamp (Delhi) Amendment Act, 2001

Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Stamp Act. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state.

Instruments chargeable to duty under the Stamp Act but which have not been duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments by certain specified authorities and bodies and imposition of penalties, for instruments

which are not sufficiently stamped or not stamped at all instruments which have not been properly stamped instruments can be validated by paying a penalty of up to 10 times of the total duty payable on such instruments.

The Indian Registration Act, 1908 (“Registration Act”)

The Indian Registration Act, 1908 “Registration Act” details the formalities for registering an instrument.

The Indian Easements Act, 1882(“IE Act”)

The law relating to easements and licenses in property is governed by the “IE Act”. The right of easement has been defined under the Easements Act to mean a right which the owner or occupier of any land possesses over the land of another for beneficial enjoyment of his land. Such right may allow the owner of the land to do and continue to do something or to prevent and continue to prevent something being done, in or upon any parcel of land which is not his own. Easementary rights may be acquired or created by (a) an express grant; or (b) a grant or reservation implied from a certain transfer of property; or (c) by prescription, on account of long use, for a period of twenty years without interruption; or (d) local customs.

VI. Environmental Laws

The Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”)

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the Central Pollution Control Board and the State Pollution Control Boards. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant State Pollution Control Board, which is empowered to establish standards and conditions that are required to be complied with. In certain cases the State Pollution Control Board may cause the local Magistrates to restrain the activities of such person who is likely to cause pollution. Penalty for the contravention of the provisions of the Water Act include imposition of fines or imprisonment or both.

The Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”)

Pursuant to the provisions of the Air Act, any person, establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant State Pollution Control Board prior to establishing or operating such industrial plant. The State Pollution Control Board is required to grant consent within a period of four months of receipt of an application, but may impose conditions relating to pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the State Pollution Control Board. The penalties for the failure to comply with the provisions of the Air Act include imprisonment of up to six years and the payment of a fine as may be deemed appropriate.

The Water (Prevention and Control of Pollution) Cess Act, 1977 (the “Water Cess Act”), the Water (Prevention and Control of Pollution) CESS (Amendment) Act, 2003)

The Water Cess Act provides for levy and collection of a cess on water consumed by industries with a view to augment the resources of the Central and State Pollution Control Boards constituted under the Water Act. Under this statute, every person carrying on any industry is required to pay a cess calculated on the basis of the amount of water consumed for any of the purposes specified under the Water Cess Act at such rate not exceeding the rate specified under the Water Cess Act. A rebate of up to 25% on the cess payable is available to those persons who install any plant for the treatment of sewage or trade effluent, provided that they consume water within the quantity prescribed for that category of industries and also comply with the provision relating to restrictions on new outlets and discharges under the Water Act or any standards laid down under the EPA. For the purpose of recording the water consumption, every industry is required to affix meters as prescribed. Penalties for

noncompliance with the obligation to furnish a return and evasion of cess include imprisonment of any person for a period up to six months or a fine of `1,000 or both and penalty for nonpayment of cess within a specified time includes an amount not exceeding the amount of cess which is in arrears.

The Hazardous Wastes (Management, Handling and Trans-boundary Movement) Rules, 2008 (the “Hazardous Wastes Rules”)

The Hazardous Wastes Rules aim to regulate the proper collection, reception, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose such waste without adverse effect on the environment, including through the proper collection, treatment, storage and disposal of such waste. Every occupier and operator of a facility generating hazardous waste must obtain an approval from the relevant state Pollution Control Board. The occupier, the transporter and the operator are liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste. The operator and the occupier of a facility are liable for any fine that may be levied by the relevant State Pollution Control Boards. Penalty for the contravention of the provisions of the Hazardous Waste Rules includes imprisonment up to five years and imposition of fines as may be specified in the EPA or both.

Environment Protection Act, 1986

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a frame work for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

VII. Foreign Instrument Regime

The Foreign Exchange Management Act, 1999 (“FEMA”) and Regulations framed there under.

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the ‘automatic route’ within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (“FEMA Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2000 for regulation on exports of goods and services.

The Foreign Trade (Development & Regulation) Act, 1992 and The Foreign Trade (Development & Regulation) Act, 2010 as amended from time to time, Foreign Trade Policy, 2015-2020

The Foreign Trade (Development & Regulation) Act, 1992 provides for the development and regulation of foreign trade by facilitating imports and exports from and to India. The Import-Export Code number and licence to import

or export includes a customs clearance permit and any other permission issued or granted under this act. The Export and Import policy, provision for development and regulation of foreign trade shall be made by the Central Government by publishing an order. The Central Government may also appoint Director General of Foreign Trade (DGFT) for the purpose of Export-Import Policy formulation. If any person makes any contravention to any law or commits economic offence or imports/exports in a manner prejudicial to the trade relations of India or to the interest of other person engaged in imports or exports then there shall be no Import Export Code number granted by Director-General to such person and if in case granted shall stand cancelled or suspended. Provision of search and seizure of Code of Criminal Procedure, 1973 shall apply to every search and seizure made under this Act. In case of appeals in a case the order made by the appellate authority shall be considered to be final. The powers of all the civil court under Code of Civil Procedure, 1908 shall vest in him. The EXIM Policy is a set of guidelines and instructions established by the DGFT in matters related to the export and import of goods in India. This policy is regulated under the said act. Director General of Foreign Trade (herein after referred to as DGFT) is the main governing body in matters related to the EXIM Policy. The Act shall provide development and regulation of foreign trade by facilitating imports into, and augmenting exports from India. Trade Policy is prepared and announced by the Central Government (Ministry of Commerce).

Foreign Direct Investment

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The department of Industrial Policy and Promotion (“DIPP”), has issued consolidated FDI Policy of 2017, which supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Reserve Bank of India (“RBI”) also issued Master Circulars on Foreign investment in India every year.

VIII. Laws with respect to Factories

The Factories Act, 1948 (the “Factories Act”), Punjab Factories Rules, 1950 and Punjab Factory (Haryana Amendment) Rules, 2016

The Factories Act, 1948 (“Factories Act”) seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. The term factory, as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12 (twelve) months, 10 (ten) or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 (twenty) or more workmen are employed at any day during the preceding 12 (twelve) months and in which any manufacturing process is carried on without the aid of power. An occupier of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory. The Factories Act also requires inter alia the maintenance of various registers dealing with safety, labour standards, holidays and extent of child labor including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory.

Haryana Municipal Corporation Act, 1994

Haryana Municipal Corporation Act, 1994 regulates the business licenses in the state of Haryana. The act make it very clear that no person shall, without the previous permission in writing of the Commissioner, establish in any premises, or materially alter, enlarge or extend , any factory, workshop or trade premises, in which it is intended to employ steam, electricity, water or other mechanical power. The Commissioner may refuse to give such permission, if he is of the opinion that the establishment, alteration, enlargement or extension of such factory, workshop or trade premises, in the proposed position would be objectionable by reason of the density of the population in the neighborhood thereof, or would be a nuisance to the inhabitants of the neighborhood.

IX. General Laws

The Companies Act, 1956

The Companies Act, 1956 dealt with laws relating to companies and certain other associations. It was enacted by the Parliament in 1956. The Act primarily regulated the formation, financing, functioning and winding up of companies. The Act prescribed regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constituted the main focus of the Act. In the functioning of the corporate sector, although freedom of companies was important, protection of the investors and shareholders, on whose funds they flourish, was equally important. The Act played the balancing role between these two competing factors, namely, management autonomy and investor protection.

The Companies Act, 2013

The Companies Act, 2013 (“CA 2013”) has been introduced to replace the existing Companies Act, 1956 in a phased manner. The CA 2013 primarily regulates the formation, financing, functioning and winding up of companies. The CA 2013 prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of the company. It plays a fundamental role in protecting the investors and the shareholders and balances it with different aspects of company autonomy. The Ministry of Corporate Affairs has also issued Rules complementary to the Act, establishing the procedure to be followed by the companies in order to comply with the substantive provisions of the Companies Act, 2013.

The Securities and Exchange Board of India Act, 1992

The main legislation governing the activities in relation to the securities markets is the SEBI Act and the rules, regulations and notifications framed thereunder. The SEBI Act was enacted to provide for the establishment of SEBI whose function is to protect the interests of investors and to promote the development of, and to regulate, the securities market. The SEBI Act also provides for the registration and regulation of the function of various sectors. Pursuant to the SEBI Act, SEBI has formulated various rules and regulations to govern the functions and working of these intermediaries. SEBI also issues various circulars, notifications and guidelines from time to time in accordance with the powers vested with it under the SEBI Act. SEBI has the power to impose monetary penalty under the Act and the regulations made thereunder, including but not limited to suspending or cancelling the certificate of registration and to initiate prosecution under the SEBI Act.

The Indian Contract Act, 1872 (“Contract Act”)

The “Contract Act” codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

The Negotiable Instruments Act, 1881 (“NI Act”)

In India, the laws governing monetary instruments such as cheques are contained in the “NI Act”, which is largely a codification of the English Law on the subject. To ensure prompt remedy against defaulters and to ensure credibility of the holders of the negotiable instrument a criminal remedy of penalty was inserted in Negotiable Instruments Act, 1881 in form of the Banking, Public Financial Institutions and Negotiable Instruments Laws(Amendment), 1988 which were further modified by the Negotiable Instruments (Amendment and Miscellaneous Provisions) Act, 2002.

The Competition Act, 2002

The Competition Act, 2002 (“Competition Act”) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anticompetitive agreements, abuse of dominant position and combinations. The Competition Commission of India which became operational from May 20, 2009 has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

The Public Liability Insurance Act, 1991 (“PLI Act”)

The “PLI Act” provides for public liability insurance for the purpose of providing immediate relief to persons affected by accident occurring while handling any hazardous substance and for matters connected therewith or incidental thereto. Every owner (in the case of a company, any of its directors, managers, secretaries or other officers who is directly in charge of, and is responsible to the company for the conduct of the business of the company) is obligated to take out, before he starts handling any hazardous substance, one or more insurance policies providing for contracts of insurance whereby he is insured against liability to give relief under the PLI Act. The said insurance policy shall be for a minimum amount of the paid-up capital of the Company and not exceeding fifty crore rupees.

The Specific Relief Act, 1963

The Specific Relief Act, 1963 (“SR Act”) is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The SR Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. ‘Specific performance’ means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

The Consumer Protection Act, 1986

The Consumer Protection Act (“COPRA”) aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services; price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provided for a three tier consumer grievance redressal mechanism at the national, state and district levels.

The Arbitration and Conciliation Act, 2015

The Arbitration and Conciliation Act (“Arbitration Act”) was enacted to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. The main objectives of the Act is to comprehensively cover international and commercial arbitration and conciliation as also domestic arbitration and conciliation, to make provision for an arbitral procedure which is fair, efficient and capable of meeting the needs of the specific arbitration. The Act provides for the arbitral tribunal to give reasons for its arbitral award, to ensure that the arbitral tribunal remains within the limits of its jurisdiction and thus minimizing the supervisory role of courts in the arbitral process. There are many provisions that also permit an arbitral tribunal to use mediation, conciliation or other procedures during the arbitral proceedings to encourage settlement of disputes, to provide that every final arbitral award is enforced in the same manner as if

it were a decree of the court, to provide that a settlement agreement reached by the parties as a result of conciliation proceedings will have the same status and effect as an arbitral award on agreed terms on the substance of the dispute rendered by an arbitral tribunal and to provide that, for purposes of enforcement of foreign awards, every arbitral award made in a country to which one of the two International Conventions relating to foreign arbitral awards to which India is a party applies, will be treated as a foreign award.

OUR HISTORY AND CORPORATE STRUCTURE

HISTORY & BACKGROUND

Our Company was incorporated as KBS Industries Private Limited at Delhi as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated December 11, 2012 bearing corporate identification number U74990DL2012PTC245998 issued by Registrar of Companies, Delhi. Subsequently, our Company was converted into public limited company pursuant to Shareholders Resolution passed at the Extra-Ordinary General Meeting of our Company held on April 14th, 2018 and the name of our Company was changed to KBS Industries Limited pursuant to issuance of fresh Certificate of change of name dated May 15, 2018 issued by the Registrar of Companies, Delhi. The Corporate Identification Number of our Company is U74990DL2012PLC245998.

Our Company is an ISO 9001:2015 certified company, engaged in the manufacturing and supply of high quality Semi finished copper and copper alloy products (Rods, Bus bars, Strips, Wires, Plates, Sheets and Circles). We have capability and flexibility to meet customer requirements, exact specification and size. We have set up manufacturing facilities and team of highly qualified, motivated and experienced staff in production and sales to meet customers ever growing quality and service expectation.

Mission of KBS is to offer continuously world class customer service. Our Company has a good experience in this industry and has made sure our customer to get best product and service at the right time. The manufacturing facility of our Company is situated at Plot No. 418, HSIIDC, Phase-I, Barhi Industrial Area, Haryana, India and the registered office of our Company is situated at 1/486, 2nd Floor, Kashmere Gate, Central Delhi, DL 110006 IN. Our Company is promoted by Mr. Anil Anand and Mr. Arjun, who have vast experience in the field of manufacturing of copper related products. Further, KBS Industries Limited has acquired M/s. H.K. Industries, a proprietorship firm engaged in the business of trading of copper wire, copper rod, enamelled wire, ferrous and non-ferrous metal dated 25th March 2016 for further expansion and growth of the Company.

Keeping in mind the further expansion, our Company is planning to add a new line of business which is concerned in manufacturing of wire and cables in order to enter the retail segment. Further, KBS Industries Limited is setting up a new plant of around 156 Lakhs Coils of 90Mtrs P.A. capacity at Survey No. 51/1/2, Village Kala, Silvassa, Dadra and Nagar Haveli- 396230. It will serve the purpose for manufacturing wires and cables from the copper rod manufactured by the Company itself.

Details of Total Revenue for the last Five (5) years and for the period ended on 31st March, 2018 are as under:-

Financial Year	Revenue from Operation	Other Income	Total Revenue	(Amt in Lakhs)	
				Profit before Depreciation, Interest and Tax	Profit after Tax
2013-2014	1036.61	3.41	1040.02	35.28	8.33
2014-2015	5012.97	0.63	5013.60	347.38	22.01
2015-2016	15025.86	21.74	15047.60	507.43	63.82
2016-2017	19855.17	25.46	19880.63	894.08	323.34
2017-2018	26787.97	11.72	26799.69	1441.14	728.20

Being a client centric organization, we strive hard to offer superior quality products to our respected patrons. Backed with the team of dexterous and experienced professionals, we never accept any sort of compromise with the quality of our products.

In order to execute all the business operations in a streamlined manner, we have appointed a proficient team of professionals. These professionals make sure that all the products are defect-free and will deliver high

performance. All the professionals utilize their experience and in-depth knowledge in executing the work assigned to them. To maintain the quality standard of the product our professionals follow established norms and guidelines of the industry.

Under the visionary guidance of our mentors, we have able to acquire a formidable position in the highly competitive market. The management skill, business acumen, leadership quality and vast industrial knowledge of our mentors have led our organization to execute the best and gain the confidence of numerous patrons across the region.

PRODUCT AND REGION WISE WISE TURNOVER

Financial Year 2013-14

(Amt in Lakhs)

Product Name	Haryana	Delhi	Grand Total	Percentage (%)
Copper Wire Rod	26.99	-	26.99	2.60
Copper Scrap	-	995.55	995.55	96.04
Trade of Copper	-	14.08	14.08	1.36
Total	26.99	1,009.63	1,036.62	100.00

Financial Year 2014-15

(Amt in lakhs)

Product Name	Haryana	Narela	Shahdara	Other part of Delhi	Grand Total	Percentage (%)
Copper Wire Rod	188.40	102.09	81.48	2,325.79	2,697.75	53.82
Copper Scrap	12.04	-	-	-	12.04	0.24
Trade of Copper	-	-	-	2,303.17	2,303.17	45.94
Total	200.45	102.09	81.48	4,628.96	5,012.97	100.00

Financial Year 2015-16

(Amt in Lakhs)

Product Name	Haryana	Narela	Shahdara	Other part of Delhi	Grand Total	Percentage (%)
Copper Wire Rod	5,207.10	1,261.28	9,53.67	780.25	8,202.30	54.59
Copper Scrap	-	15.20	125.46	-	140.65	0.94
Brass Scrap	822.00	-	25.45	-	847.46	5.64
Trade of Copper	-	-	-	5,835.46	5,835.46	38.83
Total	6,029.10	1,276.48	1,104.58	6,615.70	15,025.86	100.00

Financial Year 2016-17

(Amt In Lakhs)

Product Name	Haryana	Narela	Shahdara	Other part of Delhi	Mumbai	Grand Total	Percentage (%)
Copper Wire Rod	3,006.25	297.37	1,726.87	5,502.11	-	10,532.60	53.05
Copper Strip	107.79	-	-	-	-	107.79	0.54
Copper Scrap	-	1,615.5	-	-	-	1,615.59	8.14
Copper Ingot	554.13	-	-	-	-	554.13	2.80
Trade of Copper	-	-	-	401.16	6,643.89	7,045.05	35.47

Product Name	Haryana	Narela	Shahdara	Other part of Delhi	Mumbai	Grand Total	Percentage (%)
Total	3,668.17	1,912.9	1,726.87	5,903.28	6,643.8	19,855.1	100.00

Financial Year 2017-18

(Amt in Lakhs)

Product Name	Haryana	Narela	Shahdara	Other part of Delhi	Mumbai	Grand Total	Percentage (%)
Copper Wire Rod	6,406.25	1,682.13	844.22	1,232.48	-	10,165.09	37.95
Metal Alloy	132.45	684.63	-	-	-	817.08	3.05
Copper Strip	312.44	111.83	-	-	-	424.28	1.58
Copper Scrap	232.55	-	26.12	345.28	-	603.96	2.25
Brass Scrap	866.97	-	-	-	-	866.97	3.24
Copper Ingot	1,006.25	228.07	-	-	-	1,234.32	4.61
Copper Rod	806.65	405.31	-	10,82.58	-	2,294.55	8.56
Trade of Copper	-	-	-	-	10,381.73	10,381.73	38.76
Total	9,763.57	3,111.9	870.34	2,660.35	10,381.7	26,787.9	100.00

For information on the Company's activities, market, growth, technology and managerial competence, please see the chapters "Our Management", "Our Business" and "Industry Overview" beginning on pages 154, 118, and 104 respectively of this Draft Prospectus.

MAIN OBJECTS OF OUR COMPANY

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

1. To carry on the business of buying, selling, manufacturing milling, processing, fabricating, reselling, importing, exporting, transporting, storing, developing, promoting, marketing or supplying, trading, dealing in any manner whatsoever in all type of goods and products including cooper rod, wire & allied business processing / milling in India or elsewhere.
2. To carry on the business as exhibitors of various goods, services and merchandiser and to undertake the necessary activities to promote sales of goods, service and merchandise manufactured / dealt with/ provided by the Company.
3. To act as broker, trader, agent, C & F agent, shipper, commission agent, distributor, representative, franchiser, consultant, collaborator, stockiest, liasioner, job worker, export house of goods, merchandise and services of grades, specification, descriptions, applications, modalities, fashions including by products, spares or accessories thereof, on retail as well as on wholesale basis.

CHANGES IN REGISTERED OFFICE

There has been no change in the registered office of the Company since incorporation. However, the shareholders of our Company has approved special resoulion for shifting of our Registered Office from the NCT of Delhi (i.e. from the jurisdiction of the Registrar of Companies, National Capital Territory of Delhi) to State of Maharashtra

(i.e. to the jurisdiction of the Registrar of Companies, Mumbai, Maharashtra) at the extra ordinary general meeting held on 6th May, 2017. However, the Company did not proceed for the same.

CHANGES IN THE MEMORANDUM OF ASSOCIATION

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

DATE	AMENDMENT
21 st January, 2013	Increase in Authorised Share Capital from Rs. 1.00 lakhs divided into 10,000 Equity Shares of Rs. 10 each to Rs. 1,000.00 lakhs divided into 1,00,00,000 equity Shares of Rs. 10 each
1 st April, 2016	Increase in Authorised Share Capital from Rs. 1,000.00 lakhs divided into 1,00,00,000 equity Shares of Rs. 10 each to Rs. 1,500.00 lakhs divided into 1,50,00,000 Equity Shares of Rs. 10 each
20 th January, 2018	Increase in Authorised Share Capital from Rs. 1,500.00 lakhs divided into 1,50,00,000 Equity Shares of Rs. 10 each to Rs. 2,500.00 lakhs divided into 2,50,00,000 Equity Shares of Rs. 10 each
02 nd January, 2018	Change of Objects of the Company, Adoption of New Set of Memorandum of Association as per Companies Act, 2013.
14 th April, 2018	Change of Name of the Company to “KBS Industries Limited” consequent upon conversion from Private Limited to Public Limited Company and consequent change in Memorandum of Associations of the Company.

MAJOR EVENTS AND MILESTONES

YEAR	PARTICULARS
2012	Company was Incorporated by taken over the existing running business of M/s. KBS Industries in the name of “KBS Industries private Limited”
2013	1800 Sq. Mtr. Industrial Land acquired by the Company at Built Up Shed No. 418, Phase- I, HSIIDC I.E, Barhi, Teh. Ganaur, Dist. Sonipat.
2013	Start the Commercial Production.
2016	Acquisition of Proprietary Firm, M/s H K Industries vide agreement dated 25 th March, 2016.
2017	Take on lease the property situated at F-1730 DSIDC Narela Industrial Area, New Delhi-110040
2017	Set up a Corporate office at Mumbai at 609, B - Wing, Express Zone, Off Western Express Highway, Malad (E), Mumbai - 400 097
2018	Conversion from Pvt. Ltd. to Public Limited and thereby change of Name of the Company to “KBS Industries Limited”
2018	Change of Objects of the Company.
2018	The Company decided to list its Equity Shares at SME Platform

HOLDING COMPANY OF OUR COMPANY

Our Company has no holding Company as on the date of filing of the Draft Prospectus.

SUBSIDIARY OF OUR COMPANY

Our Company has no Subsidiary Company as on the date of filing of the Draft Prospectus.

ACCUMULATED PROFITS OR LOSSES NOT ACCOUNTED FOR

The accumulated profits or losses of our Subsidiary, if any, have been accounted for by our Company in the restated audited financial statements of our Company included in this Draft Prospectus. For further details, please refer to the chapter titled “Financial Information” on page 173 of this Draft Prospectus.

SHAREHOLDERS AGREEMENTS

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

OTHER AGREEMENTS

Our Company has not entered into any specific or special agreements except that have been entered into in ordinary course of business as on the date of filing of the Draft Prospectus.

COLLABORATION

Our Company has not entered into any collaboration with any third party as per regulation (VIII) B (1) (c) of part A Schedule VIII of SEBI (ICDR) Regulations, 2009.

REVALUATION OF ASSETS

Our Company has not revalued its assets since its incorporation.

STRATEGIC PARTNER

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

FINANCIAL PARTNER

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

INJUNCTIONS OR RESTRAINING ORDERS

There are no injunctions / restraining orders that have been passed against the company.

JOINT VENTURES

As on the date of this Draft Prospectus, there are no joint ventures of our Company.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS OR BANKS

There have been no defaults or rescheduling of borrowings with financial institutions or banks as on the date of this Draft Prospectus.

NUMBER OF SHAREHOLDERS

Our Company has Seven (7) shareholders on date of the Draft Prospectus.

OUR MANAGEMENT

BOARD OF DIRECTORS

Under our Articles of Association, our Company is required to have not less than three (3) Directors and not more than Fifteen (15) Directors. Our Company currently has Five (5) Directors on Board. The following table sets forth current details regarding our Board of Directors:

Name, Father's name, Address, Occupation, Nationality, tenure & DIN	Age	Status of Directorship in our Company	Other Directorships
1. Mr. Arjun S/o Mr. Anil Flat No. 505, A Wing, Hubtown Sunmist Sai Wadi, Telli Galli, Andheri Mumbai 400069 Occupation: Business Nationality: Indian Tenure: Five Years from 21 st May, 2018 DIN: 05125256	35 Years	Managing Director	Nil
2. Ms. Monica Sachdeva D/o Mr. Vijay Kumar Sachdeva 34/34, Block-34, West Patel Nagar New Delhi 110 008 Occupation: Professional Nationality: Indian Tenure: Retire by rotation DIN: 03627539	34 Years	Executive Director and Chief Financial Officer	Nil
3. Mr. Anil Anand S/o Mr. Ram Raksh Pal Anand House No-24, Ground Floor, Road No - 70 West Punjabi Bagh New Delhi 110 026 Occupation: Business Nationality: Indian Tenure: Retire by Rotation DIN: 02073604	63 Years	Non Executive and Non Independent Director	Arjun Enterprises Private Limited
4. Ms. Hetal Kishor Vora D/o Mr. Kishor Visanji Vora 26-B, Flat No. 14, Govind Nagar, Sodawala Lane, Hanuman Mandir, Borivali West, Mumbai -400 092. Occupation: Professional Nationality: Indian Tenure: Five Years w.e.f. 21 st May, 2018 DIN: 08155319	34 years	Non Executive and Independent Director	Nil
5. Mr. Gaurav Jhanwar S/o Mr. Shiv Ratan Jhanwar Gandhi Chowk, Parbatsar Nagaur, Rajasthan - 341 512. Occupation: Professional	26 years	Non Executive and Independent Director	Nil

Name, Father's name, Address, Occupation, Nationality, tenure & DIN	Age	Status of Directorship in our Company	Other Directorships
Nationality: Indian Tenure: Five Years w.e.f. 21 st May, 2018 DIN: 08154094			

Note:

As on the date of the Draft Prospectus:

1. None of the above mentioned Directors are on the RBI List of willful defaulters as on date.
2. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) for more than 3 months during the five years prior to the date of filing the Draft Prospectus or (b) delisted from the stock exchanges.
3. None of the Promoters, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

DETAILS OF DIRECTORS

Mr. Arjun: aged 35 years, is Promoter and Managing Director of our Company. He is Bachelor of Commerce from Delhi University. He is having more than 10 years of Experience in the field of Finance and Marketing. He looks after day-to-day routine operational activities of our Company and formulation of business policies, strategies etc. He guides company in its growth strategies. He has been on the board of Company since December, 2012.

Ms. Monica Sachdeva: aged 34 years, is member of Promoter Group and Executive Director & Chief Financial Officer of our Company. She is wife of Mr. Arjun. She is MBA from Amity University. She is having more than 8 years of Experience in the field of Finance and Indirect Taxation. She looks after day-to-day routine operational activities of our Company and formulation of business policies, strategies etc. She guides company in its growth strategies. She has been on the board of Company since February, 2016.

Mr. Anil Anand: aged 63 years, is Promoter and Non Executive Director of our Company. He is Mentor and father of Mr. Arjun. He is guiding force behind the foundation of our Company. He is Bachelor of Commerce from Punjab University. He is having more than 45 years of Experience in the field of Copper Industrial Sector. He looks after formulation of business policies, strategies etc. He guides company in its growth strategies and Expansion plan. He has been on the board of Company since April, 2018.

