



ARTEDZ FABS LIMITED

Our Company was originally incorporated as “Artedz Fabs Private Limited” at Mumbai, Maharashtra as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated August 08, 2006 bearing Corporate Identification Number U17299MH2006PTC163645 issued by Registrar of Companies, Mumbai, Maharashtra. Subsequently, our Company was converted into a Public Limited Company pursuant to special resolution passed by members in Extra Ordinary General Meeting of our Company held on January 18, 2018 and the name of our Company was changed to “Artedz Fabs Limited”. A fresh Certificate of Incorporation consequent upon conversion of Private Company to Public Limited dated February 19, 2018 was issued by Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of our Company is U17299MH2006PLC163645. For details of Incorporation, Change of Name and Registered Office of our Company, please refer to chapter titled ‘Our History and Certain Other Corporate Matters’ beginning on page 181 of this Prospectus.

Registered Office: 206, Gambhir Industrial Estate, Opp. Paramount Print, Off Aarey Road, Goregaon (East), Mumbai - 400063, Maharashtra, India

Tel. No.: +91 022 29276278; **Fax No.:** NA; **E-mail:** investors@artedzfabs.com; **Website:** www.artedzfabs.com

Contact Person: Vidhi Joshi, Company Secretary and Compliance Officer

PROMOTERS OF OUR COMPANY: KASHYAP GAMBHIR AND SATBINDER SINGH GILL

THE ISSUE

INITIAL PUBLIC OFFER CONSISTING OF FRESH ISSUE OF 23,10,000* EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FULLY PAID FOR CASH AT A PRICE OF RS. 36/- PER EQUITY SHARE (THE “ISSUE PRICE”) (INCLUDING A SHARE PREMIUM OF RS. 26/- PER EQUITY SHARE) AGGREGATING UP TO RS. 831.60* LAKHS (THE “ISSUE”), OF WHICH 1,20,000* EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. 36/- PER EQUITY SHARE, AGGREGATING RS. 43.20* LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 21,90,000* EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. 36/- PER EQUITY SHARE, AGGREGATING RS. 788.40* LAKHS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.99% AND 25.58% RESPECTIVELY OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT HAS BEEN DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER (“BRLM”) AND HAS BEEN ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER BUSINESS STANDARD, ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER BUSINESS STANDARD AND MUMBAI EDITION OF THE MARATHI NEWSPAPER MUMBAI LAKSHADEEP, EACH WITH WIDE CIRCULATION, AT LEAST 2 (TWO) WORKING DAYS PRIOR TO THE BID/ ISSUE OPENING DATE WITH THE RELEVANT FINANCIAL RATIOS CALCULATED AT THE FLOOR PRICE AND THE CAP PRICE AND HAS BEEN MADE AVAILABLE TO THE EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED (“NSE EMERGE”), REFERRED TO AS THE “STOCK EXCHANGE”) FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE.

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) the Issue has been made for at least 25% of the post- Issue paid-up Equity Share capital of our Company. The Issue has been made in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (“SEBI (ICDR) Regulations”). 50% of the Net Issue was available for allocation on a proportionate basis to Non-Institutional Investors and 50% of the Net Issue was available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. For further details please refer the section titled ‘Issue Information’ beginning on page 258 of this Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is Rs. 10 each. The Floor Price is 3.4 times the face value and the Cap Price is 3.6 times the face value. The Issue Price (determined and justified by our Company in consultation with the BRLM) as stated in “Basis for Issue Price” on page 126 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Prospectus. Specific attention of the investors is invited to the section “Risk Factors” beginning on page 21 of this Prospectus.

COMPANY’S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares of our Company issued through this Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (“NSE EMERGE”) in terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009 as amended from time to time. Our Company has received an In-principle approval letter dated July 19, 2018, from National Stock Exchange of India Limited for using its name in the Issue document for listing of our shares on the EMERGE Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange. A copy of the Red Herring Prospectus and this Prospectus have been delivered for registration to the RoC in accordance with Sections 26 and 32 of the Companies Act, 2013. For details of the material contracts and documents that were made available for inspection from the date of the Red Herring Prospectus up to the Bid/ Issue Closing Date, please see the section entitled “Material Contracts and Documents for Inspection” on page 370.

BOOK RUNNING LEAD MANAGER



PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED
406-408, Keshava Premises, Behind Family Court,
Bandra Kurla Complex, Bandra (East)
Mumbai- 400051, Maharashtra, India
Tel: +91-22 6194 6700
Fax: +91-22 2659 8690
Website: www.pantomathgroup.com
Email: ipo@pantomathgroup.com
Investor Grievance Id: ipo@pantomathgroup.com
Contact Person: Hardik Bhuta/ Unmesh Zagade
SEBI Registration No: INM000012110

REGISTRAR TO THE ISSUE



BIGSHARE SERVICES PRIVATE LIMITED
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road, Marol,
Andheri (East), Mumbai – 400059, Maharashtra, India.
Tel: +91 22 62638200
Fax: +91 22 62638299
Email: ipo@bigshareonline.com
Website: www.bigshareonline.com
Investor Grievance Id:
investor@bigshareonline.com
Contact Person: Srinivas Dornala
SEBI Registration Number: INR000001385

BID/ ISSUE PROGRAMME

BID/ISSUE OPENED ON: MONDAY, MARCH 18, 2019

BID/ISSUE CLOSED ON: WEDNESDAY, MARCH 20, 2019

*subject to finalization of Basis of Allotment

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

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

SECTION I – GENERAL

DEFINITION AND ABBREVIATION

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

The words and expressions used in this Prospectus but not defined herein shall have to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI (ICDR) Regulations, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in “Industry”, “Statement of Possible Tax Benefits”, “Financial Statements”, “Outstanding Litigation and Material Developments” and “Main Provisions of Articles of Association” beginning on pages 132, 129, 209, 234 and 330 respectively of this Prospectus.

In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

GENERAL TERMS

Term	Description
“Artedz Fabs Limited”, or “Artedz” or “the Company”, or “our Company” or “we”, “us”, “our”, or “Issuer” or the “Issuer Company”	Artedz Fabs Limited, a Public Limited Company incorporated under the provisions of the Companies Act, 1956.
“We”, “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company.

COMPANY RELATED TERMS

Term	Description
AOA or Articles or Articles of Association	The Articles of Association of our Company, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as the Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013.
Auditor or Statutory Auditor	The statutory auditor of our Company, being M/s. Keyur Shah & Co., Chartered Accountants.
Banker to the Company	Such banks which are disclosed as bankers to our Company in the chapter titled “ <i>General Information</i> ” on page 91 of this Prospectus.
Board of Directors/ the Board / our Board	The Board of Directors of our Company, including all duly constituted committee(s) thereof.
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Vidhi Joshi.
Director(s)	Director(s) of our Company , unless otherwise specified
Equity Shareholders	Persons/ Entities holding Equity Shares of our Company
Equity Shares	Equity Shares of our Company of face value of Rs. 10 each fully paid up.
Group Companies	Such Companies as are included in the chapter titled ‘ <i>Our Group Company</i> ’ beginning on page 204 of this Prospectus
ISIN	International Securities Identification Number. In this case being INE00CO01016.
MOA / Memorandum /	The Memorandum of Association of our Company, as amended

Term	Description
Memorandum of Association	from time to time.
Peer Reviewed Auditor	Independent Auditor having a valid Peer Review Certificate in our case being M/s N. K. Aswani & Co., Chartered Accountant.
Promoter Group	Includes such persons and entities constituting our promoter group in terms of Regulation 2(1)(zb) of the SEBI (ICDR) Regulations and as enlisted in the chapter titled “ <i>Our Promoter and Promoter Group</i> ” beginning on page 200 of this Prospectus.
Promoter, Promoters or our Promoters	Promoters of our Company being Kashyap Gambhir and Satbinder Singh Gill.
Registered Office	The Registered office of our Company situated at 206, Gambhir Industrial Estate, Off Aarey Road, Opp. Paramount Print, Goregaon (East), Mumbai – 400063, Maharashtra, India.
Roc / Registrar of Companies	The Registrar of Companies, Mumbai, Maharashtra at 100, Everest, Marine Drive Mumbai- 400002, Maharashtra, India
Shareholders	Shareholders of our Company
you, your or yours	Prospective investors in this Issue

ISSUE RELATED TERMS

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allotment/ Allot/ Allotted	Issue and allotment of Equity Shares of our Company pursuant to the Issue of the Equity Shares to successful Bidders
Allottee(s)	Successful Bidders(s) to whom Equity Shares have been allotted/transferred.
ASBA / Application Supported by Blocked Amount	An application, whether physical or electronic, used by Bidders, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account maintained with such SCSB and will include amounts blocked by RIIs using UPI mechanism.
ASBA Account	An account maintained with an SCSB and specified in the Bid cum Application Form submitted by Bidders for blocking the Bid Amount mentioned in the Bid cum Application Form or account of the RIIs blocked upon acceptance of UPI Mandate request by RIIs using the UPI mechanism
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely New Delhi, Chennai, Kolkata, and Mumbai.
ASBA form	An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by the ASBA Bidders and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Banker(s) to the Issue/ Public Issue Bank(s)	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account has been opened and in this case being ICICI Bank Limited.

Term	Description
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Bidders under the Issue and which is described under chapter titled “ <i>Issue Procedure</i> ” beginning on page 267 of this Prospectus.
Bid	An indication to make an issue during the Bid/Issue Period by a Bidder pursuant to submission of the Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in accordance with the Prospectus and Bid cum Application Form
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue
Bid Cum Application Collecting Intermediaries	<ol style="list-style-type: none"> 1. a SCSB with whom the bank account to be blocked, is maintained 2. a syndicate member (or sub-syndicate member) If any 3. a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’) if any 4. a depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity) 5. a registrar to an issue and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
Bid cum Application form	The form used by a Bidder, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus
Bid Lot	3,000 Equity shares and in multiples of 3,000 Equity Shares thereafter
Bid/ Issue Closing Date	March 20, 2019
Bid/ Issue Opening Date	March 18, 2019
Bid/ Issue Period	March 18, 2019 to March 20, 2019
Bidder	Any Resident Indian investor who has made a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied
Bidding/collecting Centre	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book Building Process, as provided in Schedule XIII* of the SEBI ICDR Regulations, in terms of which the Issue has been made
Book Running Lead Manager or BRLM	The Book Running Lead Manager to the Issue namely Pantomath Capital Advisors Private Limited

Term	Description
Broker Centres	Broker centres notified by the Stock Exchanges, where the Bidders can submit the Bid cum application forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of National Stock Exchange of India Limited.
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Bidder indicating the Equity Shares which will be Allotted/ transferred, after approval of Basis of Allotment by the Designated Stock Exchange.
Cap Price	₹ 36 per Equity Share
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015
Controlling Branch/Designated Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Cut-off Price	Issue finalized by our Company in consultation with the BRLM, being ₹ 36 per equity share
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/ husband, investor status, occupation and bank account details and UPI ID wherever applicable.
Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated CDP Locations	Such centres of the CDPs where Bidders can submit the Bid Cum Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange (www.nseindia.com) and updated from time to time
Designated Date	The date on which the Collection Banks transfer funds from the public issue accounts, and the SCSBs issue instructions for transfer of funds from the ASBA Accounts including the accounts linked with UPI, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Prospectus following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue
Designated Intermediary(ies)	Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the Bidders, in relation to the Issue
Designated RTA Locations	Such centres of the RTAs where Bidder can submit the Bid cum

Term	Description
	Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchange (www.nseindia.com) and updated from time to time
Designated Stock Exchange	EMERGE Platform of National Stock Exchange of India Limited
Draft Red Herring Prospectus or DRHP	The Draft Red Herring Prospectus dated May 23, 2018 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue
Emerge Platform of NSE/ SME Exchange	The Emerge Platform of National Stock Exchange of India Limited, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter XB of the SEBI (ICDR) Regulations
FII/ Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	₹34 per equity share
General Information Document/GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, and included in “Issue Procedure” on 267 of this Prospectus
Issue	The Initial Public Issue of 23,10,000 Equity Shares of face value of Rs.10 each for cash at a price of Rs. 36 each, aggregating Rs. 831.60 comprising the Fresh Issue.
Issue Agreement	The agreement dated April 23, 2018 between our Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Price	₹ 36 per Equity Shares, final price at which Equity Shares will be Allotted to Bidders. The Issue Price has been decided by our Company, in consultation with the Book Running Lead Manager.Managers, on the Pricing Date
Issue Proceeds	The proceeds of the Issue that is available to our Company. For further information about use of Issue Proceeds, see “Objects of the Issue” on page 120 of this Prospectus.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited.
Mandate Request	Mandate request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment.
Market Maker	Market Maker appointed by our Company from time to time, in this case being Pantomath Stock Brokers Private Limited who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing

Term	Description
	of our Equity Shares or for any other period as may be notified by SEBI from time to time
Market Maker Reservation Portion	The Reserved Portion of 1,20,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs 36 per Equity Share aggregating Rs. 43.20 for the Market Maker in this Issue.
Market Making Agreement	Market Making Agreement dated April 23, 2018 between our Company, Book Running Lead Manager and Market Maker.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
National Payments Corporation of India (NPCI)	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 21,90,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs 36 per Equity Share aggregating Rs. 788.40 by our Company
Net Proceeds	Proceeds of the Fresh Issue less our Company's share of the Issue expenses. For further information about use of the Issue Proceeds and the Issue expenses, see "Objects of the Issue" on page 120 of Prospectus.
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Non Institutional Bidders	All Bidders, including Category III FPIs that are not QIBs or Retail Individual Investors, who have apply for Equity Shares for an amount of more than Rs. 2,00,000 but not including NRIs other than Eligible NRIs
Non-Resident	A person resident outside India, as defined under FEMA and includes FIIs and FPIs
NSE	National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue
Other Investors	Investors other than Retail Individual Investors. These include individual bidders/applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires

Term	Description
Price Band	Price band of a minimum price of Rs. 34 per Equity Share (Floor Price) and the maximum price of Rs. 36 per Equity Share (Cap Price) including revisions thereof. The Price Band and the minimum Bid Lot size for the Issue have been decided by our Company in consultation with the BRLM and were advertised at least two* Working Days prior to the Bid/ Issue Opening Date, in all edition of the English national newspaper, Business Standard, all edition of the Hindi national newspaper Business Standard and Mumbai edition of the Marathi newspaper Mumbai Lakshadeep, each with wide circulation
Pricing date	The date on which our Company in consultation with the BRLM, will finalise the Issue Price
Prospectus	The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Sections 26 and 32 of the Companies Act, 2013, and the SEBI (ICDR) Regulations containing, inter alia, the Issue Price, the size of the Issue and certain other information
Public Issue Account	Account opened with the Banker to the Issue i.e. ICICI Bank Limited and under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the bidders on the Designated Date.
Public Issue Account Agreement/ Banker to the Issue Agreement	Agreement entered on April 23, 2018 amongst our Company, Book Running Lead Manager, the Registrar to the Issue and Public Issue Bank/Banker to the Issue and includes Addendum dated February 26, 2019 to the said agreement appointing ICICI Bank Limited as a Sponsor Bank for collection of the Bid Amount on the terms and conditions thereof.
Qualified Institutional Buyers or QIBs	Qualified Institutional Buyers as defined under Regulation 2(1) (zd) of the SEBI (ICDR) Regulations, 2009.
Red Herring Prospectus or RHP	This Red Herring Prospectus dated March 12, 2019 issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI (ICDR) Regulations, which does not have complete particulars of the price at which the Equity Shares were being offered and the size of the Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus has been registered with the RoC at least three days before the Bid/ Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to Bidders) shall be made.
Refund Bank(s) / Refund Banker(s)	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account has been opened, in this case being ICICI Bank Limited.
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of NSE having right to trade in stocks listed on

Term	Description
	Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on http://www.nseindia.com/membership/dynaContent/find_a_broker.htm
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Bigshare Services Private Limited having registered office at 1 st Floor, Bharat Tin Works Building, Opp.Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400059, Maharashtra, India.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015
Reservation Portion	The portion of the Issue reserved for category of eligible Bidders as provided under the SEBI (ICDR) Regulations, 2009
Reserved Category / Categories	Categories of persons eligible for making Bids under reservation portion.
Resident Indian	A person resident in India, as defined under FEMA
Retail Individual Bidder(s)/Retail Individual Investor(s)/RII(s)/RIB(s)	Individual Bidders, or minors applying through their natural guardians, including HUFs (applying through their <i>Karta</i>), who apply for an amount less than or equal to Rs 2,00,000.
Revision Form	Form used by the Bidders, to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which Issue the service of making Bids/Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/RecognisedIntermediaries or at such other website as may be prescribed by SEBI from time to time
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes the agreement to be entered into between our Company and the Stock Exchange in relation to listing of Equity Shares on such Stock Exchange.
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
Sponsor Bank(s)	Sponsor Bank means a Banker to the Issue registered with SEBI which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI (National in order to push the mandate collect requests and / or payment instructions of the retail investors into the UPI, the sponsor bank in this case being ICICI Bank Limited.

Term	Description
Syndicate Agreement	Agreement dated April 23, 2018 entered into amongst the BRLM, the Syndicate Members, our Company in relation to the procurement of Bid cum Application Forms by Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, Pantomath Stock Brokers Private Limited
Syndicate or Members of the Syndicate	The BRLM and the Syndicate Members
TRS or Transaction Registration Slip	The slip or document issued by the Syndicate, or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid
Underwriter	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The agreement dated April 23, 2018 entered into between the Underwriter and our Company
Unified Payments Interface (UPI)	UPI is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's bank a/c.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI application and by way of a SMS directing the RIB to such UPI application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by a RIB to make a Bid in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018.
UPI PIN	Password to authenticate UPI transaction.
Working Day	(i) Till Application / Issue closing date: All days other than a Saturday, Sunday or a public holiday; (ii) Post Application / Issue closing date and till the Listing of Equity Shares: All trading days of stock exchanges excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

**as per SEBI (ICDR) Regulations, 2018*

TECHNICAL AND INDUSTRY RELATED TERMS

Term	Description
ASEAN	Association of Southeast Asian Nations
A –TUFS	Amended Technology Up-gradation Fund Scheme
BTRA	The Bombay Textile Research Association
CAGR	Compound Annual Growth Rate
CCEA	The Cabinet Committee on Economic Affairs

Term	Description
CPI	Consumer Price Index
CSO	Central Statistics Office
DGFT	The Directorate General of Foreign Trade
EESL	Energy Efficiency Services Limited
EV	Electric Vehicle
FDI	Foreign Direct Investment
GAV	Gross Value Added
GDP	Gross Domestic Product
GST	Goods And Services Tax
HVAC	Heating Ventilation and Air-Conditioning
IBC	Insolvency And Bankruptcy Code
IBEF	India Brand Equity Foundation
ICAC	International Cotton Advisory Committee
IWDP	Integrated Wool Development Programme
IIP	Index Of Industrial Production
IMF	International Monetary Fund
KVIC	Khadi and Village Industries Commission
MEIS	Merchandise Exports from India Scheme
MoU	Memorandum of Understanding
M-SIPS	Modified Special Incentive Package Scheme
MSME	Micro Small and Medium Enterprises
MSP	Minimum Support Price
NBFCs	Non-Banking Financial Company
NSSF	National Small Savings Fund
OMO	Open Market Operations
PMP	Phased Manufacturing Programme
SAATHI	Sustainable and Accelerated Adoption of Efficient Textile Technologies to Help Small Industries
SANKALP	Skills Acquisition and Knowledge Awareness for Livelihood Promotion
SASMIRA	The Synthetic and Art Silk Mills' Research Association
SCBTS	Scheme for Capacity Building in Textile Sector
SEZ	Special Economic Zone
SITP	Scheme for Integrated Textile Parks
SITRA	The South India Textile Research Association
STRIVE	Skill Strengthening for Industrial Value Enhancement
TUFS	Technology Upgradation Fund Scheme
UNIDO	United Nations Industrial Development Organisation
WEO	World Economic Outlook

CONVENTIONAL AND GENERAL TERMS/ABBREVIATIONS

Term	Description
A.Y./AY	Assessment Year
A/C	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012

Term	Description
AoA	Articles of Association
AS/Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Application Supported by Blocked Amount
BIFR	Board for Industrial and Financial Reconstruction
BRLM	Book Running Lead Manager
CAGR	Compounded Annual Growth Rate
Category I Foreign Portfolio Investors	FPIs who are registered as – Category I foreign portfolio investors under the SEBI FPI Regulations
Category II Foreign Portfolio Investors	FPIs who are registered as – Category II foreign portfolio investors under the SEBI FPI Regulations
Category III Foreign Portfolio Investors	FPIs who are registered as – Category III foreign portfolio investors under the SEBI FPI Regulations
CC	Cash Credit
CDSL	Central Depository Services (India) Limited
CENVAT	Central Value Added Tax
CFO	Chief Financial Officer
CIN	Corporate Identification Number
Cm	Centimetre
CMD	Chairman and Managing Director
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013.
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of the notified sections
CS	Company Secretary
CST	Central Sales Tax
Depositories	NSDL (National Securities Depository Limited) and CDSL (Central Depository Services Limited); Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DGFT	Directorate General of Foreign Trade
DIN	Director Identification Number
DIPP	Department of Industrial Policy & Promotion
DP	Depository Participant
DP ID	Depository Participant's Identity
DPIIT	Department For Promotion Of Industry And Internal Trade
EBIDTA	Earnings before interest, depreciation, tax, amortization and extraordinary items
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPFA	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan

Term	Description
ESPS	Employee Stock Purchase Scheme
F.Y./FY	Financial Year
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
FII(s)	Foreign Institutional Investor, as defined under the FII Regulations and registered with the SEBI under applicable laws in India
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India
Fis	Financial Institutions
FPI(s)	Foreign Portfolio Investor means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board Of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act,1992
FV	Face Value
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GIR Number	General Index Registry number
GoI / Government	Government of India
HNI	High Networth Individual
HUF	Hindu Undivided Family
I. T. Act	The Income Tax Act, 1961, as amended.
ICAI	Institute of Chartered Accountants of India
ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations/Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
INR	Indian National Rupee
IPO	Initial Public Offering
IRDA	Insurance Regulatory and Development Authority
IT Authorities	Income Tax Authorities
IT Rules	The Income Tax Rules, 1962, as amended from time to time
Key Managerial Personnel / KMP	The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled “ <i>Our Management</i> ” beginning on page 185 of this Prospectus
KVA	Kilovolt-ampere
Listing Regulations / SEBI Listing Regulations/ SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Term	Description
Ltd.	Limited
MD	Managing Director
MICR	Magnetic Ink Character Recognition
Mn	Million
MoA	Memorandum of Association
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
N/A or N.A.	Not Applicable
NAV	Net Asset Value
NBFC	Non Banking Finance Company
Net Worth	The aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
NI Act	Negotiable Instruments Act, 1881
NOC	No Objection Certificate
NPCI	NPCI
NR	Non Resident
NRE Account	Non Resident (External) Account
NRI	Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time
NRO Account	Non Resident (Ordinary) Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Bodies
p.a.	per annum
P/E Ratio	Price Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
Pvt.	Private
QIB	Qualified Institutional Buyer
RII	Retail Individual Investor
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
RoC	Registrar of Companies
RoNW	Return on Net Worth
Rs. / INR	Indian Rupees
SCRA	Securities Contracts (Regulation) Act, 1956 as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self Certified Syndicate Bank
SEBI	Securities and Exchange Board of India

Term	Description
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to the SEBI AIF Regulations
Sec	Section
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small Medium Enterprise
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange (s)	SME Platform of NSE
STT	Securities Transaction Tax
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
TNW	Total Net Worth
TRS	Transaction Registration Slip
U.S. GAAP	Generally accepted accounting principles in the United States of America
u/s	Under Section
UIN	Unique Identification Number
UOI	Union of India
UPI	Unified payments interface, a payment mechanism that allows instant transfer of money between any two persons bank account using a payment address which uniquely identifies a person's bank account.
US/ U.S. / USA/ United States	United States of America
USD / US\$ / \$	United States Dollar, the official currency of the United States of America
UV	Ultraviolet
VAT	Value Added Tax
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds)

Term	Description
	Regulations, 1996) registered with SEBI under applicable laws in India.
w.e.f.	With effect from
WDV	Written Down Value
WTD	Whole-time Director
YoY	Year over year

Notwithstanding the following: -

- i. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 330 of this Prospectus, defined terms shall have the meaning given to such terms in that section;
- ii. In the section titled “*Financial Statements*” beginning on page 209 of this Prospectus, defined terms shall have the meaning given to such terms in that section;
- iii. In the section titled “*Risk Factor*” beginning on page 21 of this Prospectus, defined terms shall have the meaning given to such terms in that section;
- iv. In the chapter titled “*Statement of Possible Tax Benefits*” beginning on page 129 of this Prospectus, defined terms shall have the meaning given to such terms in that chapter; and
- v. In the chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 210 of this Prospectus, defined terms shall have the meaning given to such terms in that chapter.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

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

FINANCIAL DATA

Unless stated otherwise, the financial data included in this Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled “*Financial Statements as Restated*” beginning on page 209 this Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on April 1st of each year and ends on March 31st of the next year. All references to a particular fiscal year are to the 12 month period ended March 31st of that year. In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly to what extent, the financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Prospectus should accordingly be limited.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled “*Financial Statements as Restated*” beginning on page 209 of this Prospectus.

CURRENCY OF PRESENTATION

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

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

INDUSTRY AND MARKET DATA

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

Industry Sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although we believe that industry data used in this Prospectus is reliable, it has not been independently verified by the Book Running Lead Manager or our Company or any of their affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled “Risk Factors” beginning on page 21 of this Prospectus. Accordingly, investment decisions should not be based solely on such information.

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

FORWARD LOOKING STATEMENTS

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

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

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

For a further discussion of factors that could cause our actual results to differ, refer to section titled “*Risk Factors*” and chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 21 and 210 respectively of this Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

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

SECTION II – RISK FACTORS

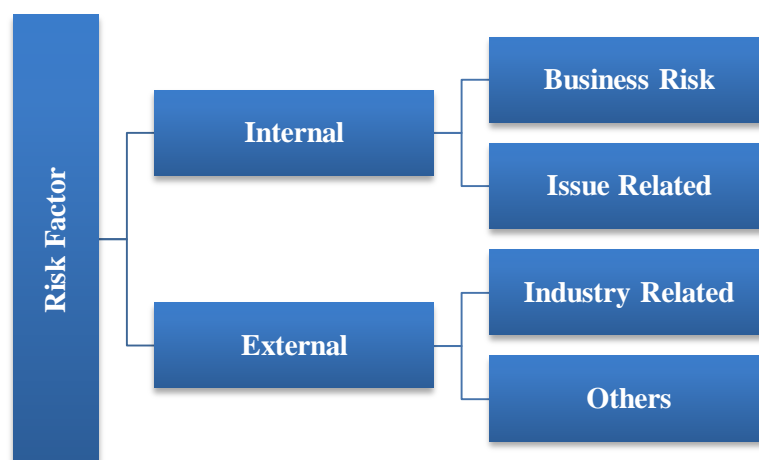
An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely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

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act, 2013 and its applicable Companies Act Rules (as amended from time to time) and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 153, “Our Industry” beginning on page 132 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 210 respectively, of this Prospectus as well as other financial information contained herein.

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

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

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



INTERNAL RISK FACTORS

BUSINESS RISK

1. Currently our Company is also involved in a civil and tax related proceedings; any adverse decision in such proceedings may render us liable to liabilities and penalties and may adversely affect our business and results of operations.

Also, there is no assurance that in future, we, our promoters, our directors or group companies may not face legal proceedings; any adverse decision in such legal proceedings may impact our business. For further details in relation to legal proceedings involving our Company, Promoters, Directors, and Group Company see the chapter titled “Outstanding Litigation and Material Developments” on page 234 of this Prospectus.

Name of Entity	Criminal Proceedings	Civil/ Arbitration Proceedings	Tax Proceedings	Labour Disputes	Consumer Complaints	Complaints under Section 138 of NI Act, 1881	Aggregate amount involved (Rs. In lakhs)
Company							
By the Company	Nil	3	Nil	Nil	Nil	Nil	Not ascertainable
Against the Company	Nil	1	4	Nil	Nil	Nil	69.77
Promoters							
By the Promoter	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoter	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Group Companies							
By Group Company	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against Group Company	Nil	Nil	1	Nil	Nil	Nil	0.20
Directors other than promoters							

By the Directors	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil	Nil

*N.A. = Not Applicable

- Our Company has filed an Application (“Application”) before the Regional Director, Western Region, Mumbai dated March 7, 2019 to condone the inadvertent error for the delay in appointment of company secretary under Section 203 of the Companies Act, 2013.