Ms. Hetal Kishore Vora: aged 34 years, is Non Executive Director and Independent Director of the Company. She is Bachelor in Commerce. She is having more than 10 years of Experience in management activities, She has been associated with various mobile giants as their operation manager. As an Independent Director of our Company with corporate acumen & experience, She brings value addition to our Company. She has been on the board of Company since May, 2018.

Mr. Gaurav Jhanwar: aged 26 years, is Non Executive Director and Independent Director of the Company. He is Company Secretary, Master in Master Studies from YMT college of Management, Kharghar, Mumbai University in 2012, he is B.Com (Hons) From Economics Commerce College, Jaipur, Rajasthan University in 2010. He is having more than 5 year of experience in Equity, Derivatives and Client Servicing. He is handling corpus of 80-85 cr in different asset classes equities, derivatives, & mutual funds he has gained exposure in Equity Research and

Investment Analysis. He is Capable of implementing systems to achieve financial discipline, enhance efficiency of organization and formulating key reports to exercise control/report to management. He is a effective communicator with excellent relationship building & interpersonal and problem solving skills. As an Independent Director of our Company with corporate acumen & experience, he brings value addition to our Company. He has been on the board of Company since May, 2018.

CONFIRMATIONS

None of the Directors is or was a director of any listed company during the last five years preceding the date of filing of the Draft Prospectus, whose shares have been or were suspended from being traded on the BSE or the NSE, during the term of their directorship in any such company.

None of the Directors is or was a director of any listed company which has been or was delisted from any recognized stock exchange in India during the term of their directorship in such company.

NATURE OF FAMILY RELATIONSHIP AMONG DIRECTORS

Mr. Arjun is son of Mr. Anil Anand and Mr. Arjun is husband of Ms. Monica Sachdeva.

BORROWING POWERS OF THE DIRECTORS

Pursuant to a special resolution passed at Extra Ordinary General Meeting of our Company held on 26th February, 2018, consent of the members of our Company was accorded to the Board of Directors of our Company pursuant to Section 180 of the Companies Act, 2013 for borrowing from time to time any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) may exceed in the aggregate, the paid-up capital of our Company and its free reserves, provided however, the total amount so borrowed in excess of the aggregate of the paid-up capital of our Company and its free reserves shall not at any time exceed Rs. 200 Crores.

TERMS OF APPOINTMENT AND COMPENSATION OF OUR DIRECTORS

Name	Mr. Arjun	Ms. Monica Sachdeva
Designation	Managing Director	Executive Director
Period	Five years from 21.05.2018	Retire by rotation
Date of Appointment	21.05.2018 as Managing Director	15 th February, 2016
Remuneration	a) Remuneration Rs. 1,25,000/- per month (Rupees One lakhs Twenty Five thousands Only) (Rs. 75,000 as salary, Rs. 30,000 as Special Allowance and Rs. 20,000 as Conveyance) with such annual increments / increases as may be decided from time to time. b) Minimum Remuneration In the event of loss or inadequacy of profits in any financial year during the tenure of the appointment. Appointee shall subject to the approval of the Central Government, if required, be paid remuneration by way of salaries and perquisites as set out above, as minimum remuneration, subject to restrictions, if	a) Remuneration Rs. 1,00,000/- per month (Rupees One Lac Only) with such annual increments / increases as may be decided from time to time. b) Minimum Remuneration In the event of loss or inadequacy of profits in any financial year during the tenure of the appointment. Appointee shall subject to the approval of the Central Government, if required, be paid remuneration by way of salaries and perquisites as set out above, as minimum remuneration, subject to restrictions, if any, set out in section IV of the Schedule V to the Companies Act,

	any, set out in section IV of the Schedule V to the Companies Act, 2013, from time to time.	2013, from time to time.
Remuneration paid in FY 31st March, 2018	Rs. 12.00 Lakhs	Rs. 9.00 Lakhs

There is no definitive and /or service agreement that has been entered into between our Company and the directors in relation to their appointment except that the Company has entered into an agreement dated 21st May, 2018 with Mr. Arjun for appointment as Managing Director.

NON - EXECUTIVE DIRECTORS

Currently, non-executive Directors are not being paid sitting fees.

CORPORATE GOVERNANCE

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including the Listing Agreement to be executed with the Stock Exchange and the SEBI Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. 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, as required under law.

We have a Board constituted in compliance with the Companies Act. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our executive management provides the Board detailed reports on its performance periodically.

Currently, our Board has Five (5) Directors. We have Two (2) Executive Non-Independent Director, and One (1) Non Executive and Non Independent Director and Two (2) Independent Non Executive Directors. The Chairman of the Board is Mr. Arjun being Managing Director. The constitution of our Board is in compliance with the Companies Act, 2013.

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

- A) Audit Committee
- B) Stakeholders Relationship Committee
- C) Nomination and Remuneration Committee

AUDIT COMMITTEE

Our Company has constituted an audit committee ("Audit Committee"), as per the provisions of Section 177 of the Companies Act, 2013 vide resolution passed in the meeting of the Board of Directors held on 21st May, 2018.

The terms of reference of Audit Committee complies with the requirements of Companies Act, 2013. The committee presently comprises following three (3) directors. Ms. Monica Sachdeva is the Chairperson of the Audit Committee.

Sr. No.	Name of the Director	Status	Nature of Directorship
1.	Ms. Monica Sachdeva	Chairperson	Executive Director
2.	Ms. Hetal Kishore Vora	Member	Independent Director
3.	Mr. Gaurav Jhanwar	Member	Independent Director

Role of Audit Committee

The terms of reference of the Audit Committee are given below:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
6. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
7. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
8. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section (3) of section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
9. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
10. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
11. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
13. Discussion with internal auditors any significant findings and follow up there on.
14. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders,

- shareholders (in case of non payment of declared dividends) and creditors.
17. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
 18. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
 19. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
 20. Mandatorily reviews the following information:
 - a. Management discussion and analysis of financial condition and results of operations;
 - b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d. Internal audit reports relating to internal control weaknesses; and
 - e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee
 21. Review the Financial Statements of its subsidiary company, if any.
 22. Review the composition of the Board of Directors of its Subsidiary Company, if any.
 23. Review the Vigil mechanism (whistle blowing) policy.
 24. Review the use/application of funds raised through an issue (public issues, right issues, preferential issues etc) on a quarterly basis as a part of the quarterly declaration of financial results. Further, review on annual basis statements prepared by the Company for funds utilized for purposes other than those stated in the offer document.

In addition, to carry out such other functions/powers as may be delegated by the Board to the Committee from time to time.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Our Company has constituted a Stakeholders Relationship Committee ("***Stakeholders relationship committee***") to redress the complaints of the shareholders. The Stakeholders Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on 21st May, 2018. The committee currently comprises of three (3) Directors. Mr. Anil Anand is the Chairman of the Stakeholders relationship Committee.

Sr. No.	Name of the Director	Status	Nature of Directorship
1.	Mr. Anil Anand	Chairman	Non Executive and Non Independent Director
2.	Ms. Monica Sachdeva	Member	Executive Director
3.	Mr. Gaurav Jhanwar	Member	Independent Director

Role of stakeholder Relationship committee

The Stakeholder Relationship Committee of our Board look into:

- The redressal of investors complaints viz. non-receipt of annual report, dividend payments etc.
- Matters related to share transfer, issue of duplicate share certificate, dematerializations.
- Also delegates powers to the executives of our Company to process transfers etc.

The status on various complaints received / replied is reported to the Board of Directors as an Agenda item.

NOMINATION AND REMUNERATION COMMITTEE

Our Company has constituted a Nomination and Remuneration Committee ("Nomination and Remuneration Committee") in terms of section 178 (3) of Companies Act, 2013. The Nomination and Remuneration Committee was constituted vide resolution passed at the meeting of the Board of Directors held on 21st May, 2018. The Committee currently comprises of three (3) Directors. Mr. Anil Anand is the Chairman of the Nomination and Remuneration Committee.

Sr. No.	Name of the Director	Status	Nature of Directorship
1.	Mr. Anil Anand	Chairman	Non Executive and Non Independent Director
2.	Ms. Hetal Kishor Vora	Member	Independent Director
3.	Mr. Gaurav Jhanwar	Member	Independent Director

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

The terms of reference of the Nomination and Remuneration Committee are as follows:

- The Nomination and Remuneration committee recommends to the board the compensation terms of the executive Directors.
- The committee to carry out evolution of every director's performance and recommend to the board his/her appointment and removal based on the performance.
- The committee to identify persons who may be appointed in senior management in accordance with the criteria laid down.
- Framing and implementing on behalf of the Board and on behalf of the shareholders, a credible and transparent policy on remuneration of executive directors including ESOP, Pension Rights and any compensation payment.
- Considering approving and recommending to the Board the changes in designation and increase in salary of the executive directors.
- Ensuring the remuneration policy is good enough to attract, retain and motivate directors.
- Bringing about objectivity in deeming the remuneration package while striking a balance between the interest of the Company and the shareholders.

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

Our Company undertakes to comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 after listing of our Company's shares on the Stock Exchange. Our Company Secretary and Compliance Officer, Ms. Komal Suresh Kumar Churiwala is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

SHAREHOLDING DETAILS OF THE DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares. The following table details the shareholding of our Directors as on the date of this Draft Prospectus:

Name of the Director	No. of Equity Shares	Pre-Issue percentage Shareholding
Mr. Arjun	24,07,500	18.30
Mr. Anil Anand	66,27,214	50.38
Ms. Monica Sachdeva	14,21,500	10.81
TOTAL	1,04,56,214	79.49

INTEREST OF DIRECTORS

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

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

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

PROPERTY INTEREST

Except as disclosed in the section titled “Our Business” on page 118, our Promoters do not have any interest in any property acquired by or proposed to be acquired by our Company since incorporation.

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

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

Name	Date of Appointment	Date of Cessation	Reason
Ms. Monica Sachdeva	15.02.2016	-	Appointment as an Executive Director
Ms. Somya Khetrapal	-	20.02.2016	Resignation
Mr. Anil Anand	02.04.2018	-	Appointment as Additional Non Executive Director
Mr. Arjun	21.05.2018	-	Appointed as Managing Director
Mr. Hetal Kishore Vora	21.05.2018	-	Appointment as an Independent Director
Mr. Gaurav Jhanwar	21.05.2018	-	Appointment as an Independent Director
Mr. Anil Anand	14.04.2018	-	Change of Designation as Director

ORGANISATION STRUCTURE

KEY MANAGERIAL PERSONNEL

Our Company is managed by its Board of Directors, assisted by qualified professionals, in the respective field of finance/ capital market and corporate laws.

The following key personnel assist the Management of our Company:

Name	Date of Joining at Current Position	Designation	Functional Responsibilities	Qualification
Mr. Arjun	21.05.2018	Managing Director	Responsible for overall function of the company	B.Com
Ms. Monica Sachdeva	15.02.2016 as an Executive Director and 21.05.2018 as	Executive Director and CFO	Responsible for operations and daily working of the company and Taking care of entire gamut of	MBA in Finance

Name	Date of Joining at Current Position	Designation	Functional Responsibilities	Qualification
	Chief Financial Officer (CFO)		Corporate Finance, Marketing, Strategies and Business Development	
Ms.Komal Suresh Kumar Churiwala	16.02.2018	Company Secretary	ROC,SEBI Compliance and drafting of day to day agreement etc.	CS, B.Com

BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

Mr. Arjun: aged 35 years, is Promoter and Managing Director of our Company. He is Bachelor of Commerce from Delhi University. He is having more than 10 years of Experience in the field of Finance and Marketing. He looks after day-to-day routine operational activities of our Company and formulation of business policies, strategies etc. He guides company in its growth strategies. He has been on the board of Company since December, 2012.

Ms. Monica Sachdeva: aged 34 years, is member of Promoter Group and Executive Director & Chief Financial Officer of our Company. She is wife of Mr. Arjun. She is MBA from Amity University. She is having more than 8 years of Experience in the field of Finance and Indirect Taxation. She looks after day-to-day routine operational activities of our Company and formulation of business policies, strategies etc. She guides company in its growth strategies. She has been on the board of Company since February, 2016.

Ms.Komal Suresh Kumar Churiwala is Company Secretary & Compliance Officer of our Company. She is an associate member of Institute of Companies Secretaries of India and Commerce graduate. She is associated with our Company from February, 2018. Her scope of work and responsibilities includes vetting of agreements, preparation of minutes, drafting of resolutions, preparation and updating of various statutory registers, and compliance with the provisions of Companies Act, 2013.

FAMILY RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

There is no family relationship between the key managerial personnel of our Company except that Mr. Arjun is husband of Ms. Monica Sachdeva.

ALL KEY MANAGERIAL PERSONNEL ARE PERMANENT EMPLOYEE OF OUR COMPANY

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Apart from below mentioned shareholding of Key Managerial Personnel, none of the key managerial personnel holds any Equity Shares of our Company.

Name	Designation	Shares held
Mr. Arjun	Managing Director	24,07,500
Ms. Monica Sachdeva	Executive Director and Chief Financial Officer	14,21,500
Total		38,29,000

BONUS OR PROFIT SHARING PLAN FOR THE KEY MANAGERIAL PERSONNEL

There is no profit sharing plan for the Key Managerial Personnel. Our Company makes bonus payments to the employees based on their performances, which is as per their terms of appointment.

LOANS TO KEY MANAGERIAL PERSONNEL

There are no loans outstanding against Key Managerial Personnel as on 31st March, 2018.

CHANGES IN KEY MANAGERIAL PERSONNEL OF OUR COMPANY DURING THE LAST THREE (3) YEARS

There are changes in the Key Managerial Employees of the Issuer during the last three (3) years are as follows.

Name	Date of Appointment	Date of Cessation	Reason
Ms. Shreya Kohli	01.03.2016	-	Appointment
Ms. Shreya Kohli	-	31.07.2016	Resignation
Ms.Komal Suresh Kumar Churiwala	16.02.2018	-	Appointment
Mr. Mr. Arjun	21.05.2018	-	Appointment
Ms. Monica Sachdeva	21.05.2018	-	Appointment

EMPLOYEES STOCK OPTION SCHEME

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

PAYMENT OR BENEFIT TO OUR OFFICERS

Except for the payment of normal remuneration for the services rendered in their capacity as employees of our Company, no other amount or benefit has been paid or given within the two (2) preceding years or intended to be paid or given to any of them.

OUR PROMOTERS

The Promoters of our Company are:

1. Mr. Arjun;
2. Mr. Anil Anand;

DETAILS OF OUR PROMOTERS ARE AS UNDER

1. MR. ARJUN

	Mr. Arjun: aged 35 years, is Promoter and Managing Director of our Company. He is Bachelor of Commerce from Delhi University. He is having more than 10 years of Experience in the field of Finance and Marketing. He looks after day-to-day routine operational activities of our Company and formulation of business policies, strategies etc. He guides company in its growth strategies. He has been on the board of Company since December, 2012.

Identification

Name	Mr. Arjun
Permanent Account Number	AOLPA6963R
Passport No.	N4297420
Voter ID	UVL1054931
Driving License	DL-0820030154449
Bank Account Details	Karnataka Bank A/c No. 5462500100993401
AADHAR Number	9220 7839 0034

2. MR. ANIL ANAND

	Mr. Anil Anand: aged 63 years, is Promoter and Non Executive Director of our Company. He is Mentor and father of Mr. Arjun. He is guiding force behind the foundation of our Company. He is Bachelor of Commerce from Punjab University. He is having more than 45 years of Experience in the field of Copper Industrial Sector. He looks after formulation of business policies, strategies etc. He guides company in its growth strategies and Expansion plan. He has been on the board of Company since April, 2018.

Identification

Name	Mr. Anil Anand
Permanent Account Number	AFVPA0082J
Passport No.	K5016745
Voter ID	IXE0392050

Driving License	-
Bank Account Details	HDFC Bank Ltd. A/c No. 50100051854411
AADHAR Number	3074 2365 9038

For additional details on the age, background, personal address, educational qualifications, experience, positions/posts held in the past, terms of appointment as Directors and other directorships of our Promoters, please see the Chapter titled “Our Management” beginning on page 154 of this Draft Prospectus

For details of the build-up of our Promoters’ shareholding in our Company, please see the chapter titled “Capital Structure” beginning on page 71 of this Draft Prospectus.

OTHER UNDERTAKINGS AND CONFIRMATIONS

Our Company undertakes that the details of Permanent Account Number, bank account number and passport number of the Promoter will be submitted to the SME platform of NSE Emerge Exchange, where the securities of our Company are proposed to be listed at the time of submission of Draft Prospectus.

COMMON PURSUITS OF OUR PROMOTER

Our Promoter does not have any common pursuits and are not engaged in the business similar to those carried out by our Company.

INTEREST OF THE PROMOTER

Interest in the promotion of Our Company

Our Promoter may be deemed to be interested in the promotion of the Issuer to the extent of the Equity Shares held by themselves as well as their relative and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. Further, our Promoter may also be interested to the extent of Equity Shares held by or that may be subscribed by and allotted to companies and firms in which either of them are interested as a director, member or partner. In addition, our Promoter, being Director may be deemed to be interested to the extent of fees, if any, payable for attending meetings of the Board or a committee thereof as well as to the extent of remuneration and reimbursement of expenses, if any, payable under our Articles of Association and to the extent of remuneration, if any, paid for services rendered as an officer or employee of our Company as stated in section titled “Our Management” on page 154 of this Draft Prospectus.

Interest in the property of our Company

Our Promoter does not have any interest in any property acquired by or proposed to be acquired by our Company since incorporation except as stated in section titled “Our Business” on page 118 of this Draft Prospectus.

Interest as Member of our Company

As on the date of this Draft Prospectus, our Promoter and Promoter Group collectively hold 1,31,54,214 Equity Shares of our Company and is therefore interested to the extent of their shareholding and the dividend declared, if any, by our Company. Except to the extent of shareholding of the Promoter in our Company and benefits as provided in the section titled ‘Terms of appointment and compensation of our Directors’ on page 156, our Promoter does not hold any other interest in our Company.

Also see “Our Management-Interest of Directors” on page 161 of Draft Prospectus.

PAYMENT AMOUNTS OR BENEFIT TO OUR PROMOTER DURING THE LAST TWO YEARS

No payment has been made or benefit given to our Promoter in the two years preceding the date of the Draft Prospectus except as mentioned / referred to in this chapter and in the section titled ‘Our Management’, ‘Financial Information’ and ‘Capital Structure’ on page 154, 173 and 71 respectively of this Draft Prospectus. Further as on the date of the Draft Prospectus, there is no bonus or profit sharing plan for our Promoter.

CONFIRMATIONS

For details on litigations and disputes pending against the Promoter and defaults made by them, please refer to the section titled “*Outstanding Litigation and Material Developments*” on page 217 of the Draft Prospectus. Our Promoters have not been declared a willful defaulter by the RBI or any other governmental authority and there are no violations of securities laws committed by our Promoter in the past or are pending against them.

RELATED PARTY TRANSACTIONS

Except as disclosed in the section titled “*Related Party Transactions*” beginning on page 171, our Company has not entered into any related party transactions with our Promoters.

OUR PROMOTER GROUP / GROUP COMPANIES / ENTITIES

PROMOTER GROUP INDIVIDUALS

The following natural persons (being the immediate relative of our Promoter) form part of our Promoter Group:

Relatives of Promoters:

Relationship	Mr. Arjun	Mr. Anil Anand
Spouse	Ms. Monica Sachdeva	Mrs. Achala Anand
Father	Mr. Anil Anand	Late Ram Prakash Pal Anand
Mother	Mrs. Achala Anand	Late Suhangrani Anand
Brother	Mr. Ashish Anand	-
Sister	-	Late Shashi Arora, Ms. Chandraprabha Maggi, Ms. Kushal Bhalla
Son	-	Mr. Arjun, Mr. Ashish Anand
Daughter	Ms. Prisha Anand, Mr. Tarasha Anand	-
Spouse's father	Mr. Vijay Sachdeva	Late Kailashchandra Trehan
Spouse's Mother	Ms. Anita Sachdeva	Ms. Premlata Trehan
Spouse's Sister	Mrs. Cherry Rajpal	Late Sushma Sethi, Ms. Shalini Arora
Spouse's Brother	Mr. Saurabh Sachdeva	Late Praveen Trehan, Mr. Harshvardhan Trehan

Note: Ms. Somya Kheterpal, wife of Mr. Ashish Anand has been considered as a part of Promoter Group being person acting in concert.

Mr. Vijay Sachdeva, Ms. Anita Sachdeva, Mr. Saurabh Sachdeva, Mrs. Cherry Rajpal, Ms. Premlata Trehan, Ms. Shalini Arora, Mr. Harshvardhan Trehan being immediate relatives of our Promoters do not form part of the Promoter Group of the Company. Moreover, they do not own shareholding in our Company and are also not involved in the business of our Company. Our Promoters has submitted that the information related to them and/or business/financial interest held by these relatives is not accessible for the purpose of disclosure in the Draft Prospectus/Prospectus and consequently, their entities should not be considered to be part of the "Promoter Group" and "Group Companies. Therefore, though there are no formal disassociation arrangements they are not treated as part of Promoter Group and the disclosures made in this Draft Prospectus are limited to the extent of Information that has been made available by our Promoters in relation to promoter Group and Group Companies.

PROMOTER GROUP COMPANIES AND ENTITIES

As specified in clause 2 (zb) of the SEBI Regulation, the companies, HUFs, partnership firms and other entities, that form part of our Promoter Group are as follows:

S.No.	Name of Entity
1.	M/s Arjun Enterprises Private Limited
2.	M/s H K Infrabuild Private Limited

RELATIONSHIP OF PROMOTERS WITH OUR DIRECTORS

Promoters	Directors	Relationship

Promoters	Directors	Relationship
Mr. Arjun	Mr. Anil Anand	Mr. Arjun is son of Mr. Anil Anand
Mr. Arjun	Ms. Monica Sachdeva	Mr. Arjun is husband of Ms. Monica Sachdeva
Mr. Anil Anand	Mr. Arjun	Mr. Anil Anand is father of Mr. Arjun
Mr. Anil Anand	Ms. Monica Sachdeva	Mr. Anil Anand is father in law of Ms. Monica Sachdeva.

GROUP ENTITIES OF OUR COMPANY

As per the requirements of SEBI (ICDR) Regulations, for the purpose of identification of 'group companies/entities', our Company has considered companies as covered under the applicable accounting standards (i.e. Accounting Standard 18 issued by the Institute of Chartered Accountants of India) on a consolidated basis, or other companies as considered material by our Board. Pursuant to a resolution of our Board dated 9th June, 2018, for the purpose of disclosure in offer documents for the Issue, a company shall be considered material and will be disclosed as a Group Entity if such company forms part of the Promoter Group, and our Company has entered into one or more transactions with such company in the previous audit fiscal year / period cumulatively exceeding 20% of the total revenue of our Company for such fiscal.

Based on the above, our Company do not have any group entities.

COMMON PURSUITS

M/s Arjun Enterprises Private Limited, Promoter Group entities is engaged in the business similar to those carried out by our Company.

LITIGATION/ DEFAULTS

For details relating to legal proceedings involving the Promoters and Members of the Promoter Group, see the section titled "Outstanding Litigation and Material Developments" beginning on page 217 of this Draft Prospectus.

DISASSOCIATION WITH COMPANIES/FIRMS BY THE PROMOTERS OF OUR COMPANY DURING THE PRECEDING THREE (3) YEARS

Our Promoters have not disassociated with any of entity during the preceding three (3) years from the date of Draft Prospectus.

INTEREST OF PROMOTER GROUP COMPANIES

Our Promoter Group companies are interested parties to the extent of their shareholding in the Company, if any dividend and distributions which may be made by the Company in future and to the extent of the related party transactions disclosed in the section titled "*Related Party Transactions*" beginning on page 171 of the Draft Prospectus.

RELATED BUSINESS TRANSACTION WITHIN THE GROUP AND SIGNIFICANCE ON FINANCIAL PERFORMANCE

There is no business transactions between our Company and the Promoter Group Companies except as stated on page 171 under section titled as "*Related Party Transactions*".

SALE OR PURCHASE BETWEEN OUR COMPANY AND OUR PROMOTER GROUP COMPANIES

There are no sales or purchases between our Company and any company in the Promoter Group exceeding 10% of the sales or purchases of our Company except as stated on page 171 under section titled as "*Related Party Transactions*".

SICK COMPANIES

There are no Companies in our group listed above which have been declared as a sick company under the SICA. There are no winding up proceedings against any of Promoter Group Companies. The Promoter Group Companies do not have negative net worth. Further, no application has been made by any of them to RoC to strike off their names.

CONFIRMATION

Our Promoters and persons forming part of Promoter Group have confirmed that they have not been declared as willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them. Additionally, none of the Promoters and persons forming part of Promoter Group has been restrained from accessing the capital markets for any reasons by SEBI or any other authorities. None of the Promoter or Group Companies has a negative net worth as of the date of the respective last audited financial statements.

RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to Annexure 27 of restated financial statement under the section titled “*Financial Information*” on page 173 of the Draft Prospectus.

DIVIDEND POLICY

Under the Companies Act, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting. The shareholders of our Company have the right to decrease not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

There are no dividends declared by our Company in the preceding five financial years.

Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

SECTION V - FINANCIAL INFORMATION

To,
The Board of Directors,
KBS Industries Limited
B-609, Express Zone,
Western Express Highway,
Malad(East), Mumbai-400097

Dear Sir,

We have examined the Financial Information of **KBS Industries Limited** (the Company) described below and annexed to this report for the purpose of inclusion in the offer document. The Financial Information has been prepared in accordance with the requirements of paragraph B (1) of Part II of Schedule II to the Companies Act, ('the Act'), The Securities and Exchange Board of India (SEBI) - Issue of Capital and Disclosure Requirements Regulations, 2009 ('ICDR Regulations') notified on 26th August, 2009, the Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India (ICAI) and in terms of the engagement agreed upon by us with the Company.

The Financial Information has been approved by its Board of Directors.

Audit for the financial year ended 31st March, 2014, 31st March, 2015 was conducted by M/S Tirlok Udit & Co, Chartered Accountants. 31st March 2016, 31st March, 2017 And 31st March 2018 was conducted by M/s SSRV & Associates, Chartered Accountants and accordingly reliance has been placed on the financial information examined by them for the said years. The financial report included for these years are based solely on the report submitted by them.

In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts of **KBS Industries Limited**, We, **M/s. SSRV & Associates**, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the 'Peer Review Board' of the ICAI.

A. Financial Information as per Audited Financial Statements:

We have examined:

- a. the attached Statement of Assets and Liabilities, as Restated as at year ended March 31, 2014, 2015, 2016, 2017 and 2018 (**Annexure 1**);
- b. the attached Statement of Profits and Losses, as Restated for the year ended March 31, 2014, 2015, 2016, 2017 and 2018 (**Annexure 2**);
- c. the attached Statement of Cash Flows, as Restated for the year ended March 31, 2014, 2015, 2016, 2017 and 2018 (**Annexure 3**);
- d. the significant accounting policies adopted by the Company and notes to the Restated Financial Statements along with adjustments on account of audit qualifications / adjustments / regroupings. (**Annexure 4**);

(Collectively hereinafter referred as “Restated Financial Statements”)

The Restated Financial Statements have been extracted from audited Financial Statements of the Company for the year ended March 31, 2014, 2015, 2016, 2017 and 2018 which have been approved by the Board of Directors.