Future implication of the matter:

It shall be noted that if a company makes any default in complying with the provisions of Section 203 of the Companies Act, 2013, such company shall be liable to a penalty of INR 5 lakhs and every director and key managerial personnel of the company who is in default shall be liable to a penalty of INR 50,000 and where the default is a continuing one, with a further penalty of INR 1,000 for each day after the first during which such default continues but not exceeding INR 5 lakhs. Therefore, if the said Application of our Company for condonation of delay in appointment of company secretary is not admitted, it may expose our Company to the abovementioned penalty or any other penalty as may be decided by the Regional Director.

- Our Company has filed a Compounding Application (“Application”) before the Regional Director, Western Region, Mumbai dated March 10, 2019 to compound the inadvertent error for not opening a separate bank in a scheduled bank as required by proviso to section 42(6) of the Companies Act, 2013.

Future implication of the matter:

It shall be noted that in case the Application is admitted, our Company shall be bound to pay the compounded amount as may be directed by the Regional Director. It shall be further noted that in case the Application stands rejected, our Company, its Promoters and Directors may be liable for a penalty which may extend to the amount raised through private placement or INR 2 crore (whichever is lower) and our Company may also be directed to refund all the monies raised through private placement (along with interest).

- Our Company has filed an Application (“Application”) before the Regional Director, Western Region, Mumbai dated March 10, 2019 to condone the inadvertent delay in seeking prior approval of Central Government under section 297 of the Companies Act, 1956 (now Section 188 of the Companies Act, 2013).

Future implication of the matter:

It shall be noted that if the said Application of our Company for condonation of delay in seeking prior approval of Central Government under section 297 of the Companies Act, 1956 is not admitted, it may expose our Company to a penalty as may be decided by the Regional Director.

2. *Our Company specialises in creating designs as per the trend followed by global companies, we therefore stand at a risk of facing infringement claims against copying any patented designs.*

We believe our Company’s unique strength is creating designs which are as per the global trend and in fashion. For that, team of our Company travels across different countries to select trending designs being followed by global companies. We replicate such designs apart from creating our own designs which are then used in our textile fabrics. Certain designs in the textile industry is patented and unauthorized use of such designs may lead to infringement claims, litigations, and penalty among others. Such incidents may drain our resources towards non-core activities leading to financial and operational losses. However, our Company ensures that no patented designs are used in our manufacturing and till date our Company has not faced any such actions, suits, legal claims from any of the Company, but we may not be able to assure

that such adverse situation will not arise in future, occurrence of which may adversely impact our business operations.

3. *In 2011, our manufacturing facility was collapsed which has adversely affected our facility and installed machines, the insurance claim for the same could not be sustained.*

Our Company has constructed its manufacturing facility in year 2007 located in Bhiwandi, Maharashtra by installing old looms requiring high usage of power. In 2011, the said manufacturing unit was collapsed due to improper construction of premises and weakening of soil beneath the foundation, which led to the collapse of the manufacturing facility and all the machineries installed inside the premises. Due to such improper construction which was not covered under the terms of the insurance policy, our Company could not avail the insurance claim for the damage from the Insurance Company. Further, due to this, operations of our Company were severely affected which also led to losses from FY 2012-13 to FY 2015-16 as per our Restated Financial statements. Occurrence of any such events in future due to accidents, damages or any other misfortunes could adversely impact the overall business activity of the Company.

4. *Our Company does not own the land on which our registered and manufacturing office is located. Any dispute in relation to the said places would have a material adverse effect on our business and results of operations.*

We operate from our registered office situated at 206, Gambhir Industrial Estate, Off Aarey Road, Opp. Paramount Print, Goregaon (East), Mumbai – 400063, Maharashtra, India. The land on which our registered office is located is owned by our Promoter Kashyap Gambhir and have been taken on lease by our Company. The duration of lease is for 36 months commencing 1st February, 2018 at a Fee of Rs. 34,920 p.a.

Further, our manufacturing facility is located at T-1, Building Plot No. T, S.no. 157/1, Paiki at Village Sonale, Talathi Saja : Temghar, Tal. Bhiwandi, Thane – 421032. Our Company do not own the land on which the facility is constructed and the land is taken on lease for 36 months commencing from 1st February, 2018 at a Fee of Rs. 34,920 p.a.

Although the lease agreements can be extended for further period, but we cannot assure that we will have the right to occupy, the aforementioned premises in future, or that we will be able to continue with the uninterrupted use of this property, which may impair our operations and adversely affect our financial condition.

For further details of our Land and Properties, please refer to the chapter titled "*Our Business*" beginning on page 153 of this Prospectus.

5. *Machines installed in our manufacturing facility are used and old, which may affect the efficiency of the production process.*

Textile industry is largely dependent on the machinery and technology being used for the manufacturing process. Better quality machines which are new and advanced in technologies perform more efficiently in terms of speed of manufacturing, power consumed during the process among other factors. Machineries installed in our manufacturing facility are used and old which were manufactured a decade ago. Further, all of these machines collapsed during the facility collapse in 2011, but they were recovered from the debris and were refurbished for use. Since the machineries being used are old, our manufacturing process may not be as efficient as other machineries which are new with advanced technology. Owing to high capital expenditures required for setting up new machineries, our Company may not be able to timely update our machineries with the advanced versions affecting our overall operations.

As on date of Prospectus, Details of machineries mentioning total life of Machinery and No. of years machinery used is as under:

Name of Machinery	Quantity	Year	Vendor	Total life of Machinery	No. of Years Machinery used
Rapier Looms	19	12/12/2007	Win Worth	15 Years	10 Years
Air Jet Looms	24	16/02/2011	Tessitura Sootovento	15 Years	7 Years
Wrapping Machine	3	2007-08	Prashant Gramatex	15 Years	4 to 10 years
Folding Machine	1	22/01/2015	Gayatri	15 Years	3 Years
Coning Machine	2	2009/ 2010	Alphatex Engineering / Shri Vignesh Machine	15 Years	8 Years
Single End Sizing Machine	1	25/04/2015	Prashant Gramatex	15 Years	3 Years
Packing Machine	1	22/01/2016	Pradeep Enterprises	15 Years	2 Years
Beam Trolley	1	21/11/2011	Quality Engineering Works	15 Years	6 Years
Knotting Machine	1	2009-10	Deev Jyoti / Shiv Tex	15 Years	8 Years
Cleaning Machine	1	2015	Made locally	15 Years	3 Years
Air Compressor	5	2013-2016	Horizon Airtech	15 Years	2 Years / 5 Years
Air Compressor	1	2018-19	FX Multitech Pvt. Ltd.	15 years	-
Humidification Plant	1	2014	Best Air Firm Tamil Nadu	Not available	Not available
Goods Lift	1	2014	Star Elevators	15 Years	3 Years
Dryer	1	2014	Excal Enterprises	15 Years	3 Years
Electric Stabilizer	6	2007-2014	Made locally	15 Years	3-10 Years

6. Our Company at present does not have diversity in their product offering.

In the textile industry, companies that are engaged in the manufacturing of varieties of fabrics have a diversified product portfolio and are better able to manage customers' requirements cyclicalities than units manufacturing limited type of fabrics. Our Company manufactures fabrics using cotton, linen, cotton linen blended and cotton lycra. With the availability of diversified product portfolio, more number of options are provided to customers to choose from. Likewise, a wider range of fabrics, colours, and designs helps forge strong relationships with garment traders, resulting in a preferred vendor status. Our Company is present only in limited segment, and hence stands at an uncomfortable position where we may lose certain customers demanding varieties of options.

7. Our Company has a negative cash flow in its operating activities, investing activities and financing activities in past, details of which are given below. Sustained negative cash flow could impact our growth and business.

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

Amount (Rs. In lakhs)

Particulars	For the Period ending on September 30, 2018	For the year ended 31 st March				
		2018	2017	2016	2015	2014
Cash Flow from / (used in) Operating Activities	148.09	245.14	896.68	163.20	430.85	(139.49)
Cash Flow from / (used in) Investing Activities	(22.14)	0.08	(20.38)	(85.45)	(231.83)	(319.29)
Cash Flow from / (used in) Financing Activities	(124.39)	(247.90)	(874.25)	(80.95)	(197.05)	462.51

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

8. *Textile is a capital intensive industry, we may not be able to continuously invest in capacity expansions due to fund constraints, or any other internal or external reasons.*

Textile industry in general is capital intensive and requires continuous investment in capital asset for expansion of its manufacturing capacity for continuous growth. Since most of the facility runs at optimum capacity, any increase in demand or market size more than the current production capacity, will require capacity expansion. Our Company is currently running at 96% capacity and generated Rs.3,663.49 lakhs in total revenue for the period ended on September 30, 2018 and Rs. 6433.90 Lakhs in Total Revenue for the Financial Year ended March 31, 2018.

Since our Company is growing both in terms of revenue and production, any further increase in demand from our customers, our expansion in new markets will require us to invest in new machinery to add more capacity. Such expansion will require us extensive capital investment in our manufacturing facility which may cause stress on our financials as we may be required to take rely on our lenders/financial institutions for funding the capacity expansion. Further, we may not be able to generate sufficient revenue and profitability from such expansion affecting our business adversely.

9. *Certain observation have been made by our Statutory Auditor and Peer reviewed auditor in their Auditors' report.*

Our Statutory Auditor in their report for the F.Y. 2015-16 has an observation as per Reports under The Companies (Auditors' Report) Order, 2016, which is as under:

"The company has accepted deposits in contravention of the Companies Act, 2013 and as explained it was genuine business requirement of the company to accept such deposits for running day to day business."

Our Company has not received any show cause notice with respect to above till date. However, there can be no assurance that our Company may not be subject to any penalties in future for such non compliances. Also, as on date of this Prospectus, the Company has repaid the whole amount taken as loan in contravention of the Companies Act and there subsists no default with regards to same.

Further, our peer reviewed auditor in its restated financial statements has following emphasis of matters which read as under:

- a) *As Per Our opinion, the company has contravened the provisions of sub section 1 of section 73 of Companies Act, 2013 read with the (Acceptance of Deposit) Rules 2014 in past.*

In case any queries are raised by the appropriate authorities, penalty (ies) as prescribed in the law may be levied on the Company. However, Quantum of penalty depends upon discretion of the appropriate authority, hence, we are unable to quantify the same.

- b) *“During the Financial Year 2011-12, one of the factory building of the Company collapsed, for which the claim has been rejected by insurance Company. Proper treatment of loss on account of the collapse of the building have been given in restated financials. However, for assets substantially damaged, AS-28 “Impairment of Asset” was required to be followed by the Company, but due to non-availability of sufficient data, the Company have departed from the said Accounting Standard.”*

As per the management of the company, the factory building was collapsed in Financial Year 2011–12 due to improper building structure. However, the machineries were not substantially damaged and were restored to its existing production capacity after due repairs. Therefore requirements of AS 28 regarding Impairment of Assets were not followed by the Company.

10. We may be unable to attract and retain employees with the requisite skills, expertise and experience, which would adversely affect our operations, business growth and financial results.

We rely on the skills, expertise and experience of our employees to create designs which are preferred by our customers. Our employees through their years of experience and expertise in designing related activity are creating varieties of designs as per the global trend and continuously updating them with their own expertise. Designs being one of our important competitive strengths, we are largely dependent on our in-house designing team. Our employees may terminate their employment with us prematurely and we may not be able to retain them. Experienced and skilled workers in the textile industry are highly sought after, and competition for talent is intense. If we experience any failure to attract and retain competent personnel or any material increase in employee costs as a result of the shortage of skilled employee, our competitiveness and business would be damaged, thereby adversely affecting our financial condition and operating results. Further, if we fail to identify suitable replacements of our departed staff, our business and operation could be adversely affected and our future growth and expansions may be inhibited.

11. We generate our entire sales from our operations in certain geographical regions especially Maharashtra and any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.

As on date of the Prospectus, our Company is executing orders majorly from traders in Maharashtra. Such geographical concentration of our business in this region heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in this region which may adversely affect our business prospects, financial conditions and results of operations. We may not be able to leverage our experience in this region to expand our operations in other parts of India and overseas markets, should we decide to further expand our operations.

Factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, transportation, in other markets where we may expand our operations may differ from those in this region, and our experience in such region may not be applicable to other markets. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, but also local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, have stronger relationships with local contractors, farmers, relevant government authorities, and who have access to existing waste sources or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand at other locations may adversely affect our business prospects, financial conditions and results of operations. While our management believes that the Company has requisite expertise and vision to grow and mark its presence in other markets going forward, investors should consider our business and prospects in light of the risks, losses and challenges that we face as an early-stage company and should not rely on our results of operations for any prior periods as an indication of our future performance.

12. *Our Company has not complied with certain statutory provisions and has made delayed filing of required forms with the Registrar of Companies. Such non-compliances/lapses may attract penalties.*

Our Company is required under the Companies Act to make certain filings with the Registrar of Companies, from time to time within the stipulated period. Our Company had on certain occasions made delayed/lapsed in filing of required forms and certain filings were made which were inadequate in nature. Further, our Company has not complied with certain statutory provisions in the past including but not limited to the following:

- The paid up capital of our Company was more than Rupees 100 lakhs after March 15, 2008 and pursuant to Section 297 of the Companies Act, 1956, our Company was required to take previous approval of Central Government before entering into any contract *inter alia* with a director of the company or his relative, a firm in which such a director or relative is a partner, or a private company of which the director is a member or director. However, our Company has not taken approval of Central Government before entering into such contracts.
- We have in the past, not complied with the provisions of Section 314(1) of the Companies Act, 1956 with respect to appointment of relatives of directors to an “office or place of profit.” The said appointments had to be approved by the shareholders by passing special resolutions, which need to be filed with RoC within prescribed time. If any office or place of profit is held in contravention of the provisions of Section 314 (1), the relatives of the directors shall be *inter alia*, deemed to have vacated his office as such, on and from the date next following the date of the general meeting of the Company and shall be liable to refund any remuneration received from the Company.
- Non-compliance with Section 383A of Companies Act 1956 and section 203 of Companies Act, 2013 by not appointing a Company Secretary for some period of time. However, as on date of the Prospectus, our Company has appointed a Company Secretary.
- In past, our Company has made erroneous filling of annual returns for certain financial years which reflects incorrect details pertaining to members of the Company and transfers executed in the respective annual return.
- Provision of Section 73 to 76 of Companies Act 2013 with respect to avilment of unsecured loans from persons other than the directors, relatives of directors and members of the Company during the past. However, as on date of this Prospectus our company has repaid the loan taken in violation of section 73 to 76 of Companies Act, 2013.
- Provision of Section 42 of Companies Act, 2013 with respect to Separate bank account for Money received from Private Placement on July 6, 2015.

However, our Company has filed applications dated March 7, 2019, March 10, 2019 and March 10, 2019 with the Regional Director, Western Region, Mumbai for compounding of offences committed under Sections 42, 188 (erstwhile Section 297) and 203 of the Companies Act , 2013 respectively.

No show cause notice in respect of the above has been received by the Company till date, any penalty imposed for such non-compliance in future by any regulatory authority could affect our financial conditions to that extent. Such delay/non-compliance may in the future render us liable to statutory penalties and could have serious consequences on our operations.

13. *We require a number of approvals, NOCs, licences, registrations and permits in the ordinary course of our business. Some of the approvals are required to be transferred in the name of “Artedz Fabs Limited” from “Artedz Fabs Private Limited” pursuant to name change of our company and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.*

We require a number of approvals, licenses, registrations and permits in ordinary course of our business. Additionally, we need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course. Also, we were a private limited company in the name of “Artedz Fabs Private Limited” which was carrying business of manufacturing of finished and designed cotton and linen fabrics. After complying with the relevant procedure of Companies Act, 1956/2013, the said private limited company was converted into a public limited company in the year 2018. After conversion there was change of name of the company from “Artedz Fabs Private Limited” to “Artedz Fabs Limited”. We shall be taking necessary steps for transferring the approvals in new name of our company. In case we fail to transfer/obtain the same in name of the company same may adversely affect our business or we may not be able to carry our business.

Any failure to renew the approvals that have expired, or to apply for and obtain the required approvals, licences, registrations or permits, or any suspension or revocation of any of the approvals, licences, registrations and permits that have been or may be issued to us, could result in delaying the operations of our business, which may adversely affect our business, financial condition, results of operations and prospects. Currently, renewal of License to set up textile manufacturing business given by Group Gram Panchayat, Sonale is pending. Additionally, our company is yet to apply for approvals mentioned below, which is also given in ‘Government and Other Statutory Approvals Chapter’ on page 241 of this Prospectus.

- i) NOC from Directorate of Industries/DIC-Thane/JSI-MMR for setting up industrial unit in MMR Zone I and II area
- ii) Consent to Establish issued by Maharashtra State Pollution Control Board.

14. Raw materials constitute a significant percentage of the Company’s total expenses. Particularly, any increase in cotton yarn prices and any decrease in the supply of cotton yarn would materially adversely affect the Company’s business.

Raw materials constitute a significant percentage of the total expenses of the Company. Inventories costs accounted for 76.95% and 73.51% of total expenses for the period ended on September 30, 2018 and for the Financial Year ended on 31st March, 2018 respectively. The primary raw material used by the Company is cotton yarn. We are exposed to fluctuations in the prices of our major raw material, Cotton yarn which is directly related to the prices of cotton bales. We may be unable to control factors affecting the price at which we procure our raw material. We also face the risks associated with compensating for or passing on such increase in our cost of production 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. However, Company operates on receiving advance orders and accordingly plans to minimize the impact of raw material price fluctuation. For further details of our procurement operations and our cost of production, refer chapters titled “Our Business” and “Financial Statements as restated” beginning on page 153 and 209 of this Prospectus.

15. Our Company currently market its product through various distributors which is done completely from offline market.

Owing to our relationship with various distributors and traders, our Company at present generates 100% of its revenue from offline market. Our Company does not have any presence in online market through any of the e-commerce portals. India including the countries abroad, have in recent past witnessed a shift in buying pattern particularly clothes from offline to online model. Customers prefers to purchase their products on-the-go rather than visiting shops which consumes time and effort. With the evolvement of e-commerce websites, online market have been witnessing continuous growth. Since, we are not present in the online market, we may see lower demand of our products as the customers may continue shifting from offline to online model, leading to lower operational and financial performance.

16. *Our Company does not enter into any binding agreement with its customers at the time of receiving orders. Company may not be able to enforce any claims on customers in case of non-acceptance of manufactured products by them.*

Our Company manufactures textile fabrics on the basis of orders placed by our customers. Post that, we place orders for the raw material required in the production and initiate the production process. Once the production is completed, the same is delivered to the customers and subsequently consideration is received as per the credit terms.

However, Company do not enter into any agreement with our customers which legally binds them for acceptance of the orders they have placed as the business operations are performed primarily on the basis of trusts and relationships. Our customer may deny to take the delivery of goods owing to any reasons, which may impact our financial position adversely, since we do not have any legal right to enforce the purchase order on our customers. However, our Company have not faced any such situation in the past, but we may not be able to assure that such actions by our customers will not occur in future.

17. *Currently we have an aggregate outstanding export obligation amounting to a total duty saved of Rs. 23.66 Lacs, which needs to be fulfilled. Failure to meet export obligation would entail payment of the amount of proportionate duty saved together with interest.*

Currently, we have an outstanding export obligation amounting to a total duty saved of Rs. 23.66 lacs which needs to be fulfilled. This amount pertains to various procured capital assets imported at concessional rate of import duty under EPCG scheme. For further information of details of the licenses and outstanding export obligations please refer chapter titled “Our Business” on page 153 of this Prospectus. Any failure to meet such export obligation would entail payment of the amount of proportionate duty saved together with interest.

18. *Our results of operations may be materially adversely affected by our failure to anticipate and respond to changes in fashion trends and consumer preferences in a timely manner.*

Our results of operations depend upon the continued demand by customers for our products and design. We believe that our success depends in large part upon our ability to anticipate, and respond in a timely manner to changing fashion trends and customer’s demands and preferences and upon the appeal of our products. Though we have been receiving good response from the market which can be reflected with the increase in our turnover year on year and with our turnover crossing Rs. 3,662.75 Lakhs for the period ended on September 30, 2018 and Rs. 6,426.28 Lakhs for the Financial Year ended on 31st March, 2018, in case there is any slowdown in the Fabric industry or if the Fabric products go off-trend, our revenue from operations could be adversely affect. Any decline in demand for our products, or a failure to anticipate market trends could, among other things, lead to lower sales, excess inventories and higher markdowns, each of which could have a material adverse effect on our reputation, results of operations and financial condition.

19. *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 provide better quality product. Although we strive to keep our technology in line with the latest standards, we may be required to implement new technology or upgrade the existing employed by us. Further, the costs in upgrading our technology could be significant which could substantially affect our finances and operations. Our failure or inability to incorporate any change in technology might place our competitors at an advantage in terms of costs, efficiency and timely delivery of the final products.

20. *Our Company has witnessed an increase in trade receivables, inability to recover our receivables may cause financial crunch.*

Our sales are generally made on credit terms of 60 days to 90 days. During the period of September 30, 2018, Fiscals 2018, 2017, and 2016, the accounts receivables turnover days of our Company was 214 days, 191 days, 129 days, and 104 days respectively. As at September 30, 2018, Fiscals 2018, 2017 and 2016 trade receivables of Rs. 4,315.80 Lakhs, Rs. 3,370.22 Lakhs, Rs. 1,874.32 Lakhs, and Rs. 1,104.64 Lakhs respectively. Our management consider that a long credit period inevitably increases the potential credit risk of our Company. There is no assurance that all such amounts due to our Company will be settled on time. Accordingly, our Company faces credit risk in collecting the trade receivable due from the customers. Our Company's performance, liquidity and profitability will be adversely affected if significant amounts due to our Company are not settled on time. The bankruptcy or deterioration of the credit condition of any of our major customers could also materially and adversely affect our business.

21. Certain activities in our manufacturing process is done on job-work basis. Inability to get satisfactory level of service from them may impact our brand image and hence profitability.

Manufacturing of textile fabrics goes through many processes which requires large set of machineries and facility area. Some of our processes, like, dyeing, finishing are outsourced on job work basis. These job workers are located at nearby facility which ensures lower cost of transportation. Further, we have long term relations with these job workers and are well aware of their service levels, however, we do not have control over these entities or any written or binding agreement with respect to our job works. Inability to get the necessary job work done on time from these job workers at reasonable costs and terms, could affect our order execution and hence also our profitability and brand image.

22. Our top customers contribute significantly to our revenues for the period ended September 30, 2018. Any loss of business from one or more of them may adversely affect our revenues and profitability.

Our top 10 and top 5 customers contributed 63.01% and 41.80% of our revenues for the period ended on September 30, 2018. However, the composition and revenue generated from these clients might change as we continue to add new customers in normal course of business. Any decline in our quality standards, growing competition and any change in the demand for our services by these customers may adversely affect our ability to retain them. We believe we have maintained good and long term relationships with our customers. However, there can be no assurance that we will continue to have such long term relationship with them also any delay or default in payment by these customers may adversely affect our business, financial condition and results of operations. 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.

23. Our top suppliers contributes major portion of our total material purchases. Any disruption in supplies from them may adversely affect our production process.

Our top 10 and top 5 suppliers contributes around 79.25% and 64.15% of our Total Raw material purchases of the period ended on September 30, 2018. We do not have any formal agreement with our raw material suppliers. Though we maintain good relations with them, there can be no assurance that we shall be able to continue such relations with any or all of them. Any disruption in supplies from these parties may require us to find additional suppliers. There can be no assurance that we shall be able to find additional suppliers in time or transact business with them on favourable terms and conditions or the quality of products supplied by these suppliers will be at par with those of our existing suppliers. Since such suppliers are not contractually bound to deal with us exclusively, we may face the risk of losing their services to our competitors. Any disruption in supplies from our suppliers due to inexistence of contracts may adversely affect our production process, trading activity and consequently our results of operations.

24. We generally do business with our customers on purchase order basis and do not enter into long-term contracts with most of them.

Our business is dependent on our continuing relationships with our customers. Our Company does not has any long-term contract with any of customers. Any change in the buying pattern of our end users or disassociation of major customers can adversely affect the business of our Company. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations.

25. *We have not entered into any technical support service for the maintenance and smooth functioning of our equipment's and machineries, which may affect our performance.*

Our manufacturing processes involve daily use of technical equipment's and machineries. They require periodic maintenance checks and technical support in an event of technical breakdown or malfunctioning. Our company has not entered into any technical support service agreements with any competent third party. However, Company has an in-house team for maintenance and advancement of machinery. Our failure to reduce the downtime in case such events occur may adversely affect our productivity, business and results of operations.

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

Our business is working capital intensive and requires significant portion of working capital and major portion of which is utilized towards trade receivables and trade payables. Further, our Company intends to continue growing by reaching out to newer clients/ customers and also increasing the sales in the existing customer base. Our growing scale and expansion, may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital or pay out of debts, could adversely affect our financial condition and result of our operations. Summary of our working capital position is given below:-

Amount (Rs. In lakhs)

Particulars	For the period ended on September 30, 2018	For the year ended 31 st March				
		2018	2017	2016	2015	2014
A. Current Assets						
Inventories	2,419.75	2,082.40	1,712.64	1,514.04	1,284.32	1,192.58
Trade Receivables	4,315.80	3,370.22	1,874.32	1,104.64	1,551.58	778.94
Cash and Cash Equivalents	3.95	2.38	5.06	3.00	6.21	4.24
Short Term Loans & Advances	62.16	39.99	47.75	36.29	30.59	24.84
B. Current Liabilities						
Trade Payables	2,953.79	2,096.17	1,165.52	546.89	1,018.58	386.87
Other Current Liabilities	519.56	571.04	303.90	531.09	640.89	367.29
Short Term Provisions	159.96	57.50	26.18	20.43	36.09	10.21
Working Capital (A-B)	3,168.35	2,770.29	2,144.17	1,559.55	1,177.15	1,236.24
Trade Receivables as % of total current assets	63.45%	61.33%	51.50%	41.56%	54.01%	38.94%
Trade Payables as % of total current liabilities	81.30%	76.93%	77.93%	49.79%	60.07%	50.61%

27. The operations of our Company are subject to manufacturing risk and may be disrupted by failure in the facilities. These liabilities and costs could have a material adverse effect on our business, results of operations and financial condition.

Due to the nature of the business we are required to be compliant with requisite safety requirements and standards. Our manufacturing facilities are subject to operating risk arising from compliance with the directives of relevant government authorities. The operations of our Company are also subject to operating risks, such as breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, earthquakes and other natural disasters and industrial accidents, fire or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and equipment and environmental damage. Such operating risks may result in non-compliance with government regulations, property damage and personal injury which may result in the imposition of civil and criminal penalties, which may adversely affect public perception about our operations and the perception of our suppliers, clients and employees.

28. We are highly dependent on third parties for supply our raw materials. Further we also job work few processes by third parties involved in our manufacturing cycle. Any hindrance from such parties with respect to supplies or quality of products, may affect our production process, resulting into loss of revenues.

We procure our primary raw material i.e. yarns from third party suppliers. Further we also use third party job work facilities for few processes such as dyeing, sizing and finishing of our products in units situated in Bhiwandi, Maharashtra and Tarapur, Maharashtra. Our quality of fabric highly depends upon the quality of raw material i.e. yarn we procure and the process through which it under goes. Any goods received by us which do not comply with the quality specifications or standards prevalent in the business or market segment, may result in customer dissatisfaction, which may have an adverse effect on our sales and profitability. Also in case of job work carried by third parties for us, any inconsistency in standard, or any deterioration in quality of services, supplied by them may hamper our reputation and thereby business operations. Further any refusal from suppliers to adhere to the delivery schedules or to supply in the necessary quantities may adversely affect our ability to deliver orders on time and as a result we may lose customers.

In case our Company receives significant higher demand or if there is a need to replace an existing job worker, there can be no assurance that additional supplies of raw material or job work facilities will be available and that too on the desired terms in order to enable us to fulfil our orders on time.

29. Credit Rating of our Company.

The cost and availability of capital, amongst other factors, is also dependent on our credit ratings. We had been rated by CARE Rating on September 28, 2018. Our Company have been last rated CARE BB- (Stable) on our Long term Bank facilities. Ratings reflect a rating agency's opinion of our financial strength, operating performance, strategic position, and ability to meet our obligations. Any downgrade of our credit ratings would increase borrowing costs and constrain our access to capital and lending markets and, as a result, could adversely affect our business. In addition, downgrades of our credit ratings could increase the possibility of additional terms and conditions being added to any new or replacement financing arrangements.

30. Our Group Company have incurred losses in past, which may have an adverse effect on our reputation and business.

The following table sets forth the details of our loss-making Group Company:

Amount in Rs. lakhs

S. No.	Name of the Company	Profit / (Loss) for Fiscal 2016
1.	Toron Fabs Pvt. Ltd.	(2.62)

There can be no assurance that our Group Company will not incur losses in the future, which may have an adverse effect on our reputation and business.

31. *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.*

Our industry being labour intensive is highly dependent on labour force for carrying out its manufacturing 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. We have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past; however there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

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

Further due to increased competition for skilled employees in India over the last few years, we may need to increase our levels of employee compensation rapidly to remain competitive in attracting the best possible talent which may result in increased costs and affect our profitability.

32. *Conflicts of interest may arise out of common business undertaken by our Company and our Group Company.*

Our Group Company, Toron Fabs Private Limited is also authorized to carry similar activities as those conducted by our Company. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company, and our Group Company in circumstances where our respective interests diverge. In cases of conflict, our Promoters may favour other company in which our Promoters have interests. There can be no assurance that our Promoters or our Group Company 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.

33. *We face competition in our business from organized and unorganized players, which may adversely affect our business operations and financial condition.*

The textile industry is highly and increasingly competitive and unorganised, and our results of operations and financial condition are sensitive to, and may be materially adversely affected by competitive pricing and other factors. Competition may result in pricing pressures, reduced profit margins, lost market share or a failure to grow our market share, any of which could substantially harm our business and results of operations.

The textile segment which we cater to is fragmented and continues to be dominated by unorganised suppliers. Textile industry also has many large conglomerates giving further competition to players like us. We compete primarily on the basis of quality, customer satisfaction and marketing. We believe that in order to compete effectively, we must continue to maintain our reputation, be flexible and prompt in responding to rapidly changing market demands and customer preferences, and offer customer a wide

variety of fabrics at competitive prices. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

34. *Our Company has certain contingent liabilities, which may affect our financial condition.*

Detail of contingent liabilities as per our restated financial statement is as under:

(Rs. In Lakhs)

Particulars	As at Septemb er 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
(a) Claim against company not acknowledge as debt.	69.77	69.77	69.77	69.77	69.77	69.77
(b) Duty saved against EPCG	23.66	23.66	23.66	23.66	23.66	23.66

For further information on such contingent liabilities, see “Financial Statements” on page 209.

In the event that any of these contingent liabilities materialize, our business prospects, financial condition and results of operations may be adversely affected.

35. *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 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.

36. *We do not generally enter into agreements with our third party job workers or raw material suppliers. Any disruption in supplies from them may adversely affect our production process.*

We have no formal agreement entered into with our third party job workers or raw material suppliers. Though we maintain good relations with them, there can be no assurance that we shall be able to continue such relations with any or all of them. Any disruption in supplies from these parties may require us to find additional suppliers. There can be no assurance that we shall be able to find additional suppliers in time or transact business with them on favourable terms and conditions or the quality of products supplied by these suppliers will be at par with those of our existing suppliers. Further we cannot assure you that our third party job workers will continue to be associated with us on reasonable terms, or at all. Since such third party job workers are not contractually bound to deal with us exclusively, we may face the risk of losing their services to our competitors. Any disruption from our third party job workers or suppliers due to inexistence of contracts may adversely affect our production process and consequently our results of operations.

37. *Any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of corporate and other law could impact the financial position of our Company to that extent.*

Our Company may have not complied with certain accounting standards and Section 4A of The Payment of Gratuity Act, 1972, in the past. Although no show cause notice in respect of the same has been received by our Company till date any penalty imposed for such non-compliance could affect our financial conditions to that extent. In relation to gratuity we have not received any notice/communication from the

relevant authority, for the previous defaults till date. However, now our Company is complying with all the accounting standards and has given effects in the Restated Financial Statements for such non compliances.

38. *Continued operations of our manufacturing facility are critical to our textile business and any disruption in the operation of our facility may have a material adverse effect on our business, results of operations and financial condition.*

Our manufacturing facility, at Bhiwandi, Maharashtra is subject to operating risks, such as unavailability of machinery, break-down, obsolescence or failure of machinery, disruption in power supply or processes, performance below expected levels of efficiency, labour disputes, natural disasters, industrial accidents and statutory and regulatory restrictions. Our machines have limited lives and require periodic cleaning as well as annual over hauling maintenance. In the event of a breakdown or failure of such machinery, replacement parts may not be available and such machinery may have to be sent for repairs or servicing. We have not entered into any technical support service agreements for the maintenance and smooth functioning of our equipment's and machineries. This may lead to delay and disruption in our production process that could have an adverse impact on our sales, results of operations, business growth and prospects.

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

Our products depend on customer's expectations and choice or demand of the customer and trends in the fashion industry. Any failure to maintain the quality standards of our products 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 from our vendors, or any other unforeseen events could adversely affect our reputation, our operations and our results from operations.

40. *Introduction of alternative textile materials caused by changes in technology or consumer preferences may affect demand for our existing products which may adversely affect our financial results and business prospects.*

Our products are used mainly by manufacturers of readymade garments / garment houses that require fabric materials for manufacturing apparel. Our business is affected by change in technology, consumer preferences, market perception of brand, attractiveness and convenience. Our ability to anticipate such changes and to continuously develop and introduce new and enhanced products successfully on a timely basis will be a key factor in our growth and business prospects. There can be no assurance that we will be able to keep pace with the technological advances that may be necessary for us to remain competitive. Further, any substantial change in preference of consumers who are end users of our products will affect our customer's businesses and, in turn, will affect the demand for our products. Any failure to forecast and/or meet the changing demands of textile business and consumer preferences may have an adverse effect on our business, profitability and growth prospects.

41. *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 analysis of market and other data or the strategies we use or plans in future to use will be successful under various market conditions.

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

Our Company has entered into various transactions with our Promoters, Directors and Promoter Group. While we believe that all such transactions are conducted on arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions were not entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in future in compliance with the applicable law. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to chapter "Related Party Transactions" beginning on page 207 of the Prospectus.

43. Failure to manage our inventory could have an adverse effect on our net sales, profitability, cash flow and liquidity.

The results of operations of our business are dependent on our ability to effectively manage our inventory and stocks. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and manufacture new inventory accordingly. If our management has misjudged expected customer demand it could adversely impact the results by causing either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the inventory we manufacture, we may be required to write-down our inventory or pay our suppliers without new purchases or create additional vendor financing, which could have an adverse impact on our income and cash flows. Any increase in sales return beyond the standard levels, may also result in accumulation of inventories and consequently impact our cash flows.

44. Our Company is dependent on third party transportation providers for the delivery of finished products 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 products to the customers. 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 there may be loss or damage 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 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.

45. Our insurance coverage may not be adequate.

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

For further details, please refer chapter titled “*Our Business*” beginning on page 153 of this Prospectus.

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

We have secured our lenders by creating a charge over our movable and immovable properties in respect of facilities availed by us from banks and financial institutions. The total amounts outstanding and payable by us as secured loans were Rs. 1,080.79 Lakhs as on September 30, 2018 as per Restated Financial Statements. In the event we default in repayment of the facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information on the *Financial Indebtedness* please refer to page 229 of this Prospectus.

47. *Our lenders have imposed certain restrictive conditions on us under our financing arrangements.*

Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure, formulate a scheme of amalgamation or reconstruction and entering into any other borrowing arrangement. Further, we are required to maintain certain financial ratios.

There can be no assurance that we will be able to comply with these financial or other loan covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. For further information, see the chapter titled “*Financial Indebtedness*” on page 229 of the Prospectus. Though these covenants are restrictive to some extent for us, however it ensures financial discipline, which would help us in the long run to improve our financial performance.

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

We have taken guarantees from Promoters and members of Promoter Group in relation to our secured debt facilities availed from our Bankers. In an event any of these persons withdraw or terminate its/their guarantees, the lender for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information please see the chapter titled “*Financial Indebtedness*” beginning on page 229 of this Prospectus.

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

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our capital requirements through our bank finance, unsecured loans, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or

any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled “*Objects of the Issue*” beginning on page 120 of this Prospectus.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “*Dividend Policy*” on page 208 of this Prospectus.

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

As on September 30, 2018, our Company has unsecured loans amounting to Rs. 981.43 lakhs as per Restated Financial Statements from banks, financial institution and directors. Further, some of these loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows. For further details of unsecured loans of our Company, please refer the chapter titled “*Financial Statements as Restated*” beginning on page 209 of this Prospectus.

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

The yarn industry is growing rapidly and hence it is competitive on account of both the small and large players. Players in this industry generally compete with each other on key attributes such as technical competence, quality of yarn, strong clientele, pricing and timeliness of delivery. Some of our competitors may have longer industry experience and greater financial, technical and other resources, which may enable them to react faster in changing market scenario and remain competitive. Growing competition may result in a decline in our market share and may affect our margins which may adversely affect our business operations and our financial condition.

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

We are required to obtain registrations from the relevant State Pollution Control Board to be able to handle and dispose hazardous and wastes. We are also required to take a number of precautionary measures and follow prescribed practices in this regard.

Further, our company is subject to following certain rules and guidelines, but not limited to:

- a. The Maharashtra Industrial Policy 2013;
- b. Contract Labour (Regulation and Abolition) Act, 1970;
- c. Payment of Gratuity Act, 1972;
- d. Industrial Disputes Act, 1947 (“ID Act”) and Industrial Dispute (Central) Rules, 1957;
- e. The Factories Act, 1948;

- f. The Environment Protection Act, 1986;
- g. Water (Prevention and Control of Pollution) Act, 1974

Our failure to comply with these laws could result in us being prosecuted, including our directors and officers responsible for compliance being subjected to imprisonment and fines. We may also be liable for damage caused to the environment. Any such action could adversely affect our business and financial condition.

54. *We generally do business with our customers on order basis and do not enter into long term contracts with them.*

Our business is dependent on our continuing relationships with our customers. Our Company does not have any long-term contract with any customers. Any change in the consumption pattern of our customer or disassociation of major customers can adversely affect the business of our Company. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations.

55. *Within the parameters as mentioned in the chapter titled ‘Objects of this Issue’ beginning on page 120 of this Prospectus, our Company’s management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.*

We intend to use entire Issue Proceeds towards meeting working capital requirements, general corporate purposes and issue expenses. Such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled ‘Objects of the Issue’ beginning on page 120 of this Prospectus. The deployment of funds for the purposes described above is at the discretion of our Company’s Board of Directors.

The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled ‘Objects of the Issue’ beginning on page 120 of this Prospectus, the management will have significant flexibility in applying the proceeds received by our Company from the Issue. Our Board of Directors will monitor the proceeds of this Issue. However, Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. However in accordance with Section 27 of the Companies Act, 2013, a company shall not vary the objects of the Issue without our Company being authorise to do so by our shareholders by way of special resolution and other compliances in this regard. Our Promoters and controlling shareholder shall provide exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

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

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

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

Our business is dependent on the trust our customers have reposed in the quality of our services. Any negative publicity our Company, service, or our brand due to any other unforeseen events could affect our reputation and our results from operations. Further, our business may also be affected if there is any negative publicity associated with the services which are being rendered by our Company which may indirectly result in erosion of our reputation and goodwill.

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

Since, the Issue size is less than Rs.10,000 lakh and as per the provisions of Regulation 16 (1) of the SEBI ICDR Regulations, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

However, Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. However in accordance with Section 27 of the Companies Act, 2013, a company shall not vary the objects of the Issue without our Company being authorised to do so by our shareholders by way of special resolution and other compliances in this regard. Our Promoters and controlling shareholder shall provide exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

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

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

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

Our Directors and Key Managerial Personnel (“KMP”) are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, some of our Directors and KMP may also be interested to the extent of their shareholding and dividend entitlement in our Company. For further information, see “Capital Structure” and “Our Management” on pages 103 and 185, respectively, of this Prospectus.

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

After completion of the Issue, our Promoters and Promoter Group will collectively own 50.29% of the Equity Shares. As a result, our Promoter together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in

accordance with the Companies Act and our AoA. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

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

62. *We may not be successful in implementing our business strategies.*

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted clients. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

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

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

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

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

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

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

estimates are subject to change, and actual amounts may differ materially from those included in this Prospectus.

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

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

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

Our Promoters average cost of acquisition of Equity Shares in our Company may be lower than the Floor Price of the Price Band as may be decided by the Company in consultation with the BRLM. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer chapter title "*Capital Structure*" beginning on page 103 of this Prospectus.

ISSUE SPECIFIC RISKS

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

Once listed, we would be subject to circuit breakers imposed by all stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time, and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

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

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

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

- Significant developments in India's environmental regulations.

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

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

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the Companies Act, 2013, in the event that the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected from investors.

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

The Issue Price of our Equity Shares will be determined by book built method. This price is based on numerous factors (For further information, please refer chapter titled "Basis for Issue Price" beginning on page 126 of this Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

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

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

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

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

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/ Issue Period and withdraw their Bids until Bid/ Issue Closing Date. While our Company is required to complete Allotment pursuant to the Issue within six Working Days from the Bid/Issue Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations

or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Bidders ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

EXTERNAL RISKS FACTORS

INDUSTRY RISKS

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

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

OTHER RISKS

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

As stated in the reports of the Auditor included in this Prospectus under chapter “*Financial Statements as restated*” beginning on page 209, the financial statements included in this Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Prospectus.

Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Prospectus should accordingly be limited.

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

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

In Finance Bill 2017, Section 10(38) was amended to provide that exemption under this section for income arising on transfer of equity share acquired on or after 1st day of October 2004 shall be available

only if the acquisition of share is chargeable to STT under Chapter VII of the Finance (No 2) Act, 2004. In this case, this provision becomes effective, sale shares acquired on or after 1st day of October 2004 on which STT was not charged will attract tax under provisions of Long Term Capital Gains.

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

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

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

Our business and financial performance could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business. Please refer to “*Key Industry Regulations and Policies*” on page 169 for details of the laws currently applicable to us. There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

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

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

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

78. *Financial instability in Indian financial markets could adversely affect our Company's results of operations and financial condition.*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

PROMINENT NOTES

1. Public Issue of 23,10,000 Equity Shares of face value of Rs. 10/- each of our Company for cash at a price of Rs. 36 per Equity Share ("Issue Price") aggregating Rs. 831.60 Lakhs, of which 1,20,000 Equity Shares of face value of Rs. 10/- each will be reserved for subscription by Market Maker to the Issue ("Market Maker Reservation Portion"). The Issue less the Market Maker Reservation Portion i.e. Net Issue of 21,90,000 Equity Shares of face value of Rs. 10/- each is hereinafter referred to as the "Net Issue". The Issue and the Net Issue will constitute 26.99% and 25.58%, respectively of the post Issue paid up equity share capital of the Company.
2. Investors may contact the Book Running Lead Manager or the Company Secretary & Compliance Officer for any complaint/clarification/information pertaining to the Issue. For contact details of the Book Running Lead Manager and the Company Secretary & Compliance Officer, please refer to chapter titled "*General Information*" beginning on page 91 of this Prospectus.
3. The pre-issue net worth of our Company as per Restated Standalone Financial Statements was Rs. 1,084.42 Lakhs for the period ended on September 30, 2018 and Rs. 830.17 lakhs for the year

ended on March 31, 2018. The book value of Equity Share after Issue of Bonus was Rs. 17.35 for the year ended on September 30, 2018 and Rs. 13.28 for the year ended on March 31, 2018 as per the Restated Financial Statements of our Company. For more information, please refer to section titled “*Financial Statements*” beginning on page 209 of this Prospectus.

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

Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)
Kashyap Gambhir	18,35,582	8.92
Satbinder Singh Gill	5,50,583	15.82

For further details relating to the allotment of Equity Shares to our Promoters, please refer to the chapter titled “*Capital Structure*” beginning on page 103 of this Prospectus.

5. For details on related party transactions and loans and advances made to any company in which Directors are interested, please refer “*Related Party Transaction*” under chapter titled “*Financial Statements as restated*” beginning on page 209 of this Prospectus.
6. Investors may note that in case of over-subscription in the Issue, allotment to Retail applicants and other applicants shall be on a proportionate basis. For more information, please refer to the chapter titled “*Issue Structure*” beginning on page 264 of this Prospectus.
7. Except as disclosed in the chapter titled “*Capital Structure*”, “*Our Promoter and Promoter Group*”, “*Our Management*” and “*Related Party Transaction*” beginning on pages 103, 200, 185 and 207 respectively, of this Prospectus, none of our Promoter, Directors or Key Management Personnel has any interest in our Company.
8. Except as disclosed in the chapter titled “*Capital Structure*” beginning on page 103 of this Prospectus, we have not issued any Equity Shares for consideration other than cash.
9. Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.
10. Investors are advised to refer to the chapter titled “*Basis for Issue Price*” beginning on page 126 of the Prospectus.
11. There are no financing arrangements whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing of this Reed Herring Prospectus with the Stock Exchange.
12. Our Company was originally incorporated as “Artedz Fabs Private Limited” at Mumbai, Maharashtra as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated August 08, 2006 bearing Corporate Identification Number U17299MH2006PTC163645 issued by Registrar of Companies, Mumbai, Maharashtra. Subsequently, our Company was converted into a Public Limited Company pursuant to special resolution passed by the members in Extra Ordinary General Meeting of our Company held on January 18, 2018 and the name of our Company was changed to “Artedz Fabs Limited” and a fresh certificate of incorporation consequent upon Conversion of Private Company to Public Limited Company dated February 19, 2018 was issued by Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of our Company is U17299MH2006PLC163645.

For further details of Incorporation, change of name of the Registered Office of our Company, please refer to chapter titled “*Our History and Certain Other Corporate Matters*” beginning on page 181 of this Prospectus.

Except as stated in the chapter titled “*Our Group Companies*” beginning on page 204 and chapter titled “*Related Party Transactions*” beginning on page 207 of this Prospectus, our Group Companies have no business interest or other interest in our Company.

SECTION III – INTRODUCTION

SUMMARY OF OUR INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 21 and 209 respectively of this Prospectus before deciding to invest in our Equity Shares.

INTRODUCTION TO THE INDIAN TEXTILE INDUSTRY

India’s textiles sector is one of the oldest industries in Indian economy dating back several centuries. India’s overall textile exports during FY 2017-18 stood at US\$ 39.2 billion.

The Indian textiles industry is extremely varied, with the hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world.

(Source: Textile Industry & Market Growth in India - India Brand Equity Foundation - www.ibef.org)

GLOBAL ECONOMIC OVERVIEW

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

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

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

expansionary fiscal policies, while advanced country monetary policies remain stimulative and world trade continues to grow briskly.

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

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

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

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

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

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

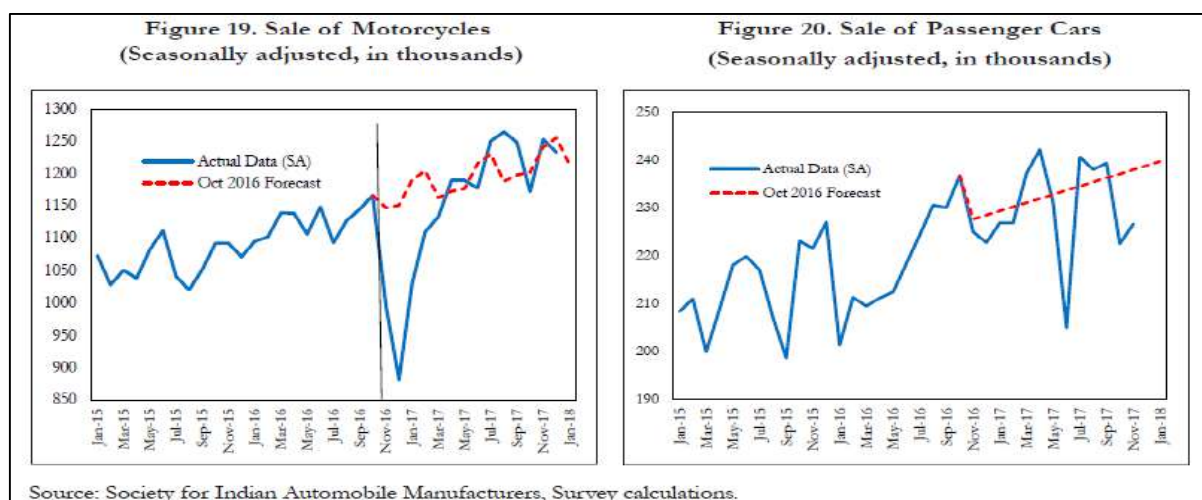
(Source: *Economic Survey 2017-18 Volume 1* www.indiabudget.nic.in)

OVERVIEW OF INDIA'S ECONOMIC PERFORMANCE IN 2017-18

Economic activity

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

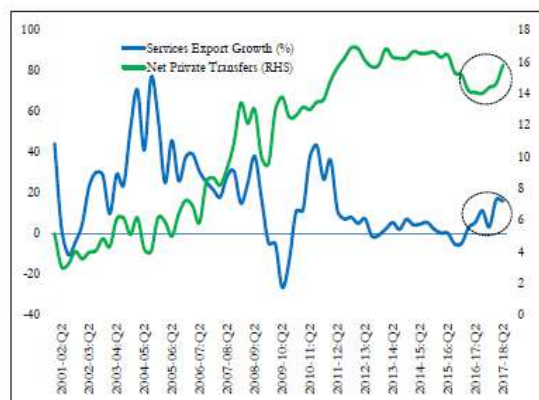
Similarly, real non-food credit growth has rebounded to 4 percent in November 2017 on a year-on-year basis, while the squeeze on real credit to industry is abating (Figure 18). Moreover, the flow of nonbank resources to the corporate sector, such as bond market borrowing and lending by NBFCs, has increased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



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

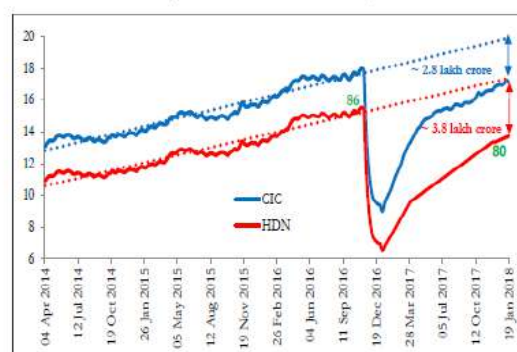
On demonetization specifically, the cash-to-GDP ratio has stabilized, suggesting a return to equilibrium. The evidence is that since about June 2017 the trend in currency is identical to that pre-demonetization (Figure 22). The stabilization also permits estimation of the impact of demonetization: about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

Figure 21. Services Export Growth (percent) and Net Private Remittances (in US\$ billion)



Source: RBI, Survey calculations.

Figure 22. Currency in Circulation (CIC) and High Denomination Notes (HDN) (In Rs. lakh crore)



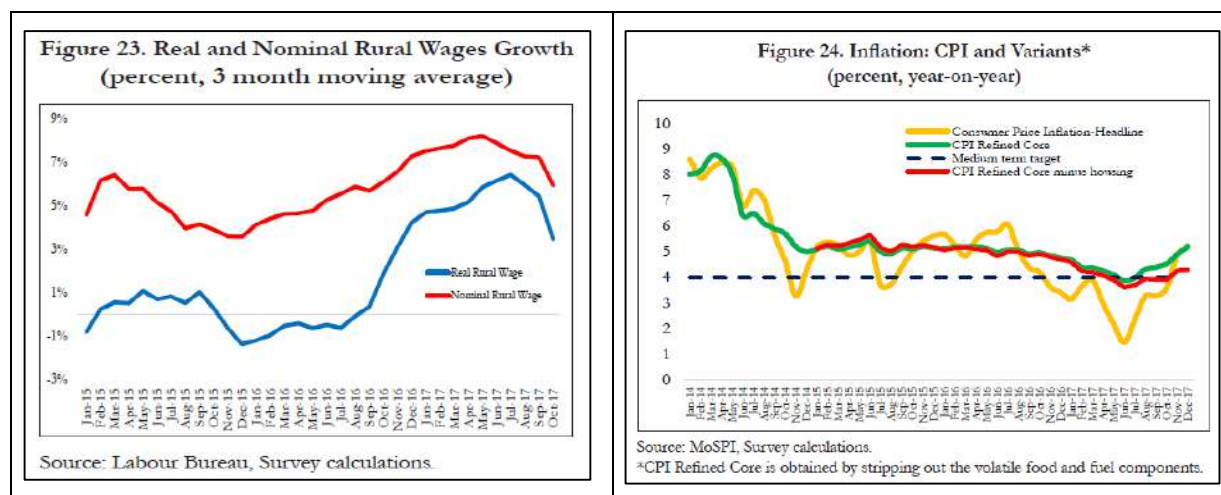
Source: RBI, Survey calculations; Numbers in green denote HDN as share of CIC.

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

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

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

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



Average CPI inflation for the first nine months has averaged 3.2 percent and is projected to reach 3.7 percent for the year as a whole. This implies average CPI inflation in the last quarter of 5.2 percent, in line with the RBI's forecast. Therefore, the GDP deflator is expected to grow by 3.6 percent for 2017-18, somewhat higher than the CSO's forecast of 2.8 percent. Consequentially, nominal GDP growth is estimated at 10.5 percent, compared with the CSO's 9.5 percent estimate.

Macroeconomic indicators

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

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

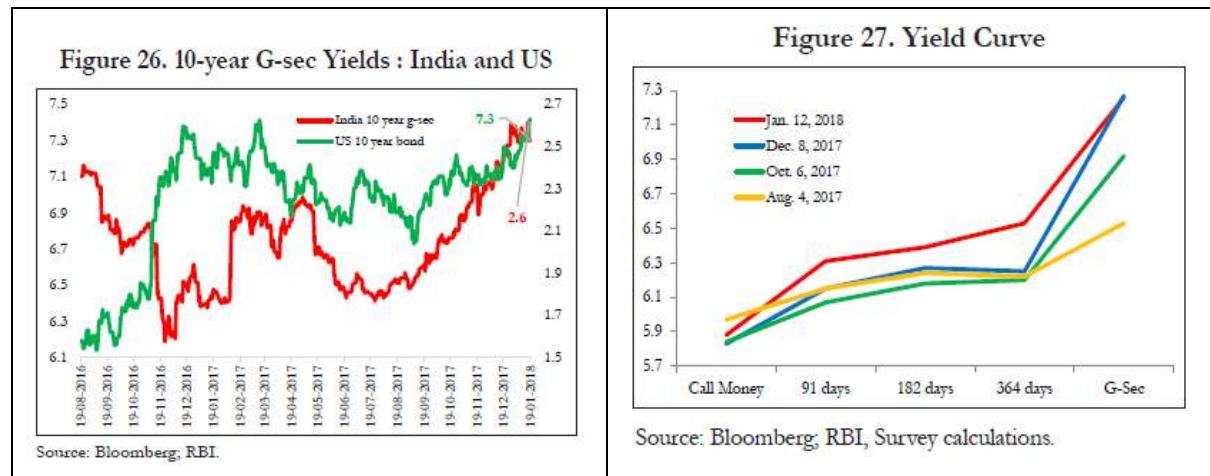
Despite these developments, the overall external position remains solid. The current account deficit is well below the 3 percent of GDP threshold beyond which vulnerability emerges. Meanwhile, foreign exchange reserves have reached a record level of about \$432 billion (spot and forward) at end-December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

Fiscal developments

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

The fiscal deficit for the first eight months of 2017-18 reached 112 percent of the total for the year, far above the 89 percent norm (average of last 5 years), largely because of a shortfall in non-tax revenue, reflecting reduced dividends from government agencies and enterprises. Expenditure also progressed at

a fast pace, reflecting the advancing of the budget cycle by a month which gave considerable leeway to the spending agencies to plan in advance and start implementation early in the financial year. Partially offsetting these trends will be disinvestment receipts which are likely to exceed budget targets.



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

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

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

In the case of borrowing by the states, markets have perhaps inadequately taken into account the fact that higher market borrowings by them does not reflect higher deficits; rather about Rs. 50,000 crore or 0.3 percent of GDP of market borrowings is due to changes in the composition of financing, away from higher cost NSSF borrowings toward lower cost market borrowings. This lack of strict correspondence between the deficit and borrowings at the central and state levels (Figure 28) is discussed in greater detail in Box 8. For general government, about Rs. 40,000 Crores represents greater market borrowings that is not due to deficits—a fact which markets apparently have not internalized.