Based on our examination and in accordance with the requirements of the Act, ICDR Regulations, we state that:

- Restated Statement of Assets and Liabilities of the Company as at March 31, 2014, 2015, 2016, 2017 and 2018 are as set out in **Annexure 1**, which are after making such material adjustments and regroupings as, in our opinion are appropriate, and are to be read with the significant accounting policies and notes thereon in **Annexure 4**;
- Restated Statement of Profits and Losses of the Company for the year ended March 31, 2014, 2015, 2016, 2017 and 2018 are as set out in **Annexure 2**, which have been arrived at after making such material adjustments and regroupings to the audited financial statements as, in our opinion are appropriate, and are to be read with the significant accounting policies and notes thereon in **Annexure 4**;
- Restated Statement of Cash Flows of the Company for the year March 31, 2014, 2015, 2016, 2017 and 2018 are as set out in **Annexure 3** after making such material adjustments and regroupings;
- Adjustments for any material amounts in the respective financial years have been made to which they relate; and
- There are no Extra-ordinary items that need to be disclosed separately in the Restated Summary Statements or Auditor's qualification requiring adjustments.
- Adjustments in Financial Statements has been made in accordance with the correct accounting policies.
- There was no change in accounting policies, which needs to be adjusted in the “Restated Financial Statements”.
- There are no revaluation reserves, which need to be disclosed separately in the “Restated Financial Statements”.
- There are no audit qualifications requiring adjustments.

B. Other Financial Information:

We have also examined the following Financial Information relating to the Company, which is based on the Restated Financial Statements and approved by the Board of Directors of the Company and annexed to this report, is proposed to be included in the Offer Document:

1. Statement of Details of Reserves & Surplus as at March 31, 2014, 2015, 2016, 2017 and 2018 as set out in **Annexure 5** to this report.
2. Statement of Accounting Ratios for the year ended on March 31, 2014, 2015, 2016, 2017 and 2018 as set out in **Annexure 6** to this report.
3. Capitalization Statement as at 31st March, 2018 as set out in **Annexure 7** to this report.

4. Statement of Tax Shelters for the year ended on March 31, 2014, 2015, 2016, 2017 and 2018 as set out in **Annexure 8** to this report.
5. Statement of Long Term Borrowings for the year ended on March 31, 2014, 2015, 2016, 2017 and 2018 as set out in **Annexure 9** to this report.
6. Statement of Short Term Borrowings for the year ended on March 31, 2014, 2015, 2016, 2017 and 2018 as set out in **Annexure 10** to this report.
7. Statement of Details of Current Liabilities & Provisions of the Company for the year ended on March 31, 2014, 2015, 2016, 2017 and 2018 as set out in **Annexure 11** to this report.
8. Statement of Details of Tangible Assets of the Company for the year ended on March 31, 2014, 2015, 2016, 2017 and 2018 as set out in **Annexure 12** to this report.
9. Statement of Details of Intangible Assets of the Company for the year ended on March 31, 2014, 2015, 2016, 2017 and 2018 as set out in **Annexure 13** to this report.
10. Statement of Details of Long Term Loans & Advances as at March 31, 2014, 2015, 2016, 2017 and 2018 as set out in **Annexure 14** to this report.
11. Statement of Details of Trade Receivable as at March 31, 2014, 2015, 2016, 2017 and 2018 as set out in **Annexure 15** to this report.
12. Statement of Details of Short Term Loans & Advances as at March 31, 2014, 2015, 2016, 2017 and 2018 as set out in **Annexure 16** to this report.
13. Statement of Details of Other Current Assets of the Company for the year ended on March 31, 2014, 2015, 2016, 2017 and 2018 as set out in **Annexure 17** to this report.
14. Statement of Details of Cash & Cash Equivalents of the Company for the year ended on March 31, 2014, 2015, 2016, 2017 and 2018 as set out in **Annexure 18** to this report.
15. Statement of Details of Revenue from Operations of the Company for the year ended on March 31, 2014, 2015, 2016, 2017 and 2018 as set out in **Annexure 19** to this report.
16. Statement of Details of Other Income of the Company for the year ended on March 31, 2014, 2015, 2016, 2017 and 2018 set out in **Annexure 20** to this report.
17. Statement of Details of Material Consumed of the Company for the year ended on March 31, 2014, 2015, 2016, 2017 and 2018 set out in **Annexure 21** to this report.
18. Statement of Details of (Increase)/Decrease of Material of the Company for the year ended on March 31, 2014, 2015, 2016, 2017 and 2018 set out in **Annexure 22** to this report.
19. Statement of Details of Employees Benefits Expenses of the Company for the year ended on March 31, 2014, 2015, 2016, 2017 and 2018 set out in **Annexure 23** to this report.
20. Statement of Details of Depreciation & Amortization Cost of the Company for the year ended on March 31, 2014, 2015, 2016, 2017 and 2018 set out in **Annexure 24** to this report.
21. Statement of Details of Interest & Finance Cost of the Company for the year ended on March 31, 2014, 2015, 2016, 2017 and 2018 set out in **Annexure 25** to this report.

22. Statement of Details of Administrative, Selling and Other Expenses of the Company for the year ended on March 31, 2014, 2015, 2016, 2017 and 2018 set out in **Annexure 26** to this report.

23. Statement of Details of Related Party Transactions of the Company for the year ended on March 31, 2014, 2015, 2016, 2017 and 2018 as set out in **Annexure 27** to this report.

In our opinion, the "Restated Financial Statements" and "Other Financial Information" mentioned above contained in Annexure 1 to 27 of this report have been prepared in accordance with Part II of Schedule II to the Act, the SEBI Guidelines and the Guidance Note on the reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India (ICAI).

Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

This report should not in any way be construed as a reissuance or rebating of the previous audit report, nor should this be construed as a new opinion on any of the financial statements referred to herein.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

This report is intended solely for your information and for inclusion in the Offer Document in connection with the proposed IPO of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For SSRV & Associates.

Chartered Accountants

Firm Registration No.-135901W

Sd/-

VishnuKantKabra

Partner

Membership No. 403437

Place: Mumbai

Date: 20th July 2018

ANNEXURE-01

STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Equity & Liabilities					
Shareholders' Funds					
Share Capital	1,315.47	1,315.47	749.75	749.75	648.50
Reserve & Surplus	1,207.35	479.15	94.88	31.43	8.69
Total (A)	2,522.83	1,794.62	844.63	781.18	657.19
Share Application Money	-	-	627.39	-	-
Non Current Liabilities					
Long Term Borrowings	2,486.72	2,160.29	1,484.77	1,013.00	1,224.15
Deferred Tax Liabilities (Net)	63.38	24.88	2.49	5.39	1.49
Other Long Term Liabilities					
Total (B)	2,550.11	2,185.17	1,487.26	1,018.39	1,225.64
Current Liabilities					
Short Term Borrowings	4,707.00	2,495.59	2,194.00	1,058.00	215.00
Trade Payables	2,521.50	1,979.06	2,378.34	90.02	9.44
Short Term Provisions	699.24	419.02	78.84	31.69	1.68
Total (C)	7,927.74	4,893.67	4,651.18	1,179.71	226.12
Total (D=A+B+C)	13,000.67	8,873.47	7,610.45	2,979.28	2,108.95
Assets					
Fixed Assets:					
Tangible Assets	1,956.30	1,350.39	1,343.18	1,390.96	1,425.23
Intangible Assets	-	-	-	-	-
Capital Work in Progress	-	-	-	-	-
Long Term Loans & Advances	13.61	12.47	10.30	2.54	1.99
Non Current Investments	64.04	19.65	17.60	-	-
Total (E)	2,033.94	1,382.52	1,371.08	1,393.50	1,427.22
Current Assets					
Inventories	5,215.02	4,344.34	3,278.22	194.60	107.98

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Trade Receivables	3,900.82	2,593.61	2,281.77	1,263.57	31.91
Cash & Bank Balances	1,621.06	298.70	255.61	32.06	490.93
Short Term Loans & Advances	99.38	52.27	98.70	52.43	18.83
Other Current Assets	130.44	202.03	325.07	43.13	32.08
Total (F)	10,966.72	7,490.94	6,239.37	1,585.79	681.73
Total (G=E+F)	13,000.67	8,873.47	7,610.45	2,979.28	2,108.95

ANNEXURE-02

STATEMENT OF PROFIT AND LOSS, AS RESTATED

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Income					
Revenue from Operations	26,787.97	19,855.17	15,025.86	5,012.97	1,036.62
Other Income	11.72	25.46	21.74	0.63	3.41
Total	26,799.69	19,880.64	15,047.60	5,013.60	1,040.03
Expenditure					
Cost of Materials Consumed	26,098.31	19,946.93	17,527.28	4,724.99	1,109.89
Decrease/(Increase) in Stock	(870.68)	(1,066.12)	(3,083.62)	(86.62)	(107.98)
Employees Costs	54.95	45.80	51.84	13.80	1.73
Depreciation & Amortization	81.58	55.24	47.89	47.62	4.27
Preliminary Expenses Written Off	-	-	-	-	-
Interest & Finance Charges	396.43	415.30	384.28	266.85	18.45
Operating, Administrative and Selling Expenses & Other Expenses	76.07	59.94	44.67	14.05	1.10
Total	25,836.65	19,457.10	14,972.34	4,980.69	1,027.46
Net Profit before Tax	963.04	423.54	75.26	32.91	12.57
Less: Provision for Taxes:					
Current Tax	196.33	80.70	14.34	7.00	2.76
Deferred tax	38.50	19.49	-2.90	3.90	1.49
Earlier Year Taxes	-	-	-	-	-
Net Profit After Tax & Before Extraordinary Items	728.20	323.34	63.82	22.01	8.33
Extra Ordinary Items	-	-	-	-	-
Net Profit	728.20	323.34	63.82	22.01	8.33

ANNEXURE-03

STATEMENT OF CASH FLOW, AS RESTATED

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
CASH FLOW FROM OPERATING ACTIVITIES					
Net profit before taxes	963.04	423.54	75.26	32.91	12.57
Adjustment for:					
Add: Depreciation & Amortisations	81.58	55.24	47.89	47.62	4.27
Operating Profit before Working capital changes	1044.62	478.78	123.16	80.53	16.84
Adjustments for:					
Decrease (Increase) in Inventories	(870.68)	(1,066.12)	(3,083.62)	(86.62)	(107.98)
Decrease (Increase) in Trade & Other Receivables	(1,307.22)	(311.84)	(1,018.20)	(1,231.65)	(31.91)
Increase/(Decrease) in Short Term Borrowings	2,211.41	301.11	1,136.38	843.00	215.10
Decrease (Increase) in Short Term Loans & Advances (Excel Taxes)	(47.10)	152.49	(46.10)	(33.78)	228.18
Decrease (Increase) in Other Current Assets	71.59	17.34	(282.07)	(11.21)	(24.83)
Increase (Decrease) in Trade Payables	542.44	(399.50)	2,288.31	80.58	9.44
Increase (Decrease) in Short Term Provisions (Excel Taxes)	280.22	78.41	46.67	30.37	1.56
Increase (Decrease) in Other Current Liabilities		261.04	-	-	-
Net Changes in Working Capital					
Cash Generated from Operations	1,925.26	(488.29)	(835.47)	(328.78)	306.39
Taxes	234.83	100.20	11.44	10.53	3.88
Net Cash Flow from Operating Activities (A)	1,690.43	(588.48)	(846.91)	(339.31)	302.51
CASH FLOW FROM INVESTING ACTIVITIES					
Sale /(Purchase) of Fixed Assets and CWIP	(687.48)	(62.46)		(13.35)	(1,429.49)
Decrease (Increase) in Non Current Investments	(44.39)	(2.05)	(17.60)	-	-
Loans and advances given / repaid (Net)	(1.13)	(2.17)	(7.76)	(0.55)	(1.99)
Interest received					
Net Cash Flow from Investing Activities (B)	(733.00)	(66.68)	(25.36)	(13.90)	(1,431.47)
CASH FLOW FROM FINANCING ACTIVITIES					
Receipt of Securities Premium		61.66			
Receipt of Share Application Money		(627.39)			
Deffered Tax Liabilities	38.50	22.39	(2.90)	3.90	1.49
Interest & Finance Charges					
Increase / (Repayment) of Long Term Borrowings	326.43	675.88	471.33	(210.82)	1,195.43
Issue of shares		565.72	627.39	101.25	357.50
Decrease (Increase) in Long Term Loans & Advances					
Net Cash Flow from Financing Activities (C)	364.93	698.26	1,095.82	(105.67)	1,554.42
Net Increase / (Decrease) in Cash & Cash Equivalents	1,322.36	43.10	223.55	(458.88)	425.45
Cash and cash equivalents at the beginning of the year / Period	298.70	255.61	32.06	490.93	65.47
Cash and cash equivalents at the end of the year/ Period	1,621.06	298.70	255.61	32.06	490.93

Annexure-04

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNT FOR PREPARATION OF RESTATED FINANCIAL STATEMENT

A. SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of Preparation of Financial Statements

- a. The Restated Financial Information for the year ended March 31, 2014, 2015, 2016, 2017 and 2018 has been extracted by the management of the Company from the audited financial statements of the company for the year ended March 31, 2014, 2015, 2016, 2017 and 2018.
- b. The Restated Financial Information are after making adjustments/ restatements and regrouping as necessary in accordance with paragraph B(1) of Part II of Schedule II of The Companies Act and SEBI Regulations.
- c. The Financial Statements have been prepared under Historical Cost conventions and in accordance with the Generally Accepted Accounting Principles ('GAAP') applicable in India, Companies (Accounting Standard) Rules, 2006 notified by Ministry of Company Affairs and Accounting Standards issued by the Institute of Chartered Accountants of India as applicable and relevant provisions of the Companies Act, 1956 & 2013.
- d. The company generally follows the mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

2. Use of Estimates

The preparation of Financial Statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of fixed assets and intangible assets, provision for doubtful debts / advances, future obligations in respect of retirement benefit plans, etc. Actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

Management believes that the estimates used in preparation of financial statements are prudent and reasonable.

3. Fixed Assets and Depreciation

- i. Fixed Assets are shown at historical cost net of recoverable taxes inclusive of incidental expenses less accumulated depreciation.
- ii. Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated depreciation.
- ii. Depreciation on fixed assets is provided on straight line basis using the rates arrived at based on the rates prescribed in the Schedule II to the Companies Act, 2013.
- iii. Depreciation on fixed assets sold during the year, is provided on pro-rata basis with reference to the date of addition/deletion.

4. Revenue Recognition

Revenue is recognized only when it is probable that economic benefits will flow to the company and revenue can be reliably measured.

Revenue from Manufacturing Activity is recognized on rendering of the related Manufacturing Activity in accordance with the terms of the agreement.

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

5. Investments

Current investments are carried at lower of cost and quoted/fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

6. Impairment of Assets

As on Balance Sheet date, the Company reviews the carrying amount of Fixed Assets to determine whether there are any indications that those assets have suffered "Impairment Loss". Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from continuing use of an asset and from its disposal at the end of its useful life.

7. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

8. Taxation

Tax expenses for the year comprise of current tax and deferred tax. Current tax is measured after taking into consideration the deductions and exemptions admissible under the provision of Income Tax Act, 1961 and in accordance with Accounting Standard 22 on "Accounting for Taxes on Income", issued by ICAI.

Deferred Tax assets or liabilities are recognized for further tax consequence attributable to timing difference between taxable income and accounting income that are measured at relevant enacted tax rates. At each Balance Sheet date the company reassesses unrecognized deferred tax assets, to the extent they become reasonably certain or virtually certain of realization, as the case may be.

9. Leases

Finance Lease

Leases, which effectively transfer to the company all the risks and benefits incidental to ownership of the leased item, are classified as Finance Lease. Lease rentals are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income life of the assets at the following rates.

Operating Lease

Lease where the lesser effectively retains substantially all risks and benefits of the asset are classified as Operating lease. Operating lease payments are recognized as an expense in the Profit & Loss account on a Straight Line Basis over the Lease term.

10. Preliminary Expenses

Preliminary expenses are amortized as per AS-26 issued by ICAI.

11. Earnings per Share

In determining the Earnings Per share, the company considers the net profit after tax includes any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

The number of shares used in computing Diluted earnings per share comprises the weighted average number of shares considered for computing Basic Earnings per share and also the weighted number of equity shares that would have been issued on conversion of all potentially dilutive shares.

In the event of issue of bonus shares, or share split the number of equity shares outstanding is increased without an increase in the resources. The number of Equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported.

12. Contingent Liabilities & Provisions

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for:

- a. Possible obligation which will be confirmed only by future events not wholly within the control of the company, or
- b. Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c. Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

13. Foreign Exchange Transactions

- a. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- b. Monetary items denominated in foreign currencies at the year end are restated at year-end rates. In case of items, which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- c. Non-monetary foreign currency items are carried at cost.
- d. In respect of branches, which are integral foreign operations, all transactions are translated at rates prevailing on the date of transaction or that approximates the actual rate at the date of transaction. Branch monetary assets and liabilities are restated at the year-end rates.
- e. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and loss account except in case of long-term liabilities, where they relate to acquisition offered assets, in which case they are adjusted to the carrying cost of such assets.

B. CHANGES IN ACCOUNTING POLICIES IN THE YEARS COVERED IN THE RESTATED FINANCIALS.

There is no change in significant accounting policies during the reporting period. Further Accounting Policies has been changed as and when Accounting Standards issued by the Institute of Chartered Accountants of India / Companies (Accounting Standard) Rules, 2006 were made applicable on the relevant dates.

C. NOTES ON RESTATED FINANCIAL STATEMENTS

NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS

(Rs. in Lakh)

Financial Year ended	March, 31 st	March, 31 st	March, 31 st	March, 31 st	March, 31 st
	2018	2017	2016	2015	2014
Profit after tax as per Audited Statement of Account(A)	728.20	323.34	63.82	22.38	8.69
Adjustments*:					
Short Provision of Taxation				(0.73)	(0.36)
Profit after tax as per Restated Profit & Loss(A)	728.20	323.34	63.82	22.01	8.33

* There are no major items requiring adjustments.

(III) OTHER NOTES

1. General

The Company was originally incorporated as “KBS Industries Private Limited” in Delhi as a Private Limited Company under the provisions of the Companies Act, 1956 vide certificate of incorporation dated 11th December, 2012 and name of company was to “KBS Industries Private Limited”. As of now The company is converted into public limited company as “KBS Industries Limited” vide fresh certificate of incorporation dated 15th May, 2018 issued by Registrar of company, New Delhi vide SRN G85360105.

2. Contingent liabilities

There are no contingent liabilities

3. Dues to Micro enterprises and Small enterprises:

Under the Micro, Small and Medium Enterprise Development Act, 2006 certain disclosure is required to be made related to micro, small and medium enterprise. The company has disclosed the same.

4. Segment Reporting

The company operates only in one reportable business segment viz. Manufacturing Activity. Hence, there are no reportable segments under Accounting Standard -17. The conditions prevailing in India being uniform no separate geographical disclosures are considered necessary.

5. In the opinion of the Board, subject to the debts considered doubtful, Current Assets and Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

6. Earnings per Share

The details of Earnings Per Share as per AS-20 are provided in Annexure 06.

7. Related Party Transactions:

The details of Related Party Transactions as per AS-18 are provided in Annexure 27.

8. The figures in the Restated Financials are stated in Lakh and rounded off to two decimals and minor rounding off difference is ignored.

Annexure- 05

STATEMENT OF DETAILS OF RESERVES & SURPLUS, AS RESTATED

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Profit / (Loss) Brought Forward	417.49	94.15	31.06	8.69	-
Add: Profit / (Loss) for the Year	728.20	323.34	63.82	22.74	8.69
(Less):Tax Adjustments	-	-	-	-	-
(Less):Fixed Assets Adjustments	-	-	-	-	-
Add: Profit from LLP/Venture	-	-	-	-	-
Profit / (Loss) Carried Forward (A)	1,145.69	417.49	94.88	31.43	8.69
Securities Premium Brought Forward	61.66	-	-	-	-
Add: Premium on Shares Issued during the year	-	61.66	-	-	-
Less: Utilized for Bonus issue	-	-	-	-	-
Less: Preference share converted into Equity shares	-	-	-	-	-
Securities Premium Carried Forward (B)	61.66	61.66	-	-	-
Reserves & Surplus (A+B)	1,207.35	479.15	94.88	31.43	8.69

Annexure- 06

STATEMENT OF ACCOUNTING RATIOS

(Rs. In Lakh, except per share data)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Net Worth (A)	2,522.83	1,794.62	844.63	781.18	657.19
Net Profit after Tax (B)	728.20	323.34	63.82	22.01	8.33
No. of Shares outstanding at the end [F.V Rs.10] (C)	13154714	13154714	7497500	7497500	6485000

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Net Worth (A)	2,522.83	1,794.62	844.63	781.18	657.19
Net Profit after Tax (B)	728.20	323.34	63.82	22.01	8.33
No. of Shares outstanding at the end [F.V Rs.10] (C)	13154714	13154714	7497500	7497500	6485000
Weighted average number of shares [F.V Rs.10] (D)	13154714	13154714	7497500	7497500	6485000
Earnings per Share (EPS) (B / D) (Rs.)	5.54	2.46	0.85	0.29	0.13
Return on Net Worth (B / A)	28.86%	18.02%	7.56%	2.82%	1.27%
Net Assets Value per Share (A / D)	19.18	13.64	11.27	10.42	10.13

Definitions of key ratios:

I. Earnings per share (Rs.): Net Profit attributable to equity shareholders / weighted average number of equity shares. Earnings per share calculations are done in accordance with Accounting Standard 20 “Earnings Per Share” as issued by The Institute of Chartered Accountants of India. As per AS-20, the number of equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported. In case of a bonus issue, the bonus shares has been added to corresponding year to the extent of reserves available in the corresponding year. Weighted average number of equity shares outstanding during all the previous years have been considered accordingly.

II. Return on Net Worth (%): Net Profit after tax / Net worth as at the end of the year.

III. Net Asset Value (Rs.): Net Worth at the end of the year / Weighted Average Number of equity shares.

IV. Net Profit, as appearing in the Statement of restated profits and losses, and Net Worth as appearing in the restated statement of Assets & Liabilities has been considered for the purpose of computing the above ratios.

Annexure -07

CAPITALIZATION STATEMENT

(Rs. In Lakh)

Particulars	Pre-issue as at 31.03.2018	Post Issue *
Borrowing		
Short - Term Debt	4,707.00	
Long - Term Debt	2,486.72	
Total Debt	7,193.72	
Shareholders' Funds	2,522.83	
Share Capital		

Particulars	Pre-issue as at 31.03.2018	Post Issue *
- Equity	1,315.47	
- Preference		
Reserves & Surplus	1,207.35	
Less: Preliminary Expenses / Pre Operative Expenses		
Less: Deferred Tax Assets	63.38	
Total Shareholders Funds	2,586.21	
Long - Term Debt / Shareholders Fund	1.87	
Short - Term Debt / Shareholders Fund	0.99	

* The Post Issue Capitalization will be determined only after the completion of the allotment of equity shares.