Another factor contributing to the rise in bond yields has been stepped-up Open Market Operations (OMO) by the RBI. This amounted to a net sale of about Rs. 90,000 Crores during April-December 2017-

18 (compared to a net redemption of Rs. 1.1 lakh Crores during the same period in 2016-17) to sterilize the impact of foreign flows, themselves induced by high interest rates.

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

OUTLOOK FOR 2018-19

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

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

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

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

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

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

Persistently high oil prices (at current levels) remain a key risk. They would affect inflation, the current account, the fiscal position and growth, and force macroeconomic policies to be tighter than otherwise. One eventuality to guard against is a classic emerging market “sudden stall” induced by sharp corrections to elevated stock prices. (Box 9 suggests that India's stock price surge is different from that in other countries but does not warrant sanguine-ness about its sustainability.) Savers, already smarting from reduced opportunities in the wake of demonetization, from depressed gold prices, and from lower nominal

interest rates, would feel aggrieved, leading to calls for action. Stock price corrections could also trigger capital outflows, especially if monetary policy unwinds less hesitantly in advanced countries and if oil prices remain high. Policy might then have to respond with higher interest rates, which could choke off the nascent recovery. The classic emerging market dilemma of reconciling the trade-off between macro-stability and growth could then play itself out.

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

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

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

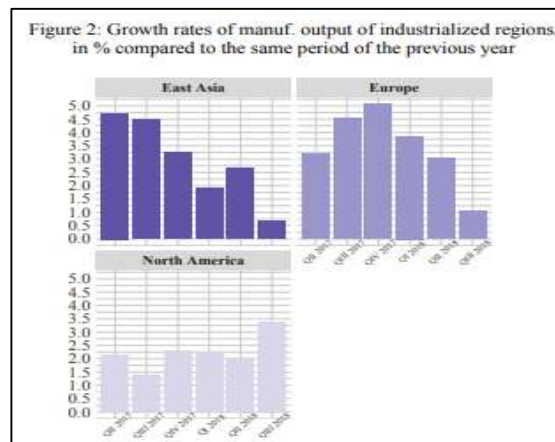
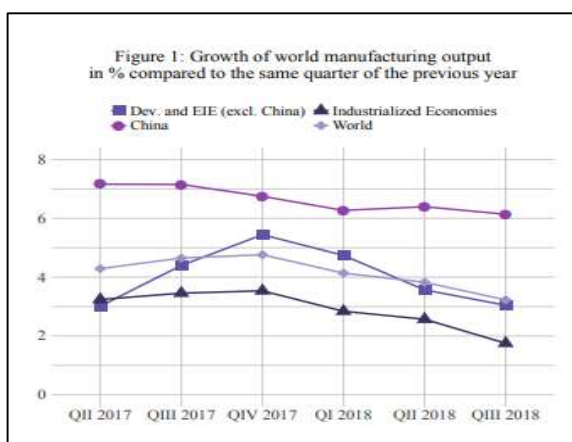
GLOBAL MANUFACTURING SECTOR

World manufacturing growth

World manufacturing growth further declined in the third quarter of 2018 amid rising tension over trade and tariffs among the leading manufacturers, especially the United States, the European Union and China. Compared to the same period of the previous year, global manufacturing output rose by 3.2 per cent in the third quarter of 2018, after growing by 3.8 per cent in the second, and 4.1 per cent in the first quarter of 2018. Global manufacturing output growth has been consistently declining since the second half of 2017 (see Figure 1), which marked the temporary peak of the steady expansion that had been registered since mid-2016, both in industrialized as well as in developing and emerging industrialized economies.

Manufacturing growth in industrialized economies generally lost some momentum in the third quarter of 2018. In a year-on-year comparison, manufacturing output growth is estimated at 1.7 per cent. Against the backdrop of procyclical fiscal stimulus in the U.S., the pace of growth in North America rose to 3.4 per cent. By contrast, the manufacturing sector's growth rate of industrialized economies in Europe performed below expectations at 1.1 per cent compared to the same period of the previous year.

The manufacturing output growth of industrialized economies in East Asia was also quite moderate. Compared to the same period of the previous year, the countries' growth rate declined from 2.7 per cent in the second quarter to 0.7 per cent in the third quarter of 2018. This relatively sharp decline is mainly attributable to Japan's negative year-on-year growth rate of -0.1 per cent, the country groups' largest manufacturer by far. Severe weather-related production impairments also contributed to this drop in manufacturing output.



(Source: World Manufacturing Production- Statistics for Quarter III, 2018; United Nations Industrial Development Organisation - www.unido.org)

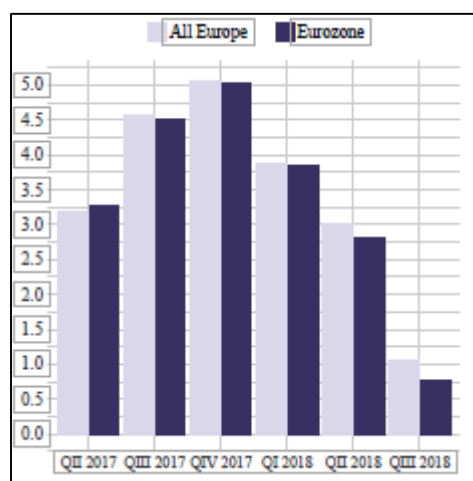
Industrialized economies

The manufacturing output of industrialized countries maintained a positive growth rate in the third quarter of 2018 compared to the same period of the previous year. While the pace of growth further slowed down in East Asia and Europe to 0.7 per cent and 1.1 per cent, respectively, North America's manufacturing output expanded to 3.4 per cent compared to 2.0 per cent in the second quarter of 2018. Besides economic factors, another reason for this divergent development is the relatively higher year-on-year comparison thresholds for East Asia and Europe, as illustrated in Figure 2

The robust manufacturing growth rate observed in European industrialized economies since 2014 has recently experienced a downward trend. This is especially visible when the data are compared to 2017, a year characterized by high growth rates. For instance, the year-on-year growth of manufacturing output reached 5.1 per cent in the fourth quarter of 2017. The first half of 2018 already showed a notable deceleration, which continued into the third quarter of 2018. The manufacturing output growth rate dropped to 3.9 per cent in the first quarter and decreased further to 3.0 per cent in the second quarter of 2018 and only reached 1.1 per cent in the third quarter of 2018.

A closer look at the leading euro zone economies reveals that year-on-year manufacturing output in the third quarter of 2018 increased only marginally in France, Spain and Germany, reaching 1.0 per cent, 0.9 per cent and 0.3 per cent, respectively. Growth in Italy slightly decreased, with a drop in manufacturing output by 0.1 per cent.

With the exception of Malta and Portugal, where manufacturing output fell by 4.1 per cent and 1.3 per cent, respectively, other euro zone economies continued to witness positive growth rates. Manufacturing output rose by more than 3.0 per cent in Slovenia, Cyprus, Estonia, the Netherlands and Lithuania.



Outside the euro zone, manufacturing out-put increased in Denmark by 4.5 per cent, by 3.6 per cent in Hungary and by 3.3 per cent in Czechia. The United Kingdom had a lower growth rate of 1.0 per cent under the intense pressure of the Brexit negotiations. Among the non-EU economies, Switzerland registered a growth rate of 1.7 per cent compared to the third quarter of the previous year. Belarus, which in accordance with UNIDO criteria has recently joined the group of industrialized economies, recorded 3.6 per cent growth in the third quarter of 2018. Similarly, manufacturing out-put grew by 2.7 per cent in Norway and 2.4 per cent in the Russian Federation.

North America's overall manufacturing production grew by 3.4 per cent compared to the same period of the previous year. Economists view robust demand and tax incentives as some of the reasons for the United States' year-on-year manufacturing output growth of 3.4 per cent.

Positive results were observed in industrialized East Asian economies in the third quarter of 2018. Japan's manufacturing output slightly declined after eight straight quarters of year-on-year growth, the downward trend partly being caused by severe weather-related production impairments, forcing vehicle manufacturers and component suppliers, in particular, to suspend production at several plants. Other East Asian economies recorded positive growth rates in the third quarter of 2018 compared to the same period of the previous year. Malaysia grew by 4.8 per cent, Singapore by 3.8 per cent, Taiwan ROC by 2.7 per cent, Hong Kong SAR by 1.4 per cent and the Republic of Korea by 1.0 per cent.

(Source: World Manufacturing Production- Statistics for Quarter III, 2018; United Nations Industrial Development Organisation - www.unido.org)

Developing and Emerging Industrial Economies

Consistent with recent quarterly reports, China is presented separately from other country groups due to its size and the special characteristics of its economy, as the country's pro-longed high growth period is rapidly transforming China into an industrialized economy.



China

China's manufacturing output rose by 6.1 per cent in the third quarter of 2018. Although this marks the slowest pace of year-on-year growth for years, Figure 4 demonstrates that the country enjoyed stability in manufacturing production in the first three quarters of 2018. Despite deepening trade tensions, seasonally adjusted estimates show that China's manufacturing output has not yet experienced any substantial declines. A relatively high growth performance was observed in computer electronics (+13.2 per cent), basic metals (+8.1 per cent) and machinery (+8.0 per cent) and contributed to China's overall economic performance. However, experts warn of downward pressures such as rising costs, sluggish demand or operating difficulties for enterprises due to trade frictions. The country's further trajectory in the fourth quarter of 2018 remains to be seen, as China and the U.S. imposed additional tariffs on each other's exports at the end of September and have threatened to expand these further at the beginning of 2019.

Developing and emerging industrial economies (excl. China)

Evidence of a slowdown in manufacturing output was observed in developing and emerging industrial economies, especially in comparison to Chinese data. Year-on-year manufacturing output growth fell to 3.0 per cent compared to 3.6 per cent in the second quarter and 4.7 per cent in the first quarter of 2018. The growth performance of Asia and the Pacific remained above this country groups' average and reached 4.4 per cent compared to the same period of the previous year. India's manufacturing output grew by 6.0 per cent and contributed substantially to these results, as did Indonesia's at 5.1 per cent. Mongolia and Bangladesh continued their year-on-year double-digit growth, primarily due to the fast growing textiles and wearing apparel industry. High manufacturing growth of 7.3 per cent has also been a key driver of the Philippines' overall economic growth.

Latin America prolonged the phase of moderate expansion of the region's manufacturing production with a year-on-year growth rate of 1.4 per cent in the third quarter of 2018. Mexican manufacturing output, which largely consists of export goods to the U.S., grew by 2.7 per cent compared to the same quarter of the previous year. Progress in the discussions around the United States–Mexico–Canada Agreement (USMCA builds on the North American Free Trade Agreement) may have contributed to this development by reducing uncertainty. Focusing on some other countries in the region, manufacturing output rose in Brazil by 1.6 per cent, in Chile by 1.5 per cent, in Colombia by 3.4 per cent and in Peru by 2.2 per cent. By contrast, Argentina, Latin America's third largest economy, has fallen deeper into recession, observing a year-on-year manufacturing output of -7.2 per cent in the third quarter of 2018. Economists attribute the drop to struggling businesses due to peso depreciation and high interest rates.

Growth estimates based on limited data for African countries generally indicated a moderate rise in manufacturing output. South Africa, the region's most industrialized country, registered a 1.5 per cent growth in the third quarter of 2018 compared to the same period of the previous year. However, UNIDO estimates on the share of MVA in GDP suggest a decreasing tendency. Whereas the share was 13.1 per cent in 2010, it declined to 12.4 per cent in 2017. Considering that manufacturing is a major catalyst and multiplier for job creation, more dynamic manufacturing growth would be desirable. Among other African economies, positive growth rates were achieved in Senegal at 4.0 per cent and Cote d'Ivoire at 4.2 per cent.

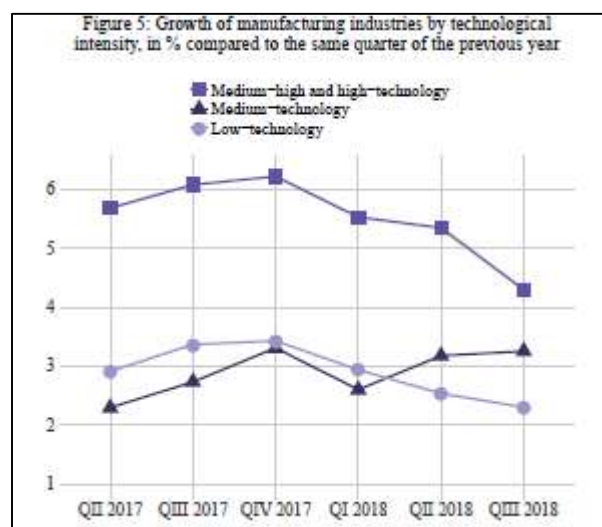
As regards other developing economies, the manufacturing output of Eastern European countries grew by 2.9 per cent in the third quarter of 2018 compared to the same period of the previous year. Manufacturing output rose by 7.3 per cent in the FYR of Macedonia, 5.8 per cent in Poland and 4.6 per cent in Romania. Turkey's year-on-year growth dropped to 1.1 per cent in the third quarter, after 9.8 and 4.8 per cent in the first and second quarters of 2018, respectively, against the backdrop of a weakening lira. Greece's manufacturing output has continued to grow on a year-on-year basis since the beginning of 2016, reaching 2.8 per cent in the third quarter of 2018.

Key Findings - Global manufacturing Sector

Global manufacturing production showed a positive growth rate in all industries in the third quarter of 2018. Industries grouped according to technological intensity continued to follow growth patterns that reveal that medium high- and high-technology manufacturing industries outperform other industry groups. However, in terms of growth rates, this industry group witnessed a sharp decline in the third quarter of 2018 compared to the same period of the previous year.

By contrast, as illustrated in Figure 5, medium-technology industries, including the manufacture of rubber and plastic products, non-metallic mineral products and basic metals, were able to resist decelerating year-on-year growth rates in manufacturing output and expanded at 3.3 per cent in the third quarter of 2018. This is to a large extent due to augmented steel output in China, the world's largest producer of basic metals, where, compared to the third quarter of 2017, output grew by 8.1 per cent.

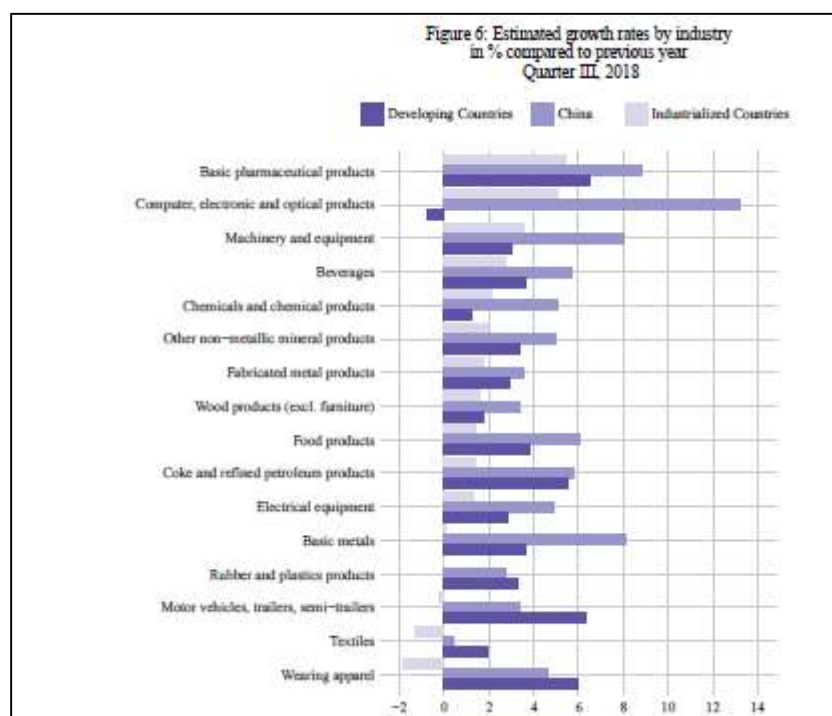
A decomposition of medium high- and high-technology industries identifies the auto-motive industry in Germany, Japan and China as being the main cause for the waning growth rates. While China, after a period of ten consecutive months with two digit year-on-year growth rates, continued to grow by 3.4 per cent in the third quarter of 2018 compared to the same period of the previous year, the figures plunged to -0.6 per cent in Japan and -8.0 per cent in Germany. Production breaks due to the mandatory implementation of new test procedures related to the global harmonized standard for determining CO2 levels and other emissions might be one of the reasons for the strong decline in Germany.



Global manufacturing output maintained relatively stable growth rates in the production of basic consumer goods. The manufacture of food products rose by 2.9 per cent, beverages by 3.7 per cent and wearing apparel by 3.9 per cent. The global production of wood products rose by 2.0 per cent, while the manufacture of paper products only increased marginally by 0.4 per cent compared to the same period of the previous year.

Figure 6 presents the growth rates for various industries in detail, showing mainly expanding manufacturing output. Negative growth rates were only recorded in the manufacture of computer, electronic and optical products in developing countries (excl. China) and the manufacture of textiles and wearing apparel in industrialized economies. As regards the latter, shrinking year-on-year output was specifically observed in Europe and East Asia. At the same time, developing countries in Asia and the Pacific, in particular, achieved significantly higher growth rates in the textiles and clothing industry, due also to positive signs of recovery in India.

Additional data on growth rates in the third quarter of 2018 are available in the Statistical Tables.



(Source: World Manufacturing Production- Statistics for Quarter III, 2018; United Nations Industrial Development Organisation - www.unido.org)

GLOBAL COTTON INDUSTRY: POSITION & OUTLOOK

World Balance sheet of Cotton Stocks

World Balance Sheet						
million 480 lb. bales	2013/14	2014/15	2015/16	2016/17	2017/18 February	2017/18 March
Beginning Stocks	92.1	102.9	111.1	95.3	87.7	87.7
Production	120.4	119.1	96.2	106.8	121.4	121.9
Supply	212.5	222.1	207.3	202.1	209.0	209.6
Mill-Use	110.0	111.9	112.3	114.8	120.5	120.8
Ending Stocks	102.9	111.1	95.3	87.7	88.6	88.8
Stocks/Use Ratio	93.5%	99.3%	84.9%	76.4%	73.5%	73.6%

India: Balance sheet of Cotton Stocks

India Balance Sheet						
million 480 lb. bales	2013/14	2014/15	2015/16	2016/17	2017/18 February	2017/18 March
Beginning Stocks	11.8	11.5	13.5	9.9	11.1	11.1
Production	31.0	29.5	25.9	27.0	28.5	28.5
Imports	0.7	1.2	1.1	2.7	1.7	1.7
Supply	43.5	42.2	40.5	39.7	41.3	41.3
Mill-Use	23.3	24.5	24.8	24.0	24.5	24.5
Exports	9.3	4.2	5.8	4.6	4.2	4.2
Demand	32.5	28.7	30.5	28.6	28.7	28.7
Ending Stocks	11.5	13.5	9.9	11.1	12.6	12.6
Stocks/Use Ratio	35.2%	47.0%	32.6%	39.0%	44.0%	44.0%

(Source: USDA – United States Department of Agriculture www.usda.gov)

INDIAN MANUFACTURING SECTOR

Introduction

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

Market Size

The Gross Value Added (GVA) at basic constant (2011-12) prices from the manufacturing sector in India grew 7.9 per cent year-on-year in 2016-17, as per the first revised estimates of annual national income published by the Government of India. Under the Make in India initiative, the Government of India aims to increase the share of the manufacturing sector to the gross domestic product (GDP) to 25 per cent by 2022, from 16 per cent, and to create 100 million new jobs by 2022. Business conditions in the Indian manufacturing sector continue to remain positive.

Investments

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

Cumulative Foreign Direct Investment (FDI) in India's manufacturing sector reached US\$ 72.31 billion during April 2000-September 2017. India has become one of the most attractive destinations for investments in the manufacturing sector.

Government Initiatives

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

Road Ahead

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

The manufacturing sector of India has the potential to reach US\$ 1 trillion by 2025 and India is expected to rank amongst the top three growth economies and manufacturing destination of the world by the year 2020. The implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of US\$ 2.5 trillion along with a population of 1.32 billion people, which will be a big draw for investors.

With impetus on developing industrial corridors and smart cities, the government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

Exchange Rate Used: INR 1 = US\$ 0.0155 as on January 04, 2018

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

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

INDIAN TEXTILE INDUSTRY

Introduction

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. India's overall textile exports during FY 2017-18 stood at US\$ 39.2 billion.

The Indian textiles industry is extremely varied, with the hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world.

Market Size

The Indian textiles industry, currently estimated at around US\$ 150 billion, is expected to reach US\$ 250 billion by 2019. India's textiles industry contributed seven per cent of the industry output (in value terms) of India in 2017-18. It contributed two per cent to the GDP of India and employs more than 45 million people in 2017-18. The sector contributed 15 per cent to the export earnings of India in 2017-18.

The production of raw cotton in India is estimated to have reached 34.9 million bales in FY18^.

Investments

The textiles sector has witnessed a spurt in investment during the last five years. The industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth US\$ 2.97 billion during April 2000 to June 2018.

Some of the major investments in the Indian textiles industry are as follows:

- The Cabinet Committee on Economic Affairs (CCEA), Government of India has approved a new skill development scheme named 'Scheme for Capacity Building in Textile Sector (SCBTS)' with an outlay of Rs 1,300 crore (US\$ 202.9 million) from 2017-18 to 2019-20.
- In May 2018, textiles sector recorded investments worth Rs 27,000 crore (US\$ 4.19 billion) since June 2017.

Government Initiatives

The Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the Indian textiles sector under the automatic route.

Initiatives taken by Government of India are:

- The Textile Ministry of India earmarked Rs 690 crore (US\$ 106.58 million) for setting up 21 ready made garment manufacturing units in seven states for development and modernisation of Indian Textile Sector.
- The Directorate General of Foreign Trade (DGFT) has revised rates for incentives under the Merchandise Exports from India Scheme (MEIS) for two subsectors of Textiles Industry - Readymade garments and Made ups - from 2 per cent to 4 per cent.
- As of August 2018, the Government of India has increased the basic custom duty to 20 per cent from 10 per cent on 501 textile products, to boost Make in India and indigenous production.
- The Government of India announced a Special Package to boost exports by US\$ 31 billion, create one crore job opportunity and attract investments worth Rs 80,000 crore (US\$ 11.93 billion) during 2018-2020. As of August 2018 it generated additional investments worth Rs 25,345 crore (US\$ 3.78 billion) and exports worth Rs 57.28 billion (US\$ 854.42 million).
- The Government of India has taken several measures including Amended Technology Upgradation Fund Scheme (A-TUFS), scheme is estimated to create employment for 35 lakh people and enable investments worth Rs 95,000 crore (US\$ 14.17 billion) by 2022.

Road Ahead

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market.

High economic growth has resulted in higher disposable income. This has led to rise in demand for products creating a huge domestic market.

Exchange Rate Used: INR 1 = US\$ 0.0149 as of Q1 FY19.

References: Ministry of Textiles, Indian Textile Journal, Department of Industrial Policy and Promotion, Press Information Bureau

Note: ^ - Third advance estimates for FY18 of 170 kgs. each

(Source: Indian Textile Industry - India Brand Equity Foundation www.ibef.org)

OVERVIEW INDIAN TEXTILE INDUSTRY

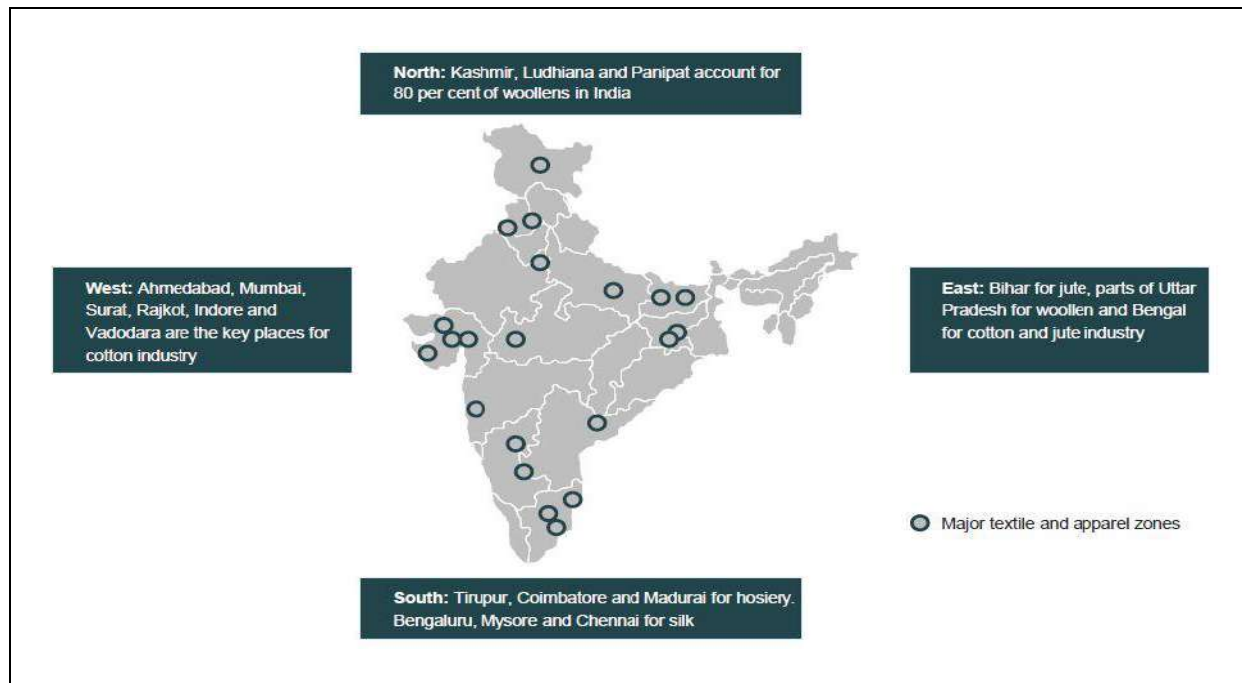
Textile plays a major role in the Indian economy. It contributes 14 per cent to industrial production and 4 per cent to GDP (ii) With over 45 million people, the industry is one of the largest source of employment generation in the country. The industry accounts for nearly 15 per cent of total exports The size of India's textile market in 2016 was around US\$ 137 billion, which is expected to touch US\$ 226 billion market by 2023, growing at a CAGR of 8.7 per cent between 2009-23E

As of June 2017, the central government is planning to finalize and launch the new textile policy in the next three months. The policy aims to achieve US\$ 300 billion worth of textile exports by 2024-25 and create an additional 35 million jobs. Production of raw cotton in India grew from 28 million bales in FY07 and further increased to 35.1 million bales in FY17. During FY07-17, raw cotton production expanded at a CAGR of 2.3 per cent. During FY16(1), of the overall amount of raw cotton produced in the country,

domestic consumption totalled to 30 million bales, while in FY15(1), the domestic consumption of raw cotton stood at 30.4 million bales. Raw cotton and man-made fibres are major segments in this category.

(Source: Indian Textile Industry - India Brand Equity Foundation www.ibef.org)

KEY TEXTILE AND APPAREL AREAS



(Source: Textile and Apparel Report October 2018 - India Brand Equity Foundation www.ibef.org)

SUMMARY OF OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled “*Forward-Looking Statements*” beginning on page 20 of this Prospectus, for a discussion of the risks and uncertainties related to those statements and also the section “*Risk Factors*” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

The financial information used in this section, unless otherwise stated, is derived from our Financial Information, as restated prepared in accordance with Indian GAAP, Companies Act and SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Prospectus, including the information contained in the sections titled “*Risk Factors*” and “*Financial Information*” beginning on pages 21 and 209, respectively.

OVERVIEW

Our Company was originally incorporated as “Artedz Fabs Private Limited” at Mumbai, Maharashtra as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated August 08, 2006 bearing Corporate Identification Number U17299MH2006PTC163645 issued by Registrar of Companies, Mumbai, Maharashtra. Subsequently, our Company was converted into a Public Limited Company pursuant to special resolution passed by the members in Extra-ordinary General Meeting of our Company held on January 18, 2018 and the name of our Company was changed to “Artedz Fabs Limited” and a fresh certificate of incorporation consequent upon Conversion of Private Company to Public Limited Company dated February 19, 2018 was issued by Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of our Company is U17299MH2006PLC163645.

Our Company is engaged in manufacturing and trading of textile fabrics for shirtings and suitings. We specialise in manufacturing of textile fabrics majorly from cotton yarn. We also use linen yarn as well as blended yarns as the raw material. We are primarily engaged in the manufacturing of grey fabrics with high-end and fashion forward designs, using the expertise of our in-house designing team. Our Company caters to orders from both domestic and international markets. With a manufacturing facility spread over a Land area of 15,789 sq. ft. in Bhiwandi, Maharashtra, our Company currently has an installed capacity of 21 Lakhs sq. metre per annum with 43 installed looms which can cater to the orders requiring any specific category of yarn.



Our Company initially started its commercial production in the year 2007 by setting up a manufacturing facility at Bhiwandi Nashik Road, Maharashtra by importing second hand machineries. In year 2011, the manufacturing facility of the Company collapsed due to incorrect and improper construction, subsequent to that, we reconstructed the manufacturing facility by installing the same machineries in the same facility. However, in order to retain our customer’s trust during the dire time not only was our Company successful in reconstructing the facility but we also fulfilled the orders received from our customers through outsourcing our manufacturing activity, thereby reposing the value and brand of the Company.

Initially, our Company started the manufacturing of Cotton Fabric for shirtings and further started manufacturing Linen Fabric along with Blend of Cotton and Linen Fabrics. Our Company concentrates

on Men's Casual Shirt and manufactures entirely for two collections viz., Summer & Winter. Our Company manufactures its products on the basis of orders received from the customers hence following the Just-in-time concept for managing its inventory level curtailing cost. Ours is a complete made to order business model.

As an organization, our focus has been on the design and colour we offer to our customers. Further, we aim to satisfy our customers with timely delivery of the orders placed by us. However, our production capacity at times are not sufficient to meet the orders received from the customers. However, to meet the customer demand, we accept the orders and undertake all the pre-production activity in-house but trade the grey fabric from our trusted job workers. In our trading activity, we basically purchase grey fabric and sells it further to the customers instead of manufacturing it in-house.

Our Company is promoted and managed by Kashyap Gambhir and Satbinder Singh Gill. Our Promoters have experience of more than 12 years in the textile industry. They are actively involved in the business operations, the outcome of which is reflected in the operational and financial performance of the Company.

LOCATIONAL PRESENCE

Our Company's Location and Manufacturing facility are as follows:

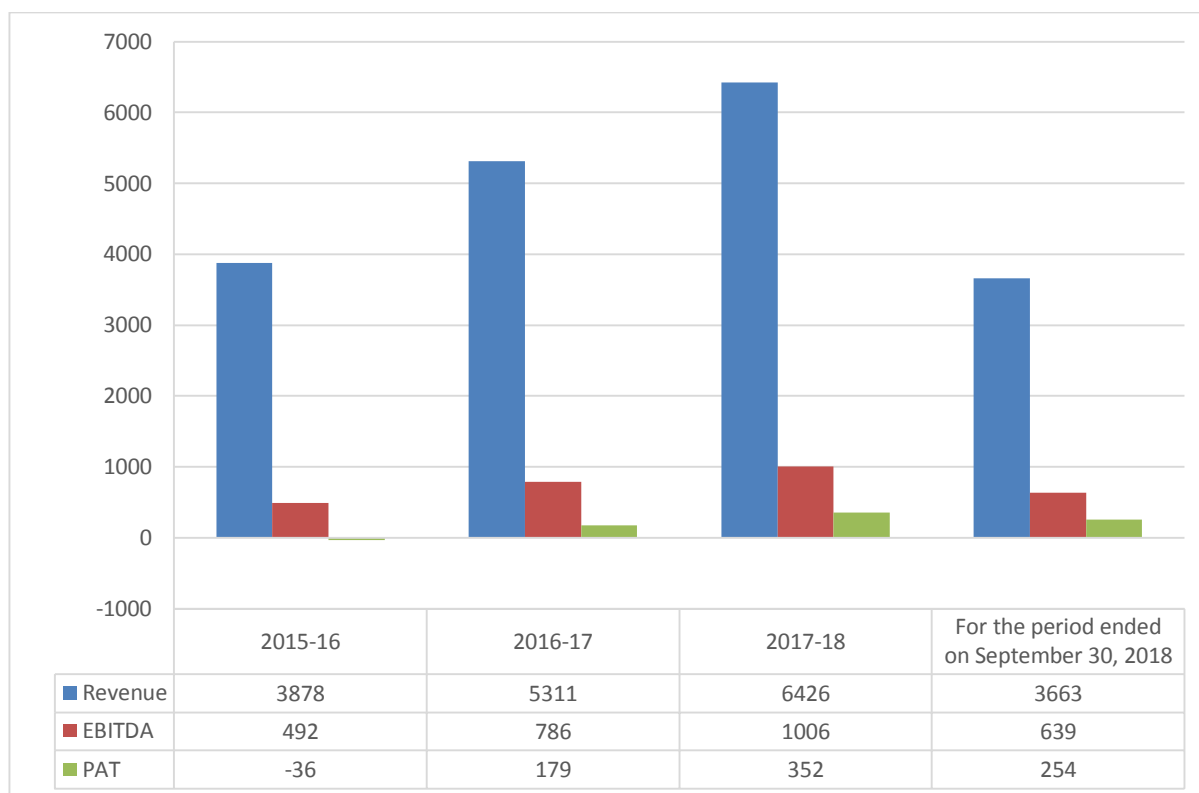
Registered Office: A-206, Gambhir Industrial Estate, Off Aarey Road, Opp. Paramount Print, Goregaon (East), Mumbai – 400063, Maharashtra, India.

Manufacturing Unit: Unit No. T -1, Shree Rajlaxmi Complex, Bhiwandi –Nashik Road, Near Satyam Petrol Pump and Popular petrol Pump, Village –Sonale, Bhiwandi, Taluka- Bhiwandi, District – Thane, Maharashtra, India.

FINANCIAL SNAPSHOT AS PER RESTATED FINANCIAL STATEMENTS

Financial Snapshot of our Company as per Restated Financial Statements is as under:

(Amount in Rs. Lakhs)



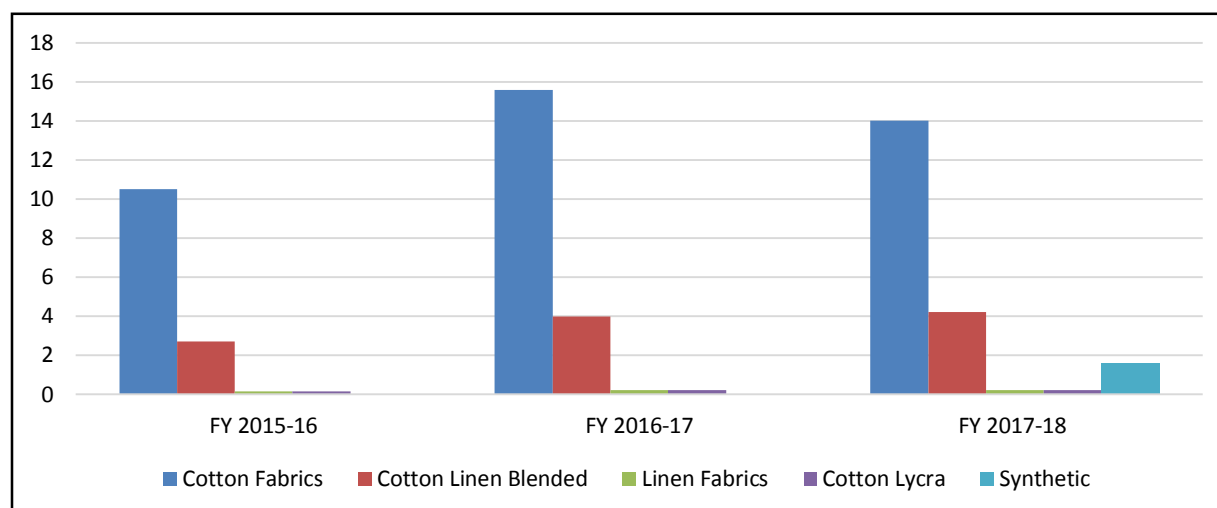
Segmental break-up of our Standalone Revenue from Operation is as under:

(Amount in Rs. Lakhs)

Particulars	F.Y. 2015-16	F.Y 2016-17	F.Y. 2017-18	For the period ended on September 30, 2018
Manufacturing	2,006.69	3,387.19	3,534.79	2,804.88
Trading	1,869.98	1,918.44	2,891.49	857.87
Revenue from Operations	3,876.68	5,305.63	6,426.28	3,662.75

Figure describing capacity utilization trend over the period:

(Units in Lakhs)



Particulars	Unit	F.Y. 2015-16	F.Y. 2016-17	F.Y. 2017-18
Cotton Fabrics	Mtrs p.a.	10,51,860.00	15,58,686.00	14,02,817.40
Cotton Linen Blended	Mtrs p.a.	2,69,707.60	3,99,663.00	4,19,646.15
Linen Fabrics	Mtrs p.a.	13,485.38	19,983.15	20,982.31
Cotton Lycra	Mtrs p.a.	13,485.38	19,983.15	20,982.31
Synthetic	Mtrs p.a.	-	-	1,55,868.60

Break up for the state wise revenue details for last 3 years and for the period ended on September 30, 2018 along with the percentage.

(Amount Rs. In Lakhs)

State	F Y 2015- 16		F Y 2016- 17		F Y 2017- 18		For the period ended on September 30, 2018	
	Revenue	% to Total Revenue	Revenue	% to Total Revenue	Revenue	% to Total Revenue	Revenue	% to Total Revenue
Maharashtra	3,219.73	83.05	5,202.02	98.04	6,411.82	99.77	3,626.13	99.00
Tamil Nadu	239.52	6.18	25.3	0.48	13.2	0.21	-	-
West Bengal	46.87	1.21	3.86	0.07	0.56	0.01	-	-
Gujarat	52.58	1.36	59.75	1.13	0.7	0.01	36.62	1.00
Karnataka	208.82	5.39	6.17	0.12	-	-	-	-
Madhya Pradesh	44.29	1.14	7.59	0.14	-	-	-	-
Delhi	10.09	0.26	0.94	0.02	-	-	-	-
Punjab	33.42	0.86	-	-	-	-	-	-
Haryana	11	0.28	-	-	-	-	-	-
Kerala	9.54	0.25	-	-	-	-	-	-
Uttar Pradesh	0.82	0.02	-	-	-	-	-	-

State	F Y 2015- 16		F Y 2016- 17		F Y 2017- 18		For the period ended on September 30, 2018	
	Revenue	% to Total Revenue	Revenue	% to Total Revenue	Revenue	% to Total Revenue	Revenue	% to Total Revenue
Total	3,876.68	100.00	5,305.63	100.00	6,426.28	100.00	3,662.75	100.00

Productwise revenue details for last 3 years and for the period ended on September 30, 2018 along with the percentage

(Amount Rs. In Lakhs)

Product Name	F Y 2015- 16		F Y 2016- 17		F Y 2017- 18		For the period ended on September 30, 2018	
	Revenue	% to Total Revenue	Revenue	% to Total Revenue	Revenue	% to Total Revenue	Revenue	% to Total Revenue
Revenue From Manufacturing Activity								
Cotton Fabric	1420.01	36.63	2579.87	48.63	2,384.79	37.11	1,881.02	51.35
Cotton Linen Blended	525.93	13.57	719.39	13.56	902.24	14.04	826.63	22.57
Linen Fabric	39.17	1.01	55.95	1.05	57.70	0.90	6.15	0.17
Cotton Lycra	21.58	0.56	31.97	0.60	34.20	0.53	19.09	0.52
Synthetic	-	-	-	-	155.86	2.43	71.99	1.97
Sub Total (A)	2006.69	51.76	3387.19	63.84	3,534.79	55.01	2,804.88	76.58
Revenue From Trading Activity								
Cotton Fabric	1,184.87	30.56	886.12	16.70	1,586.87	24.69	681.62	79.45
Cotton Linen Blended	225.92	5.83	100.39	1.89	235.78	3.67	94.96	11.07
Linen Fabric	239.18	6.17	255.95	4.82	23.42	0.36	16.76	1.95
Cotton Lycra	-	-	50.01	0.94	174.08	2.71	3.22	0.38
Synthetic	220.01	5.68	625.96	11.80	871.34	13.56	61.29	7.15
Sub – Total (B)	1869.99	48.24	1918.44	36.16	2,891.49	44.99	857.87	23.42
TOTAL (A+B)	3876.68	100.00	5305.63	100.00	6,426.28	100.00	3,662.75	100.00

Top 5 customers for period ended September 30, 2018

(Amount in Rs. Lakhs)




Sr. No.	Customer Name	Amount	Percentage to Total Sales
1.	Dukes International LLP	507.43	13.85%
2.	Piyutex Synfab (India) Pvt. Ltd.	332.31	9.07%
3.	Aravali Silk Mills Pvt. Ltd.	299.57	8.18%
4.	J.J. Textiles	203.54	5.56%
5.	Y2K Fashion	188.12	5.14%
	Total	1,530.97	41.80%



Top 5 suppliers for period ended September 30, 2018

(Amount in Rs. Lakhs)

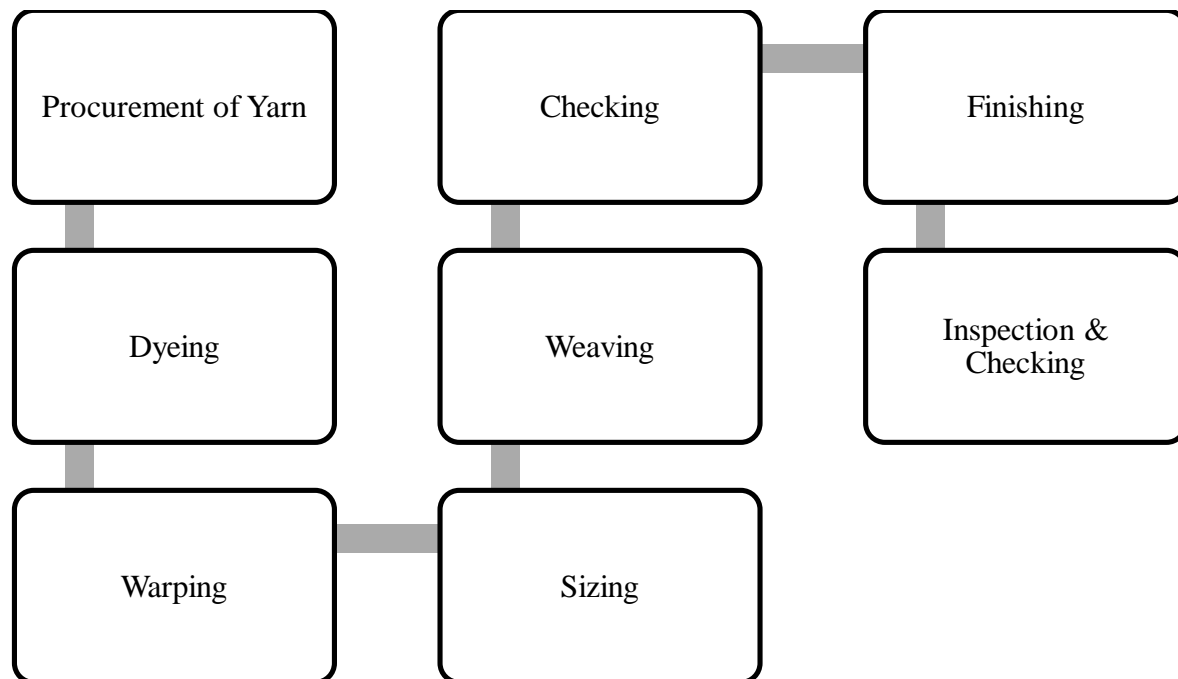
Sr. No.	Supplier Name	Amount	Percentage to Total Purchases
1.	Seema Synthetics	624.51	21.64%
2.	Pearl Polymers	488.29	16.92%
3.	Sonale Fabrics Pvt. Ltd.	305.82	10.60%
4.	Shreeji Synthetics	246.14	8.53%
5.	Purab Associates	186.27	6.46%
	Total	1,851.01	64.15%

OUR PRODUCTS

Sr. No.	Product	Image	Description
1	Cotton Fabric		Cotton fabric is popular because it's easy to care for and comfortable year-round. As the body perspires, cotton fibers absorb the moisture and release it on the surface of the fabric, so that it evaporates. In cold weather, if the fabric remains dry, the fibers retain body heat, especially the napped fabrics. Cotton is easy to clean; it can be laundered or dry-cleaned. It withstands high water temperatures, so it can be boiled and thus sterilized. It does wrinkle easily and is prone to shrinkage.
2	Linen Fabric		Linen is a textile made from the fibers of flax plant. Further, Linen is laborious to manufacture, but the fiber is very absorbent and garments made of linen are valued for their exceptional coolness and freshness in hot weather.
3	Polyester Fabric		Polyester is a category of polymers that contains the ester functional group in their main chain. As a specific material, it most commonly refers to a type called polyethylene terephthalate (PET). Natural polyesters and a few synthetic ones are biodegradable, but most synthetic polyesters are

			not. The material is used extensively in clothing.
4	Nylon Fabric		Nylon is a generic designation for a family of synthetic polymers. Nylon is a thermoplastic silky material that can be melt-processed into fibers, films or shapes.
5	Blended Fabric		Blended fabrics are created when two or more different kinds of fibres are mixed together to create a new fabric with unique properties.

OUR MANUFACTURING PROCESS



The making of Cotton and Linen fabrics requires the following process to obtain a finish product. These steps include purchasing of raw materials, dyeing, warping, sizing, drawing and weaving, checking and mending processing and inspection and checking.

1. Procurement of Yarn

Yarn is the major raw material used for the manufacturing of our fabrics. We procure the raw materials directly from the domestic market. Order for the yarn is placed on the basis of orders received from our customers and accordingly we book the category, quantity and quality of yarn from the respective vendors.



2. Dyeing

Yarns are dyed once procured. The solids, stripes and checks that we see is a resultant of using different dyed yarns in the warp and weft. Yarns are dyed in package form or hank form by the yarn dyeing process. Our Company outsources the dyeing process to nearby dyeing units in Tarapur / Bhiwandi.

3. Warping

Warping is a process of making the hank yarn to linear lengthy form in a huge warping wheel, which helps the yarn to take position of warping section for weaving. The dyed yarns are collected and spun onto the warping wheel where the yarn is counted with the length.



4. Sizing

The objective of sizing is to improve the strength of yarn by chemically binding the fibres with each other and also improve upon its friction resistance capacity by chemically coating its surface.



5. Weaving

The weaving process consists of interlacing straight yarns at right angles to one another. Warp yarns are supplied from a large reel, called a wrap beam, mounted at the back of the weaving machine. The warp thread is in the form of a sheet. The weft thread is inserted between two layers of warp sheets by means of a suitable carrier, such as, Rapier.



6. Checking

Once the weaving is completed, fabric is sent for checking to ease out any lag in the process and rectify it before further processing. Each roll of fabric is checked in the machine by a dedicated labour.



7. Finishing

The woven fabric contains impurities and thus requires further treatment in order to develop its full textile potential. Furthermore, it may receive considerable added value by applying one or more finishing processes such as washing, mercerizing, calendaring, coating, finishing etc. which result in adding the required softness, control shrinkage and fineness to the fabric. This process is outsourced to third party in nearby facilities.

8. Inspection and Checking

Our Company gives utmost importance to the quality of our final product. Hence, it is ensured that the fabric material is individually checked and ensured that it is free from any defects. It is ensured that the material manufactured is as per the required quality standards. Finishing of products involves removal of loose and unwanted threads, conformity of design and size as per the order.



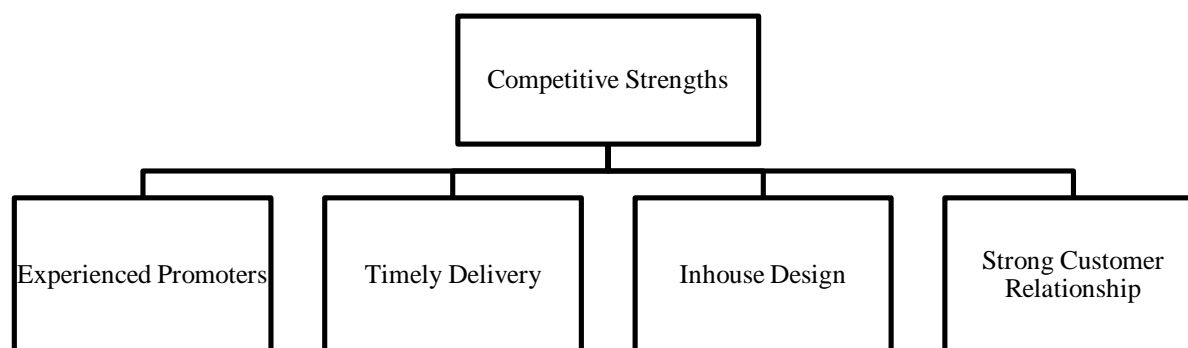
OUR RAW MATERIALS

Requirement of raw material is entirely dependent on the type of order received from the customers. Product is made by using yarn as per the type of fabric required. Major raw materials required by our Company are Cotton Yarn, Cotton Linen, Cotton Lycra, flax, Linen, Nylons, Slub, etc. as per the products to be manufactured.

We place the order for the raw material as soon as the order is received from our customers. Immediately then, the yarn details are finalised. The pricing of the yarn is generally as per the spot rate available while the delivery of the yarn takes anytime between 5 to 15 days. Procurement of the raw material is done majorly from Southern India and also from the local markets in Gujarat.

OUR COMPETITIVE STRENGTHS

We believe the following strengths have contributed to our success and will continue to be competitive advantages for us, supporting our strategy and contributing to improvements in our financial performance:



1. Experienced Promoters

The Promoters of the Company, Kashyap Gambhir and Satbinder Singh Gill have been associated with the textile industry even before the incorporation of this Company and are having an experience of more than 12 years. With their sound knowledge and experience in the industry in which we operate, our Company enjoys a strategic and sensible approach towards business decisions which have become the guiding force behind the operational and financial success of our company. They are responsible for the entire business operations of the Company along with an experienced team of professionals who assist them independently. We believe that their experience shall continue to contribute significantly to the growth of our operations.

2. Timely Delivery

Being a competitive industry, the quality of customer service we provide becomes one of the deciding factor for preference among other players. Any delay in delivery of the same impacts our customers & they refrain from giving us repeat orders, but we have tried to ensure that we do not lose any customer owing to our service and quality. We have always strived to provide the delivery of our products as per the committed time.

3. In-house Design

We believe one of our unique strength is the capability of our in-house designing. Fabric becomes more appealing with designs which are both trendy, fashion forward and to the taste of the customers. Our especially dedicated in-house designing team led by our Promoter, Satbinder Singh Gill, keeps updating our designs portfolio as per the ongoing trends. This design catalogue with numerous options is presented to customers to use in their fabric.

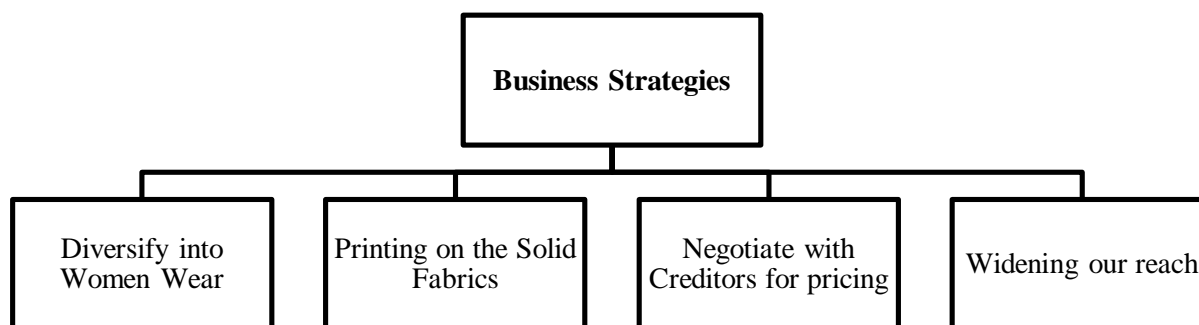
4. Strong Customer Relationship

Sales in our Industry is driven by the long-maintained customer relationship which then provided repetitive orders. Our promoters are into textile business for more than 3 decades and have built strong relationship with its customers who prefer our Company as their business partner. Further, this relationship helps with non-commercial marketing by way of “word of *mouth publicity*”. Owing to our strong relationship with these customers, we do not enter into any written agreement for our transactions with our customers, but we have never faced issues w.r.t non-acceptance of product delivery.

OUR BUSINESS STRATEGIES

Our vision is to meet the critical success factors of customers and provide superior service through clear and concise two-way communication. The goal is to build relationships through our flexibility to meet our customer's changing needs. Our Company is implementing a business strategy with the following key components. Our strategy will be to focus on capitalizing on our core strengths and expanding the operations of our business.

We intend to focus on our existing range of products with specific emphasis on the following factors as business and growth strategy:



1. Diversify into women wear

Our company is currently focusing on fabric of one particular segment, Men's Casual Shirt. With presence for over a decade now, we have built a strong customer base required for expanding our market. Going forward, our Company intends to diversify into fabric for the women wear segment, focusing on contemporary styles for Indian and boho chic categories that can be manufactured within our existing manufacturing facility avoiding the need of installation of any new machineries. Our Company expects a considerable size of business from this segment which will be margin accretive to our business.

2. Printing on the Solid Fabrics

Our company currently manufactures various types of fabric made by using varieties of yarn. These fabrics are manufactured using our in-house designs. Our Company plans to diversify into printing segment and cater to the existing and new markets. We will outsource printing facilities from a 3rd party on fabrics manufactured by us or also the fabrics sourced from outside. Our colour strength and design expertise will come in use while we cater to the printing segment.

3. Negotiate with Creditors for pricing

From the Net Proceeds of this Issue, our Company intends to utilize the money to reduce the credit period taken from our creditors and consequently negotiate with them for better pricing of raw material. This will lead to improved relationship with our creditors and financially, it will decrease the cost of raw material procured, in turn leading to improved profitability.

4. Widen our customer base

Our customer base currently are traders engaged in the business of textile who are the middlemen between fabric user (garmenters) and fabric manufacturers. To increase revenue and sales, we need to continuously add new customers to our existing system. We currently cater to unorganised retail client, but we plan to rigorously target the organised retail clients which will help us get big sized orders and better brand visibility.

SWOT ANALYSIS

Strength <ul style="list-style-type: none"> Experienced promoter in textile industry In-house designing expertise 	Weakness <ul style="list-style-type: none"> Reliability on outsourced activities Dependency on suppliers for product availability Seasonal availability of raw material
Opportunity <ul style="list-style-type: none"> Capability to expand into value added products Large demand in export and domestic market Government incentive for growth of textile sector 	Threat <ul style="list-style-type: none"> Market competition Electric Power cut Water scarcity Raw material price fluctuation

UTILITIES & INFRASTRUCTURE FACILITIES

Infrastructure Facilities

Our registered office is located at Goregaon, Maharashtra and our manufacturing unit is situated at Bhiwandi, Maharashtra.

Our registered office is well equipped with all infrastructure facilities including telecommunications, internet and other facilities, which are required for our business operations to function smoothly.

Our Registered office and manufacturing unit has facility of electricity and water provided by respective authority. Generally power requirements are met through normal distribution channels like State electricity Board.

Power

Our Company meets its power requirements for Manufacturing Unit by purchasing electricity from State Electricity Board.

Water

We require water at various manufacturing processes. Our Company procures water from third party through tankers for our production process and through tube well for drinking and other office use.

Fire Hydrant

Our Company has installed fire safety equipment to manage any fire accident at its facility.

MARKETING STRATEGY

Our Company intends to focus on following marketing strategies:

- Introducing new range of products
- Participating in trade fairs and exhibitions
- Visiting Garment fairs
- Customer satisfaction
- Continuous follow-up with customers

- Develop new markets and customers

END USERS

We sell our products to the traders engaged in the textile industry. They further sell the fabric to the units engaged in the manufacturing of apparels.