Annexure- 08

STATEMENT OF TAX SHELTERS

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Profit before tax as per Restated P/L	963.04	423.54	75.26	32.91	12.57
Applicable Corporate Tax Rate	33.06%	33.06%	30.90%	30.90%	30.90%
Tax at Notional Rate	318.41	140.03	23.26	10.17	3.88
Adjustments					
Difference between Tax Depreciation and Book Depreciation	128.06 34.41	64.97 -0.15	84.20 22.46	175.59 13.66	192.07 -4.91
Exempted Income		-	-	-	-
Disallowance					
Items Chargeable at special rates		-	-		-
Other Items					-
Net Adjustments	834.98	358.56	-8.93	-142.68	-179.50
Tax Saving thereon	42.34	21.48	26.02	54.26	59.35
Tax Saving to the the extent of Tax at Notional Rate	42.34	21.48	26.02	54.26	59.35
Tax Payable [A]	276.74	118.55			
Tax Payable on items chargeable at special rates [B]					
Total Tax Payable [C=A+B]	276.74	118.55			
Tax Rebates / Credits [D]	-				
Tax Payable [E=C-D]	-				
Tax Payable u/s 115 JB of Income Tax Act [F]	196.33	86.35	14.34	6.26	2.40
Final Tax Payable (Higher of [E] & [F])	276.74	86.35	14.34	6.26	2.40

Annexure - 09

STATEMENT OF DETAILS OF LONG TERM BORROWINGS

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
<u>Secured:-</u>					
Loan from Bank	454.55	605.00	756.00	892.00	1,012.00
Loan from Financial Institutions	-	-	-	-	-
<u>Unsecured:-</u>					
Loan from Bank	-	-	-	-	-
Loan from Financial Institutions	-	-	-	-	-
Loan from related parties	2,032.17	573.19	198.90	31.00	172.15
Loan from Others		981.58	529.87	90.00	40.00
Total	2,486.72	2,160.29	1,484.77	1,013.00	1,224.15

Annexure - 10

STATEMENT OF DETAILS OF SHORT TERM BORROWINGS

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
<u>Secured:-</u>					
Working Capital from Bank	-	-	-	-	-
Loan from Bank	4,707.00	2,495.59	2,194.00	1,058.00	215.00
<u>Unsecured:-</u>					
Loan from Shareholders / Directors	-	-	-	-	-
Other Loans : Inter Corporate Loans	-	-	-	-	-
Total	4,707.00	2,495.59	2,194.00	1,058.00	215.00

Annexure - 11

STATEMENT OF DETAILS OF CURRENT LIABILITIES AND PROVISIONS

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
<u>Current Liabilities</u>					
<u>Trade Payables</u>	2,521.50	1,979.06	2,378.34	90.02	9.44
Sundry Creditors for Expenses	-	-	-	-	-
Sub Total (A)	2,521.50	1,979.06	2,378.34	90.02	9.44

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Other Current Liabilities					
Statutory Dues	286.55	107.67	39.79	15.05	1.05
Employee Expenses Payable				3.55	0.63
Outstanding Expenses	29.91	28.57	25.55	13.09	
Advance Received	382.78	282.78	13.50		
Security Deposit - received					
Maintenance & Society Charges					
Sub Total (B)	699.24	419.02	78.84	31.69	1.68

Annexure - 12

STATEMENT OF DETAILS OF TANGIBLE ASSETS

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Office Equipments	0.42	0.16	-	-	-
Vehicles	33.81	23.81	-	-	-
Plant & Machinery	1,578.20	977.33	987.06	1,027.80	1,055.57
Furniture & Fixture	0.06	0.07	0.08	0.09	0.10
Mobile Instruments	-	-	-	-	-
Computer, Laptop & Server	2.02	0.30	0.36	0.46	-
Building	190.77	197.71	204.66	211.60	218.55
Land for factory	151.01	151.01	151.01	151.01	151.01
Total	1,956.30	1,350.39	1,343.18	1,390.96	1,425.23

Annexure - 13

STATEMENT OF DETAILS OF INTANGIBLE ASSETS

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Computer Software	-	-	-	-	-
Total	-	-	-	-	-

Annexure - 14

STATEMENT OF DETAILS OF LONG TERM LOANS AND ADVANCES

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Security Deposit	13.61	12.47	10.30	2.54	1.99
Income Tax Refund Receivable	-	-	-	-	-
Total	13.61	12.47	10.30	2.54	1.99

Annexure - 15

STATEMENT OF DETAILS OF TRADE RECEIVABLES

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
(A) Unsecured, Considered good outstanding for a period less than six months					
Amount due from Promoter/Group Companies and Directors	-	-	-	-	-
Others	3900.82	2,593.61	2,281.77	1,263.57	31.91
(B) Unsecured, Considered good outstanding for a period more than six months					
Amount due from Promoter/Group Companies and Directors	-	-	-	-	-
Others	-	-	-	-	-
Total	3,900.82	2,593.61	2,281.77	1,263.57	31.91

Annexure - 16

STATEMENT OF DETAILS OF SHORT TERM LOANS AND ADVANCES

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Advances to Suppliers	22.00	-	-	27.92	15.29
Advance to staff	-	-	-	-	-
Prepaid Expenses	4.42	4.36	2.68	4.01	3.54
Advances to Others	72.95	47.91	96.02	20.50	-
Advances to Related Party	-	-	-	-	-
Total	99.38	52.27	98.70	52.43	18.83

Annexure - 17

STATEMENT OF DETAILS OF OTHER CURRENT ASSETS

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Balance with Revenue authorities	130.44	202.03	325.07	43.13	32.08
Total	130.44	202.03	325.07	43.13	32.08

Annexure - 18

STATEMENT OF DETAILS OF OTHER CASH & CASH EQUIVALENTS

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
a. Balances with banks	1,601.88	12.63	0.86	0.08	485.23
This includes:					
Earmarked Balances (eg/- unpaid dividend accounts)	-	-	-	-	-
Margin money	-	-	-	-	-
b. FDR	-	282.63	237.85	2.27	-
c. Cash in hand	19.18	3.44	16.90	29.72	5.70

d. Others (specify nature)	-	-	-	-	-
Total	1,621.06	298.70	255.61	32.06	490.93

Annexure - 19

STATEMENT OF DETAILS OF REVENUE OF OPERATIONS

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Sale of Units in Projects	26,787.97	19,855.17	15,025.86	5,012.97	1,036.62
Sale of Scrap	-	-	-	-	-
Total	26,787.97	19,855.17	15,025.86	5,012.97	1,036.62

Annexure - 20

STATEMENT OF DETAILS OF OTHER INCOME

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Interest on FD/Loan	8.12	18.87	10.89	0.15	0.13
Discount received	-	0.07	-	0.47	-
Other Income	3.60	6.52	10.85	-	3.28
Total	11.72	25.46	21.74	0.63	3.41

Annexure - 21

STATEMENT OF DETAILS OF COST OF MATERIAL CONSUMED

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Purchase	25,821.63	19,896.39	17,476.10	4,724.99	1,109.89
Manufacturing Expenses	276.68	50.55	51.18	-	-
Total	26,098.31	19,946.93	17,527.28	4,724.99	1,109.89

Annexure-22

STATEMENT OF DETAILS OF (INCREASE)/DECREASE OF MATERIAL

(Rs. In Lakhs)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Inventory at the beginning of the year	4,344.34	3,278.22	194.60	107.98	-
Inventory at the end of the year	5,215.02	4,344.34	3,278.22	194.60	107.98
Total	(870.68)	(1,066.12)	(3,083.62)	(86.62)	(107.98)

Annexure -23

STATEMENT OF DETAILS OF EMPLOYEE BENEFITS EXPENSES

(RS.IN Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Salary, Bonus & Wages	33.17	24.16	24.33	7.58	1.58
Remuneration to Directors	21.00	21.00	25.88	4.80	-
Employers Contribution to Provident Fund	0.33	0.28	0.11	0.05	-
Staff Insurance	-	-	-	-	-
Labour Welfare Fund/MLWF	-	-	-	0.01	-
Staff Welfare Expenses	0.46	0.36	1.53	1.36	0.15
Employer Contribution to ESIC	-	-	-	-	-
Total	54.95	45.80	51.84	13.80	1.73

Annexure - 24

STATEMENT OF DETAILS OF DEPRECIATION & AMORTISATION COST

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Depreciation	81.58	55.24	47.89	47.62	4.27
Total	81.58	55.24	47.89	47.62	4.27

Annexure - 25

STATEMENT OF DETAILS OF INTEREST & FINANCE COST

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Interest Expenses	262.71	412.06	383.11	254.23	14.89
Other Borrowing Expenses	-	-	-	10.56	-
Bank Charges	133.72	3.24	1.6	2.06	0.17
Interest on Loan from GRK finance Company Pvt. Ltd.	-	-	-	-	3.38
Total	396.43	415.30	384.28	266.85	18.45

Annexure - 26

STATEMENT OF DETAILS OF ADMINISTRATIVE, SELLING AND OTHER EXPENSES

(Rs. In Lakh)

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14

Particulars	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Auditors Remuneration	4.72	4.00	4.25	0.58	0.58
Business Promotion Expenses	4.82	0.87	0.12	-	-
Computer Maintenance Expenses	0.07	0.83	0.31	0.34	-
Conveyance	0.61	0.23	0.22	0.20	-
Diwali Expenses	-	-	0.08	-	-
Electricity Expenses & Material	1.81	0.36	0.64	1.05	0.06
Legal Fees & Charges	27.78	19.65	6.66	5.04	-
Office Repairs & Maintenance	3.42	1.61	0.33	0.07	-
Professional Fees	-	0.30	0.65	1.66	-
Rates and Taxes (includes Vat and Service tax)	0.12	0.09	0.22	-	-
Telephone & Mobile Expenses	0.93	0.98	0.72	0.51	0.03
Travelling Expenses	9.01	9.51	8.64	-	-
Xerox , Printing & Stationery	0.32	0.12	0.41	0.28	-
Other Misc expenses (each expenses below 1 lakh)	0.90	1.20	0.90	1.83	-
Commission On Sale	2.84	-	-	-	-
Insurance	3.43	4.51	5.34	0.01	-
Rent	14.09	5.47	2.82	2.47	0.44
Membership fees	0.15	0.32	0.66	-	-
M2M Loss for Dollar Booking	-	-	1.64	-	-
Rebate & Discount	-	6.46	10.08	-	-
License Fees	1.03	3.46	-	-	-
Total	76.07	59.94	44.67	14.05	1.10

Annexure-27

STATEMENT OF DETAILS OF RELATED PARTY TRANSACTIONS

(Rs In Lakhs)

Particulars	Relationship	Name	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
REVENUE ITEMS :							
Remuneration	Director	Arjun	12.00	12.00	1.20	1.20	-
Remuneration	Director	SomyaKhetrapal	-	-	1.20	1.20	-

KBS
KBS INDUSTRIES LIMITED

Particulars	Relationship	Name	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Remuneration	Director	Monica Sachdeva	9.00	9.00	-	-	-
Sale of Goods	Under Same management	Arjun Enterprise Pvt Ltd	1,823.48	5.09	71.26	-	-
Purchase of Goods	Under Same management	Arjun Enterprise Pvt Ltd	-	7.05	-	-	-
NON REVENUE ITEMS :							
Unsecured Loan Taken	Key Management Personnel	Arjun	731.36	171.01	45.37	50.00	100.25
Unsecured Loan Taken	Key Management Personnel	SomyaKhetrapal	-	-	-	30.90	30.90
Unsecured Loan Taken	Key Management Personnel	Monica Sachdeva	276.13	276.13	114.53	-	-
Unsecured Loan Taken	Related Party	Monica Sachdeva	-	-	-	-	41.00
Unsecured Loan Taken	Related Party	Anil Anand	349.98	122.49	-	-	-
Unsecured Loan Taken	Related Party	SomyaKhetrapal	253.56	3.56	39.00	-	-
Unsecured Loan Repaid	Related Party	Monica Sachdeva	-	-	-	41.00	-
Unsecured Loan Repaid	Related Party	SomyaKhetrapal	-	-	30.90	-	-
Unsecured Loan Repaid	Key Management Personnel	Arjun	-	-	4.63	50.25	-
Advance for Rent	Relative	Achala Anand	7.35	6.55	-	-	-
Equity Share Contribution	Director	Arjun	-	-	90.00	50.02	80.00
Equity Share Contribution	Director	SomyaKhetrapal	-	-	-	-	60.08
Equity Share Contribution	Related party	SomyaKhetrapal	-	-	50.00	-	-
Equity Share Contribution	Director	Monica Sachdeva	-	-	75.00	-	-
Equity Share Contribution	Related party	Monica Sachdeva	-	-	-	6.00	38.20

Particulars	Relationship	Name	31.03.18	31.03.17	31.03.16	31.03.15	31.03.14
Equity Share Contribution	Related party	Anil Anand	-	565.72	22.00	10.00	65.00
Equity Share Contribution	Related party	Ashish Anand	-	-	-	-	33.50
Equity Share Contribution	Related party	Achala Anand	-	-	10.00	-	70.00

FINANCIAL INDEBTEDNESS

As on March 31, 2018, our Company has availed secured borrowings of Rs. 5,161.55 lakhs and unsecured borrowings outstanding of Rs. 2,032.17 lakhs. Set forth below is a brief summary of our aggregate outstanding borrowings (both fund based and non-fund based) on a consolidated basis as on March 31, 2018.

Name of Lender	Purpose	Sanctioned Amount (Rs. In Lakhs)	Rate of Interest (%)	Security	Repayment Schedule	Outstanding Amount as on 31 st March, 2018 (Rs in lakhs)
Karnataka Bank	Term Loan	Rs. 1,000.00	13.00%	Hypothecation of stock & Book debts and Equitable Mortgage of Commercial Property bearing no. III/2939 (new) ward no. III, Hamilton Road, Zorawar Singh Marg, Mori Gate, Delhi and others.	Monthly	445.55
HDFC Bank	Vehicle Loan	RS. 20.00	13.00%	Vehicle	Monthly	9.00
Karnataka Bank	Cash Credit	Rs. 1,000.00	13.00%	Primary Security: Hypothecation charge on all current assets, stocks, book debts, receivables by way of pari passu charge under consortium finance Collateral Security (Immovable Property): Equitable mortgage of:- 1. Commercial residential building bearing number: 1/211, Kashmiri Gate, Opp Delhi Junction Railway Station, Delhi-110006; 2. Factory Land & Buildings bearing survey Number: Plot No. 418, Barhi Ganaur Delhi-131101 3. Residential Building bearing Number: 206, Delhi; 4. Commercial Residential Building bearing survey Number, 442, Kashmiri gate, Opp Delhi Junction Railway station, Delhi 5. Residential Building	Monthly	212.52
Canara bank	Cash Credit	Rs. 1,250.00	11.80%		Monthly	1,203.34
Vijaya Bank	Cash Credit	Rs. 1,200.00	11.75%		Monthly	812.70
State Bank of India	Cash Credit	Rs. 1,700.00	3% above MCLR- 8.15% p.a. Present card rate 11.15% p.a. calculated on daily product at monthly rests.		Monthly	1,481.36
State Bank of India	Buyer Credit Limit for Import	Rs. 1,700.00	1.50 % p.a. Min-Rs. 18.00 Lac Minimum Charge 0.65% or Rs. 2000/- Whichever is higher.		-	997.04

Name of Lender	Purpose	Sanctioned Amount (Rs. In Lakhs)	Rate of Interest (%)	Security	Repayment Schedule	Outstanding Amount as on 31 st March, 2018 (Rs in lakhs)
				bearing survey Number: 24, west Punjabi Bagh, Delhi-110026 6. Residential Building bearing Survey number: 486 (half) Delhi-110006; 7. Commercial Building bearing survey number: 2939, Zorawar Singh Marg, Opp Delhi Junction Railway Station, Delhi Collateral (personal Guarantee): 1. Monica Sachdeva; 2. Arjun Anand; 3. Anil Anand; 4. Achala Anand; 5. HK infra build Pvt Ltd.		

Unsecured Loan:-

Name	Outstanding Amount as on 31 st March, 2018 (Rs in lakhs)
Mr. Arjun	731.36
Mr. Somya Khetrapal	253.56
Mr. Monica Sachdeva	276.13
Mr. Anil Anand	349.85
Dayal Finsec Pvt Ltd	186.19
Parsee Leasing Pvt Ltd	20.58
Vinsan Credit & Security	86.45
Jain Sons Finlease Ltd	88.05
Nuruchi Barter Pvt Ltd.	40.00
Total	2,032.17

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion of our financial condition and results of operations should be read in conjunction with our audited restated financial statements for the financial years ended March 2018, 2017, 2016, 2015, and 2014 prepared in accordance with the Companies Act and Indian GAAP and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in the section titled "*Financial Information*" on page 173 of this Draft Prospectus. The following discussion relates to our Company on a standalone basis, and, unless otherwise stated, is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the Accounting Standards and other applicable provisions of the Companies Act and the SEBI (ICDR) Regulations. Our fiscal year ends on March 31 of each year so accordingly all references to a particular financial year are to the twelve months ended March 31 of that year.

Indian GAAP differs in certain material aspects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Prospectus, nor do we provide reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and SEBI ICDR Regulations.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in "*Risk Factors*" and "*Forward-Looking Statements*" on pages 15 and 14, of this Draft Prospectus beginning respectively.

COPPER INDUSTRY: FY 2018 UPDATE AND AND OUTLOOK FOR FY 2019

Domestic Production, Consumption, Exports and Imports of Copper during FY18

India ranks 5th in global refined copper production and during FY18 refined copper production grew by 6.0% y-o-y compared with 0.9% last year. Increase in production can be attributed to better operational efficiencies resulting in better capacity utilization.

Demand for refined copper has risen by 0.9% from its previous year's de-growth on account of use of copper in building and construction activities and in the electrical wiring segment. Development of the SMART cities, metro projects and the construction of renewable energy have augmented the use of copper during FY18 (April-February).

India has been a net exporter of refined copper, exporting 'A grade' copper. Exports during the year (April-February) were 344 thousand tonnes which increased by 14.7% over FY17 (April-Feb). Value-wise refined copper exports during FY18 (April-February) was USD 2,201 million vis-à-vis to the value being USD 1,545 million during FY17. Exports have increased as global markets copper markets were facing a deficit due to low availability of copper ore, which was beneficial to India as we have a low consumption base and surplus production.

China is the main importer of Indian copper.

Table 1: Domestic Production, Imports, Exports and Consumption of Refined Copper (KT)

	Production	% change	Consumption	% change	Exports	% change	Imports	% change
FY16	790	-	456	-	290	-	31	-
FY17	795	0.6%	454	-0.4%	300	3.4%	34	10.1%
FY18	843	6.0%	458	0.9%	344	14.7%	37	8.9%

Source: CMIE

Note: Production data is from April to March whereas Consumption, Exports and Imports are from April to February.

Global Developments

Global Supply Demand of Mined Copper

Globally Chile (30%) ranks 1st in world mined copper production followed by Peru (11%) and China (10%). Chile contributes to 1/3 of the world's mined copper production.

Table 3: Global Mined Copper Production (KT)

	CY15	CY16	CY17
Global Mined Copper Production	19,132	20,217	20,028
% Change (y-o-y)	-	5.7%	-0.9%

Source: ICSG

Global mined copper production had fallen during CY17 on account of the supply disruption caused due to the issues faced in the Chilean (Escondida Copper Mine) and Indonesian (Grasberg UG Copper) copper mines (during Q1CY17). Chilean mine workers had gone on a strike in order to oppose the new labour laws while the Grasberg mine operator, Freeport-McMoRan was facing an issue regarding the renewal of its copper concentrate export permit with the Indonesian government. There had also been an 11% drop in China mined copper production during CY17 compared with CY16.

Consumption-wise, China (50%) is the largest consumer of refined copper as well where 46% of the refined copper is used in the power sector followed by its usage in making of household appliances and manufacturing of automobiles.

Global Supply Demand of Refined Copper

Table 4: Global Refined Copper Production and Demand (KT)

	CY15	CY16	CY17
Global Refined Copper Production	22,870	23,309	23,503
% Change (y-o-y)	-	1.9%	0.8%
Global Refined Copper Demand	23,041	23,429	23,758
% Change (y-o-y)	-	1.7%	1.4%
Surplus/Deficit	-171	-120	-255

Source: ICSG

Chart 1: Region- Wise Total Copper Demand during CY17.

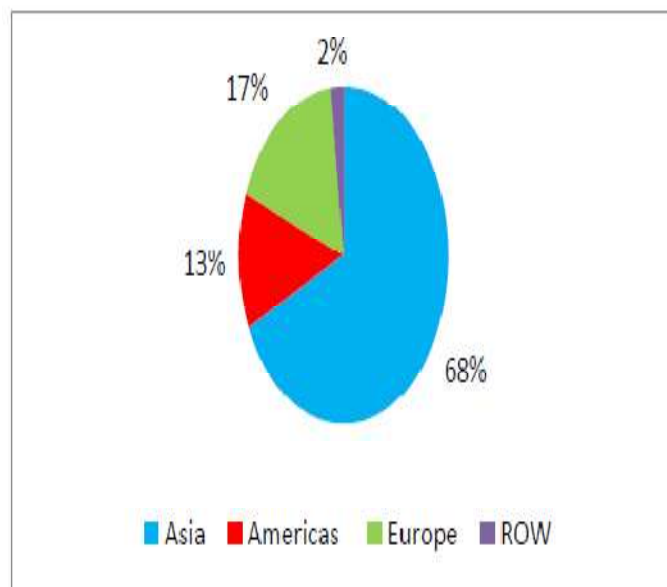
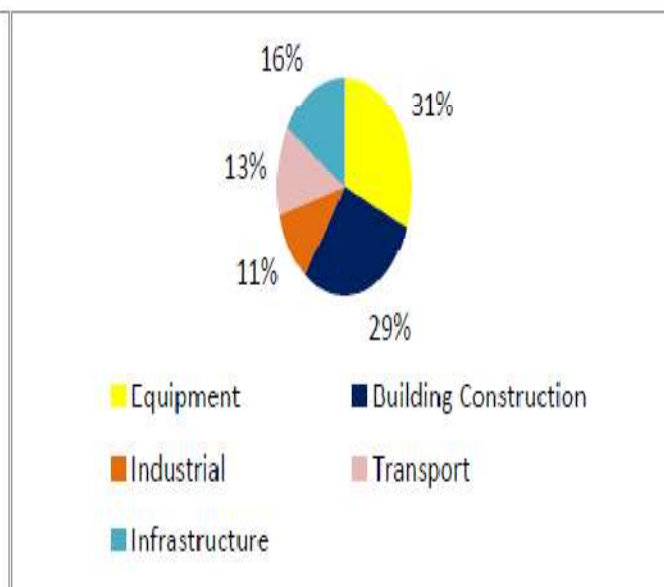


Chart 2: World End use demand of Refined Copper



Source: ICSG

Globally the production of refined copper has remained subdued (0.7% growth) due to the low availability of mined copper. Chile has reported a decline of 7% of refined copper and Japan has also registered a drop of 4.2% during CY17 as compared with its CY16 production levels. The main contributors to the increase in production were China and India.

Demand for copper has registered a marginal growth rate of only 1.4% during CY17 due to the fall in demand from the Chinese economy during the start of CY17 and also because demand of copper from the Eurozone was still recovering. Globally the demand of copper is to rise from the transportation segment due to impetus given for the manufacturing of electric vehicles and from capacity additions in the renewable energy segment. Demand from the equipment, building construction and infrastructure sectors have also supplemented to the refined copper usage.

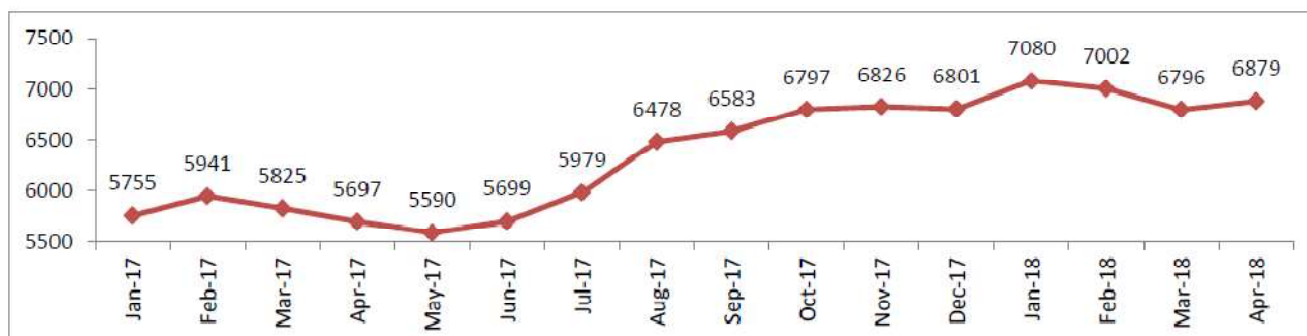
Global Copper Trade Movements

Chile, Japan, Russia, Australia, Zambia, China, Kazakhstan, Netherlands, India and Peru are the major exporters of refined copper where as China, Germany, United States, Italy, Taiwan, South Korea, Turkey, Thailand, Malaysia and United Arab Emirates are the major importing countries of refined copper.

Chile (36%) is the major exporter of mined copper and China is a major importer of mined (65%) and refined copper (36%). There has been an increase of refined copper imports from the North American and South American regions particularly from the United States.

Global Copper Price Movements

Chart 3: Price movements of LME Copper during FY18 (USD/tonne)



Source: LME

Table 5: LME Copper price trends (USD/tonne)

	FY16	FY17	FY18
LME Copper	5,276	5,159	6,447
Growth (%) y-o-y		-2.2%	25.0%

Source: LME

Global copper prices have risen by 25% during FY18. Prices had risen on account of supply side distortions due to the disruptions in the Chilean and Indonesian mines. Price of copper started rallying from December 2017 onwards due to pick-up of refined copper demand in China and also because of the shutdown of polluting smelters in China, which have not been following the efficiency norms. The Chinese government has taken a stance to improve the air quality and reduce pollution in the country.

(Source:

<http://www.careratings.com/upload/NewsFiles/SplAnalysis/Copper%20Industry%20Update%20June%202018.pdf>)

CABLE INDUSTRY IN INDIA

The industry which has been growing at the rate of around 15 per cent currently will start growing at the CAGR of over 20 per cent over the next five years.

The wires and cables industry in India has come a long way, growing from being a small industry to a very large one, over the past decade. The increasing demand for power, light and communication has kept demand high for wire and cable. This trend will continue as demand for reliable, efficient energy and data communications will strengthen the wires and cables industry in the future as well.

Over the last 20 years, the industry has shifted from being an unorganised sector to an organised one. Still, 35 per cent of the industry continues to be a part of the unorganised sector. In India, the size of the cable manufacturing industry is approximately Rs 40,000 crores.

The specialised cable industry is roughly of the size of Rs 10,000 crores. The government has announced ambitious plans for infrastructure development. One of the primary focus area of the development plan is railways, with over Rs 800,000 crore as promised investment over the period of 2015-2020. In addition, the government has earmarked Rs 50,000 crore (US\$ 7.53 billion) to develop 100 smart cities across the country.

High way projects worth \$93 billion, which include government flagship National Highways Building Project (NHDP) with total investment of \$45 billion over next three years, have also been announced. The Digital India campaign will require an investment of Rs 4,50,000 crore. Ministry of Power is also looking at an investment of Rs 15,000 lakh crore over the next 5 years.

The wire and cable industry will eventually focus on supplying cables for specific applications pertaining to the industry needs.

India has a lot of potential in the mining, power, oil and gas, metro railways, cement industry, steel industry and other sectors. Power cables, a critical segment of the power sector, is experiencing an escalating demand owing to the growth in power generation infrastructure. India is one of the biggest consumers of electric energy after the US and China.

Accelerated urbanization and growing concern over pollution have increased the investment in metro rails for urban mass transportation. The country is predicted to develop metro rails in at least 50 cities across India. Such developments where each project requires more than \$150 million is likely to attract many Indian and foreign companies to take advantage of the huge growth opportunities.

Different kinds of cables like extra high voltage cables, elastomer cables, etc are presently being used for special applications such as mining, in oil sector, shipbuilding, cranes, elevators, solar power plants to harness power for new generation motor vehicles, windmill solutions as well as security systems.

The growth in renewable power generation would be one of the primary factors for the growth of the electric cable and wire market. The focus of several countries across world to commercialize renewable power generation will create a significant demand for electrical wires and cables. This is mainly due to the lack of a transmission and distribution (T&D) infrastructure at locations where renewable energy resources are set up. Moreover, the expansion of the existing renewable power generation plants in the emerging countries will also result in increasing the demand for electrical wires and cables.

Initiatives such as excise duty exemption for ferro-silicon magnesium and pig iron used for manufacturing components for wind-operated electric power generators, and the target set by the Jawaharlal Nehru National Solar Mission to generate more than 1,00,000 MW of solar power by the end of the year 2022, will boost the demand for electrical wires and cables.

Rural electrification is another major factor which is expected to propel the growth of the electric wire and cable market in the country. The government's goal to provide electricity to every home by 2020 should attract major investments in the sector.

(Source: <https://timesofindia.indiatimes.com/business/india-business/govt-initiatives-to-boost-cable-industry-in-india/articleshow/60332457.cms>)

Electric Wire and Cable Market in India 2016-2020

Overview of the electric wire and cable market in India

Market research analysts at Technavio have predicted that the electric wire and cable market in India will grow steadily during the next four years and post a CAGR of almost 16% by 2020. This market research analysis identifies the growth in renewable power generation to be one of the primary factors for the growth of

the **electric cable** and wire market. The focus of several countries across world to commercialize renewable power generation will create a significant demand for **electrical wires and cables**. This is mainly due to the lack of a transmission and distribution (T&D) infrastructure at locations where renewable energy resources are set up. Moreover, the expansion of the existing renewable power generation plants, in the emerging countries, will also result in the increasing demand for **electrical wires** and cables. Initiatives such as excise duty exemption for Ferro-silicon-magnesium and pig iron used for manufacturing components for wind-operated electric power generators and the target set by the Jawaharlal Nehru National Solar Mission to generate more than 1,00,000 MW of solar power by the end of 2022, will boost the demand for electrical **wires and cables** in this region.

One of the major trends that will gain traction in this market is the increasing sales of HVDC power cables. Due to their benefits such as reduced transmission losses, light weight, and dimensions, HVDC cables such as HVDC underground cables and HVDC light cables will play a significant role in long-distance and high-voltage power transfer and in submarine power transmission. Also, HVDC power systems are the most sought after option for long-distance power bulk power delivery and will be used in several energy projects to build cross-border infrastructure.

Competitive landscape and key vendors

The market consists of a number of international and regional or local vendors who face intense competition from the unorganized vendors. The regional and unorganized players in the market are offering products at a comparative price which induces the well-established international electric **wire and cable manufacturers** to focus on differentiating their products to sustain their market shares. In addition to innovative product offerings, cable and **wire manufacturers** are also following strategies such as mergers and acquisitions to acquire new technologies and expand their customer reach.