SUMMARY OF FINANCIAL STATEMENTS
STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

ANNEXURE-I
(Amount in Lakhs)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
I. EQUITY AND LIABILITIES						
1. Shareholders' funds						
(a) Share capital	625.00	625.00	625.00	625.00	525.00	525.00
(b) Reserves and surplus	459.42	205.17	(146.68)	(325.55)	(290.00)	(212.70)
Sub-Total	1,084.42	830.17	478.32	299.45	235.00	312.30
2. Share Application Money Pending Allotment	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-
3. Non-current liabilities						
(a) Long-term borrowings	792.26	710.33	564.46	1,041.30	970.23	868.65
(b) Deferred tax liabilities (Net)	-	-	-	-	-	-
(c) Other Non-Current provisions	806.70	824.46	830.62	150.00	100.00	100.00
(d) Long Term Provision	11.12	11.58	10.28	8.39	6.44	4.44
Sub-Total	1,610.08	1,546.37	1,405.36	1,199.69	1,076.67	973.09
4. Current liabilities						
(a) Short-term borrowings	1,080.79	1,046.89	1,045.93	1,047.76	904.42	864.15
(b) Trade payables	2,953.79	2,096.17	1,165.52	546.89	1,018.58	386.87
(c) Other current liabilities	519.56	571.04	303.90	531.09	640.89	367.29
(d) Short-term provisions	159.96	57.50	26.18	20.43	36.09	10.21
Sub-Total	4,714.10	3,771.60	2,541.53	2,146.17	2,599.98	1,628.52
TOTAL	7,408.60	6,148.14	4,425.21	3,645.31	3,911.65	2,913.91
II. ASSETS						
1. Non-current assets						
(a) Fixed assets	540.86	587.98	692.04	810.10	872.10	777.94
(i) Tangible Assets	540.86	587.98	692.04	810.10	872.10	500.50
(ii)Intangible assets	-	-	-	-	-	-
(iii)Capital Work in Progress	-	-	-	-	-	277.44
(iv)intangible asset under development	-	-	-	-	-	-
(b) Non-Current Investments	6.56	6.32	5.85	5.42	5.02	4.65
(c) Deferred Tax Assets (Net)	47.31	46.62	75.54	155.67	139.56	103.55

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
(d) Long Terms Loans and Advances	12.22	12.22	12.00	16.16	22.26	27.16
(e) Other Non-Current Assets	-	-	-	-	-	-
Sub-Total	606.95	653.14	785.43	987.35	1,038.94	913.30
2. Current assets						
(a) Current investments	-	-	-	-	-	-
(b) Inventories	2,419.74	2,082.41	1,712.65	1,514.03	1,284.33	1,192.59
(c) Trade receivables	4,315.80	3,370.22	1,874.32	1,104.64	1,551.58	778.94
(d) Cash and cash equivalents	3.95	2.38	5.06	3.00	6.21	4.24
(e) Short-term loans and advances	62.16	39.99	47.75	36.29	30.59	24.84
(f) Other Current Assets	-	-	-	-	-	-
Sub-Total	6,801.65	5,495.00	3,639.78	2,657.96	2,872.71	2,000.61
Total	7,408.60	6,148.14	4,425.21	3,645.31	3,911.65	2,913.91

STATEMENT OF PROFIT AND LOSS

ANNEXURE-II (Amount in Lakhs)

Particulars	For the Period ended September 30, 2018	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
I. Revenue from operations	3,662.75	6,426.28	5,305.63	3,876.68	3,097.41	2,649.59
II. Other income	0.74	7.62	5.18	1.29	0.41	2.46
III. Total Revenue (I + II)	3,663.49	6,433.90	5,310.81	3,877.97	3,097.82	2,652.05
IV. Expenses:						
Cost of Material Consumed	2,071.81	1,683.95	1,316.40	966.57	1,340.72	1,395.93
Purchases of Stock-in-Trade	787.04	2,811.89	2,310.28	1,770.29	374.91	7.00
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	(310.73)	(133.04)	(74.67)	(185.51)	(57.44)	(339.75)
Employee benefits expense	129.00	254.79	224.97	187.30	208.01	180.27
Finance costs	240.23	394.72	395.58	395.37	338.90	263.12
Depreciation and amortization expense	47.12	111.57	131.17	148.74	136.64	89.98
Other expenses	347.14	810.74	748.08	646.86	869.17	1,120.29
Total expenses	3,311.61	5,934.62	5,051.81	3,929.62	3,210.91	2,716.85
V. Profit before exceptional and extraordinary items and tax (III-IV)	351.88	499.28	259.00	(51.65)	(113.09)	(64.79)
VI. Exceptional items	-	-	-	-	-	-
VII. Profit before extraordinary items and tax (V - VI)	351.88	499.28	259.00	(51.65)	(113.09)	(64.79)
VIII. Extraordinary Items-	-	-	-	-	-	-
IX. Profit before tax (VII-VIII)	351.88	499.28	259.00	(51.65)	(113.09)	(64.79)
X. Tax expense:						
(1) Current tax	98.31	118.51	17.19	-	-	-
(2) MAT Credit	-	-	(17.19)	-	-	-
(2) Deferred tax	(0.68)	28.92	80.13	(16.11)	(36.01)	(19.93)

Particulars	For the Period ended September 30, 2018	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
(3) Current tax expense relating to prior years	-	-	-	-	-	-
XI. Profit (Loss) for the period from continuing operations (VII-VIII)	254.25	351.85	178.87	(35.55)	(77.08)	(44.86)
XII. Profit/(loss) from discontinuing operations	-	-	-	-	-	-
XIII. Tax expense of discontinuing operations	-	-	-	-	-	-
XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)	-	-	-	-	-	-
XV. Profit (Loss) for the period (XI + XIV)	254.25	351.85	178.87	(35.55)	(77.08)	(44.86)
XVI Earnings per equity share:						
(1) Basic & Diluted	4.07	5.63	2.86	(0.59)	(1.47)	(1.05)

STATEMENT OF CASH FLOW AS RESTATED

ANNEXURE-III
(Amount in Lakhs)

Particulars	For the Period ended September 30, 2018	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
CASH FLOW FROM OPERATING ACTIVITIES						
Restated Net profit Before Tax and Extraordinary Items	351.88	499.28	259.00	(51.65)	(113.09)	(64.79)
Adjustments For:	-	-	-	-	-	-
Depreciation	47.12	111.57	131.17	148.74	136.64	89.98
(Interest Received)	(0.27)	(0.51)	(0.47)	(0.44)	(0.41)	(0.38)
Net (gain) / loss on Sale of Asset	-	-	-	(0.85)	-	-
Interest and Finance Charges	240.23	394.72	395.58	395.37	338.90	263.12
Operating Profit before working capital changes	638.96	1,005.06	785.28	491.16	362.04	287.92
Adjustment For:						
Decrease/(Increase) in Inventories	(337.35)	(369.76)	(198.60)	(229.71)	(91.74)	(414.70)
Decrease/(Increase) in Trade receivables	(945.59)	(1,495.90)	(769.68)	446.95	(772.64)	(257.87)
(Decrease)/Increase in Trade Payables	857.62	930.65	618.63	(471.69)	631.71	158.24
(Decrease)/Increase in Other Current Liabilities	(51.48)	267.14	(227.20)	(109.79)	273.60	154.40
(Decrease)/Increase in Short Term Provisions	102.46	31.32	5.75	(15.67)	25.88	6.51
(Decrease)/Increase in Other Non-current Provisions	(0.46)	1.30	1.89	1.95	1.99	1.01
(Decrease)/Increase in Other Non-current liabilities	(17.76)	(6.16)	680.62	50.00	-	(75.00)
Cash Generated from Operations	246.40	363.65	896.68	163.20	430.85	(139.49)
Taxes Paid	98.32	118.51	-	-	-	-

Particulars	For the Period ended September 30, 2018	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
Net Cash From /(Used In) Operating Activities (A)	148.09	245.14	896.68	163.20	430.85	(139.49)
Cash Flow From Investing Activities						
(Purchase) / Sale of Fixed Assets/ Capital Work In Progress	-	(7.51)	(13.12)	(86.74)	(231.02)	(304.29)
Decrease/(Increase) in Non-Current investments	(0.24)	(0.46)	(0.44)	(0.40)	(0.37)	(0.34)
Decrease/(Increase) in Short-term loans and advances	(22.17)	7.76	(11.46)	(5.70)	(5.75)	(3.02)
Decrease/(Increase) in Long Term Loans and Advances	-	(0.22)	4.16	6.10	4.90	(12.02)
Net gain / loss on Sale of Asset	-	-	-	0.85	-	-
Interest Received	0.27	0.51	0.47	0.44	0.41	0.38
Net Cash From /(Used In) Investing Activities (B)	(22.14)	0.08	(20.38)	(85.45)	(231.83)	(319.29)
Cash Flow From Financing Activities						
Proceeds from Issue of Shares	-	-	-	100.00	-	250.00
Interest and Finance Charges	(240.23)	(394.72)	(395.58)	(395.37)	(338.90)	(263.12)
Proceeds / (Repayments) of Share Application Money	-	-	-	-	-	(250.00)
(Decrease)/Increase in Short Term Borrowing	33.90	0.96	(1.83)	143.34	40.27	304.77
(Decrease)/Increase in Long Term Borrowing	81.95	145.86	(476.83)	71.06	101.59	420.85
Net Cash From Financing Activities (c)	(124.38)	(247.90)	(874.24)	(80.97)	(197.04)	462.50
Net Increase / (Decrease) in Cash (A)+(B)+(C)	1.56	(2.68)	2.06	(3.21)	1.97	3.73

Particulars	For the Period ended September 30, 2018	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
Cash and Cash equivalents at the beginning of the year	2.38	5.06	3.00	6.21	4.24	0.51
Cash and Cash equivalents at the end of the year	3.95	2.38	5.06	3.00	6.21	4.24

- I. The Cash Flow statement has been prepared under Indirect method as per Accounting Standard-3 "Cash Flow Statements"
- II. Figures in Brackets represent outflows
- III. The above statement should be read with the Restated Statement of Assets and Liabilities, Statement of Profit and loss, Significant Accounting Policies and Notes to Accounts as appearing in Annexure I, II, IV (A) respectively.

THE ISSUE

The following table summarizes the Issue details:

Particulars	Details of Equity Shares
Public Issue of Equity Shares	23,10,000 Equity Shares of face value of Rs.10/- each fully paid of the Company for cash at price of Rs. 36/- per Equity Share aggregating Rs. 831.60 lakhs
Of which:	
Market Maker Reservation Portion	1,20,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs 36/- per Equity Share aggregating Rs. 43.20lakhs
Net Issue to the Public	21,90,000 Equity Shares of face value of Rs.10/- each fully paid of the Company for cash at price of Rs. 36/- per Equity Share aggregating Rs. 788.40 lakhs
	<i>Of which:</i>
	10,95,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 36/- per Equity Share aggregating Rs. 394.20 lakhs will be available for allocation for allotment to Retail Individual Investors of up to Rs. 2,00,000.
	10,95,000 Equity Shares of face value of Rs. 10 /- each fully paid of the Company for cash at price of Rs. 36/- per Equity Share aggregating Rs. 394.20 lakhs will be available for allocation to investors above Rs. 2,00,000.
Pre and Post Issue Equity Shares	
Equity Shares outstanding prior to the Issue	62,50,000 Equity Shares of face value of Rs. 10/- each.
Equity Shares outstanding after the Issue	85,60,000 Equity Shares of face value of Rs. 10/- Each.
Use of Proceeds(Objects of the Issue)	For further details please refer chapter titled “ Objects of the Issue ” beginning on page 120 of this Prospectus for information on use of Issue Proceeds

Notes:

The Issue has been authorized by the Board of Directors *vide* a resolution passed at its meeting held on April 06, 2018 and by the shareholders of our Company *vide* a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra – Ordinary General Meeting held on May 02, 2018.

This Issue has been made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. The present Issue has been made by our Company in terms of Regulation 106M (1) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post-Issue paid-up equity share capital of our Company are being offered to the public for subscription.

The allocation in the net Issue to the public category shall be made as follows:

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

c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

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

For further details please refer to section titled 'Issue Information' beginning on page 258 of this Prospectus.

GENERAL INFORMATION

Our Company was originally incorporated as “Artedz Fabs Private Limited” at Mumbai, Maharashtra as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated August 08, 2006 bearing Corporate Identification Number U17299MH2006PTC163645 issued by Registrar of Companies, Mumbai, Maharashtra. Subsequently, our Company was converted into a Public Limited Company pursuant to special resolution passed by members in Extra Ordinary General Meeting of our Company held on January 18, 2018 and the name of our Company was changed to “Artedz Fabs Limited”. A fresh Certificate of Incorporation consequent upon conversion of Private Company to Public Limited dated February 19, 2018 was issued by Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of our Company is U17299MH2006PLC163645.

For details of Incorporation, Change of Name and Registered Office of our Company, please refer to chapter titled ‘Our History and Certain Other Corporate Matters’ beginning on page 181 of this Prospectus.

REGISTERED OFFICE OF OUR COMPANY

Artedz Fabs Limited

206, Gambhir Industrial Estate,
Opp. Paramount Print, Off Aarey Road,
Goregaon (East), Mumbai - 400063, Maharashtra, India
Tel: 022 29276278

Fax: NA

Email: investors@artedzfabs.com

Website: www.artedzfabs.com

Corporate Identification Number: U17299MH2006PLC163645

REGISTRAR OF COMPANIES

Registrar of Companies, Mumbai, Maharashtra

100, Everest, Marine Drive
Mumbai- 400002, Maharashtra, India
Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE

National Stock Exchange of India Limited

Exchange Plaza, Plot no. C/1, G Block,
Bandra - Kurla Complex, Bandra (E),
Mumbai - 400051, Maharashtra, India
Website: www.nseindia.com

BOARD OF DIRECTORS OF OUR COMPANY

Sr. No.	Name	Age (in Years)	DIN	Address	Designation
1.	Kashyap Gambhir	51	00512674	D/1002, Vikas Park, Mith Chowky Junction, Marve Road, Malad (West), Mumbai – 400064, Maharashtra, India	Chairman and Managing Director
2.	Satbinder Singh Gill	48	00512666	C/402, Shanti Complex, Tunga Village, Saki Vihar Road, Powai, Mumbai, -400072, Maharashtra, India.	Whole Time Director

Sr. No.	Name	Age (in Years)	DIN	Address	Designation
3.	Deepika Gambhir	51	00512676	D/1002, Vikas Park, Mith Chowky Junction, Marve Road, Malad (West) Mumbai - 400064 Maharashtra, India.	Executive Director
4.	Amita Nyaynit	36	08063284	Building No. 227, Room No. 8884, kannamwar Nagar - 1, Tagore Nagar, Vikhroli (East), Mumbai - 400083, Maharashtra, India	Director (Non – Executive)
5.	Mrugank Gohil	31	07981022	C- 211, Libra Building, Off Marve Road, Near Lower Kharodi, Malad (West), Mumbai - 400095, Maharashtra, India.	Independent Director
6.	Shirish Rampure	27	07995861	P.No. – 68, Kalamba Road, Near Panyachi taki, Salokhe Nagar, Karvir, Kolhapur - 416007, Maharashtra, India	Independent Director

For further details of our Directors, please refer to the chapter titled “*Our Management*” beginning on page 185 of this Prospectus.

COMPANY SECRETARY & COMPLIANCE OFFICER

Vidhi Joshi

Artedz Fabs Limited

206, Gambhir Industrial Estate,

Opp. Paramount Print, Off Aarey Road,

Goregaon (East), Mumbai - 400063, Maharashtra, India

Tel: 022 29276278

Fax: NA

Email: cs@artedzfabs.com

Website: www.artedzfabs.com

CHIEF FINANCIAL OFFICER

Amit Kalekar

Artedz Fabs Limited

206, Gambhir Industrial Estate,

Opp. Paramount Print, Off Aarey Road,

Goregaon (East), Mumbai - 400063, Maharashtra, India

Tel: 022 29276278

Fax: NA

Email: cfo@artedzfabs.com

Website: www.artedzfabs.com

Investors can contact the Company Secretary and Compliance Officer, the BRLM 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, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for Bidders other than RIBs bidding through the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of RIBs bidding through the UPI Mechanism. Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

For all issue related queries and for redressal of complaints, Applicant may also write to the Book Running Lead Manager. All complaints, queries or comments received by Stock Exchange/ SEBI shall be forwarded to the Book Running Lead Manager, who shall respond to the same.

STATUTORY AUDITOR

M/s. Keyur Shah & Co.,
Chartered Accountants
303, Shitiratna, B/s. Radisson Blu Hotel,
Near Panchvati Circle, Ambawadi,
Ahmedabad-380006, Gujarat, India.
Tel: 079 48999595
Fax: NA
E-mail: keyur@keyurshahca.com
Contact Person: Keyur Shah
Firm Registration No: 141173W
Membership No: 153774

PEER REVIEWED AUDITOR

N. K. Aswani & Co.
Chartered Accountants
701/A, Wall Street-II, Opp. Orient Club,
Nr. Gujarat College Crossing, Ellis Bridge,
Ahmedabad – 380006, Gujarat, India
Tel No.: 079-26402552
Fax No.: 079-26402553
Email: narainkaswani@yahoo.co.in
Contact Person: Narian Aswani
Firm Registration No.: 100738W
Membership No.: 033278

M/s N.K. Aswani & Co., Chartered Accountant holds a peer reviewed certificate dated January 19, 2018 issued by the Institute of Chartered Accountants of India.

BOOK RUNNING LEAD MANAGER

Pantomath Capital Advisors Private Limited
406-408, Keshava Premises, Behind Family Court,
Bandra Kurla Complex, Bandra (East)
Mumbai- 400051, Maharashtra, India
Tel: +91 22 6194 6700
Fax: + 91 22 2659 8690
Email: ipo@pantomathgroup.com

Website: www.pantomathgroup.com
Contact Person: Hardik Bhuta/ Unmesh Zagade
SEBI Registration No: INM000012110

REGISTRAR TO THE ISSUE

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp.Vasant Oasis, Makwana Road, Marol,
Andheri (East), Mumbai – 400059, Maharashtra, India.
Tel: 022 62638200
Fax: 022 62638299
Email: ipo@bigshareonline.com
Website: www.bigshareonline.com
Contact Person: Srinivas Dornala
SEBI Registration Number: INR000001385

LEGAL ADVISOR TO THE ISSUE

M V Kini, Law Firm
Kini House, Near Citi Bank,
D.N. Road, Fort, Mumbai - 400 001
Tel: +91 22 22612527/28/29
Fax: +91 22 22612530
E-mail: vidisha@mvkini.com
Contact Person: Vidisha Krishan
Website: www.mvkini.com

BANKER TO THE COMPANY

Bank of Baroda, Mumbai
S.B. Marg, New Era House,
Matunga West Branch, Mumbai – 400 016
Tel: +91 22 2437 7423
Fax: NA
E-mail: mulbom@bankofbaroda.co.in
Contact Person: Pares N Sheth
Website: www.bankofbaroda.com

PUBLIC ISSUE BANK / BANKER TO THE ISSUE/ REFUND BANKER

ICICI Bank Limited
Capital Market Division, 1st Floor,
122, Mistry Bhavan, Dinshaw Vachha Road
Backbay Reclamation, Churchgate, Mumbai-
400020
Tel: 022-66818932
Fax: 022- 22611138
Email: shweta.surana@icicibank.com
Contact Person: Shweta Surana
Website: www.icicibank.com
SEBI Registration Number: INBI000000004

SYNDICATE MEMBER

Pantomath Stock Brokers Private Limited

406-408, Keshava Premises, Behind Family Court,
Bandra Kurla Complex, Bandra (East), Mumbai 400 051,
Maharashtra, India

Tel: +91 22 61946700

Fax: +91 22 26598690

E-mail: broking@pantomathgroup.com

Contact Person: Mahavir Toshniwal

Website: www.pantomathbroking.com

SEBI Registration Number: INZ000068338

SPONSOR BANK

ICICI Bank Limited

Capital Market Division, 1st Floor,
122, Mistry Bhavan, Dinshaw Vachha Road
Backbay Reclamation, Churchgate, Mumbai-400020

Tel: 022-66818933/23/24

Fax: 022- 22611138

Email: meghana.avala@icicibank.com

Contact Person: Meghana Avala

Website: www.icicibank.com

SEBI Registration Number: INBI00000004

SELF CERTIFIED SYNDICATE BANKS

The lists 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/sebiweb/home/detail/32931/yes/List-of-Self-Certified-Syndicate-Banks-SCSBsfor- Syndicate-ASBA](http://www.sebi.gov.in/sebiweb/home/detail/32931/yes/List-of-Self-Certified-Syndicate-Banks-SCSBsfor-Syndicate-ASBA). For details on Designated Branches of SCSBs collecting the Application Form, please refer to the above-mentioned SEBI link.

REGISTERED BROKERS

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

INVESTORS BANKS OR ISSUER BANKS FOR UPI

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above mentioned SEBI link.

REGISTRAR TO ISSUE AND SHARE TRANSFER AGENTS

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

COLLECTING DEPOSITORY PARTICIPANTS

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

CREDIT RATING

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

IPO GRADING

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

APPRAISAL AND MONITORING AGENCY

As per regulation 16(1) of the SEBI ICDR Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 10,000 Lakhs. Since the Issue size is only of Rs. 831.60 lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

EXPERT OPINION

Except the report of the Peer Reviewed Auditor on statement of tax benefits and report on restated financials for the period ended September 30, 2018 and for the financial year ended March 31, 2018, 2017, 2016, 2015 and 2014 included in this Prospectus, our Company has not obtained any other expert opinion.

BOOK BUILDING PROCESS

Book building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Prospectus within the Price Band. The Price Band had been determined by our Company in consultation with the BRLM in accordance with the Book Building Process, and advertised in all editions of a widely circulated English Newspaper, all editions of a widely circulated Hindi Newspaper and a widely circulated Marathi Newspaper, Marathi being the regional language of Maharashtra, where our registered office is situated at least five working days prior to the Bid/ Issue Opening date, after the Bid/Issue Closing Date. The Issue Price has been determined by our Company, in consultation with the BRLM in accordance with the Book Building Process. Principal parties involved in the Book Building Process are:

- Our Company;
- The Book Running Lead Manager in this case being Pantomath Capital Advisors Private Limited, the Syndicate Member(s) appointed by the BRLM and in this case being Pantomath Stock Brokers Private Limited who is an intermediary registered with SEBI/ registered as brokers with National Stock Exchange of India Limited and eligible to act as Underwriters.;
- The Registrar to the Issue and;
- The Designated Intermediaries

This Issue has been made through the 100 per cent Book Building Process wherein 50 per cent of the Issue shall be available for allocation to Retail Individual Bidders and the balance shall be offered to QIBs and Non-Institutional Investors. Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Retail Portion where

allotment to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLMs and the Stock Exchange.

All Bidders (excluding Anchor Investors) can participate in the Issue only through the ASBA process. Anchor Investors are not permitted to participate through the ASBA process. In accordance with the SEBI Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees can revise or withdraw their Bids prior to the Bid/Issue Closing Date. The allocation in net Issue to the public category shall be made as follows:

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

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, all the investors (except Anchor Investors) applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention are invited to the chapter titled “Issue Procedure” beginning on page 267 of this Prospectus.

The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.

For further details on the method and procedure for Bidding, please see section entitled “Issue Procedure” on page 267 of this Prospectus

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

Bid Quantity	Bid Price (Rs.)	Cumulative Bid Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%

Bid Quantity	Bid Price (Rs.)	Cumulative Bid Quantity	Subscription
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

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

Steps to be taken by the Bidders for Bidding:

1. Check eligibility for making a Bid (see section titled “*Issue Procedure*” on page 267 of this Prospectus);
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
3. Ensure correctness of your PAN, DP ID, Client ID and UPI ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
4. Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims
5. Ensure that the Bid cum Application Form is duly completed as per instructions given in this Prospectus and in the Bid cum Application Form;

BID / ISSUE PROGRAMME

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

Event	Indicative Date
Bid/Issue Opening Date	Monday, March 18, 2019
Bid/Issue Closing Date	Wednesday, March 20, 2019
Finalization of Basis of Allotment with the Designated Stock Exchange	Tuesday, March 26, 2019
Initiation of Refunds	on or before Wednesday, March 27, 2019
Credit of Equity Shares to Demat Accounts of Allottees	on or before Thursday, March 28, 2019
Commencement of trading of the Equity Shares on the Stock Exchange	on or before Friday, March 29, 2019

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final

listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bids and any revision to the same were allowed to be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period. On the Issue Closing Date, the Bids and any revision to the same was allowed to be accepted between 10.00 a.m. and 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of bids received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids were allowed to be accepted only on Working Days. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Non Retail Bidders shall not be allowed to either withdraw or lower the size of their Bid at any stage. Non Retail Bidders may revise their Bids upwards (in terms of quantity of Equity Shares) during the Issue Period. Such upward revision must be made using the Revision Form.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / Stock Brokers, as the case may be, for rectified data.

UNDERWRITER

Our Company and Book Running Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated April 23, 2018 and pursuant to the terms of the underwriting agreement; obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being offered through this Issue

Name and Address of the Underwriters	Indicative Number of Equity shares to be Underwritten	Amount Underwritten (Rupees In Lakhs)	% of the Total Issue Size Underwritten
Pantomath Capital Advisors Private Limited 406-408, Keshava Premises, Behind Family Court, Bandra Kurla Complex, Bandra East, Mumbai – 400051, Maharashtra, India Tel: +91 22 42577000 Fax: +91 22 26598690 Email: ipo@pantomathgroup.com Contact Person: Hardik Bhuta/ Unmesh Zagade SEBI Registration Number: INM000012110	23,10,000*	831.60	100%
Total	23,10,000	831.60	100%

**Includes 1,20,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 106 V(4) of the SEBI (ICDR) Regulations, 2009, as amended.*

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

DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Book Running Lead Manager have entered into an agreement dated April 23, 2018 with the following Market Maker, duly registered with National Stock Exchange of India Limited to fulfill the obligations of Market Making:-

Pantomath Stock Brokers Private Limited

406-408, Keshava Premises, Behind Family Court

Bandra Kurla Complex, Bandra (East),

Mumbai – 400 051, Maharashtra, India

Tel: +91 22 61946700

Fax: +91 22 26598690

E-mail: broking@pantomathgroup.com

Website: www.pantomathbroking.com

Contact Person: Mahavir Toshniwal

SEBI Registration No.: INZ000068338

Pantomath Stock Brokers Private Limited registered with National Stock Exchange of India Limited will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, as amended from time to time and the circulars issued by National Stock Exchange of India Limited and SEBI in this matter from time to time.

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s)
2. The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to Issue their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of 36/- the minimum lot size is 3000 Equity Shares thus minimum depth of the quote shall be Rs. 1,08,000/- until the same, would be revised by National Stock Exchange of India Limited.
3. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Issue Size (including the 1,20,000 Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this issue over and above 25% Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduce to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
4. There shall be no exemption / threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, National Stock Exchange of India Limited may intimate the same to SEBI after due verification.
5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.

6. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, **Pantomath Stock Brokers Private Limited** is acting as the sole Market Maker.
7. 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 issued by the Market Maker(s). 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 and the same shall be updated in Prospectus. 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). The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of EMERGE Platform of National Stock Exchange of India Limited and SEBI from time to time.
8. On the first day of listing, there will be pre-equity market hours. The circuits will apply from the first day of listing on the discovered price during the pre-open call auction.
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 up to Rs. 250 crores, the applicable price bands for the first day shall be:
 1. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
 2. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.
 3. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the SME Exchange Platform.

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

10. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on Emerge Platform of National Stock Exchange of India Limited and market maker will remain present as per the guidelines mentioned under National Stock Exchange of India Limited and SEBI circulars.
11. 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.
12. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).
13. In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR)

Regulations. Further the Company and the Book Running Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (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.

14. EMERGE Platform of National Stock Exchange of India Limited 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.
15. EMERGE Platform of National Stock Exchange of India Limited 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.

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

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

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

CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Prospectus and after giving effect to the Issue is set forth below:

Amount (Rs.in lakhs except share data)

No.	Particulars	Aggregate nominal value	Aggregate value at Issue Price
A.	Authorised Share Capital		
	1,25,00,000 Equity Shares of face value of Rs. 10/- each	1,250.00	
B.	Issued, Subscribed and Paid-Up Share Capital before the Issue		
	62,50,000 Equity Shares of face value of Rs. 10/- each	625.00	
C.	Present Issue in terms of this Prospectus		
	Issue of 23,10,000 Equity Shares of face value of Rs.10 each at a price of Rs. 36/- per Equity Share	231.00	831.60
	Consisting:		
	Reservation for Market Maker –1,20,000 Equity Shares of face value of Rs. 10/- each reserved as Market Maker portion at a price of Rs. 36/- per Equity Share	12.00	43.20
	Net Issue to the Public –21,90,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. 36/- per Equity Share	219.00	788.40
	Of the net issue to Public:		
	Allocation to Retail Individual Investors – 10,95,000 Equity Shares of face value of Rs. 10 at a Issue Price of Rs. 36 per Equity Shares shall be available for allocation for investors applying for a value of Rs. 2.00 Lakhs.	109.50	394.20
	Allocation to Other than Retail Individual Investors – 10,95,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. 36 per Equity Share shall be available for allocation for Investors applying for a value of above Rs. 2.00 lakhs	109.50	394.20
D.	Issued, Subscribed and Paid-Up Share Capital after the Issue		
	85,60,000 Equity Shares of face value of Rs. 10/- each	856.00	
E.	Securities Premium Account		
	Before the Issue		NIL
	After the Issue		600.60

The Issue has been authorised by the Board of Directors of our Company vide a resolution passed at its meeting held on April 06, 2018, and by the shareholders of our company vide a Special Resolution passed pursuant to Section 62 (1) (c) of Companies Act, 2013 at the Extra – Ordinary General Meeting held on May 02, 2018

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

NOTES TO THE CAPITAL STRUCTURE

1. Details of changes in authorised Share Capital:

Since the Incorporation of our Company, the authorised share capital of our Company has been altered in the manner set forth below:

Particulars of Change		Date of Shareholders' Meeting	AGM / EGM
Increased From	Increased To		
The authorised share capital of our Company on incorporation comprised of Rs.1,00,000 divided into 10,000 Equity Shares of Rs. 10 each		On Incorporation	-
Rs. 1,00,000 consisting of 10,000 Equity shares of Rs. 10 each.	Rs. 1,00,00,000 consisting of 10,00,000 Equity shares of Rs. 10 each.	January 20, 2007	EGM
Rs. 1,00,00,000 consisting of 10,00,000 Equity shares of Rs. 10 each	Rs. 2,00,00,000 consisting of 20,00,000 Equity shares of Rs. 10 each	March 16, 2009	EGM
Rs. 2,00,00,000 consisting of 20,00,000 Equity shares of Rs. 10 each	Rs. 3,00,00,000 consisting of 30,00,000 Equity shares of Rs. 10 each	August 01, 2011	EGM
Rs. 3,00,00,000 consisting of 30,00,000 Equity shares of Rs. 10 each	Rs. 6,00,00,000 consisting of 60,00,000 Equity shares of Rs. 10 each	February 05, 2013	EGM
Rs. 6,00,00,000 consisting of 60,00,000 Equity shares of Rs. 10 each	Rs. 6,50,00,000 consisting of 65,00,000 Equity shares of Rs. 10 each	February 18, 2015	EGM
Rs. 6,50,00,000 consisting of 65,00,000 Equity shares of Rs. 10 each	Rs.12,50,00,000 consisting of 1,25,00,000 Equity shares of Rs. 10 each	September 05, 2017	EGM

2. History of Equity Share Capital of our Company

Date of Allotment/ Fully Paid up	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Nature of Allotment	Cumulative no. of Equity Shares	Cumulative Paid-up Capital (Rs.)
On Incorporation	10,000	10	10	Cash	Subscription to MOA(1)	10,000	1,00,000
February 01, 2007	8,29,630	10	10	Other Than Cash*	Further Allotment (2)	8,39,630	83,96,300
March 15, 2008	1,60,370	10	10	Cash	Further Allotment (3)	10,00,000	1,00,00,000
September 01, 2009	5,00,000	10	10	Cash	Further Allotment (4)	15,00,000	1,50,00,000
September 20, 2010	2,50,000	10	NA	Other Than Cash	Bonus Issue (5)	17,50,000	1,75,00,000
March 28, 2011	2,50,000	10	10	Cash	Further Allotment (6)	20,00,000	2,00,00,000
October 07, 2011	7,50,000	10	10	Cash	Further Allotment (7)	27,50,000	2,75,00,000

Date of Allotment/ Fully Paid up	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Nature of Allotment	Cumulative no. of Equity Shares	Cumulative Paid-up Capital (Rs.)
August 23, 2013	25,00,000	10	10	Cash	Further Allotment (8)	52,50,000	5,25,00,000
July 06, 2015	10,00,000	10	10	Cash	Private Placement (9)	62,50,000	6,25,00,000

*Equity shares allotted pursuant to consideration for expenditure incurred by Kashyap Gambhir and Deepika Gambhir on behalf of the Company towards development of factory premises and acquisition of power supply.

1. Initial subscribers to the Memorandum of Association subscribed 10,000 Equity Shares of face value of Rs. 10/- each fully paid at par as per the details given below:

Sr. No.	Name of Subscribers	No. of shares subscribed
1.	Kashyap Gambhir	4,500
2.	Deepika Gambhir	4,500
3.	Satbinder Singh Gill	500
4.	Rashmin Shah	500
	Total	10,000

2. Further Allotment of 8,29,630* Equity Shares of face value of Rs. 10 each fully paid at par on February 01, 2007 as per the details given below:

Sr. No	Name of Allottees	No. of Shares Allotted
1.	Kashyap Gambhir	7,29,630
2.	Deepika Gambhir	1,00,000
	Total	8,29,630

*As per form – 2 filed with Registrar of Companies, 8,79,630 Equity shares were allotted out of which 8,29,630 Equity shares were allotted for consideration other than cash and 50,000 Equity shares were allotted for Cash consideration. However, allotment of 50,000 Equity shares were not given effect as management considered it as erroneous filing of form and same is not reflecting on RoC Record.

3. Further allotment of 1,60,370 Equity Shares of Rs. 10/- each fully paid at par on March 15, 2008 as per the details given below :

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Deepika Gambhir	99,500
2.	Kashyap Gambhir	60,860
3.	Amolik Singh Chawala jointly with Hardeep Singh Chawala and Jagdeep Singh Chawala	1
4.	Avanish Bhabutmal Jain jointly with Manjula Mulchand Jain and Neeta V Jain	1
5.	Shilpa Jain jointly with Umesh Jain	1
6.	Narendra Kumar Shah jointly with Shantilal Shah	1
7.	Navinchandra Mukeshkumar Textile Private Limited	1
8.	Kushiram Kewlani	1
9.	R Rakesh Kumar & Co. Jointly with Pravin Kumar Jain	1
10.	Parthvi Creation Jointly with Riya Tex	1

Sr. No.	Name of Allottees	No. of shares Allotted
11.	Sagar Creation jointly with Mihir Fabs	1
12.	Toron Fabs Private Limited	1
	Total	1,60,370

4. Further allotment of 5,00,000 Equity Shares of Rs. 10/- each fully paid at par on September 01, 2009 as per the details given below :

Sr. No.	Name of Allottee	No. of shares Allotted
1.	Toron Fabs Private Limited	5,00,000
	Total	5,00,000

5. Bonus Issue of 2,50,000 Equity shares of Rs. 10/- each in the ratio of 1 Equity Shares for every 6 Equity shares held allotted on September 20, 2010 as per the details given below :

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Kashyap Gambhir	1,32,500
2.	Toron Fabs Private Limited	83,334
3.	Deepika Gambhir	34,000
4.	Satbinder Singh Gill	83
5.	Rashmin R Shah	83
	Total	2,50,000

6. Further allotment of 2,50,000 Equity Shares of Rs. 10/- each fully paid at par on March 28, 2011 as per the details given below:

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Deepika Gambhir	2,00,000
2.	Kashyap Gambhir	50,000
	Total	2,50,000

7. Further allotment of 7,50,000 Equity Shares of Rs. 10/- each fully paid at par on October 07, 2011 as per the details given below :

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Kashyap Gambhir	5,00,000
2.	Deepika Gambhir	2,50,000
	Total	7,50,000

8. Further allotment of 25,00,000 Equity Shares of Rs. 10/- each fully paid at par on August 23, 2013 as per the details given below :

Sr. No.	Name of Allottees	No. of shares Allotted
1.	Snehlata Pansari	6,50,000
2.	Sheetal Poddar	3,50,000
3.	Rakhi Pansari	3,00,000
4.	Kashyap Gambhir	2,50,000
5.	Deepika Gambhir	2,50,000
6.	Sanwarmal Pansari HUF	2,50,000
7.	Alok Pansari	1,50,000
8.	Omprakash Chudiwala	1,00,000
9.	Navin Pansari (HUF)	75,000
10.	Alok Pansari (HUF)	75,000
11.	Navin Pansari	50,000
	Total	25,00,000

9. Private Placement of 10,00,000 Equity Shares of Rs. 10/- each fully paid at par on July 06, 2015 as per the details given below :

Sr. No.	Name of Allottee	No. of shares Allotted
1.	Vinay Chudiwala	2,35,000
2.	Renu Chudiwala	1,95,000
3.	Megha Chudiwala	1,70,000
4.	Sujata Arwari	1,50,000
5.	Kamlakar Arwari	1,50,000
6.	Arun Arwari	52,500
7.	Deepika Gambhir	47,500
	Total	10,00,000

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

Date of Allotment / Fully paid-up	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Reasons for allotment	Benefits accrued to our Company	Allottees	No. of Shares allotted
February 01, 2007	8,29,630	10	10	Expenditure incurred on behalf of Company towards development of factory premises and acquisition of power supply	Business Convenience	Kashyap Gambhir	7,29,630
						Deepika Gambhir	1,00,000
September 20, 2010	2,50,000	10	NA	Bonus Issue in Ratio of 1 Equity Shares for every 6 Equity Share held	Capitalisation of Reserves	Kashyap Gambhir	1,32,500
						Deepika Gambhir	34,000
						Satbinder Singh Gill	83
						Rashmin Shah	83
						Toron Fabs Private Limited	83,334

4. No Equity Shares have been allotted pursuant to any scheme approved under Sections 391 - 394 of the Companies Act, 1956 or under Sections 230-240 of the Companies Act, 2013.
5. Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
6. No shares have been issued at price below Issue Price within last one year from the date of this Prospectus.

7. Build-up of Promoters' shareholding, Promoters' contribution and lock-in

i. Build Up of Promoter's shareholdings

As on the date of this Prospectus, our Promoters, Kashyap Gambhir and Satbinder Singh Gill together holds 23,86,165 Equity Shares of our Company. None of the Equity shares held by our Promoters are subject to any pledge.

a. Kashyap Gambhir

Date of Allotment / Transfer / when made fully paid up	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	Pledge
Subscription to MOA	4,500	10	10	Subscription to MOA	0.07%	0.05%	No
January 31, 2007	500	10	10	Transfer from Rashmin Shah	0.01%	0.01%	No
February 01, 2007	7,29,630	10	10	Further Allotment	11.67%	8.52%	No
March 15, 2008	60,860	10	10	Further Allotment	0.97%	0.71%	No
August 25, 2008	(500)	10	10	Transferred to Rashmin Shah	(0.01%)	(0.01%)	No
June 05, 2010	01	10	10	Transfer from Amolik Singh Chawala jointly with Hardeep Singh Chawala and Jagdeep Singh Chawala	Negligible	Negligible	No
June 07, 2010	01	10	10	Transfer from Sagar Creation jointly with Mihir Fabs	Negligible	Negligible	No
June 08, 2010	01	10	10	Transfer from Navinchandra Mukeshkumar Textiles Pvt. Ltd.	Negligible	Negligible	No
June 09, 2010	01	10	10	Transfer from Avanish Bhabutmal Jain jointly with Manjula Mulchand Jain and Neeta V Jain	Negligible	Negligible	No

Date of Allotment / Transfer / when made fully paid up	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	Pledge
June 10, 2010	01	10	10	Transfer from Shilpa Jain jointly with Umesh Jain	Negligible	Negligible	No
June 11, 2010	01	10	10	Transfer from Narendrakumar Shah	Negligible	Negligible	No
June 12, 2010	01	10	10	Transfer from Parthvi Creations jointly with Riya Tex	Negligible	Negligible	No
June 14, 2010	01	10	10	Transfer from Kushiram Kewlani	Negligible	Negligible	No
June 17, 2010	01	10	10	Transfer from R Rakesh Kumar & Co. Jointly with Pravin Kumar Jain	Negligible	Negligible	No
September 20, 2010	1,32,500	10	NA	Bonus Issue	2.12%	1.55%	No
March 25, 2011	(1)	10	10	Transferred to Vipulkumar Jain	Negligible	Negligible	No
	(1)	10	10	Transferred to Sushila Kothari	Negligible	Negligible	No
	(1)	10	10	Transferred to Shweta Kothari	Negligible	Negligible	No
	(1)	10	10	Transferred to Mukund Ramniklal Desai HUF	Negligible	Negligible	No
	(1)	10	10	Transferred to Bharatkumar Jain	Negligible	Negligible	No
	(1)	10	10	Transferred to Ashish Textiles	Negligible	Negligible	No
	(1)	10	10	Transferred to Arju Kothari	Negligible	Negligible	No
	(1)	10	10	Transferred to R. Rakeshkumar & Co.	Negligible	Negligible	No
March 28, 2011	50,000	10	10	Further Allotment	0.80%	0.58%	No
October 07, 2011	5,00,000	10	10	Further Allotment	8.00%	5.84%	No
August 23, 2013	2,50,000	10	10	Further Allotment	4.00%	2.92%	No

Date of Allotment / Transfer / when made fully paid up	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	Pledge
September 12, 2013	(1)	10	10	Transferred to Girish Sheth	Negligible	Negligible	No
	(1)	10	10	Transferred to Gulabben Ramniklal Pooj	Negligible	Negligible	No
	(1)	10	10	Transferred to Kamal Suresh Doshi HUF	Negligible	Negligible	No
October 15, 2013	(1)	10	10	Transferred to Radhaballabh Kejriwal	Negligible	Negligible	No
March 02, 2017	01	10	10	Transfer from Sujata Arwari	Negligible	Negligible	No
March 06, 2017	01	10	10	Transfer from Gyankaur Singh Thanvi	Negligible	Negligible	No
March 07, 2017	01	10	10	Transfer from Arun Arwari	Negligible	Negligible	No
March 09, 2017	01	10	10	Transfe from Sejal Sachdevr	Negligible	Negligible	No
March 14, 2017	01	10	10	Transfer from Aarti Sachdev	Negligible	Negligible	No
	01	10	10	Transfer from R. Rakesh Kumar & Co.	Negligible	Negligible	No
March 17, 2017	01	10	10	Transfer from Girish Sheth	Negligible	Negligible	No
March 20, 2017	01	10	10	Transfer from Kamlakar Arwari	Negligible	Negligible	No
March 21, 2017	01	10	10	Transfer from Mukund Ramniklal Desai HUF	Negligible	Negligible	No
March 25, 2017	01	10	10	Transfer from Radhaballabh Kejriwal	Negligible	Negligible	No
March 29, 2017	01	10	10	Transfer from Kamal Suresh Doshi HUF	Negligible	Negligible	No
	01	10	10	Transfer from Kamaljeet Kaur Gill	Negligible	Negligible	No

Date of Allotment / Transfer / when made fully paid up	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	Pledge
January 10, 2018	(1,00,000)	10	25	Transferred to Ajay Shah	(1.60%)	(1.17%)	No
	(30,000)	10	25	Transferred to Pankaj Modi	(0.48%)	(0.35%)	No
February 20, 2018	1,95,000	10	15.83	Transfer from Radhashyam Panigrahy	3.12%	2.28%	No
February 28, 2018	52,500	10	15.83	Transfer from Arun Arwari	0.84%	0.61%	No
	583	10	15.83	Transfer from Rashmin Shah	0.01%	0.01%	NO
	(10,000)	10	25	Transferred to Subhash Parulekar	(0.16%)	(0.12%)	No
Total	18,35,582				29.37%	21.44%	No

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

b. Satbinder Singh Gill

Date of Allotment / Transfer / when made fully paid up	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	Pledge
Subscription to MOA	500	10	10	Subscription to MOA	0.01%	0.01%	No
September 20, 2010	83	10	NA	Bonus Issue	Negligible	Negligible	No
February 20, 2018	2,50,000	10	15.83	Transfer from Pranav Shah	4.00%	2.92%	No
	3,00,000	10	15.83	Transfer from Rashmin Shah	4.80%	3.50%	No
Total	5,50,583				8.81%	6.43%	

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

ii. Details of Promoter's Contribution locked in for three years:

Pursuant to Regulation 32 and 36 of SEBI ICDR Regulations, an aggregate of 20% of the post-Issue capital held by our Promoters shall be considered as Promoter's 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 given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Promoters' Contribution constituting 20.19% of the post issue Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution, for a period of three years from the date of allotment in the Issue.

Date of Allotment/ made fully paid up	No. of Shares Allotted/ Transferred	Face Value	Issue Price	Nature of Allotment	% of Post Issue shareholding	Lock in Period
Kashyap Gambhir						
On Incorporation	4,500	10	10	Subscription to Memorandum	0.05%	3 years
February 01, 2007	7,29,630	10	10	Further Allotment	8.52%	3 Years
March 15, 2008	60,860	10	10	Further Allotment	0.71%	3 years
September 20, 2010	1,32,500	10	NA	Bonus Issue	1.55%	3 years
March 28, 2011	50,000	10	10	Further Allotment	0.58%	3 years
07 October 2011	5,00,000	10	10	Further Allotment	5.84%	3 years
23 August 2013	1,20,000	10	10	Further Allotment	1.40%	3 Years
February 20, 2018	1,00,000	10	15.83	Transfer from Radhashyam Panigrahy	1.17%	3 Years
Satbinder Singh Gill						
July 06, 2006	500	10	10	Subscription to Memorandum	0.01%	3 years
September 20, 2010	83	10	NA	Bonus Issue	Negligible	3 years
February 20, 2018	30,000	10	15.83	Transfer from Pranav Shah	0.35%	3 Years
Total	17,28,073				20.19%	

The minimum Promoters' contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI (ICDR) Regulations. The Equity Shares that are being locked in are not ineligible for computation of Promoters' contribution in terms of Regulation 33 of the SEBI ICDR Regulations. In connection, we confirm the following:

- a. The Equity Shares offered for minimum 20% Promoter's contribution have not been acquired in the three years preceding the date of this Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;
- b. The minimum Promoters' contribution does not include Equity Shares acquired during the one year preceding the date of this Prospectus at a price lower than the Issue Price;
- c. No equity shares have been issued to our promoter upon conversion of a partnership firm during the preceding one year at a price less than the issue price.
- d. The Equity Shares held by the Promoter and offered for minimum Promoters' contribution are not subject to any pledge;
- e. All the Equity Shares of our Company held by the Promoter are in the dematerialized form; and
- f. The Equity Shares offered for Promoter's contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoter for inclusion of its subscription in the Promoter's contribution subject to lock-in.

iii. Details of Share Capital locked in for one year

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

iv. Other requirements in respect of lock-in:

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

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

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

We further confirm that our Promoters' Contribution of 20.19% of the post Issue Equity Share capital does not include any contribution from Alternative Investment Fund.

8. There were no shares purchased / sold by the Promoter and Promoter Group, directors and their immediate relatives during last six months.

9. Our Shareholding Pattern

The table below presents the shareholding pattern of our Company as per Regulation 31, of the SEBI Listing Regulations, 2015

Summary of Shareholding Pattern as on the date of this Prospectus:-

Category	Category of Shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares**		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form***
								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)	
I	II	III	IV	V	VI	VII = IV + V+ VI	VIII	IX		X	XI = VII + X	XII		XIII		XIV
A	Promoter and Promoter Group	7	43,05,000	-	-	43,05,000	68.88%	43,05,000	68.88%	-	-	-	-	-	-	43,05,000
B	Public	12	19,45,000	-	-	19,45,000	31.12%	19,45,000	31.12%	-	-	-	-	-	-	19,45,000
C	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	19	62,50,000	-	-	62,50,000	100.00%	62,50,000	100.00%	-	-	-	-	-	-	62,50,000

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

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

***** As of the latest Beneficiary Position Statement, as of March 15, 2019.**

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

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

10. The details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category Promoters and Promoter Group are as under:

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
	Promoter				
1.	Kashyap Gambhir	18,35,582	29.37%	18,35,582	21.44%
2.	Satbinder Singh Gill	5,50,583	8.81%	5,50,583	6.43%
	Sub Total (A)	23,86,165	38.18%	23,86,165	27.88%
	Promoter Group				
3.	Deepika Gambhir	9,85,500	15.77%	9,85,500	11.51%
4.	Toron Fabs Private Limited	5,83,335	9.33%	5,83,335	6.81%
5.	Kamlakar Arwari	1,50,000	2.40%	1,50,000	1.75%
6.	Sujata Arwari	1,50,000	2.40%	1,50,000	1.75%
7.	Sonika Gambhir	50,000	0.80%	50,000	0.58%
	Sub Total (B)	19,18,835	30.70%	19,18,835	22.42%
	Total (A+B)	43,05,000	68.88%	43,05,000	50.29%

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

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Kashyap Gambhir	18,35,582	8.92
Satbinder Singh Gill	5,50,583	15.82

12. Except as mentioned below, no persons belonging to the category “Public” who hold securities (including shares, warrants, convertible securities) of more than 1% of the total number of shares.

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
1.	Hitesh Patel	5,25,000	8.40%	5,25,000	8.40%
2.	Tejal Mathur	2,60,000	4.16%	2,60,000	4.16%
3.	Miten Furia	2,50,000	4.00%	2,50,000	4.00%
4.	Kiran Aroskar	2,10,000	3.36%	2,10,000	3.36%
5.	Sanjeev Mathur	1,60,000	2.56%	1,60,000	2.56%
6.	Rajiv Mathur	1,60,000	2.56%	1,60,000	2.56%
7.	Vikas Bhandari	1,50,000	2.40%	1,50,000	2.40%
8.	Ajay Shah	1,00,000	1.60%	1,00,000	1.60%
9.	Nikhil Garg	75,000	1.20%	75,000	1.20%
	Total	18,90,000	30.24%	18,90,000	30.24%

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

- a) Particulars of the top ten shareholders as on the date of filing this Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
1.	Kashyap Gambhir	18,35,582	29.37%
2.	Deepika Gambhir	9,85,500	15.77%

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
3.	Toron Fabs Private Limited	5,83,335	9.33%
4.	Satbinder Singh Gill	5,50,583	8.81%
5.	Hitesh Patel	5,25,000	8.40%
6.	Tejal Mathur	2,60,000	4.16%
7.	Miten Furia	2,50,000	4.00%
8.	Kiran Aroskar	2,10,000	3.36%
9.	Rajiv Mathur	1,60,000	2.56%
10.	Sanjiv Mathur	1,60,000	2.56%
	Total	55,20,000	88.32%

b) Particulars of the top ten shareholders as at ten days prior to the date of filing of this Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
1.	Kashyap Gambhir	18,35,582	29.37%
2.	Deepika Gambhir	9,85,500	15.77%
3.	Toron Fabs Private Limited	5,83,335	9.33%
4.	Satbinder Singh Gill	5,50,583	8.81%
5.	Hitesh Patel	5,25,000	8.40%
6.	Tejal Mathur	2,60,000	4.16%
7.	Miten Furia	2,50,000	4.00%
8.	Kiran Aroskar	2,10,000	3.36%
9.	Rajiv Mathur	1,60,000	2.56%
10.	Sanjiv Mathur	1,60,000	2.56%
	Total	55,20,000	88.32%

c) Particulars of the top ten shareholders two years prior to the date of filing of this Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
1.	Kashyap Gambhir	17,27,496	27.64%
2.	Deepika Gambhir	9,85,500	15.77%
3.	Snehlata Pansari	6,50,000	10.40%
4.	Toron Fabs Private Limited	5,83,335	9.33%
5.	Sheetal Poddar	3,50,000	5.60%
6.	Rakhi Pansari	3,00,000	4.80%
7.	Sanwormal Pansari (HUF)	2,50,000	4.00%
8.	Vinay Chudiwala	2,35,000	3.76%
9.	Renu Chudiwala	1,95,000	3.12%
10.	Megha Chudiwala	1,70,000	2.72%
	Total	54,46,331	87.14%

13. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
14. Neither the Book Running Lead Manager viz. Pantomath Capital Advisors Private Limited, nor their associates hold any Equity Shares of our Company as on the date of this Prospectus.
15. Under-subscription in the net issue, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation

with the Book Running Lead Manager and the EMERGE Platform of National Stock Exchange of India Limited.

16. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category. The unsubscribed portion after such inter se adjustments among the reserved categories shall be added back to the net Issue to the public portion.
17. There are no Equity Shares against which depository receipts have been issued.
18. Other than the Equity Shares, there is no other class of securities issued by our Company.
19. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Prospectus until the Equity Shares have been listed. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the Issue, by way of split / consolidation of the denomination of Equity Shares. However our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.
20. None of the persons/entities comprising our Promoter Group, or our Directors or their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of any such entity/individual or otherwise during the period of six months immediately preceding the date of filing of this Prospectus.
21. Our Company, our Promoters, our Directors and the Book Running Lead Manager have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being offered through the Issue from any person.
22. There are no safety net arrangements for this public issue.
23. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest multiple of minimum allotment lot, while finalizing the Basis of Allotment. Consequently, the actual Allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-Issue paid up capital after the Issue would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares held by our Promoters and subject to lock- in shall be suitably increased; so as to ensure that a minimum of 20% of the post Issue paid-up capital is locked in.
24. In the event of over-subscription, Allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price
25. As on date of this Prospectus there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments into our Equity Shares.
26. All the Equity Shares of our Company are fully paid up as on the date of the Prospectus. Further, since the entire issue price in respect of the Issue is payable on application, all the successful applicants will be issued fully paid-up equity shares and thus all shares offered through this issue shall be fully paid-up.
27. As per RBI regulations, OCBs are not allowed to participate in this Issue.
28. Our Company has not raised any bridge loans against the proceeds of the Issue.
29. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
30. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
31. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.

32. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
33. Our Company has 19 shareholders as on the date of filing of this Prospectus.
34. Our Promoters and the members of our Promoter Group will not participate in this Issue.
35. Our Company has not made any public issue since its incorporation.
36. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
37. For the details of transactions by our Company with our Promoter Group, Group Companies during the period ended September 30, 2018 and financial years ended March 31, 2018, 2017, 2016, 2015, and 2014, please refer to paragraph titled “Details of Related Parties Transactions as Restated” in the chapter titled “Financial Statements as restated” on page 209 of this Prospectus.
38. Except as stated in the chapter titled “Our Management” beginning on page 185 of this Prospectus, none of our Directors or Key Managerial Personnel hold Equity Shares in our Company

OBJECTS OF THE ISSUE

Requirement of Funds:

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be Rs. 100.25 lakhs (the “**Net Proceeds**”).

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

1. Funding the Working Capital requirements of our Company; and
2. General Corporate Purposes

(Collectively referred to as “**Objects**”)

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

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.

ISSUE PROCEEDS

Particulars	Amount (Rs. in lakhs)
Gross Proceeds from the Issue	831.60
Less- Issue related expenses	100.25
Net Proceeds	731.35

UTILIZATION OF NET PROCEEDS

The net proceeds are proposed to be used in manner as set out below:

Sr. No.	Particulars	Amount to be financed from Net Proceeds (Rs. in lakhs)	Percentage of Gross Proceeds	Percentage of Net Proceeds
1.	Funding the Working Capital Requirements of our Company	725.00	87.18%	99.13%
2.	General Corporate Purposes*	6.35	0.76%	0.87%

**To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.*

SCHEDULE OF IMPLEMENTATION & DEPLOYMENT OF FUNDS:

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below. As on the date of this Prospectus, our Company has not deployed any funds towards the objects of the Issue.

(Rs. in lakhs)

Sr. No	Particulars	Amount to be funded from the Net Proceeds(In Lakhs)	Estimated Utilization of Net Proceeds (Financial Year 2019)	Estimated Utilization of Net Proceeds (Financial Year 2020)
1.	Funding the Working Capital Requirements of our Company	725.00	725.00	-
2.	General Corporate Purposes*	6.35	-	6.35

**To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.*

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

MEANS OF FINANCE

The working capital requirements will be met through the Net Proceeds to the extent of Rs. 725.00 lakhs and balance through internal accruals/ net worth/ unsecured loans and short term bank finance. Further details of funding of the Objects is given below:

(Rs in lakhs)

Objects of the Issue	Amount Required	IPO Proceeds	Internal Accruals/ Net worth/ Unsecured Loans	Short Term Cash Credit Facility
Funding the Working Capital Requirements of our Company	3,563.91	725.00	1,788.91	1,050.00
General Corporate Purposes*	6.35	6.35	-	-

**To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.*

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

The fund requirements mentioned above are based on the internal management estimates of our Company and have not been verified by the Book Running Lead Manager or appraised by any bank, financial institution or any other external agency. The fund requirements are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking debt financing.