The leading vendors in the market are -

- Finolex Cables
- Havells India
- KEI Industries
- Polycab Wires

The other prominent vendors in the market are Cable Corporation of India, Apar Industries Limited, Cords Cable Industries, KEC International, LS Cable India, Shilpi Cable Technologies, Universal Cable, and V-Guard Industries.

Segmentation by source and analysis of the electric wire and cable market in India

- Organized sector
- Unorganized sector

During 2015, the organized segment accounted for the major market shares and dominated this industry. This sector consists of cable and electrical wire manufacturers that manufacture cables with the best raw material and ensure quality by testing them at various stages. With the increasing awareness of the importance of quality wiring at buildings, there will be a significant increase in the demand for electrical wiring from the organized sector in the coming years. Moreover, factors such as intense competition from the organized vendors will also compel several unorganized suppliers to exit the market. As a result, this market segment will continue to dominate the market throughout the predicted period.

(Source: <https://www.technavio.com/report/india-engineering-tools-electric-wire-and-cable-market-india-2016-2020>)

CARE Ratings Views and Opinion: Outlook for Copper Industry for FY19

In light of the order of the permanent closure of the Tuticorin smelter, the production of domestic refined copper is expected to be around 510 KT during FY19 resulting in 40% drop from the FY18 production levels. India's refined copper production during FY18 was 843 KT.

India has been a net exporter of refined copper (A 'grade quality) as there has been excess production in the domestic markets.

- *The Tuticorin smelter accounts for 40% of the country's copper smelting capacity, and has contributed to 48% of the refined copper production during FY18.*
- *Given that refined copper consumption is to increase in the given backdrop of robust infrastructure activities undertaken by the government, closure of smelter will impact the trade dynamics, of India leading us to resort to additional imports changing the country from a net exporter to a net importer. India exported 344 KT and imported 37 KT of refined copper during FY18 (April-February)*
- *Even if the two existing producers (Hindalco and HCL) increase their utilisation rate it will not be sufficient to meet the domestic demand. The industry's current utilisation level is well over 80% and even if they raise their utilisation levels to 100% they cannot meet the shortfall.*
- *Hindalco will not be able to divert its production to the domestic market due to its long-term export contracts.*

*Demand for the domestic copper market is dependent largely on the electrical (34%), building & construction (8%), automobiles (11%) and the consumer durables segments (8%). We estimate **domestic demand of refined copper to be around 530-535 KT during FY19.***

The SMART City development, impetus on increase of renewable energy, demand from the automobile segment and capex activities related in the railways and defense sector is likely to further support the domestic demand for the metal.

Global copper prices to hover around USD 6,800-7,000 per tonne during the short to medium term period on a monthly basis.

LME Copper prices are to rise in the coming few months as there has been a pick up Chinese Demand for refined copper since the start of the CY18.

- *China's decision to place a ban on copper scrap imports may also play a role in keeping copper prices high as demand for refined copper is expected to increase in the world markets*
- *It is expected that the copper supply will still be facing a deficit in the near future as copper concentrates are high in demand and supply is limited.*

(Source:
<http://www.careratings.com/upload/NewsFiles/SplAnalysis/Copper%20Industry%20Update%20June%202018.pdf>
)

BUSINESS OVERVIEW

Our Company was incorporated as KBS Industries Private Limited at Delhi as a private limited company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated December 11, 2012 bearing corporate identification number U74990DL2012PTC245998 issued by Registrar of Companies, Delhi. Subsequently, our Company was converted into public limited company pursuant to Shareholders Resolution passed at the Extra-Ordinary General Meeting of our Company held on April 14th, 2018 and the name of our Company was changed to KBS Industries Limited pursuant to issuance of fresh Certificate of change of name dated May 15, 2018 issued by the Registrar of Companies, Delhi. The Corporate Identification Number of our Company is U74990DL2012PLC245998.

Our Company is an ISO 9001:2015 certified company, engaged in the manufacturing and supply of high quality Semi finished copper and copper alloy products (Rods, Bus bars, Strips, Wires, Plates, Sheets and Circles). We have capability and flexibility to meet customer requirements, exact specification and size. We have set up manufacturing facilities and team of highly qualified, motivated and experienced staff in production and sales to meet customers ever growing quality and service expectation.

Mission of KBS is to offer continuously world class customer service. Our Company has a good experience in this industry and has made sure our customer to get best product and service at the right time. The manufacturing facility of our Company is situated at Plot No. 418, HSIIDC, Phase-I, Barhi Industrial Area, Haryana, India and the registered office of our Company is situated at 1/486, 2nd Floor, Kashmere Gate, Central Delhi, DL 110006 IN. Our Company is promoted by Mr. Anil Anand and Mr. Arjun, who have vast experience in the field of manufacturing of copper related products. Further, KBS Industries Limited has acquired M/s. H.K. Industries, a proprietorship firm engaged in the business of trading of copper wire, copper rod, enamelled wire, ferrous and non-ferrous metal dated 25th March 2016 for further expansion and growth of the Company.

Keeping in mind the further expansion, our Company is planning to add a new line of business which is concerned in manufacturing of wire and cables in order to enter the retail segment. Further, KBS Industries Limited is setting up a new plant of around 156 Lakhs Coils of 90Mtrs P.A. capacity at Survey No. 51/1/2, Village Kala, Silvassa, Dadra and Nagar Haveli- 396230. It will serve the purpose for manufacturing wires and cables from the copper rod manufactured by the Company itself.

Details of Total Revenue for the last Five (5) years and for the period ended on 31st March, 2018 are as under:-

(Amt in Lakhs)					
Financial Year	Revenue from Operation	Other Income	Total Revenue	Profit before Depreciation, Interest and Tax	Profit after Tax
2013-2014	1036.61	3.41	1040.02	35.28	8.33
2014-2015	5012.97	0.63	5013.60	347.38	22.01
2015-2016	15025.86	21.74	15047.60	507.43	63.82
2016-2017	19855.17	25.46	19880.63	894.08	323.34
2017-2018	26787.97	11.72	26799.69	1441.14	728.20

Being a client centric organization, we strive hard to offer superior quality products to our respected patrons. Backed with the team of dexterous and experienced professionals, we never accept any sort of compromise with the quality of our products.

In order to execute all the business operations in a streamlined manner, we have appointed a proficient team of professionals. These professionals make sure that all the products are defect-free and will deliver high performance. All the professionals utilize their experience and in-depth knowledge in executing the work assigned to them. To maintain the quality standard of the product our professionals follow established norms and

guidelines of the industry.

Under the visionary guidance of our mentors, we have able to acquire a formidable position in the highly competitive market. The management skill, business acumen, leadership quality and vast industrial knowledge of our mentors have led our organization to execute the best and gain the confidence of numerous patrons across the region.

PRODUCT AND REGION WISE WISE TURNOVER

Financial Year 2013-14

(Amt in Lakhs)

Product Name	Haryana	Delhi	Grand Total	Percentage (%)
Copper Wire Rod	26.99	-	26.99	2.60
Copper Scrap	-	995.55	995.55	96.04
Trade of Copper	-	14.08	14.08	1.36
Total	26.99	1,009.63	1,036.62	100.00

Financial Year 2014-15

(Amt in lakhs)

Product Name	Haryana	Narela	Shahdara	Other part of Delhi	Grand Total	Percentage (%)
Copper Wire Rod	188.40	102.09	81.48	2,325.79	2,697.75	53.82
Copper Scrap	12.04	-	-	-	12.04	0.24
Trade of Copper	-	-	-	2,303.17	2,303.17	45.94
Total	200.45	102.09	81.48	4,628.96	5,012.97	100.00

Financial Year 2015-16

(Amt in Lakhs)

Product Name	Haryana	Narela	Shahdara	Other part of Delhi	Grand Total	Percentage (%)
Copper Wire Rod	5,207.10	1,261.28	9,53.67	780.25	8,202.30	54.59
Copper Scrap	-	15.20	125.46	-	140.65	0.94
Brass Scrap	822.00	-	25.45	-	847.46	5.64
Trade of Copper	-	-	-	5,835.46	5,835.46	38.83
Total	6,029.10	1,276.48	1,104.58	6,615.70	15,025.86	100.00

Financial Year 2016-17

(Amt In Lakhs)

Product Name	Haryana	Narela	Shahdara	Other part of Delhi	Mumbai	Grand Total	Percentage (%)
Copper Wire Rod	3,006.25	297.37	1,726.87	5,502.11	-	10,532.60	53.05
Copper Strip	107.79	-	-	-	-	107.79	0.54
Copper Scrap	-	1,615.5	-	-	-	1,615.59	8.14
Copper Ingot	554.13	-	-	-	-	554.13	2.80
Trade of Copper	-	-	-	401.16	6,643.89	7,045.05	35.47
Total	3,668.17	1,912.9	1,726.87	5,903.28	6,643.8	19,855.1	100.00

Financial Year 2017-18

(Amt in Lakhs)

Product Name	Haryana	Narela	Shahdara	Other part of Delhi	Mumbai	Grand Total	Percentage (%)
Copper Wire Rod	6,406.25	1,682.13	844.22	1,232.48	-	10,165.09	37.95
Metal Alloy	132.45	684.63	-	-	-	817.08	3.05
Copper Strip	312.44	111.83	-	-	-	424.28	1.58
Copper Scrap	232.55	-	26.12	345.28	-	603.96	2.25
Brass Scrap	866.97	-	-	-	-	866.97	3.24
Copper Ingot	1,006.25	228.07	-	-	-	1,234.32	4.61
Copper Rod	806.65	405.31	-	10,82.58	-	2,294.55	8.56
Trade of Copper	-	-	-	-	10,381.73	10,381.73	38.76
Total	9,763.57	3,111.9	870.34	2,660.35	10,381.7	26,787.9	100.00

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST AUDITED FINANCIAL STATEMENTS

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Draft Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:

1. The Company appointed Mr. Anil Anand as an Non Executive and Non Independent Director with effect from 02nd April, 2018;
2. The Company passed the Special Resolution in its Extra ordinary General Meeting held on 02nd April, 2018 for conversion of the Company from Private Limited to Public Limited and consequent change of the Name from “KBS Industries Private Limited” to “KBS Industries Limited”.
3. The Company appointed Ms. Monica Sachdeva as Chief Executive Office of the Company with effect from 21st May, 2018;
4. The Company appointed Mr. Arjun as Managing Director of the Company for a period five year w.e.f. 21st May, 2018 in their meeting held on 21st May, 2018;
5. The Company appointed Mr. Gaurav Jhanwar and Ms. Hetal Kishore Vora as an Independent Directors w.e.f. 21st May, 2018;
6. The Company applied registration of Trademark of the Company under Class 6 and Class 9 vide application no. 3874525 dated 29th June, 2018 and 3874527 dated 29th June, 2018 respectively;
7. Mrs. Achala Anand, one of the members of the Promoter Group had provided the premise for registered office on lease vide rent agreement dated 1st July, 2018 for a period of 11 months commencing from 1st July, 2018;
8. The shareholders approved and passed a special resolution on 18th June, 2018 to authorize the Board of Directors to raise funds by making an Initial Public Offering.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "*Risk Factors*" beginning on page 15 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Our success depends on the value, perception and quality of our product;
- Branding and marketing;
- General economic and business conditions;
- Company's inability to successfully implement its growth and expansion plans;
- Increasing competition in the Industry;
- Changes in technology;
- Any change in the laws and regulations to Industry in which we operate;
- Operational guidance and support

DISCUSSION ON RESULT OF OPERATION

The following discussion on result of operations should be read in conjunction with the restated financial statements of our Company for the financial years ended March 2018, 2017, 2016, 2015 and 2014.

OVERVIEW OF REVENUE & EXPENDITURE

Revenues:

Income from operations:

Our principal component of revenue from operations is from income from sale of product manufactured by our Company.

Other Income:

Our other income mainly includes interest income.

(Rs. In Lakhs)

Particulars	2018	2017	2016	2015	2014
Income					
Revenue from Operations	26,787.97	19,855.17	15,025.86	5,012.97	1,036.62
As a % of Total Revenue	99.96	99.87	99.86	99.99	99.67
Other Income	11.72	25.46	21.74	0.63	3.41
As a % of Total Revenue	0.04	0.13	0.14	0.01	0.33
Total Revenue	26,799.69	19,880.64	15,047.60	5,013.60	1,040.03

Expenditure:

Our total expenditure primarily consists of employee benefit expenses, Operating, Administrative, Selling and Other Expenses, finance cost, depreciation and other expenses.

Employee benefits expense

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

Depreciation & Amortization

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

Other Expenses

Other expenses include the following:

- Operating expenses like manufacturing expenses, electricity expenses.
- General expenses like marketing and sales promotion expenses, printing, stationery, insurance, audit and professional fees etc.
- Administrative and other expenses such as advertisement, traveling, conveyance expenses, etc.

Statement of profits and loss

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

(Rs. In Lakhs)

Particulars	31.03.2018	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Income:-					
Revenue from Operations	26,787.97	19,855.17	15,025.86	5,012.97	1,036.62
<i>As a % of Total Revenue</i>	99.96	99.87	99.86	99.99	99.67
Other Income	11.72	25.46	21.74	0.63	3.41
<i>As a % of Total Revenue</i>	0.04	0.13	0.14	0.01	0.33
Total Revenue (A)	26,799.69	19,880.64	15,047.60	5,013.60	1,040.03
Growth %					
Expenditure:-					
Raw Materials Consumed	26,098.31	19,946.93	17,527.28	4,724.99	1,109.89
<i>As a % of Total Revenue</i>	97.38	100.33	116.48	94.24	106.72
Change in inventories of finished goods, work in progress and cost-in-trade	(870.68)	(1,066.12)	(3,083.62)	(86.62)	(107.98)
Employees Benefit Expenses	54.95	45.8	51.84	13.8	1.73
<i>As a % of Total Revenue</i>	0.21	0.23	0.34	0.28	0.17
Operating, Administrative, Selling, and Other Expenses	76.07	59.94	44.67	14.05	1.1
<i>As a % of Total Revenue</i>	0.28	0.30	0.30	0.28	0.11
Depreciation and Amortization Expense	81.58	55.24	47.89	47.62	4.27
<i>As a % of Total Revenue</i>	0.30	0.28	0.32	0.95	0.41
Interest & Finance Charges	396.43	415.3	384.28	266.85	18.45
<i>As a % of Total Revenue</i>	1.48	2.09	2.55	5.32	1.77
Total Expenses (B)	25,836.65	19,457.10	14,972.34	4,980.69	1,027.46

Particulars	31.03.2018	31.03.2017	31.03.2016	31.03.2015	31.03.2014
<i>As a % of Total Revenue</i>	96.41	97.87	99.50	99.34	98.79
Profit before extraordinary items and tax	963.04	423.54	75.26	32.91	12.57
<i>As a % of Total Revenue</i>	3.59	2.13	0.50	0.66	1.21
Extraordinary Items	-	-	-	-	-
Profit before Tax	963.04	423.54	75.26	32.91	12.57
PBT Margin	3.59	2.13	0.50	0.66	1.21
Tax Expense:					
i. Current Tax	196.33	80.7	14.34	7	2.76
ii. Short / (Excess) provision	-	-	-	-	-
iii. Deferred Tax	38.5	19.49	-2.9	3.9	1.49
Total Tax Expense	234.84	100.2	11.44	10.9	4.24
Profit for the year/period	728.2	323.34	63.82	22.01	8.33
PAT Margin %	2.72	1.63	0.42	0.44	0.80

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

INCOME

Income from Operations

(Rs. In Lakhs)

Particulars	2017-18	2016-17	Variance In %
Revenue from Operations	26,787.97	19,855.17	34.92

The operating income of the Company for the year ending March 31, 2018 is Rs. 26,787.97 lakhs as compared to Rs. 19,855.17 lakhs for the year ending March 31, 2017, showing increase of 34.92%, and such Increase is due to Increase in volume of operations.

Other Income

Our other income decreased from Rs. 25.46 Lakhs to Rs. 11.72 lakhs. This was primarily due to decrease in interest income.

Operating, Administrative and Employee Costs

(Rs. In Lakhs)

Particulars	2017-18	2016-17	Variance In %
Employee Benefit Expenses	54.95	45.8	19.98
Operating, Administrative, Selling and Other Expenses	76.07	59.94	26.91

There is 19.98% increase in employee benefit expenses from Rs. 45.80 lakhs in financial year 2016-17 to Rs. 54.95 lakhs in financial year 2017-18 which is due to increase in staff and salary & wages. Our other expenses have also increased by 26.91% from Rs. 59.94 lakhs in financial year 2016-17 to Rs. 76.07 lakhs in financial year 2017-18. The increase was due to increase in operating expenses, general expenses and administrative expenses.

Depreciation

Depreciation expenses for the Financial Year 2017-2018 have Increased to Rs. 81.58 lakhs as compared to Rs. 55.24 lakhs for the Financial Year 2016-2017. The increase in depreciation was majorly due to increases in value of tangible assets.

Finance Charges

Our finance cost which consists of interest, processing fees and charges decreased by 4.54% in FY 2017-18 as compared to FY 2016-17 due to decrease in interest expenses.

Profit Before Tax

(Rs. In Lakhs)

Particulars	2017-18	2016-17	Variance In %
Profit Before Tax	963.04	423.54	127.38

Profit before tax increased by 127.38% from Rs. 423.54 lakhs in financial year 2016-17 to Rs. 963.04 lakhs in financial year 2017-18.

Provision for Tax and Net Profit

(Rs. In Lakhs)

Particulars	2017-18	2016-17	Variance In %
Taxation Expense	234.84	100.2	134.37
Profit After Tax	728.2	323.34	125.21

Our profit after tax Increased by 125.21% from Rs. 323.34 lakhs in financial year 2016-17 to Rs. 728.20 lakhs in financial year 2017-18. This increment was in line with increase in operational income.

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

INCOME

Income from Operations

(Rs. In Lakhs)

Particulars	2016-17	2015-16	Variance In %
Revenue from Operations	19,855.17	15,025.86	32.14

The operating income of the Company for the year ending March 31, 2017 is Rs. 19855.17 lakhs as compared to Rs. 15025.86 lakhs for the year ending March 31, 2016, showing increase of 32.14%, and such increase is due to increase in volume of operations.

Other Income

Our other income increased from Rs. 21.74 Lakhs to Rs. 25.46 lakhs. This was primarily due to Interest.

Operating, Administrative and Employee Costs

(Rs. In Lakhs)

Particulars	2016-17	2015-16	Variance In %

Employee Benefit Expenses	45.8	51.84	(11.65)
Operating, Administrative, Selling and Other Expenses	59.94	44.67	34.18

There is 11.65% decrease in employee benefit expenses from Rs. 51.84 lakhs in financial year 2015-16 to Rs. 45.80 lakhs in financial year 2016-17 which is due to decrease in staff and salary & wages. Our other expenses have increased by 34.18% from Rs. 44.67 lakhs in financial year 2015-16 to Rs. 59.94 lakhs in financial year 2016-17. The increase was due to increase in operating expenses, general expenses and administrative expenses.

Depreciation

Depreciation expenses for the Financial Year 2016-2017 have increased to Rs. 55.24 lakhs as compared to Rs. 47.89 lakhs for the Financial Year 2015-2016. The increase in depreciation was majorly due to increases in value of tangible assets.

Finance Charges

Our finance cost which consists of interest, processing fees and charges increased by 8.07% in FY 2016-17 as compared to FY 2015-16 due to increase in interest expenses.

Profit Before Tax

(Rs. In Lakhs)

Particulars	2016-17	2015-16	Variance In %
Profit Before Tax	423.54	75.26	462.77

Profit before tax increased by 462.77% from Rs. 75.26 lakhs in financial year 2015-16 to Rs. 423.54 lakhs in financial year 2016-17.

Provision for Tax and Net Profit

(Rs. In Lakhs)

Particulars	2016-17	2015-16	Variance In %
Taxation Expense	100.2	11.44	775.87
Profit After Tax	323.34	63.82	406.64

Our profit after tax increased by 406.84% from Rs. 63.82 lakhs in financial year 2015-16 to Rs. 323.34 lakhs in financial year 2016-17. This increment was in line with increase in operational income.

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

INCOME

Income from Operations

(Rs. In Lakhs)

Particulars	2015-16	2014-15	Variance In %
Revenue from Operations	15,025.86	5,012.97	199.74

The operating income of the Company for the year ending March 31, 2016 is Rs. 15,025.86 lakhs as compared to Rs. 5,012.97 lakhs for the year ending March 31, 2015, showing an increase of 199.74%, and such increase was attributed to rise in volume of our operations.

Other Income

Our other income increased by 3350.79% from Rs. 0.63 lakhs to Rs. 21.74 lakhs. This was primarily due to increase in interest income, in fiscal 2016.

Operating, Administrative and Employee Costs

(Rs. In Lakhs)

Particulars	2015-16	2014-15	Variance In %
Employee Benefit Expenses	51.84	13.8	275.65
Operating, Administrative, Selling and Other Expenses	44.67	14.05	217.94

There is 275.65% increase in employee benefit expenses from Rs. 13.80 lakhs in financial year 2014-15 to Rs. 51.84 lakhs in financial year 2015-16 which is due to increase in salaries and wages. Our Operating, Administrative, Selling and Other Expenses expenses increased by 217.94% from Rs. 14.05 lakhs in financial year 2014-15 to Rs. 44.67 lakhs in financial year 2015-16. The increase was due to increase in operating expenses, general expenses and administrative expenses.

Depreciation

Depreciation expenses for the Financial Year 2015-2016 have increased to Rs. 47.89 lakhs as compared to Rs. 47.62 lakhs for the Financial Year 2014-2015. The increase in depreciation was mainly due to decrease in Fixed Assets.

Finance Charges

Our finance cost which consists of interest, processing fees and charges increased by 44.01% in FY 2015-16 compared to FY 2014-15.

Profit Before Tax

(Rs. In Lakhs)

Particulars	2015-16	2014-15	Variance In %
Profit Before Tax	75.26	32.91	128.68

Profit before tax increased from Rs. 32.91 lakhs in financial year 2014-15 to Rs. 75.26 lakhs in financial year 2015-16.

Provision for Tax and Net Profit

(Rs. In Lakhs)

Particulars	2015-16	2014-15	Variance In %
Taxation Expense	11.44	10.9	4.95
Profit After Tax	63.82	22.01	189.96

Our profit after tax increased from Rs. 22.01 lakhs in financial year 2014-15 to Rs. 63.82 lakhs in financial year 2015-16. This increase was in line with our increase in operations.

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2015 WITH FINANCIAL YEAR ENDED MARCH 31, 2014

INCOME

Income from Operations

(Rs. In Lakhs)

Particulars	2014-15	2013-14	Variance In %
Revenue from Operations	5,012.97	1,036.62	383.59

The operating income of the Company for the year ending March 31, 2015 is Rs. 5,012.97 lakhs as compared to Rs. 1,036.62 Lakhs for the year ending March 31, 2014, showing a increase of 383.59%, and such increase was attributed to increase in volume of operations.

Other Income

Our Other Income for the financial year ended 31st March, 2015 was at Rs. 0.63 Lakhs as against Rs. 3.41 Lakhs for the fiscal year 2014.

Operating, Administrative and Employee Costs

Rs. In Lakhs)

Particulars	2014-15	2013-14	Variance In %
Employee Benefit Expenses	13.8	1.73	697.69
Operating, Administrative, Selling and Other Expenses	14.05	1.1	1177.27

There is 697.69% increase in employee benefit expenses from Rs. 1.73 Lakhs in financial year 2013-14 to Rs. 13.80 lakhs in financial year 2014-15. This was due to increase in salaries and wages and increase in staff.

Our Operating, Administrative, Selling and Other Expenses increased by 1177.27% from Rs. 1.10 in financial year 2013-14 to Rs. 14.05 lakhs in financial year 2014-15. The Increase was due to increase in operating expenses, general expenses and administrative expenses.

Depreciation

Depreciation expenses for the Financial Year 2014-2015 have increased to Rs. 47.62 lakhs as compared to Rs. 4.27 for the Financial Year 2013-2014, this is due to increase in fixed assets.

Finance Charges

Our finance cost which consists of interest, processing fees and charges for the financial year ended 31st March, 2015 was at Rs. 266.85 Lakhs as against Rs. 18.45 Lakhs for the fiscal year 2014.

Profit Before Tax

(Rs. In Lakhs)

Particulars	2014-15	2013-14	Variance In %
Profit Before Tax	32.91	12.57	161.81

Profit before tax increased from Rs. 12.57 lakhs in financial year 2013-14 to Rs. 32.91 lakhs in financial year 2015-16.

Provision for Tax and Net Profit

(Rs. In Lakhs)

Particulars	2014-15	2013-14	Variance In %
Taxation Expense	10.9	4.24	157.08
Profit After Tax	22.01	8.33	164.23

Our profit after tax increased from Rs. 8.33 Lakhs in financial year 2013-14 to Rs. 22.01 lakhs in financial year 2014-15. This was mainly due to Increase in revenue from operations.

OTHER MATTERS

Unusual or infrequent events or transactions

There are no transactions or events, which in our best judgement, would be considered unusual or infrequent that have significantly affected operations of the Company.

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

There are no significant economic changes that materially affected Company's operations or are likely to affect income from continuing operations. Any slowdown in the growth of Indian economy or future volatility in global commodity prices, could affect the business, including the future financial performance, shareholders' funds and ability to implement strategy and the price of the Equity Shares.

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

Other than as disclosed in the section titled "*Risk Factors*" beginning on page 15 of this Draft Prospectus to our knowledge, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

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

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

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 prices

The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

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

The Company is operating single business segment i.e. Manufacturing of Copper and allied products. Relevant industry data, as available, has been included in the chapter titled "*Industry Overview*" beginning on page 104 of this Draft Prospectus.

Status of any publicly announced new products/projects or business segments

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

The extent to which the business is seasonal

Our Company's business is not seasonal in nature.

Any significant dependence on a single or few suppliers or customers

The % of Contribution of our Company's customer and supplier vis a vis the total revenue from operations and raw materials/ finished goods cost respectively as March 31, 2018 is as follows:

Particulars	Customers	Suppliers
Top 5 (%)	37.37%	54.12%
Top 10 (%)	57.49%	65.36%

Competitive Conditions

We have competition with Indian and international manufacturers and our results of operations could be affected by competition in the industry / sector in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies / entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled "Risk Factors" on page 15 of Draft Prospectus.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except, as stated below and mentioned elsewhere in this Draft Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, statutory or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Subsidiaries and Group Companies or against any other company whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters or Group Companies.

Except as disclosed below there are no i) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years; (ii) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action; (iii) pending proceedings initiated against our Company for economic offences; (iv) default and non-payment of statutory dues by our Company; (v) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company and Subsidiaries including fines imposed or compounding of offences done in those five years; or (vi) material frauds committed against our Company in the last five years.

Except as stated below there are no Outstanding Material Dues (as defined below) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on 9th June, 2018 determined that outstanding dues to creditors in excess of Rs. 10 lakhs of our Company as per last audited financial statements shall be considered as material dues (Material Dues). Our Board, in its meeting held on 9th June, 2018 determined that litigations involving an amount of more than Rs. 10 lakhs as per last audited financial statements shall be considered as material. Unless otherwise stated to contrary, the information provided is as of date of this Draft Prospectus.

LITIGATION FILED AGAINST OUR COMPANY

- A. Litigation involving Labor Laws: NIL
- B. Litigation involving Tax Laws - NIL
- C. Litigation involving Civil Suits and Writ Petition (Civil) - NIL
- D. Litigation involving Criminal Laws - NIL
- E. Other Miscellaneous Cases: Nil
- F. Penalties in last Five Years - NIL
- G. Past Notice to our company - NIL
- H. Details of material fraud against the company in last five years - NIL

LITIGATION FILED BY OUR COMPANY

- A. Litigation involving Labour Law Proceedings - NIL
- B. Litigation involving Tax Laws - NIL

- C. Litigation involving Civil Suits and Writ Petition (Civil) - NIL
- D. Litigation involving Criminal Cases - NIL
- E. Other Material Cases -NIL

LITIGATION FILED AGAINST THE DIRECTORS OF OUR COMPANY

- A. Litigation involving Tax Laws - NIL
- B. Litigation involving Civil Suits and Writ Petition (Civil) - NIL
- C. Litigation involving Criminal Cases - NIL
- D. Other Material Cases-NIL
- E. Penalties in last Five Years - NIL
- F. Past Notice to our company - NIL
- G. Details of material fraud against the company in last five years - NIL

LITIGATION FILED BY THE DIRECTORS OF OUR COMPANY

- A. Litigation involving Tax Laws - NIL
- B. Litigation involving Civil Suits and Writ Petition (Civil) - NIL
- C. Litigation involving Criminal Cases - NIL

LITIGATION FILED AGAINST THE PROMOTERS OF OUR COMPANY

- A. Litigation involving Tax Laws - NIL
- B. Litigation involving Civil Suits and Writ Petition (Civil) - NIL
- C. Litigation involving Criminal Cases - NIL
- D. Other Material Cases -NIL
- E. Penalties in last Five Years - NIL
- F. Past Notice to our company - NIL
- G. Details of material fraud against the company in last five years - NIL

LITIGATION AGAINST THE PROMOTERS OF OUR COMPANY

- A. Litigation involving Tax Laws - NIL
- B. Litigation involving Civil Suits and Writ Petition (Civil) - NIL
- C. Litigation involving Criminal Cases - NIL

LITIGATION FILED AGAINST OUR GROUP COMPANIES

- A. Litigation involving Tax Laws - NIL
- B. Litigation involving Civil Suits and Writ Petition (Civil) - NIL

- C. Litigation involving Criminal Cases - NIL
- D. Other Material Cases-NIL
- E. Penalties in last Five Years - NIL
- F. Past Notice to our company - NIL
- G. Details of material fraud against the company in last five years - NIL

LITIGATION FILED BY OUR GROUP COMPANIES

- A. Litigation involving Tax Laws - NIL
- B. Litigation involving Civil Suits and Writ Petition (Civil) - NIL
- C. Litigation involving Criminal Cases - NIL

LITIGATION FILED AGAINST OUR SUBSIDIARIES

- A. Litigation involving Tax Laws - NIL
- B. Litigation involving Civil Suits and Writ Petition (Civil) - NIL
- C. Litigation involving Criminal Cases - NIL
- D. Other Material Cases -NIL
- E. Penalties in last Five Years - NIL
- F. Past Notice to our company - NIL
- G. Details of material fraud against the company in last five years - NIL

LITIGATION FILED BY OUR SUBSIDIARIES

- A. Litigation involving Tax Laws - NIL
- B. Litigation involving Civil Suits and Writ Petition (Civil) - NIL
- C. Litigation involving Criminal Cases - NIL

Material Developments since the Last Balance Sheet

Except as disclosed in Management Discussion and Analysis of Financial Condition and results of operations, there have been no material developments.

Outstanding dues to small scale undertakings or any other creditors

As per the requirements of SEBI Regulations, our Company, pursuant to a resolution of our Board dated 9th June, 2018, considered creditors to whom the amount due exceeds Rs. 20 lakhs by our company for the purpose of identification of material creditors. Based on the above, details of material creditors of our Company as on March 31, 2018.

Name	Amount Due (Rs. In Lakhs)
JSK Marketing Pvt. Ltd.	365.66
Riya Enterprises	308.58

Name	Amount Due (Rs. In Lakhs)
KRY Global DWC LLC	298.58
Rajpoot Trading Company	249.09
HVR Project Pvt. Ltd.	227.66
AV Impex	223.77
S & J Granulate Solutions Pvt. Ltd.	181.07
Home Zone Metals Pvt. Ltd	162.53
M/s Kamal Enterprises	151.66
RK International	132.43
GIC Insuflex Conductors Pvt. Ltd.	121.97
Total	2,423.00

We don't owe any amount to small scale undertakings. The details pertaining to net outstanding dues towards our Material Creditors shall be made available under investors' section on the website of our Company. It is clarified that such details available on our website do not form a part of this Draft Prospectus. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at their own risk.

GOVERNMENT & OTHER APPROVALS

We have received all the necessary consents, licenses, permissions and approvals from the government and various government agencies/ private certification bodies for our present businesses and no further approvals are required for carrying on the present businesses except as stated in this Draft Prospectus.

For further details in connection with the regulatory and legal framework within which we operate, please refer to the section titled “Key Industry Regulations and Policies” on page 136 of this Draft Prospectus.

APPROVALS FOR THE ISSUE

1. The Board of Directors has, pursuant to resolution passed at its meeting held on 9th June, 2018 authorized the Issue.
2. The Shareholders of our Company have, pursuant to a resolution passed at Extra Ordinary General Meeting held on 18th June, 2018 authorized the Issue.
3. We have received in-principle approvals from NSE-EMERGE for the listing of our Equity Shares pursuant to letters dated [●].

Sr. No.	Nature of Licenses/ Approval Granted	Issuing Authority	Registration/ License No.	Date of Granting Renewal/ Approval	Validity
A.	Corporate Approvals				
1)	Certificate of Incorporation as KBS Industries Private Limited	Registrar of Companies, Delhi	CIN NO. U74990DL2012PTC 245998	11.12.2012	Until cancellation or winding up
2)	Certificate of Incorporation consequent to change of name from KBS Industries Pvt. Ltd. To KBS Industries Ltd.	Registrar of Companies, Delhi	U74990DL2012PLC2 45998	15.05.2018	Until cancellation or winding up
3)	Certificate of Importer-Exporter Code (IEC)	Asst. Director General of Foreign Trade, Ministry of Commerce and Industry	0514015918	27.05.2014	Until cancelled or surrendered
4)	Entrepreneur Memorandum Number	Joint Director, District Industries Center Sonipat	060081200060 Part-II	24.04.2015	Until cancelled or surrendered
5)	Udyog Aadhar Registration Certificate	Ministry of Micro, Small & Medium Enterprises	UdyogAadhar Number- HR18C0002480	Date of filing- 16.09.2017 Date of Printing- 26.09.2017	Until cancelled or surrendered
6)	Registration-cum-Membership Certificate, EEPC India, Ministry of Commerce & Industry, Government of India	Regional Director	101/M25895	08.07.2014	N.A

Sr. No.	Nature of Licenses/ Approval Granted	Issuing Authority	Registration/ License No.	Date of Granting Renewal/ Approval	Validity
B.	Tax Related Approvals				
1)	Permanent Account Number	Income Tax Department, Govt. of India	AAFCK0081K	11.12.2012	Until cancelled or surrendered
2)	Tax Deduction Account Number	Income Tax Department, Govt. of India	DELK13410F	02.11.2013	Until cancelled or surrendered
3)	Registration under Maharashtra Shops and Establishment Act, 1948	Inspector under Maharashtra Shops and Establishment Act, 1948	762309483/Commercial II	22.01.2018	Validity till 15.01.2019 To be renewed before 01.01.2019
4)	Central Excise Registration	Superintendent, Central Excise & Customs,	i)AAFCK0081KEM001 ii)AAFCK0081KEM003	N.A	N.A
5)	Certificate of Registration under Haryana Value Added Tax Act, 2003	Haryana Excise and Taxation Department	06343020057	N.A	N.A
6)	Certificate of Registration under Delhi Value Added Tax Act, 2004	Department of Excise, Entertainment and Luxury Tax, Govt. of Delhi	07166923436	N.A	N.A
7)	TIN under Value Added Tax	Government of Maharashtra	27941439687V	N.A	N.A
8)	Goods and Services Tax Registration in Maharashtra	Registration officer, Sales Tax Department, Maharashtra	27AAFCK0081K1ZH	02.01.2018	Date of Liability- 01.07.2017 Date of Validity - 24.09.2017 to N.A.
9)	Goods and Services Tax Registration in Delhi	Registration officer, Sales Tax Department, Delhi	07AAFCK0081K1ZJ	18.09.2017	Date of Liability- 01.07.2017 Date of Validity - 01.07.2017 to N.A.
10)	Goods and Services Tax Registration in Haryana	Sales Tax Officer, Registration Branch, Haryana	06AAFCK0081K1ZL	21.09.2017	Date of Liability- 01.07.2017 Date of Validity - 01.07.2017 to N.A.
11)	Certificate of Enrolment	Maharashtra Sales Tax	99503077750P	16.12.2016	Until cancelled

Sr. No.	Nature of Licenses/ Approval Granted	Issuing Authority	Registration/ License No.	Date of Granting Renewal/ Approval	Validity
	under Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975	Department			or surrendered
C.	APPROVALS RELATING TO FACTORY OPERATIONS AND ENVIRONMENT LAW				
1)	Consent to Operate under the Water (Prevention & Control of Pollution) Act, 1974 and under the Air (Prevention & Control of Pollution) Act, 1981	State Pollution Control Board, Haryana	No, HSPCB/Consent /: 2804717SONCTO42 38434	07.09.2017	Period of Consent from 01.10.2017 to 31.03.2022
2)	Grant of authorization under Hazardous and Other Wastes (Management & Trans-boundary Movement) Rules, 2016	Regional Officer Sonipat for Haryana State Pollution Control Board	HWM/SON/2018/43 68456	30/03/2018	Authorization valid for a period of 27/02/2018 to 31/03/2022
3)	Fire Safety Approval (No Objection Certificate)	Fire Station Officer, Sonipat	Memo No. FS/2018/194	25.05.2018	Validity of 12 months from the date of issue of letter of NOC.
LABOUR LAWS RELATED APPROVALS					
1)	Registration for Employees State Insurance under Employees State Insurance Act, 1948	Sub regional office, Employees' State Insurance Corporation	1300075593000050 1	N.A	N.A
2)	Registration of Provident Fund	Regional Provident Fund Commissioner, Haryana	[•]	[•]	Until cancelled or surrendered
QUALITY CERTIFICATION					
1)	ISO 9001:2015	Deutsch Accreditation Board	Certificate No.- QMS-18-07-93	26.07.2018	Validity till 25.07.2021
TRADEMARK					
1)	Trademark Registration of  for KBS Industries Ltd.	Trademark Registry, Government of India	➤ Application No. 3874525 under Class 6 ➤ Application No. 3874527 under Class 9	Filing Date 29 th June 2018	Application under process

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution passed by our Board of Directors at its meeting held on 9th June, 2018 and by the shareholders of our Company by a special resolution, pursuant to Section 62(1)(c) of the Companies Act, 2013, passed at the Extra Ordinary General Meeting of our Company held on 18th June, 2018 at registered office of the Company.

Our Board has approved this Draft Prospectus at its meeting held on 14th September, 2018.

We have received approval from NSE-EMERGE vide letter dated [●] to use the name of NSE in this offer document for listing of our Equity Shares on NSE EMERGE. NSE is the Designated Stock Exchange.

PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoters, our Directors, our Promoter Group and our Group Entities, have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

The companies with which our Promoters, our Directors or persons in control of our Company are/ were associated as promoters, directors or persons in control have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

None of our Directors are in any manner associated with the securities market. There has been no action taken by SEBI against any of our Directors or any entity our Directors are associated with as directors.

PROHIBITION BY RBI

Neither our Company, nor our Promoters, or the relatives (as defined under the Companies Act) of our Promoters or Group Entities have been identified as willful defaulters by the RBI or any other governmental authority. There are no violations of securities laws committed by them in the past or no proceedings thereof are pending against them.

ELIGIBILITY FOR THE ISSUE

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

Our Company is eligible for the Issue in accordance with Regulation 106(M) (1) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an Issuer whose post issue paid up capital do not exceed ten crores rupees shall issue its specified securities in accordance with provisions of chapter XB Issue of specified securities by small and medium enterprises] of ICDR regulations. (In this case being the “SME Platform of NSE EMERGE”). Our Company also complies with the eligibility conditions laid by the NSE Emerge Platform for listing of our Equity Shares.

1. In accordance with regulation 106(P) of the SEBI ICDR Regulations, this Issue will be 100% underwritten and that the LM will underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled “General Information” beginning on page 63 of this Draft Prospectus.
2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire

application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, than our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed u/s 40 of the Companies Act, 2013

3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Draft Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Draft Prospectus with Stock Exchange and the Registrar of Companies.
4. In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the Lead Manager will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue. For further details of the market making arrangement see chapter titled “General Information” beginning on page 63 of this Draft Prospectus.
5. The Company has Net Tangible assets of at least Rs. 1 crore as per the latest audited financial results.
6. The Net worth (excluding revaluation reserves) of the Company is at least Rs. 1 crore as per the latest audited financial results.
7. The Company has been incorporated on 11th December, 2012 and has track record of over three years and have positive cash accruals (earnings before depreciation and tax) from operations for atleast 2 financial years.
8. The Post-issue paid up capital of the Company shall be at least Rs. 1 Crore.
9. The Company shall mandatorily facilitate trading in demat securities and has entered into agreements with both the depositories.
10. The Company has not been referred to Board for Industrial and Financial Reconstruction.
11. No petition for winding up is admitted by a court of competent jurisdiction or a liquidator has been appointed against the Company.
12. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
13. The Company has a website: www.kbsltd.in
14. There has been no change in the Promoter(s) of the Company in the preceding one year from the date of filling application to NSE-Emerge Platform.
15. There is no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years.
16. No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) of the applicant company

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER, NAVIGANT CORPORATE ADVISORS LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS FOR THE TIME BEING IN FORCE. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT PROSPECTUS, THE LEAD MANAGER, NAVIGANT CORPORATE ADVISORS LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, NAVIGANT CORPORATE ADVISORS LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED [.] IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992.

“WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, CIVIL LITIGATIONS, DISPUTES WITH COLLABORATORS, CRIMINAL LITIGATIONS ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT PROSPECTUS PERTAINING TO THE SAID ISSUE;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
 - A. THE DRAFT PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;
 - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
 - C. THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, COMPANIES ACT, 2013 THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.

3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.
5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS.
6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT PROSPECTUS.
7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. - NOT APPLICABLE
8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION - NOTED FOR COMPLIANCE, SUBJECT TO COMPLIANCE WITH REGULATION 56 OF THE SEBI REGULATIONS
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.- NOT APPLICABLE**
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT PROSPECTUS:

- A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
 - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR - DETAILS ARE ENCLOSED IN "ANNEXURE A"
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTION HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS."

**Section 29 of the Companies Act, 2013 provides inter alia that every company making public offers shall issue securities only in dematerialised form by complying with the provisions of the Depositories Act, 1996 and the regulations made thereunder.*

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING NSE EMERGE

- 1) "WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
- 2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
- 3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009.
- 4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.
- 5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE

REQUIREMENTS) REGULATIONS, 2009, CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT PROSPECTUS.

- 6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION [106P] AND [106V] OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE. - NOTED FOR COMPLIANCE.”
- 7) WE CONFIRM THAT THE ISSUER HAS REDRESSED AT LEAST NINETY FIVE PER CENT OF THE COMPLAINTS RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEDING THE MONTH OF THE FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES. - NOT APPLICABLE

Note:

The filing of this Draft Prospectus does not, however, absolve our Company from any liabilities under section 34, section 35, section 36 OR section 38(1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Lead manager any irregularities or lapses in the Draft Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Draft Prospectus with the Registrar of Companies, Delhi in terms of sections 26, 32 and 33 of the Companies Act, 2013.

DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website, www.kbsltd.in would be doing so at his or her own risk.

CAUTION

The Lead Manager accepts no responsibility, save to the limited extent as provided in the MOU for Issue Management entered into among the Lead Manager and our Company dated 19th July, 2018, the Underwriting Agreement [●] entered into among the Underwriters and our Company and the Market Making Agreement dated [●] entered into among the Lead Manager, Market Maker and our Company.

Our Company and the Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers, etc.

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

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

For details regarding the price information and track record of the past issue handled by M/s Navigant Corporate Advisors Limited, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please refer to the website of the Book Running Lead Manager at www.navigantcorp.com.

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non residents including FIIs, Eligible NRIs, QFIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Delhi only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Prospectus has been filed with NSE for its observations and NSE shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

DISCLAIMER CLAUSE OF NSE EMERGE PLATFORM

As required, a copy of this Draft Prospectus has been submitted to NSE. NSE has given vide its letter Ref.: [•] dated [•] permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever

by reason of any loss which may be suffered by such person consequent to or in connection with such subscription / acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

FILING

The Draft Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the offer document in term of Reg. 106(M)(3). However, a copy of the Prospectus shall be filed with SEBI at the 5th Floor, Bank of Baroda Building, 16, Sansad Marg, New Delhi - 110 001.. A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the ROC situated at 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi - 110019.

LISTING

In terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of obtaining in- principle approval from NSE-Emerge Platform. However application will be made to the NSE-Emerge Platform for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The NSE-Emerge Platform has given its in-principal approval for using its name in our Draft Prospectus vide its letter dated [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE-Emerge Platform, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Draft Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 6 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE-Emerge Platform mentioned above are taken within twelve Working Days from the Issue Closing Date.

CONSENTS

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary and Compliance Officer, Chief Financial Officer, the Auditors, Peer Review Auditor, Banker to the Company; and (b) Lead manager, Underwriters, Market Makers Registrar to the Issue, Legal Advisor to the Issue, Banker to the Issue to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Section 26 & 32 of Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Prospectus and such consent and report is not withdrawn up to the time of delivery of this Draft Prospectus with NSE.

EXPERT OPINION

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

1. Report of the Statutory Auditor on Statement of Tax Benefits;
2. Report of the Peer Reviewed Auditor on the Restated Financial Statements for the financial year ended on March 31, 2018, 2017, 2016, 2015 and 2014 of our Company.

PUBLIC ISSUE EXPENSES

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter “Objects of the Issue” beginning on page 91 of this Draft Prospectus.

FEES PAYABLE TO LEAD MANAGER TO THE ISSUE

The total fees payable to the Lead Manager will be as per the Engagement Letters from our Company and Lead Manager and Memorandum of Understanding signed with the Lead Manager, copy of which is available for inspection at the Registered Office of our Company.

FEES PAYABLE TO THE REGISTRAR TO THE ISSUE

The fees payable by the Company to the Registrar to the Issue for processing of application, data entry, printing of CAN, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Memorandum of Understanding signed with the Company, copy of which is available for inspection at the Registered Office of our Company.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post/ speed post/ under certificate of posting.

FEES PAYABLE TO OTHERS

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and the selling commission for the Issue are as set out in the Underwriting Agreement amongst the Company and Underwriters. The underwriting commission shall be paid as set out in the Underwriting Agreement based on the Issue price and the amount underwritten in the manner mentioned on page 67 of this Draft Prospectus.

CAPITAL ISSUE DURING THE LAST THREE YEARS

KBS Industries Limited and its Group Companies have not made any capital issue viz. initial public offering, rights issue or composite issue during the last three years.

PREVIOUS PUBLIC OR RIGHTS ISSUE

There have been no public or rights issue by our Company during the last five years.

PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH

Except as stated in the section titled “Capital Structure” on page 71 of this Draft Prospectus, we have not made any previous issues of shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE PAID ON PREVIOUS ISSUES OF OUR EQUITY SHARES

Since this is the Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

PROMISE VIS-À-VIS PERFORMANCE

Our Company has not made any public or rights issue since its inception.

PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370(1) (B) OF THE COMPANIES ACT, 1956 / SECTION 186 OF THE COMPANIES ACT, 2013 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS

There are no listed companies under the same management within the meaning of Section 370(1)(b) of the Companies Act, 1956 / Section 186 of the Companies Act, 2013 that made any capital issue viz. initial public offering, rights issue or composite issue during the last three years.

OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Draft Prospectus.

STOCK MARKET DATA FOR OUR EQUITY SHARES

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

INVESTOR GRIEVANCES AND REDRESSAL SYSTEM

The Company has appointed Karvy Computershare Private Limited as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue, namely, Karvy Computershare Private Limited, will handle investor's grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-coordinating with the Registrar to the Issue in attending to the grievances to the investor. The Company assures that the Board of Directors in respect of the complaints, if any, to be received shall adhere to the following schedules:

Sr. No.	Nature of Complaint	Time Table
1.	Non-receipt of refund	Within 7 days of receipt of complaint subject to production of satisfactory evidence
2.	Non receipt of share certificate/Demat Credit	Within 7 days of receipt of complaint subject to production of satisfactory evidence
3.	Any other complaint in relation to Public Issue	Within 7 days of receipt of complaint with all relevant details.

Redressal of investors' grievance is given top priority by the Company. The Committee oversees redressal of complaints of shareholders/investors and other important investor related matters. The Company has adequate arrangements for redressal of investor complaints as follows:

Share transfer/ dematerialization/ rematerialization are handled by professionally managed Registrar and Transfer Agent, appointed by the Company in terms of SEBI's direction for appointment of Common Agency for physical as well as demat shares. The Registrars are constantly monitored and supported by qualified and experienced personnel of the Company.

We have appointed Ms. Komal Suresh Kumar Churiwala as Company Secretary and Compliance Officer and she may be contacted in case of any pre-issue or post-issue problems. She can be contacted at the following address:

Ms. Komal Suresh Kumar Churiwala

609, B - Wing, Express Zone,
Off Western Express Highway,
Malad (E), Mumbai - 400 097
Tel: +91-22-6236 2911

Email: cs@kbsindustries.in

Website: www.kbsltd.in

CHANGES IN AUDITORS

There has been no change in the auditors of our Company for the last three years as given below.

CAPITALIZATION OF RESERVES OR PROFITS DURING LAST FIVE (5) YEARS

Except as provided in the Chapter titled Capital Structure beginning on page 71 of the Draft Prospectus, Our Company has not capitalized its reserves or profits at any time during the last five (5) years.

REVALUATION OF ASSETS DURING THE LAST FIVE (5) YEARS

Our Company has not revalued its assets during the last five (5) years.

PURCHASE OF PROPERTY

Other than as disclosed in this Draft Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Draft Prospectus. Except as stated elsewhere in this Draft Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made thereunder.

SERVICING BEHAVIOR

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

SECTION VII

**ISSUE RELATED INFORMATION
TERMS OF THE ISSUE**

The Equity Shares being issued and transferred are subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, our Memorandum and Articles of Association, the SEBI Listing Regulations, the terms of the Draft Prospectus, the Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official websites of the concerned stock exchanges for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available

RANKING OF EQUITY SHARES

The Equity Shares being issued in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act, 1956 and Companies Act, 2013 and the Articles. For further details, please refer to the section titled "Main Provisions of Articles of Association" beginning on page 284 of this Draft Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, SEBI Listing Regulations and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act, SEBI Listing Regulations and our Articles of Association. For further details, please refer to the chapter titled "Dividend Policy" on page 172 of this Draft Prospectus.

FACE VALUE AND ISSUE PRICE

The Equity Shares having a Face Value of Rs.10 each are being offered in terms of this Draft Prospectus at the price of Rs. [●] per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled "Basis of Issue Price" on page 99 of this Draft Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

COMPLIANCE WITH SEBI (ICDR) REGULATIONS

We shall comply with all requirements of SEBI (ICDR) Regulations, all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, 2013 and the Memorandum and Articles of Association of the Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled "Main Provisions of Articles of Association" on page 284 of this Draft Prospectus.

MINIMUM APPLICATION VALUE; MARKET LOT AND TRADING LOT

In terms of the provision of the Depositories Act, 1996 (22 of 1996) & the regulations made under and Section 29 (1) of the Companies Act, 2013 the Equity Shares of our Company shall be allotted only in dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

The trading of the Equity Shares will happen be in dematerialized form and in the minimum contract size of [●] Equity Shares and the same may be modified by the NSE EMERGE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through the Issue will be done in multiples of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares to the successful Applicants.

MINIMUM NUMBER OF ALLOTTEES

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

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Delhi.

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

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

JOINT HOLDERS

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

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

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

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

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

MIGRATION TO MAIN BOARD

Our Company may migrate to the main board of NSE from NSE EMERGE platform of NSE on a later date subject to the following:

a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than Promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), Company shall have to apply to NSE for listing our shares on its main board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the main board.

OR

b) If the Paid up Capital of the Company is more than 10 crores but below Rs. 25 crores, Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

MARKET MAKING

The shares offered through this Issue are proposed to be listed on the NSE EMERGE Platform, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the NSE-EMERGE for a minimum period of three years from the date of listing of shares offered through this Draft Prospectus. For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer to “General Information - Details of the Market Making Arrangements for this Issue” on page 68 of this Draft Prospectus.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the equity shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the NSE-EMERGE.

AS PER THE EXISTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However,

such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

NEW FINANCIAL INSTRUMENTS

The Issuer Company is not issuing any new financial instruments through this Issue.

APPLICATION BY ELIGIBLE NRIS, FPIS/FIIS REGISTERED WITH SEBI, VCFS REGISTERED WITH SEBI AND QFIS

It is to be understood that there is no reservation for Eligible NRIs or FPIs/FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FPIs/FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

RESTRICTIONS, IF ANY, ON TRANSFER AND TRANSMISSION OF EQUITY SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter "Capital Structure" beginning on page 71 of this Draft Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled "Main Provisions of the Articles of Association" beginning on page 284 of this Draft Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

WITHDRAWAL OF THE ISSUE

In accordance with the SEBI ICDR Regulations, our Company, in consultation with Lead Manager, reserves the right not to proceed with this Issue at any time after the Issue Opening Date, but before our Board meeting for Allotment, without assigning reasons thereof. However, if our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-Issue advertisements were published.

Further, the Stock Exchange shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the Applicants within one Working

Day from the date of receipt of such notification. In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non retail applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(1) of Chapter X-B of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, An issuer whose post-issue face value capital do not exceed ten crores rupees shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of NSE i.e. NSE-EMERGE). For further details regarding the salient features and terms of such an Issue please refer the section titled “*Terms of the Issue*” and “*Issue Procedure*” on page 235 and 244 of this Draft Prospectus.

Following is the Issue structure:

Public Issue of upto 48,00,000 equity shares of Rs. 10 each (the “Equity Shares”) for cash at a price of Rs. [●] per Equity Share (including a share premium of Rs. [●] per Equity Share) aggregating to Rs. [●] lakhs (“the Issue”) by KBS Industries Limited (“KBS” or the “Company” or the “Issuer”).

The Issue comprises reservation of upto 2,46,000 Equity Shares for subscription by the designated Market Maker (“the Market Maker Reservation Portion”) and Net Issue to Public of upto 45,54,000 Equity Shares (“the Net Issue”).

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares available for allocation	Upto 45,54,000 Equity Shares	2,46,000 Equity Shares
Percentage of Issue Size available for allocation	94.875% of the Issue size	5.125% of the Issue size
Basis of Allotment	Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each. For further details please refer to the section titled “ <i>Issue Procedure Basis of Allotment</i> ” on page 255 of this Draft Prospectus.	Firm Allotment
Mode of Application	All the applicants shall make the application (Online or Physical) through the ASBA Process	Through ASBA Process Only
Minimum Application Size	For QIB and NII: Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value exceeds Rs. 2,00,000/- For Retail Individuals: [●] Equity Shares	[●] Equity Shares
Maximum Application Size	For QIB and NII: Such number of equity shares in multiples of [●] Equity Shares such that the Application Size does not exceed [●]Shares. For Retail Individuals: [●] Equity Shares	[●] Equity Shares

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Mode of Allotment	Compulsorily in Dematerialized mode	Compulsorily in Dematerialized mode
Trading Lot	[●] Equity Shares	[●] Equity Shares, However, the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of Payment	The entire Application Amount will be payable at the time of submission of the Application Form and accordingly ASBA Banks will block the entire Application Amount.	

*50 % of the shares offered are reserved for applications below Rs. 2 Lakhs and the balance for higher amount applications.

WITHDRAWAL OF THE ISSUE

In accordance with the SEBI ICDR Regulations, our Company, in consultation with Lead Manager, reserves the right not to proceed with this Issue at any time after the Issue Opening Date, but before our Board meeting for Allotment, without assigning reasons thereof. However, if our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-Issue advertisements were published.

Further, the Stock Exchange shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the Applicants within one Working Day from the date of receipt of such notification. In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non retail applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

ISSUE PROGRAMME

ISSUE OPENING DATE	[●]
ISSUE CLOSING DATE	[●]

Applications and any revision to the same (except that on the Issue Closing Date) will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form. On the Issue Closing date application and revision to the same will be accepted between 10.00 a.m and 3.00 p.m. Applications will be accepted during Issue period on Working Days.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (DIPPI), issued Consolidated FDI Policy Circular of 2015 ("FDI Policy 2015"), which with effect from May 12, 2015, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force and effect as on May 11, 2015. However, press note 4 of (2015 Series), dated April 24, 2015, regarding policy on foreign investment in pension sector, will remain effective. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2015 will be valid until the DIPP issues an updated circular. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time.

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

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

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the Application is not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (the "General Information Document") included below under section "Part B-General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Regulations. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchange and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and the Lead Manager would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

FIXED PRICE ISSUE PROCEDURE

The Issue is being made under Regulation 106(M)(1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to the Application Collecting Intermediaries. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that the Equity Shares will be allotted to all successful Applicants only in dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form.

Further the Equity shares on allotment shall be trade only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

APPLICATION FORM

Pursuant to SEBI Circular dated September 27, 2011 and bearing No. CIR/CFD/DIL/4/2011, the Application Form has been standardized. Also please note that pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 investors in public issues can only invest through ASBA Mode.

The prescribed colours of the Application Form for various investors applying in the Issue are as follows:

Category	Color of Application Form

Category	Color of Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA)	White
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)	Blue

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number.

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries

- an SCSB, with whom the bank account to be blocked, is maintained
- a syndicate member (or sub-syndicate member) : Not Applicable being Fixed Priced Issue
- a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ("broker")
- a depository participant ("DP") (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- a registrar to an issue and share transfer agent ("RTA") (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorised our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of NSE i.e. www.nseindia.com

WHO CAN APPLY?

In addition to the category of Applicants set forth under **"-General Information Document for Investing in Public Issues - Category of Investors Eligible to participate in an Issue"**, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares.

OPTION TO SUBSCRIBE IN THE ISSUE

- a) As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialized form only.
- b) The equity shares, on allotment, shall be traded on Stock Exchange in demat segment only.
- c) A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

PARTICIPATION BY ASSOCIATES / AFFILIATES OF LEAD MANAGER

The Lead Manager, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager, if any, may purchase the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRI'S APPLYING ON NON REPATRIATION

Application must be made only in the names of individuals, limited companies or statutory corporations/institutions and not in the names of minors, foreign nationals, non residents (except for those applying on non repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu undivided families, partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE/FCNR accounts as well as NRO accounts.

APPLICATIONS BY ELIGIBLE NRI'S/RFPI's ON REPATRIATION BASIS

Application Forms have been made available for eligible NRIs at our Registered Office and at the Corporate Office of the Lead manager. Eligible NRI Applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the Forms meant for Resident Indians and should not use the forms meant for the reserved category. Under FEMA, general permission is

granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRIs on repatriation basis. Allotment of equity shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian tax laws and regulations and any other applicable laws.

As per the current regulations, the following restrictions are applicable for investments by FPIs:

1. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where "infrastructure" is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as Infrastructure Finance Companies (IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
2. Where a foreign institutional investor or a sub account, prior to commencement of these regulations, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:
 - a. A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
 - b. Nothing contained in clause (a) shall apply to:
 - (i) Any transactions in derivatives on a recognized stock exchange;
 - (ii) Short selling transactions in accordance with the framework specified by the Board;
 - (iii) Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (iv) Any other transaction specified by the Board.
 - c. No transaction on the stock exchange shall be carried forward;
 - d. The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:
 - (i) transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
 - (ii) sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and

- Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (iii) sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
 - (iv) Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 1998;
 - (v) divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
 - (vi) Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
 - (vii) Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (viii) Any other transaction specified by the Board.

- e. A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form.

Provided that any shares held in non-dematerialized form, before the commencement of these regulations, can be held in non-dematerialized form, if such shares cannot be dematerialized. Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.

- 4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
- 5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
- 6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
- 7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.
No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

- a. Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
- b. Such offshore derivative instruments are issued after compliance with "know your client" norms. Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly. Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to

off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.

An FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as an foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

APPLICATION BY MUTUAL FUNDS

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid -up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

APPLICATION BY LIMITED LIABILITY PARTNERSHIPS

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

APPLICATIONS BY INSURANCE COMPANIES

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the "IRDA Investment Regulations"), are broadly set forth below:

(a) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

(b) the entire group of the investee company: the least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of ULIPS); and

(c) The industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of ULIPS).

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in the infrastructure and housing sectors, *i.e.* 26th December, 2008, providing, among other things, that the exposure of an insurer to an infrastructure company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

APPLICATION BY PROVIDENT FUNDS/ PENSION FUNDS

In case of Applications made by provident funds with minimum corpus of Rs. 25 Crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that any single application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus/ Prospectus.

APPLICATION UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the Memorandum of Association and Articles of Association and/ or bye laws must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. With respect to applications by VCFs, FVCIs, and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

In case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the

right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by FII's, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by provident funds with minimum corpus of Rs. 25 crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 crore, a certified copy of certificate from a Chartered Accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

INFORMATION FOR THE APPLICANTS

1. Our Company and the Lead Managers shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in one regional newspaper with wide circulation. This advertisement shall be in the prescribed format.
2. Our Company will file the Prospectus with the RoC at least three days before the Issue Opening Date.
3. Any Applicant who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Registered Office.
4. Applicants who are interested in subscribing to the Equity Shares should approach any of the Application Collecting Intermediaries or their authorised agent(s).
5. Applications should be submitted in the prescribed Application Form only. Application Forms submitted to the SCSBs should bear the stamp of the respective intermediary to whom the application form is submitted. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application Forms submitted by Applicants whose beneficiary account is inactive shall be rejected.
6. the Application Form can be submitted either in physical or electronic mode, to the Application Collecting Intermediaries . Further Application Collecting Intermediary may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.
7. Except for applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will

be made into the accounts of such Applicants.

8. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange by the Bankers to the Issue or the SCSBs do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

METHOD AND PROCESS OF APPLICATIONS

1. Applicants are required to submit their applications during the Issue Period only through the following Application Collecting intermediary
 - (i) an SCSB, with whom the bank account to be blocked, is maintained
 - (ii) a syndicate member (or sub-syndicate member)
 - (iii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ("broker")
 - (iv) a depository participant ("DP") (whose name is mentioned on the website of the stock exchange as eligible for this activity)
 - (v) a registrar to an issue and share transfer agent ("RTA") (whose name is mentioned on the website of the stock exchange as eligible for this activity)
2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.
3. The Intermediaries shall accept applications from all Applicants and they shall have the right to vet the applications during the Issue Period in accordance with the terms of the Prospectus.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to Application Collecting intermediaries. Submission of a second Application Form to either the same or to another Application Collecting Intermediary will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue.
5. The intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done by as given below:

For applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of

closure of Issue.

6. Upon receipt of the Application Form directly or through other intermediary, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, and If sufficient funds are not available in the ASBA Account the application will be rejected.
7. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.
8. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal / failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

TERMS OF PAYMENT

The entire Issue price of Rs. [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, The Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

PAYMENT MECHANISM FOR APPLICANTS

The Applicants shall specify the bank account number in the Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the application by the ASBA Applicant, as the case may be. Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all Investors are applying in this Issue shall mandatorily make use of ASBA facility.

ELECTRONIC REGISTRATION OF APPLICATIONS

1. The Application Collecting Intermediary will register the applications using the on-line facilities of the

Stock Exchange.

2. The Application Collecting Intermediary will undertake modification of selected fields in the application details already uploaded before 1.00 p.m of the next Working day from the Issue Closing Date.
3. The Application collecting Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them, (iii) the applications accepted but not uploaded by them or (iv) In case the applications accepted and uploaded by any Application Collecting Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Lead Managers nor our Company, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by any Application Collecting Intermediaries, (ii) the applications uploaded by any Application Collecting Intermediaries or (iii) the applications accepted but not uploaded by the Application Collecting Intermediaries.
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of the Application Collecting Intermediaries and their authorized agents during the Issue Period. The Designated Branches or the Agents of the Application Collecting Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Application Collecting Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
6. With respect to applications by Applicants, at the time of registering such applications, the Application Collecting Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:
 - Name of the Applicant;
 - IPO Name;
 - Application Form number;
 - Investor Category;
 - PAN (of First Applicant, if more than one Applicant);
 - DP ID of the demat account of the Applicant;
 - Client Identification Number of the demat account of the Applicant;
 - Numbers of Equity Shares Applied for;
 - Location of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - Bank account number.
7. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above mentioned details and mention the bank account number, except the Electronic Application Form number which shall be system generated.
8. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Application Collecting Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.

9. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
10. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Draft Prospectus. The Application Collecting Intermediaries shall have no right to reject applications, except on technical grounds.
11. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
12. The Application Collecting Intermediaries will be given time till 1.00 P.M on the next working day after the Issue Closing Date to verify the PAN No, DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
13. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA applications

BASIS OF ALLOTMENT

Allotment will be made in consultation with NSE EMERGE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
 - a) Each successful applicant shall be allotted [●] equity shares; and
 - b) The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the number in excess of the multiple of [●] would be rounded off to the higher multiple of [●] if that number is [●] or higher. If that number is lower than [●], it would be rounded off to the lower multiple of [●]. All Applicants in such categories would be Allotted Equity Shares arrived at after such rounding off.
5. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any

category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of [●] equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Draft Prospectus.

6. The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:

(a) A minimum of 50% of the net offer of shares to the Public shall initially be made available for allotment to retail individual investors as the case may be.

(b) The balance net offer of shares to the public shall be made available for allotment to a) individual applicants other than retails individual investors and b) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.

(c) The unsubscribed portion of the net offer to any one of the categories specified in (a) or (b) shall/may be made available for allocation to applicants in the other category, if so required.

(d) As per Regulation 43 (4) of SEBI (ICDR) Regulations, 2009 as amended, if the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/- Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2009.

SIGNING OF UNDERWRITING AGREEMENT

Vide an Underwriting agreement dated [●] this issue is 100% Underwritten.

FILING OF THE PROSPECTUS WITH THE ROC

The Company will file a copy of the Prospectus with the RoC in terms of Section 26 of the Companies Act, 2013.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation.

ISSUANCE OF ALLOTMENT ADVICE

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2. The Lead Managers or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of four (4) working days of the Issue Closing Date.

After the funds are transferred from the ASBA Public Issue Account to the Public Issue Account on the Designated Date, the Company would ensure the credit to the successful Applicants depository account. Allotment of the Equity Shares to the Allottees shall be within one working days of the date of Allotment. Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated/ Allotted to them pursuant to this Issue.

GENERAL INSTRUCTIONS

Do's

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the demographic details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in your bank account maintained with the SCSB before submitting the Application Form to the respective Designated Branch of the SCSB;
- With respect to ASBA Applications ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that you have requested for and receive a acknowledgement;
- All applicants should submit their applications through the ASBA process only.

Dont's

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price mentioned herein or in the Application Form
- Do not apply on another Application Form after you have submitted an Application to the Banker to of the Issue.
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Selected Branches / Offices of the Banker to the Issue.
- Do not fill in the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;

- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue
- Do not submit Applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.

INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application Forms should bear the stamp of the Application Collecting Intermediaries . ASBA Application Forms, which do not bear the stamp of the Application Collecting Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (_broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com. With a view to broadbase the reach of Investors by substantially enhancing the points for submission of applications, SEBI vide Circular No.CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com.

APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS

Please note that, providing bank account details, PAN Nos, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

SUBMISSION OF APPLICATION FORM

All Application Forms duly completed shall be submitted to the Application Collecting Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar

to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Application Collecting Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE-EMERGE where the Equity Shares are proposed to be listed are taken within 6 working days from Issue Closing Date. In accordance with the Companies Act, the requirements of the StockExchange and the SEBI Regulations, the

Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. The Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Issue.

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“ Any person who—

- a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, *shall be liable for action under Section 447.*”

UNDERTAKINGS BY OUR COMPANY

The Company undertakes the following:

- 1) That the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (Six) working days of closure of the Issue;

- 3) That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar to the Issue by the Issuer;
- 4) That our Promoter's contribution in full has already been brought in;
- 5) That the letter of allotment/ unblocking of funds to the non resident Indians shall be dispatched within specified time;
- 6) That no further issue of Equity Shares shall be made till the Equity Shares offered through this Draft Prospectus are listed or until the Application monies are refunded on account of non listing, under subscription etc.
- 7) The Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

UTILIZATION OF ISSUE PROCEEDS

Our Board certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act, 2013;
- 2) Details of all monies utilized out of the Issue shall be disclosed under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.

Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in the process of signing the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- Agreement dated [●] among NSDL, the Company and the Registrar to the Issue;
- Agreement dated [●] among CDSL, the Company and the Registrar to the Issue;

The Company's shares bear ISIN no [●].

GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Draft Prospectus/Prospectus before investing in the Issue

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken *inter-alia* through Fixed Price Issues. The purpose of the –General Information Document for Investing in Public Issues| is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations, 2009”).

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the Prospectus filed by the Issuer with the Registrar of Companies “ROC”). Applicants should carefully read the entire Prospectus and the Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the LM(s) to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section “Glossary and Abbreviations”.

SECTION 2: BRIEF INTRODUCTION TO IPOs ON SME EXCHANGE

2.1 INITIAL PUBLIC OFFER (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009, if applicable. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

The Issuer may also undertake IPO under of chapter XB of the SEBI (ICDR) Regulations, wherein as per,

- Regulation 106M (1): An issuer whose post-issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer, whose post issue face value capital, is more than ten crore rupees and upto twenty five crore rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation.

2.2 OTHER ELIGIBILITY REQUIREMENTS

In addition to the eligibility requirements specified in paragraphs 2.1, an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 2013 (the “Companies Act”), The Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force. Following are the eligibility requirements for making an SME IPO under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation

(a) In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, Issue has to be 100% underwritten and the LM has to underwrite at least 15% of the total issue size.

(b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, total number of proposed allottees in the Issue shall be greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 73 of the Companies Act, 1956.

(c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, Company is not required to file any Offer Document with SEBI nor has SEBI issued any observations on the Offer Document. The Lead Manager shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.

(d) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the LM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue.

(e) The Issuer shall have a track record of there years.

(f) The Net worth (excluding revaluation reserves) of the Issuer shall be positive as per the latest audited financial results.

(g) The Issuer should have positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years.

(h) The Post-issue paid up capital of the Issuer shall be less than Rs. 25 Crores.

(i) The Issuer shall mandatorily facilitate trading in demat securities.

(j) The Issuer should not been referred to Board for Industrial and Financial Reconstruction.

(k) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.

(l) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the Issuer.

(m) The Company should have a website.

Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M) (3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this Issue.

Thus Company is eligible for the Issue in accordance with regulation 106M (1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed Rs. 1,000 lakhs. Company also complies with the eligibility conditions laid by the SME Platform of NSE for listing of our Equity Shares.

2.3 TYPES OF PUBLIC ISSUES - FIXED PRICE ISSUES AND BOOK BUILT ISSUES

In accordance with the provisions of the SEBI ICDR Regulations, 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 Issue Opening Date, in case of an IPO and at least one Working Day before the Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.4 ISSUE PERIOD

The Issue shall be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange(s).

2.5 MIGRATION TO MAIN BOARD

SME Issuer may migrate to the Main Board of SE from the SME Exchange at a later date subject to the following:

(a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), the Company shall apply to SE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

(b) If the Paid up Capital of the company is more than 10 crores but below Rs. 25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price Issues is as follows:



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

1. Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors as natural/legal guardian;
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;

4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FPIs other than Category III FDI; VCFs and FVCIs registered with SEBI
8. Limited Liability Partnerships (Lip's) registered in India and authorized to invest in equity shares;
9. State Industrial Development Corporations;
10. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
11. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
12. Insurance Companies registered with IRDA;
13. Provident Funds and Pension Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
14. Multilateral and Bilateral Development Financial Institutions;
15. National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
16. Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
17. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.

SECTION 4: APPLYING IN THE ISSUE

Fixed Price Issue:

Applicants should only use the specified Application Form either bearing the stamp of Application Collecting Intermediaries as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Branches of Collection Banks or Designated Branches of the SCSBs, at the registered office of the Issuer and at the corporate office of LM. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus. Applicants should ensure that they apply in the appropriate category.

The prescribed colour of the Application Form for various categories of Applicants is as follows:

Category	Colour of the Application
Resident Indian, Eligible NRIs applying on a non- repatriation basis	White
NRIs, FVCIs, FPIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals applying under the QIB), on a repatriation basis	Blue

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to allotment.

4.1 INSTRUCTIONS FOR FILING THE APPLICATION FORM (FIXED PRICE ISSUE)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and the Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:

 KBS KBS INDUSTRIES LIMITED	COMMON BID CUM APPLICATION FORM XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : _____ Contact Details : _____ CIN No. _____ TO, THE BOARD OF DIRECTORS, XYZ LIMITED FIXED PRICE GME ISSUE INE00000000000	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs, APPLYING ON A NON-REPATRIATION BASIS Bid cum Application Form No. _____																							
SYNDICATE MEMBER'S STAMP & CODE BROKER/SCSB/DP/RTA STAMP & CODE SUB-BROKER 3 / SUB-AGENT'S STAMP & CODE ESCROW BANK/SCSB BRANCH STAMP & CODE BANK BRANCH SERIAL NO. SCSB SERIAL NO.	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER Mr. / Ms. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____ 2. PAN OF SOLE / FIRST BIDDER _____																								
3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID 4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF") <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Bid Options</th> <th rowspan="2">No. of Equity Shares Bid (In Figures) (Must be in multiples of Bid Lot as advertised)</th> <th colspan="3">Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)</th> </tr> <tr> <th>Bid Price</th> <th>Retail Discount</th> <th>Net Price</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>(OR) Option 2</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>(OR) Option 3</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		Bid Options	No. of Equity Shares Bid (In Figures) (Must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			Bid Price	Retail Discount	Net Price	Option 1					(OR) Option 2					(OR) Option 3					5. CATEGORY ☐ Retail Investor Bidder ☐ Non-Institutional Bidder ☐ QIB 6. INVESTOR STATUS ☐ Individual(s) - IND ☐ Hindu Undivided Family* - HUF ☐ Bodies Corporate - CO ☐ Banks & Financial Institutions - FI ☐ Mutual Funds - MF ☐ Non-Resident Indians - NRI (Non-Repatriation basis) ☐ National Investment Fund - NIF ☐ Insurance Funds - IF ☐ Insurance Companies - IC ☐ Venture Capital Funds - VCF ☐ Alternative Investment Funds - AIF ☐ Others (Please specify) - OTH * HUF should apply only through Karta (Applicant by HUF would be treated as per work Individual)
Bid Options	No. of Equity Shares Bid (In Figures) (Must be in multiples of Bid Lot as advertised)			Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)																					
		Bid Price	Retail Discount	Net Price																					
Option 1																									
(OR) Option 2																									
(OR) Option 3																									
7. PAYMENT DETAILS Amount paid (₹ in figures) _____ (₹ in words) _____ PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐ ASBA Bank A/c No. _____ Bank Name & Branch _____		8. SIGNATURE OF SOLE / FIRST BIDDER _____ Date : _____ 9. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the line 1) _____ 2) _____ 3) _____ BROKER/SCSB/DP/RTA STAMP (Acknowledging upload of Bid in Stock Exchange system) _____																							
XYZ LIMITED - INITIAL PUBLIC ISSUE - R Acknowledgement Slip for Broker/SCSB/DP/RTA Bid cum Application Form No. _____ PAN of Sole / First Bidder _____ Amount paid (₹ in figures) _____ Bank & Branch _____ ASBA Bank A/c No. _____ Received from Mr./Ms. _____ Telephone / Mobile _____ Email _____ Stamp & Signature of SCSB Branch _____ Stamp & Signature of Broker / SCSB / DP / RTA _____ Name of Sole / First Bidder _____ Acknowledgement Slip for Bidder Bid cum Application Form No. _____																									

COMMON BID CUM APPLICATION FORM

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

Address : _____ Contact Details: _____ CIN No. _____

FIXED PRICE ONE ISSUE

INE00000000000

For Eligible NRI, FI, FVCI, applying on
Restriction Basis

Bid cum
Application
Form No. _____

SYNDICATE MEMBER'S STAMP & CODE

SUB-BROKER'S / SUB-AGENT'S STAMP & CODE

BANK BRANCH SERIAL NO.

BROKER/SCSB/DP/RTA STAMP & CODE

ESCROW BANK/SCSB BRANCH STAMP & CODE

SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms. _____

Address _____

Email _____

Tel. No (with STD code) / Mobile _____

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹): "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			"Cut-off" (Pleasure tick)
		Bid Price	Retail Discount	Net Price	
Option 1	_____	_____	_____	_____	☐
(OR) Option 2	_____	_____	_____	_____	☐
(OR) Option 3	_____	_____	_____	_____	☐

5. CATEGORY

☐ Retail Investor Bidder

☐ Non-Institutional Bidder

☐ QIB

7. PAYMENT DETAILS

Amount paid (₹ in figures) _____ (₹ in words) _____

ASBA Bank A/c No. _____

Bank Name & Branch _____

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ANNOUNCEMENT PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

6. Investor Status

☐ Non-Resident Indians (Repatriation Basis) NRI

☐ Foreign Institutional Investor FI

☐ Foreign Venture Capital Investor FVCI

☐ FI Sub Account Corporate/Individual FI SA

☐ Others (Please Specify) OTH

8A. SIGNATURE OF SOLE / FIRST BIDDER

Date : _____

**8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)
(AS PER BANK RECORDS)**

I/We authorize the SCSB to do all acts as are necessary to make the Application in the line

1) _____

2) _____

3) _____

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

LOGO

XYZ LIMITED

INITIAL PUBLIC ISSUE - NR

Acknowledgement Slip for Broker/SCSB/DP/RTA

Bid cum Application Form No. _____

PAN of Sole / First Bidder _____

Amount paid (₹ in figures) _____ Bank & Branch _____

ASBA Bank A/c No. _____

Received from Mr./Ms. _____

Telephone / Mobile _____ Email _____

Stamp & Signature of SCSB Branch

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

	Option 1	Option 2	Option 3
No. of Equity Shares	_____	_____	_____
Bid Price	_____	_____	_____
Amount Paid (₹)	_____	_____	_____
ASBA Bank A/c No.	_____		
Bank & Branch	_____		

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No. _____

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(a) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and email and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications (including refund orders and letters notifying the unblocking of the bank accounts of ASBA Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

(b) **Joint Applications:** In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

(c) **Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person

- whomakes or abets making of an application in a fictitious name to a Company foracquiring, or subscribing for, its securities; or*
- makes or abets making of multiple applications to a Company in different names or indifferent combinations of his name or surname for acquiring or subscribing for itssecurities;*
- orotherwise induces directly or indirectly a Company to allot, or register any transfer ofsecurities to him, or to any other person in a fictitious name,*

Shall be liable for action under section 447 of the said Act.”

(d) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 109A of the Companies Act. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT

(a) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.

(b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications by Applicants residing in Sikkim (“PAN Exempted Applicants”). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Applications by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

(c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “activestatus”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

(d) Application Forms which provide the General Index Register Number instead of PAN may be rejected.

(e) Applications by Applicants whose demat accounts have been “suspended for credit” are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and demographic details are not provided by depositories.

4.1.3 FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS

(a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Application Form is liable to be rejected.**

(b) Applicants should ensure that the beneficiary account provided in the Application Form is active.

(c) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to an Issue.

(d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants’ sole risk.

4.1.4 FIELD NUMBER 4: APPLICATION DETAILS

(a) The Issuer may mention Price in the draft Prospectus. However a prospectus registered with ROC contains one price.

(b) Minimum and Maximum Application Size

i. For Retail Individual Applicants

The Application must be for a minimum of [●] Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for [●] Equity Shares. Retail Individual Applicants can revise or withdraw their applications prior to issue closing date.

ii. For Other Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 2,00,000 and in multiples of [●] Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, **a QIB or a Non Institutional Applicant cannot withdraw or lower the size of their Application at any stage and are required to pay entire application money amount upon submission of the Application.** In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non- Institutional Portion. Applicants are advised to ensure

that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Prospectus.

(c) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to Application Collecting Intermediary and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

(d) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:

- i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FPI sub-accounts, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.
- ii. For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(e) The following applications may not be treated as multiple Applications:

- i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.
- ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.
- iii. Applications by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.1.5 FIELD NUMBER 5: CATEGORY OF APPLICANTS

- i. The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Application, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- ii. An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- iii. The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. For details pertaining to allocation and Issue specific details in relation to allocation, applicant may refer to the Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

(a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

(c) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.

(d) Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD 7: PAYMENT DETAILS

(a) Please note that, providing bank account details in the space provided in the Application Form is mandatory and Applications that do not contain such details are liable to be rejected.

4.1.7.1 Payment instructions for Applicants

(a) Applicants may submit the Application Form in physical mode to the Application Collecting Intermediaries.

(b) Applicants should specify the Bank Account number in the Application Form.

(c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;

(d) Applicants shall note that that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one Bank Account, a maximum of five Application Forms can be submitted.

(f) Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.

(h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.

(i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.

(j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.

(k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and subsequent transfer of the Application Amount against the Allotted Equity Shares, if any, to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.

(l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.1.8 Unblocking of ASBA Account

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account

designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected/ partial/ non-allotment ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 12 Working Days of the Issue Closing Date.

4.1.8.1 Discount (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.

(c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.1.8.2 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to block funds in their Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.9 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

(a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the ASBA Applicant., then the Signature of the ASBA Account holder(s) is also required.

(c) In relation to the ASBA Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.

(d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

4.1.10 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should ensure that they receive the acknowledgment duly signed and stamped by Application Collecting Intermediaries, as applicable, for submission of the Application Form.

(a) All communications in connection with Applications made in the Issue should be addressed as under:

- i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Applicants should contact the Registrar to the Issue.
- ii. In case of ASBA applications submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.
- iii. Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.

(b) The following details (as applicable) should be quoted while making any queries -

- i. full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount blocked on application.
- ii. In case of Non-ASBA applications cheque or draft number and the name of the issuing bank thereof
- iii. In case of ASBA applications, ASBA Account number in which the amount equivalent to the application amount was blocked.

For further details, Applicant may refer to the Prospectus and the Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

(a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.

(b) RII may revise their applications or withdraw their applications till closure of the Issue period.

(c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.

(d) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

COMMON BID REVISION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS																																																	
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I/WE HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS REVISION FORM AND THE RELATED BIDDING INSTRUCTIONS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE REVISION FORM GIVEN OVERLEAF.																																																			
7A. SIGNATURE OF SOLE / FIRST BIDDER		7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)																																																	
_____		I/We authorize the SCSB to do all acts as are necessary to make the Application in the line _____ _____ _____																																																	
Date : _____		BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)																																																	

TEAR HERE

LOGO	XYZ LIMITED	Acknowledgement Slip for Broker/SCSB/DP/RTA	Bid cum Application Form No. _____
BID REVISION FORM - INITIAL PUBLIC ISSUE - R		PAN of Sole / First Bidder	
Additional Amount Paid (₹)		Stamp & Signature of SCSB Branch	
ASBA Bank A/c No.			
Received from Mr./Ms.			
Telephone / Mobile		Email	

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XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;">Option 1</td> <td style="width: 20%;">Option 2</td> <td style="width: 20%;">Option 3</td> </tr> <tr> <td>No. of Equity Shares</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>Bid Price</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>Additional Amount Paid (₹)</td> <td colspan="2">_____</td> </tr> <tr> <td>ASBA Bank A/c No.</td> <td colspan="2">_____</td> </tr> <tr> <td>Bank & Branch</td> <td colspan="2">_____</td> </tr> </table>	Option 1	Option 2	Option 3	No. of Equity Shares	_____	_____	Bid Price	_____	_____	Additional Amount Paid (₹)	_____		ASBA Bank A/c No.	_____		Bank & Branch	_____		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2">Stamp & Signature of Broker / SCSB / DP / RTA</td> </tr> <tr> <td colspan="2">Name of Sole / First Bidder</td> </tr> <tr> <td colspan="2">_____</td> </tr> <tr> <td colspan="2" style="text-align: center;">Acknowledgement Slip for Bidder</td> </tr> <tr> <td colspan="2">Bid cum Application Form No.</td> </tr> <tr> <td colspan="2">_____</td> </tr> </table>	Stamp & Signature of Broker / SCSB / DP / RTA		Name of Sole / First Bidder		_____		Acknowledgement Slip for Bidder		Bid cum Application Form No.		_____	
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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 APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: APPLICATION REVISION "FROM" AND "TO"

(a) Apart from mentioning the revised number of shares in the Revision Form, the Applicant must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form.

(b) In case of revision of applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the application amount should exceed Rs. 2,00,000/- due to revision and the application may be considered, subject to eligibility, for allocation under the Non-Institutional Category

4.2.3 FIELD 6: PAYMENT DETAILS

Applicant may Issue instructions to block the revised amount in the ASBA Account, to Designated Branch through whom such Applicant had placed the original application to enable the relevant SCSB to block the additional application amount, if any.

4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 SUBMISSION OF REVISION FORM/ APPLICATION FORM

4.3.1 Applicants may submit completed application form / Revision Form in the following manner:-

Mode of Application	Submission of application Form
All Investors Application	To the Application Collecting Intermediaries

SECTION 5: ISSUE PROCEDURE IN FIXED PRICE ISSUE

5.1 APPLICANTS MAY NOTE THAT THERE IS NO BID CUM APPLICATION FORM IN A FIXED PRICE ISSUE

As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the ROC, the Application so submitted is considered as the application form. Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through Application Collecting Intermediaries and apply only through ASBA facility.

ASBA Applicants may submit an Application Form either in physical/electronic form to the Application Collecting Intermediaries authorising blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

5.2 GROUNDS OF REJECTIONS

- Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:
- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;

- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of [●];
- Category not ticked;
- Multiple Applications as defined in the Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole/ first Applicant;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date , unless the extended time is permitted by NSE.
- Details of ASBA Account not provided in the Application form

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section the GID.

APPLICANTS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE APPLICATION COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

SECTION 6: ISSUE PROCEDURE IN BOOK BUILT ISSUE

This being Fixed Price Issue, this section is not applicable for this Issue.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

7.1 BASIS OF ALLOTMENT

Allotment will be made in consultation with NSE EMERGE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
 - a) Each successful applicant shall be allotted [●] equity shares; and
 - b) The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the number in excess of the multiple of [●] would be rounded off to the higher multiple of [●] if that number is [●] or higher. If that number is lower than [●], it would be rounded off to the lower multiple of [●]. All Applicant in such categories would be Allotted Equity Shares arrived at after such rounding off.
5. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of [●] equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Draft Prospectus.
6. The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:

(a) A minimum of 50% of the net offer of shares to the Public shall initially be made available for allotment to retail individual investors as the case may be.

(b) The balance net offer of shares to the public shall be made available for allotment to a) individual applicants other than retail individual investors and b) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.

(c) The unsubscribed portion of the net offer to any one of the categories specified in (a) or (b) shall/may be made available for allocation to applicants in the other category, if so required.

(d) As per Regulation 43 (4) of SEBI (ICDR) Regulations, 2009 as amended, if the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/- Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2009.

7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6 Working Days of the Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised. If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus. If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in the Prospectus.

8.2.2 MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 40 of the Companies Act, 2013.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

8.3 MODE OF REFUND

Within 6 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

8.3.1 Mode of making refunds for ASBA Applicants

In case of ASBA Applicants, the Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum /or demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 4 Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Applicants
Allottee	An Applicant to whom the Equity Shares are Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Application	An indication to make an offer during the Issue Period by a prospective pursuant to submission of Application Form or during the Anchor Investor Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price including all revisions and modifications thereto.
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Collecting Intermediaries	(vi) an SCSB, with whom the bank account to be blocked, is maintained (vii) a syndicate member (or sub-syndicate member) (viii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ("broker") (ix) a depository participant ("DP") (whose name is mentioned on the website of the stock exchange as eligible for this activity) (x) a registrar to an issue and share transfer agent ("RTA") (whose name is mentioned on the website of the stock exchange as eligible for this activity)
Application Supported by Blocked Amount/ (ASBA)/ ASBA	An application, whether physical or electronic, used by Applicants to make an application authorising an SCSB to block the Application Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Application Amount of the ASBA Applicant
ASBA Application	An Application made by an ASBA Applicant
Application Amount	The value indicated in Application Form and payable by the Applicant upon submission of the Application, less discounts (if applicable).
Banker(s) to the Issue/	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Public Issue Account(s) may be opened, and as disclosed in the Prospectus and Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Applicants under the Issue
Issue Closing Date	The date after which the SCSBs may not accept any Application for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation Applicants may refer to the Prospectus for the Issue Closing Date
Issue Opening Date	The date on which the SCSBs may start accepting application for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants may refer to the Prospectus for the Issue Opening Date
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants (can submit their application inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for

Term	Description
	QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for the Issue Period
Lead Manager(s)/Lead Manager/ LM	The Lead Manager to the Issue as disclosed in the Draft Prospectus/ Prospectus and the Application Form of the Issuer.
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Companies Act	The Companies Act, 1956 and The Companies Act, 2013 (to the extant notified)
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Applicants including the Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Application Forms used by the ASBA Applicants applying through the ASBA and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Designated Date	The date on which the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Applicants in the Issue
Designated Stock Exchange	The designated stock exchange as disclosed in the Draft Prospectus/Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with the Designated stock exchange in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoter and immediate relatives of the promoter. For further details /Applicant may refer to the Prospectus
Equity Shares	Equity shares of the Issuer
FCNR Account	Foreign Currency Non-Resident Account
Applicant	The Applicant whose name appears first in the Application Form or Revision Form
FPI(s)	Foreign Portfolio Investor
Fixed Price Issue/ Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Lead Manager(s)
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Application Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Application Lot.

Term	Description
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less Market Maker Reservation Portion
Non-Institutional Investors or NIIs	All Applicants, including sub accounts of FPIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or RIBs and who have applied for Equity Shares for an amount of more than Rs. 2,00,000 (but not including NRIs other than Eligible NRIs)
Non Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the Prospectus and the Application Form
Non Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs registered with SEBI and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEM
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Prospectus	The prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act 1956 read with section 26 of Companies Act 2013, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the ASBA Accounts on the Designated Date
QIB Category Qualified Institutional Buyers or QIBs	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Refunds through electronic transfer of funds	Refunds through ASBA
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the Draft Prospectus / Prospectus and Application Form
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors / RIIs	Investors who applies or for a value of not more than Rs. 2,00,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies for a value of not more than Rs. 2,00,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Applicant in an issue to modify the quantity of Equity Shares

Term	Description
	in an Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities an Exchange Board of India Act, 1992
SEBI ICDR Regulations, 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 http: //www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
SME IPO	Initial public offering as chapter XB of SEBI (ICDR) Regulation
SME Issuer	The Company making the Issue under chapter XB of SEBI (ICDR) Regulation
Stock Exchanges/SE	The stock exchanges as disclosed in the Draft Prospectus/ Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Specified Locations	Refer to definition of Broker Centers
Underwriters	[•]
Underwriting Agreement	Underwriting Agreement entered between Company and Underwriters
Working Day	Working days shall be all trading days of stock exchanges excluding Sundays and bank holidays

SECTION VIII

MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Interpretation

Share capital and variation of rights

- II. 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive with in two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—
- (a) one certificate for all his shares without payment of any charges; or
- (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for end or segment of transfer, then upon production and surrender thereof to the company, a new certificate 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 deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
- (ii) The provisions of Articles (2) and (3) shall mutatis apply to debentures of the company.
4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
5. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

- (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
- 6. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
- 7. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

Underwriting and Brokerage

- 8. (i) The company may exercise the powers of paying commissions conferred by section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
- (ii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
- (iii) The rate or amount of the commission shall not exceed in the case of shares, five per cent of the price at which the shares are issued and in the case of debentures, shall not exceed two and a half per cent of the price at which the debentures are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.

Lien

- 9. (i) The Company shall have a first and paramount lien—
 - (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
 - (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

- (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
- 10. 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 a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently

payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

- 11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
 - (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
 - (iii) The purchaser 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.
- 12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
 - (ii) 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.

Calls on shares

- 13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or byway of premium) and not by the conditions of allotment thereof made payable at fixed times. The Option or right to call of shares shall not be given to any person except with the sanction of the company in general meeting:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
 - (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
 - (iii) A call may be revoked or postponed at the discretion of the Board.
- 14. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.
 - 15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
 - 16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.
 - (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
 - 17. (i) 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 regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations 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.

18. The Board—

- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance but shall not in respect thereof confer a right to dividend or to participate in profits.

Transfer of shares

- 19. (i)** The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- (ii) A common form of for instruments of transfer which may from time to time be altered by the Directors
- (iii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- (iv) The Board shall not refuse the registration of transfer on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

20. The Board may, subject to the right of appeal conferred by section 58 decline to register—

- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) any transfer of shares on which the company has a lien.

21. The Board may decline to recognise any instrument of transfer unless—

- (a) the instrument of transfer is in the form as prescribed in rules made under sub-section(1) of section 56;
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- (c) the instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

23. a) No fee shall be charged for:
- i. Registration of transfer of the Company's shares, debentures and Detachable warrants;
 - ii. Sub-division and consolidation of share certificates, debenture certificates and detachable warrants and for sub-division of letters of allotment and split, consideration, renewal and pucca transfer receipts into denomination corresponding to the market units of trading;
 - iii. Sub-division of renounceable letters of right;
 - iv. Issue of new certificates in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilized;
 - v. registration of any power of attorney, probate, letters of administration or similar other documents.
- a) Fees as agreed upon with the Stock Exchanges will be charged for:
- i. Issue of new certificate in replacement of those that are torn, defaced, lost or destroyed;
 - ii Sub-division and consolidation of shares and debenture certificates and for sub-division of letters of allotment and split, consolidation renewal and pucca transfer receipts into denominations other than those fixed for the market unit of trading.

Transmission of shares

24. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
25. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
- (a) to be registered himself as holder of the share; or
 - (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
26. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

- 27. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

Forfeiture of shares

- 28. If a member 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 him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
- 29. 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 shall be liable to be forfeited.
- 30. 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.
- 31. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
 - (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- 32. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
 - (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
- 33. (i) 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;

- (ii) 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 person to whom the share is sold or disposed of;
 - (iii) The transferee shall thereupon be registered as the holder of the share;
 - (iv) 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 share.
34. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment 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.

Alteration of capital

35. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
36. Subject to the provisions of section 61, the company may, by ordinary resolution,—
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
 - (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
37. Where shares are converted into stock,—
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
 - (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up)

shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

- (c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

38. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

- (a) its share capital;
- (b) any capital redemption reserve account; or
- (c) any share premium account.

Capitalisation of profits

39. (i) The company in general meeting may, upon the recommendation of the Board, resolve—

- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

- (b) that such sum be accordingly set free for distribution in the manner specified in clause

(ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause

(iii) either in or towards—

- (A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
- (B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
- (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
- (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
- (E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

40. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
 - (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power—
 - (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable infractions; and
 - (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

41. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

General Meetings

42. All general meetings other than annual general meeting shall be called extraordinary general meeting.
43. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at General Meetings

44. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
45. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
46. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

47. If at any meeting no director is willing to act as Chairperson 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 members to be Chairperson of the meeting.

Adjournment of meeting

48. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

49. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
- (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 in proportion to his share in the paid-up equity share capital of the company.
50. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
51. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
52. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
53. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
54. 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 in the company have been paid.
55. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy

56. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a not arised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
57. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
58. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

59. The Person named hereinafter are the First Director of the Company:

1. Mr. Arjun Anand
2. Ms. Somya Kheterpal

Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen Directors after passing a special resolution.

60. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
 - (b) in connection with the business of the company.
61. The Board may pay all expenses incurred in getting up and registering the company.
62. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.
63. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

64. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
65. (i) Subject to the provisions of section 149, 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 at any time exceed the maximum strength fixed for the Board by the articles.
- (ii) 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.

Proceedings of the Board

66. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
67. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
68. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
69. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.
70. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) 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.
71. (i) A committee may elect a Chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
72. (i) A committee may meet and adjourn as it thinks fit.

- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
- 73. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
- 74. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.
- 75. In case of a One Person Company—
 - (i) where the company is having only one director, all the businesses to be transacted at the meeting of the Board shall be entered into minutes book maintained under section 118;
 - (ii) such minutes book shall be signed and dated by the director;
 - (iii) the resolution shall become effective from the date of signing such minutes by the director.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

- 76. Subject to the provisions of the Act,—
 - (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
 - (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- 77. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

The Seal

- 78. (i) The Board shall provide for the safe custody of the seal.
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Dividends and Reserve

79. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
80. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
81. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
82. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
83. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
84. (i) Any dividend, interest or other monies payable in cash in respect of shares maybe paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
85. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
86. Notice of any dividend that may have been declared shall be given to the persons entitled to share there in the manner mentioned in the Act.
87. No dividend shall bear interest against the company.

88. The Company shall not forfeit any unpaid or unclaimed dividend and such dividends shall be dealt with according to the provisions of the Companies Act, 2013.

Accounts

89. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

Dematerialisation of Securities

90. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Articles.

For the purpose of this Article:

“Beneficial Owner” means a person or persons whose name is recorded as such with a depository,

“SEBI” means the Securities & Exchange Board of India; established under Section 3 of the Securities & Exchange Board of India Act, 1992 and

“Depository” means a company formed and registered under the Companies Act, and which has been granted a certificate of registration to act as depository under Securities & Exchange Board of India Act, 1992; and wherein the securities of the Company are dealt with in accordance with the provisions of the Depositories Act, 1996.

2. The Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996.
3. Every holder of or subscriber to securities of the Company shall have the option to receive certificates for such securities or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by law, in respect of any securities in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates for the Securities.

If a person opts to hold his Securities with the depository, the Company shall intimate such depository the details of allotment of the Securities, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the Securities.

4. All securities held by a depository shall be dematerialised and be in fungible form.

Nothing contained in Section 89 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

5. (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of securities of the Company on behalf of the beneficial owner.

- (b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
 - (c) Every person holding securities of the Company and whose name is entered as the beneficial owner of securities in the record of the depository shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities which are held by a depository and shall be deemed to be a Member of the Company.
- 6. Notwithstanding anything contained in the Act or these Articles to the contrary, where securities of the Company are held in a depository, the records of the beneficiary ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.
 - 7. Nothing contained in Section 108 of the Act or these Articles, shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.
 - 8. Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.
 - 9. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.
 - 10. The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles.

Audit

- 91. Auditors shall be appointed and their rights and duties regulated in accordance with Sections 139 to 147 of the Act.

The First Auditor or Auditors of the Company shall be appointed by the Board within 30 days of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the Sixth Annual General Meeting provided that the Company may, at a General Meeting, remove any such Auditor or all of such Auditors and appoint in his or their place by Special Resolution.

Copies of Memorandum and Articles to be sent to Members

- 92. Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Board to every Member at his request within 7 days of the request on payment of prescribed fees for each copy.

93 Documents and Notices

- (1) A document or notice may be served on a Company or any officer thereof by sending it to the Company or the Officer at the registered office of the Company sending it by registered post or by speed post or by courier service, or by leaving it at its registered office or by means of such electronic or other mode as may be prescribed.

- (2) A Document may be Served upon the Registrar or any member by sending it to his office or address by post or registered post or speed post or courier service or by delivering at his office or address or by means of such electronic or other mode as may be prescribed. Provided that a member may request for delivery of any documents through a particular mode Now the Documents will have to be sent to a member to his address, in India or abroad.
- (3) Documents or notices of every General Meeting shall be served or given in the same manner hereinbefore on or to (a) All the members, legal Representative of any deceased member or assignee of the insolvent member (b) Auditors and (c) the Directors of the Company, in writing or through Electronic mode.
- (4) Any document or notice to be served or given by the Company may be signed by the Directors, Key Managerial Personnel or an Officer of the Company duly Authorised by the Board of Directors in this behalf and the signatures thereto may be written, printed or lithographed.

Borrowing Powers

- 94. The Board may, from time to time, at its discretion subject to the provisions of Section 179 of the Act, raise or borrow, and secure the payment of any sum or sums of money for the purpose of the Company; provided that the Board shall not without the sanction of the Company in General Meeting borrow any sum of money which together with money borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate for the time being of the paid up capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose.
- 95. The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by the issue of bonds, perpetual or redeemable, debentures or debenture-stock, or any mortgage, or other security on the undertaking of the whole or any part of the property of the Company (both present and future), including its uncalled capital for the time being.

Winding up

- 96. Subject to the provisions of Chapter XX of the Act and rules made thereunder—
 - (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
 - (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
 - (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Secrecy

- 97. Subject to the provisions of these Articles and the Act no members, or other person (not being a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Directors or to require

discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interest of the Company to communicate.

Indemnity

98. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts and agreements referred to (not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Company or contracts entered into more than two years before the date of filing of this Draft Prospectus), These contracts, copies of which will be attached to the copy of the Prospectus, to be delivered to the Registrar of Companies, Delhi for registration and also the documents for inspection referred to hereunder, may be inspected at the Corporate Office of our Company at Office No. B/609, Floor No. 6, Express Zone, Malad East, Mumbai- 400097, Western Express Highway, Mumbai Sub-urban District, CTS Number 1 from 11.00 a.m. to 4.00 p.m. on working days from the date of the Draft Prospectus until the Issue Closing Date.

MATERIAL CONTRACTS

- 1) Memorandum of Understanding dated 19th July, 2018 between our Company and the Lead Manager to the Issue.
- 2) Memorandum of Understanding dated 31st May, 2018 entered into with the Registrar to the Issue.
- 3) Copy of tripartite agreement dated [●] between NSDL, our Company and Karvy Computershare Private Limited.
- 4) Copy of tripartite agreement dated [●] between CDSL, our Company and Karvy Computershare Private Limited.
- 5) Bankers to the Issue Agreement dated [●] between our Company, Lead Manager, Banker to the Issue and the Registrar to the issue.
- 6) Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker.
- 7) Underwriting Agreement dated [●] between our Company and Underwriters.

DOCUMENTS FOR INSPECTION

- 8) Memorandum and Articles of Association of our Company as amended from time to time.
- 9) Copy of the resolution passed at the meeting of the Board of Directors held on 9th June, 2018 approving the issue.
- 10) Copy of the resolution passed by the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on 18th June, 2018.
- 11) Copy of Board resolution dated 21st May, 2018 appointing Mr. Arjun as the Managing Director for a period of Five (5) years w.e.f. 21st May, 2018 and approving their remuneration and terms.
- 12) Copies of Annual Reports of the Company for the five (5) financial years ended on March 31, 2017, 2016, 2015, 2014 & 2013.
- 13) Consents of the Directors, Company Secretary/Compliance Officer, Chief Financial Officer, Statutory / Peer Review Auditors, Lead Manager to the Issue, Underwriters, Market Makers, Bankers to the Issue, Legal Advisors to the Issue, and Registrars to the Issue, to include their names in the Draft Prospectus to act their respective capacities.

- 14) Audit report and restated financial information issued by Peer Review Auditors i.e. M/s. SSRV & Associates, Chartered Accountants, dated 20th July, 2018 included in the Draft Prospectus.
- 15) Letter dated 12th September, 2018 from the statutory Auditors of our Company, M/s SSRV & Associates, Chartered Accountants, detailing the tax benefits.
- 16) Copy of certificate from the statutory Auditors of our Company, M/s SSRV & Associates, Chartered Accountants, dated 12th September, 2018, regarding the sources and deployment of funds as on 31st August, 2018.
- 17) Board Resolution dated 14th September, 2018 for approval of Draft Prospectus.
- 18) Due Diligence Certificate dated [•] to be submitted to SEBI from Lead Manager viz. Navigant Corporate Advisors Limited along with the filing of the Prospectus.
- 19) Copy of approval from NSE vide letter dated [•] to use the name of NSE in this offer document for listing of Equity Shares NSE EMERGE.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time, if so required, in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

Signed by all the Directors of Our Company

Name and Designation	Signature
Mr. Anil Anand <i>Non Executive and Non Independent Director</i> DIN: 02073604	Sd/-
Mr. Arjun <i>Managing Director and Executive Director</i> DIN: 05125256	Sd/-
Ms. Monica Sachdeva <i>Chief Financial Officer and Executive Director</i> DIN: 03627539	Sd/-
Mr. Gaurav Jhanwar <i>Independent Director</i> DIN: 08154094	Sd/-
Ms. Hetal Kishor Vora <i>Independent Director</i> DIN: 08155319	Sd/-

Signed by Chief Financial Officer and Company Secretary and Compliance officer of the Company.

Sd/-
Ms. Monica Sachdeva
Chief Financial Officer
DIN: 03627539

Sd/-
Ms. Komal Suresh Kumar Churiwala
Company Secretary and Compliance Officer

Place: Delhi
Date: 14.09.2018

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY NAVIGANT CORPORATE ADVISORS LIMITED

TABLE:1

Sr. No.	Issue Name	Issue Size (Rs. Cr.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Prabhat Telecoms (India) Limited	11.22	51.00	03-08-2016	61.20	+43.14% (+3.01%)	+47.06% (+0.65%)	+54.90% (+0.55%)
2	KMS Medisurgi Limited	2.70	30.00	24-04-2017	30.00	+0% (+2.18%)	+2.17% (+8.00%)	+0.33% (+9.22%)
3	Pure Giftcarat Limited	7.45	13.00	08-05-2017	10.80	+0.77% (+4.49%)	+0% (+8.02%)	+8.85% (+12.56%)
4	Jalan Transolutions (India) Limited	17.71	46.00	31-05-2017	41.50	-21.74% (-0.72%)	-27.07% (+0.78%)	-12.28% (+8.28%)
5	G G Engineering Limited	2.23	20.00	17-07-2017	21.00	+9.50% (-0.87%)	+119.75% (+1.12%)	+155.00% (+7.85%)
6	Keerti Knowledge & Skills Limited	4.05	52.00	07-08-2017	51.05	-9.02% (-1.90%)	-27.12% (+4.37%)	+1.92% (+8.65%)
7	Ashok Masala Mart Limited	2.01	10.00	22-08-2017	12.00	-19.40% (+3.45%)	-6.50% (+7.65%)	-7.50% (+8.69%)
8	Manav Infra Projects Limited	5.51	30.00	18-09-2017	32.00	-32.50% (+0.50%)	-40.83% (+3.21%)	-48.33% (+3.89%)
9	Ajoooni Biotech Limited	6.59	30.00	02-01-2018	36.00	+51.33% (+6.19%)	+3.33% (-1.65%)	-20.00% (+4.77%)
10	Continental Seeds and Chemicals Limited	4.21	26.00	04-04-2018	27.30	-16.19% (+5.74%)	-26.92% (+7.15%)	N.A.
11	Power and Instrumentation (Gujarat) Limited	6.15	33.00	23-04-2018	35.00	-6.36% (+0.58%)	-48.48% (+5.94%)	N.A.
12	Dr Lalchandani Labs Limited	4.20	30.00	09-05-2018	29.95	-2.50% (+0.35%)	+3.17% (+6.64%)	N.A.
13	Sirca Paints India Limited	77.91	160.00	30-05-2018	162.00	-5.25% (+1.48%)	+49.38% (+10.93%)	N.A.
14	Rajnish Wellness Limited	11.98	95.00	09-07-2018	100.00	+18.05% (+5.43%)	N.A.	N.A.

Note: The 30th, 90th, and 180th calendar days has been taken as listing date plus 29, 89, 179 calendar days respectively. Where the 30th day / 90th day / 180th day falls on BSE / NSE Trading holiday or falls on day when there is no trade in equity share of the respective company, preceding trading day has been considered. BSE SENSEX has been considered as the benchmark index. We have taken the Issue Price to calculate the % of change in closing price as on 30th, 90th, and 180th calendar day.

TABLE 2: SUMMARY STATEMENT OF DISCLOSURE OF PAST ISSUED HANDELED BY NAVIGANT CORPORATE ADVISORS LIMITED

Financial Year	Total No. of IPOs	Total amount of funds raised (Rs. Cr.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			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%
2018-2019	5	104.45	0	0	4	0	0	1	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2017-2018	8	48.25	0	1	3	1	0	3	N.A.	1	3	1	N.A.	3
2016-2017	1	11.22	0	0	0	0	1	0	0	0	0	1	0	0