Details of the Objects

1. Funding the working capital requirements of our Company:

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, net worth, unsecured loans and financing from bank. As on March 31, 2017 and March 31, 2018, the amount outstanding on our Company's fund based working capital facility was Rs. 1,045.93 lakhs and Rs. 1,046.89 lakhs respectively as per the restated financial statements. As on March 31, 2018, our sanctioned working capital facilities comprised of fund based limit of Rs. 1,050.00 lakhs. For further details, please refer to the chapter titled "Financial Indebtedness" beginning on page 229 of this Prospectus.

Our Company's existing working capital requirement and funding on the basis of Restated Financial Information as of March 31, 2018 and March 31, 2017 are as stated below:

(Rs. in lakhs)

Particulars	March 31, 2018	March 31, 2017
Current Assets		
Inventories		

Particulars	March 31, 2018	March 31, 2017
Raw materials	715.35	478.63
Work in Progress	878.84	522.79
Finished goods	488.21	711.22
Trade Receivables	3,370.22	1,874.32
Cash and Bank Balances	2.38	5.06
Other Current Assets -Loans and Advances	39.99	47.75
Total (A)	5,495.00	3,639.77
Current Liabilities		
Trade Payables	2,096.17	1,165.52
Other Current Liabilities & Short Term Provisions	628.54	330.08
Total (B)	2,724.71	1,495.60
Total Working Capital (A)-(B)	2,770.29	2,144.17
Existing Funding Pattern		
Working Capital funding from Banks	1,046.89	1,045.93
Internal accruals/Net Worth/Unsecured Loans	1,723.40	1,098.24

Basis of estimation of working capital requirement

On the basis of our existing working capital requirements and the projected working capital requirements, our Board pursuant to its resolution dated March 01, 2019 has approved the business plan for the Fiscals 2019 and for the Fiscal 2020. The projected working capital requirements for Fiscal 2019 is stated below:

(Rs. in lakhs)

Particulars	March 31, 2019 (Estimated)
Current Assets (A)	
Inventories	
Raw materials	664.18
Work in Progress	478.46
Finished goods	360.06
Trade Receivables	3,387.19
Cash and Bank Balances	21.60
Short term Loans & Advances and Other Current Assets	81.91
Total (A)	4,993.40
Current Liabilities (B)	
Trade Payables	1,274.98
Other Current Liabilities & Short term Provision	154.51
Total (B)	1,429.49
Total Working Capital (A)-(B)	3,563.91
Funding Pattern	
IPO Proceeds	725.00
Working capital loan from bank	1,050.00
Internal Accruals/Net worth/Unsecured Loans	1,788.91

Assumption for working capital requirements

(In months)

Particulars	Holding Level for March 31, 2017	Holding Level for March 31, 2018	Holding Level for March 31, 2019 (Estimated)
Current Assets			
Inventories			
Raw materials	4.36	5.10	5.00
Work in Progress	1.44	1.96	0.98
Finished goods	1.87	1.12	0.74
Trade Receivables	4.24	6.29	5.50
Current Liabilities			
Trade Payables	3.41	5.32	3.40

Justification for “Holding Period” levels

The justifications for the holding levels mentioned in the table above are provided below:

Assets- Current Assets	
Inventories	<p>Raw Materials- We have assumed raw material inventory levels of 5.00 months for the FY 2018-19, as against 5.10 months and 4.36 months for the FY 2017-18 and 2016-17 as we aim to increase our production and hence intend to maintain slightly low level of raw materials.</p> <p>Work-in-Progress- We have assumed WIP holding levels of 0.98 month for the FY 2018-19, as against 1.96 months and 1.44 months for the FY 2017-18 and 2016-17 as we intend to hold less inventory in WIP as our business operations grow and our volume increases.</p> <p>Finished Goods- Since our entire production activity is order based, we have historically maintained finished goods inventory at a decent level. Therefore, in future as well, we intend to maintain finished good inventory of 0.74 month for the FY 2018-19 as we believe that increase in our order book will help us in quick clearance of finished goods inventory.</p>
Trade receivables	We have assumed trade receivable period of 5.50 months for the FY 2018-19 as against 6.29 months for FY 2017-18 as we intend to quick realize from our debtors to fund our increased estimated working capital requirements.
Liabilities–Current Liabilities	
Trade Payables	In FY 2018-19, the credit period is expected to be 3.40, as, against 5.32 months and 3.41 months for FY 2017-18 and 2016-17 respectively as going forward we expect to prune our creditors days by infusing funds towards working capital from the net issue proceeds.

Our Company proposes to utilize Rs. 725.00 lakhs of the Net Proceeds in FY 2018-19 towards our working capital requirements and the balance portion of our working capital requirement will be arranged from existing Bank loans and Internal Accruals/ Net Worth/ Unsecured Loans.

2. General Corporate Purposes:

The Net Proceeds will be first utilized towards the Objects as mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI ICDR Regulations. Our Company intends to deploy the balance

Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

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

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

ISSUE RELATED EXPENSES

The 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. 100.25 Lakhs.

Expenses	Expenses (Rs. in Lakhs)*	Expenses (% of total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Bankers etc.	90.25	90.02%	10.85%
Regulatory fees	4.00	3.99%	0.48%
Marketing and Other Expenses	6.00	5.99%	0.72%
Total estimated Issue expenses	100.25	100.00%	12.06%

**As on the date of the Prospectus, our Company has incurred Rs. 26.88 Lakhs towards Issue Expenses out of internal accruals.*

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

Portion for RIIs- 0.25%^ (exclusive of GST)

Portion for NIIs- 0.15%^ (exclusive of GST)

^percentage of the amounts received against the Equity Shares allotted (i.e. the product of the number of Equity Shares allotted and the Issue Price)

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

Issuer Banks for UPI mechanism as registered with SEBI would be entitled to a processing fee of Rs. 10 (plus GST) for processing the Bid cum Application Forms procured by the members of the Syndicate, registered brokers, RTAs or the CDPs and submitted to them.

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

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

BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance project requirements until the completion

of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance project requirements will be repaid from the Net Proceeds of the Issue.

APPRAISAL BY APPRAISING AGENCY

The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

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 utilization 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 Prospectus.

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

OTHER CONFIRMATIONS

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

BASIS FOR ISSUE PRICE

The Issue Price has been determined by our Company in consultation with the Book Running Lead Manager, on the basis of an assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is Rs. 10 each and the Issue Price is 3.4 times the face value at the lower end of the Price Band and 3.6 times the face value at the higher end of the Price Band.

Investors should also refer to the sections titled “*Risk Factors*” and “*Financial Statements*” beginning on pages 21, 209 respectively and chapter titled “*Our Business*”, beginning on page 153 of this Prospectus, to have an informed view before making an investment decision. The trading price of the Equity Shares of our Company could decline due to 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:

- Experienced Promoters;
- On time delivery of the products;
- In-house Designing of the fabric; and
- Strong long maintained relationship with the customer.

For further details, refer to heading “*Our Competitive Strengths*” under chapter titled “*Our Business*” beginning on page 153 of this Prospectus.

QUANTITATIVE FACTORS

The information presented below is based on the restated financial statements of the Company for the Financial Years ended March 31, 2018, 2017 and 2016 and for the period ended September 30, 2018, prepared in accordance with Indian GAAP, The Companies Act and Restated in accordance with SEBI (ICDR) Regulations. For details refer chapter “*Financials Statements as Restated*” beginning on page 209 of this Prospectus. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. Basic and Diluted Earnings per Share (EPS) as per Accounting Standard 20 as adjusted for changes in capital:

Year/ Period Ended	EPS(Rs.)	Weight
March 31, 2018	5.63	3
March 31, 2017	2.86	2
March 31, 2016	(0.59)	1
Weighted Average		3.67
For the period ended September 30, 2018*		4.07

*Not Annualised

Notes:

- Weighted average number of Equity Shares are the number of Equity Shares outstanding at the beginning of the period/ year adjusted by the number of Equity Shares issued during year multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/ year. The figures disclosed above are based on the Restated Summary Financial Information of our Company.
- The face value of each Equity Share is ₹ 10.
- Basic EPS and Diluted EPS calculations are in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share', notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Accounts) Rules, 2014.
- Basic Earnings per share = Net profit/ (loss) after tax, as restated attributable to equity shareholders /Weighted average number of shares outstanding during the year/period.

- *Diluted Earnings per share = Net profit after tax, as restated / Weighted average number of diluted equity shares outstanding during the year/period.*
 - *Weighted average Earnings per share = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each fiscal] / [Total of weights].*
2. **Price to Earnings (P/E) ratio in relation to Issue Price Band of Rs. 34 to Rs. 36 per Equity Share of Rs. 10 each fully paid up:**

Particulars	P/E Ratio on Cap Price (no. of times)	P/E on Floor Price (no. of times)
P/E ratio based on Basic and Diluted EPS for FY 2017-18	6.39	6.04
P/E ratio based on Weighted Average Basic and Diluted EPS	9.81	9.26
*Industry P/E		
Highest		14.23
Lowest		13.38
Average		13.81

**Industry Composite comprises of VTM Limited and Donear Industries Limited.*

3. Return on Net worth (RoNW)

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

Year/ Period Ended	RoNW (%)	Weight
March 31, 2018	42.38%	3
March 31, 2017	37.40%	2
March 31, 2016	(11.87%)	1
Weighted Average (%)		31.68%
For the period ended September 30, 2018(%)*		23.45%

**Not Annualised*

Notes:

1. *The RONW has been computed by dividing net profit after tax (excluding exceptional income, if any) as restated by net worth (excluding exceptional income, if any) as restated as at year end.*
2. *Weighted average = Aggregate of year-wise weighted Return on Networth divided by the aggregate of weights i.e. [(RoNW x Weight) for each fiscal] / [Total of weights].*
4. **Minimum Return on Total Net Worth post Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2018**

To maintain pre-issue basic & diluted EPS

- a. At the floor price –29.83%
- b. At the cap price –29.00%

5. Net Asset Value (NAV) per share:

Particulars	Amount (in Rs.)
Net Asset Value per Equity Share as of March 31, 2018	13.28
Net Asset Value per Equity Share as of September 30, 2018	17.35
Net Asset Value per Equity Share after the Issue- At Cap Price	22.38
Net Asset Value per Equity Share after the Issue- At Floor Price	21.84
Issue Price per equity share	36

Notes:

1. *Net Asset Value per Equity Share is traced from the Restated Financial Information of the Company.*
2. *Issue Price per equity share has been determined on completion of the Book Building Process.*

6. Comparison with other listed companies:

Companies	CMP*	Basic and Diluted EPS	PE Ratio	RONW (%)	NAV (per share)	Face Value (per share)	Total Income (Rs. in Lakhs)
Artedz Fabs Limited	36	5.63	6.39	42.38%	13.28	10.00	6,433.90
Peer Group**							
VTM Limited	25.95	1.94	13.38	4.19%	46.23	1.00	16,982.34
Donear Industries Limited	36.15	2.54	14.23	13.38%	18.97	2.00	51,689.40

* CMP for our Company is considered as Issue Price

**Source: www.bseindia.com

Notes:

- Considering the nature, range of services, turnover and size of business of the Company the peers are not strictly comparable. However same have been included for broad comparison.
- The figures for Artedz Fabs Limited are based on the restated results for the year ended March 31, 2018.
- The figures for the peers group are based on the standalone audited results for the year ended March 31, 2018.
- Current Market Price (CMP) is the closing price of Peer Group as on February 22, 2019. However, CMP for our Company is the Final Price that has been determined on completion of the Book Building Process.
- NAV is computed as the closing net worth divided by the closing outstanding number of paid up equity shares. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserve and miscellaneous expenditure).
- P/E Ratio has been computed based on the closing market price of Peer Group's equity shares on February 22, 2019 sourced from website of Bombay stock Exchange as divided by the Basic EPS provided.
- RoNW is computed as net profit after tax divided by closing net worth. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding Revaluation Reserve and miscellaneous expenditure).
- Artedz Fabs Limited is a Book Built issue and price band for the same has been published 2 (as per SEBI ICDR Regulation, 2018) working days before opening of the issue in English and Hindi National newspapers and one regional newspaper with wide circulation.

For further details see section titled “Risk Factors” beginning on page 21 of this Prospectus and the financials of the Company including profitability and return ratios, as set out in the section titled “Financial Statements” beginning on page 209 of this Prospectus for a more informed view.

STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors
Artedz Fabs Limited
206, Gambhir Industrial Estate, Off Aarey Road,
Opp. Paramount Print, Goregaon (East),
Mumbai 400063, Maharashtra, India

Dear Sir,

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

We hereby report that the enclosed annexure, prepared by the Management of the Company, states the possible special tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 (“Act”) as amended by the Finance Act, 2018 (i.e. applicable to Financial Year 2018-19 relevant to Assessment Year 2019-20), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfil.

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

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

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

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

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

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

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

For, N. K. Aswani & Co..

Chartered Accountants

Firm Registration No.: 100738W

Sd/-

N. K. Aswani

Proprietor

Membership No.: 033278

Date: March 1, 2019

Place: Ahmedabad

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

Outlined below are the possible benefits available to the Company and its shareholders under the current direct tax laws in India for the Financial Year 2018-19

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

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

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

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

SECTION IV – ABOUT THE COMPANY

OUR INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 21 and 209 respectively of this Prospectus before deciding to invest in our Equity Shares.

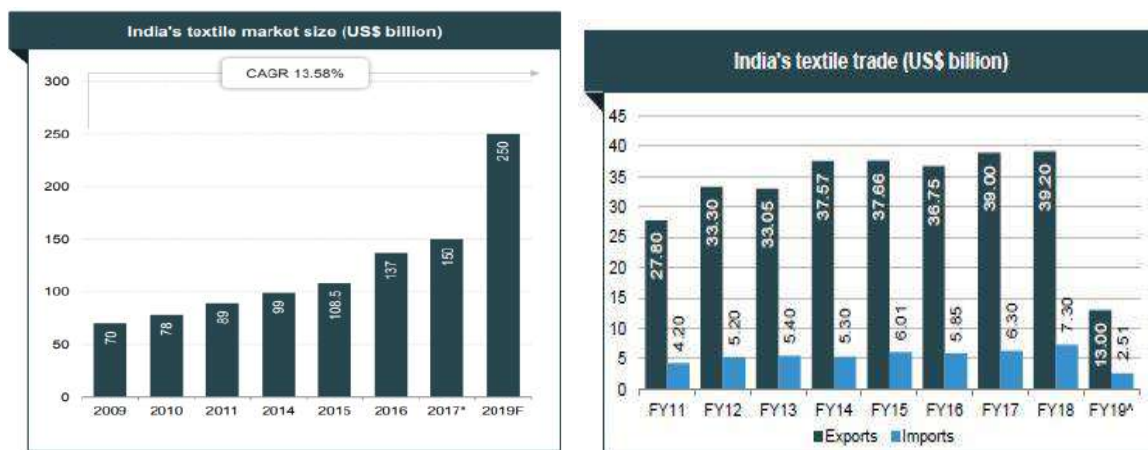
INTRODUCTION TO THE INDIAN TEXTILE INDUSTRY

India’s textiles sector is one of the oldest industries in Indian economy dating back several centuries. India's overall textile exports during FY 2017-18 stood at US\$ 39.2 billion.

The Indian textiles industry is extremely varied, with the hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world.

(Source: Textile Industry & Market Growth in India - India Brand Equity Foundation - www.ibef.org)

STATISTICAL OVERVIEW OF THE INDIAN TEXTILE INDUSTRY



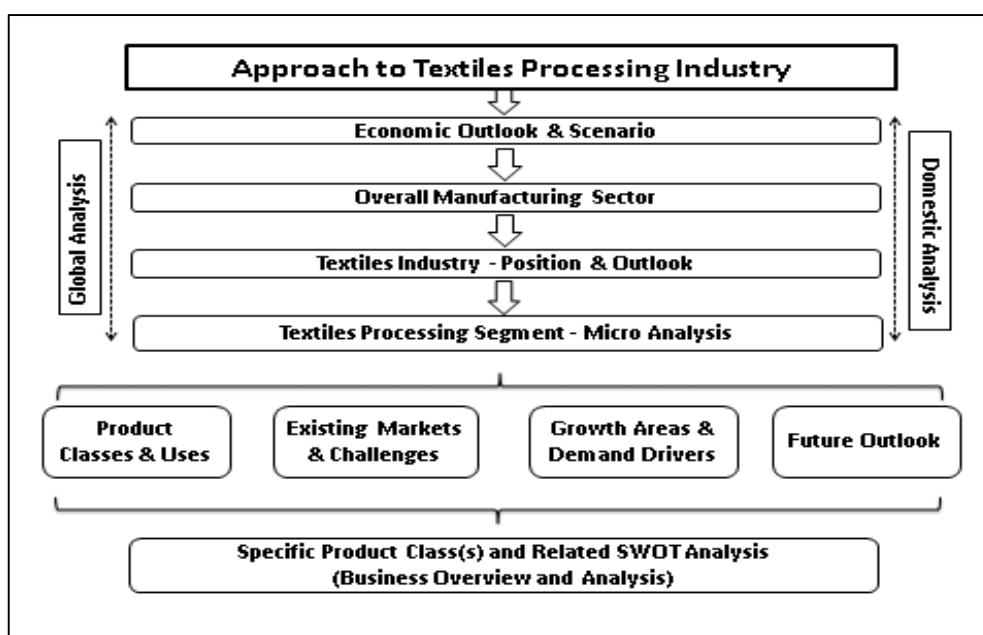
(Source: Textile Industry & Market Growth in India - India Brand Equity Foundation - www.ibef.org)

APPROACH TO TEXTILE INDUSTRY ANALYSIS

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

Manufacturing sector comprises various industries, which in turn, have numerous sub-classes or products. One such major industry in the overall Manufacturing sector is Textiles Industry, which in turn encompasses various components such as Textiles Ginning, Textiles Spinning, Textiles Weaving/Knitting, Textiles Processing etc.

Thus, Textiles Processing Industry should be analysed in the light of Textiles Industry at large. An appropriate view on Textiles Processing Industry, then, calls for the overall economy outlook, performance and expectations of manufacturing Sector, position and outlook of overall Textiles Industry and segment wise micro analysis.



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

GLOBAL ECONOMIC OVERVIEW

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

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

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

What are the risks? Of course, there are the usual geo-political and geo-economic risks: war in the Korean peninsula; political upheaval in the Middle East; aggressive output cuts by Saudi Arabia (and

Russia) in advance of the planned listing of the Saudi Arabian oil company, Aramco, which could force oil prices even higher; a final reckoning from China's unprecedented credit surge in the form of capital controls, slowdown in growth, and a sharply depreciating currency with consequences for the global economy (Economic Survey, 2016-17, Chapter 1); and trade tensions that could lead to skirmishes, and then spiral out of control. But perhaps the main risks lie on the macro-finance front in advanced economies. These stem from three, inter-related, sources:

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

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

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

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

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

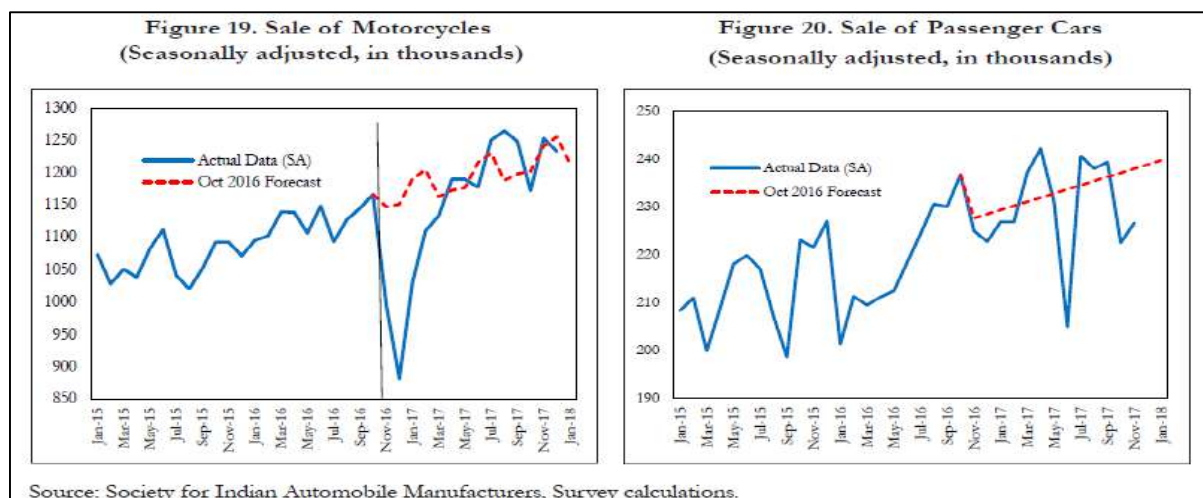
(Source: *Economic Survey 2017-18 Volume 1* www.indiabudget.nic.in)

OVERVIEW OF INDIA'S ECONOMIC PERFORMANCE IN 2017-18

Economic activity

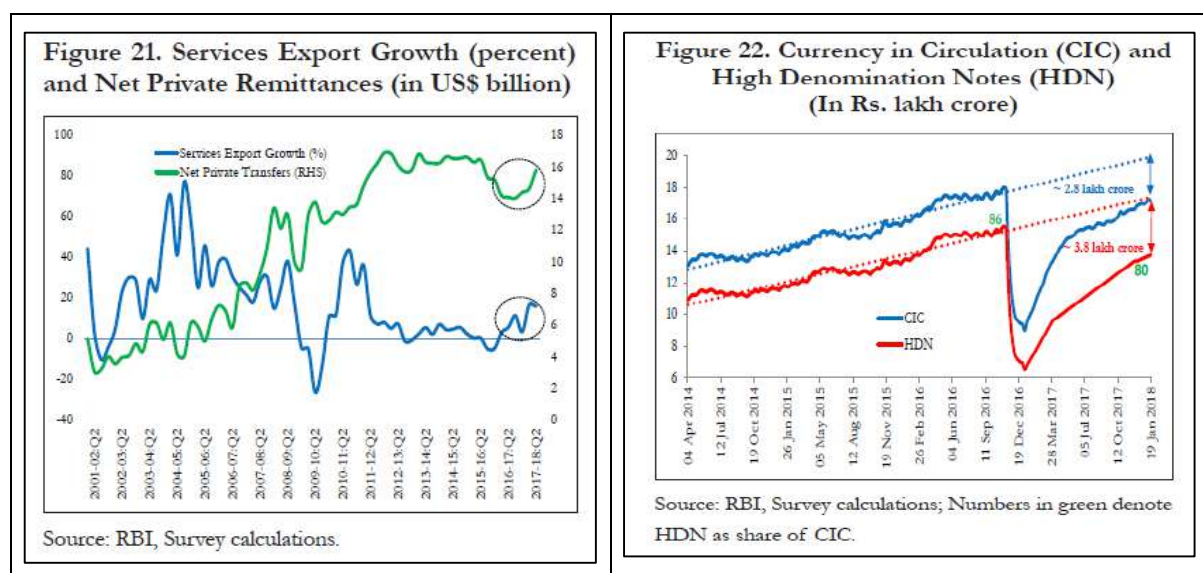
The key question going forward is whether the economy has troughed, and if so at what pace it will recover toward its medium term trend. High frequency indicators do suggest that a robust recovery is taking hold as reflected in a variety of indicators, including overall GVA, manufacturing GVA, the IIP,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

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



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

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



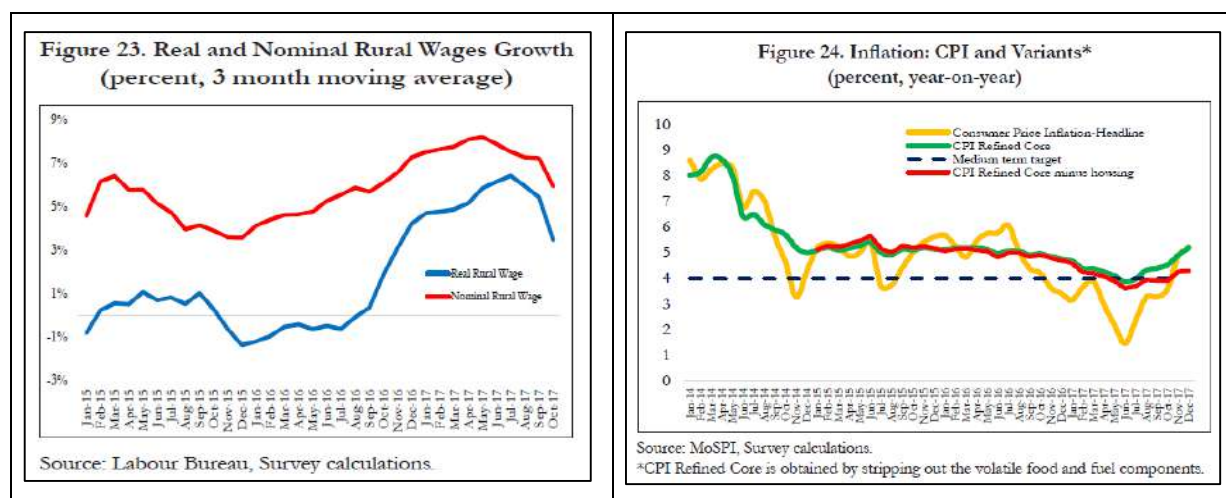
A final, important factor explaining the growth recovery is fiscal, which is providing a boost to aggregate demand. For reasons related to smoothening the transition, GST revenues will only be collected for 11 months, which is akin to a tax cut for consumers. Meanwhile, overall revenue expenditure growth by the central and state governments at remains strong at 11.7 percent (April to

November). Cyclical conditions may also lead to lower tax and non-tax revenues, which act as an automatic stabilizer.

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

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

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



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

Macroeconomic indicators

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

reaching 4.3 percent at end-December—in part because firms are passing the incidence of GST on to final consumers only gradually.

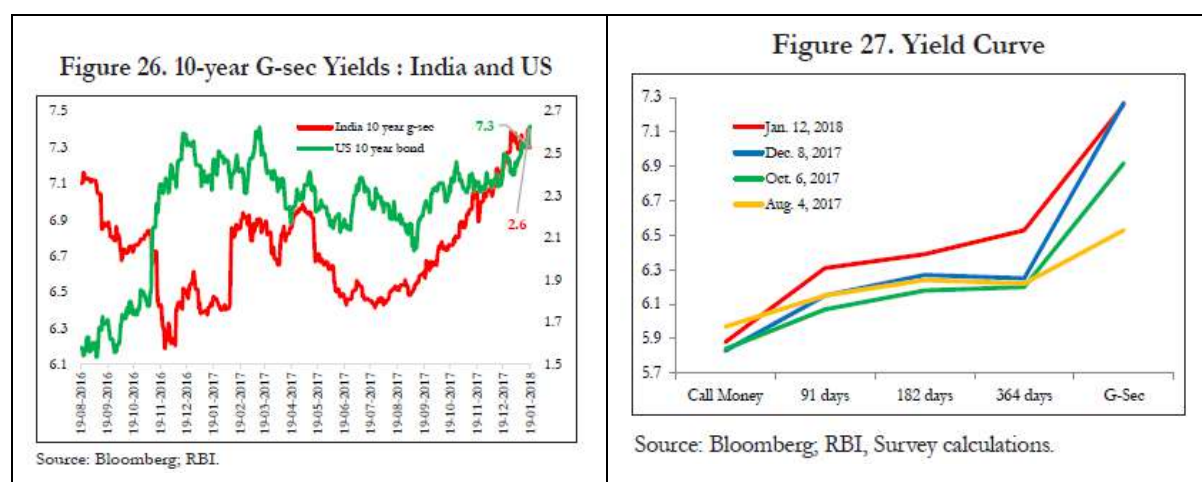
The current account deficit has also widened in 2017-18 and is expected to average about 1.5-2 percent of GDP for the year as a whole. The current account deficit can be split into a manufacturing trade deficit, an oil and gold deficit, a services deficit, and a remittances deficit (Figure 25). In the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

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

Fiscal developments

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

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



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

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

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

In the case of borrowing by the states, markets have perhaps inadequately taken into account the fact that higher market borrowings by them does not reflect higher deficits; rather about Rs. 50,000 crore or 0.3 percent of GDP of market borrowings is due to changes in the composition of financing, away from higher cost NSSF borrowings toward lower cost market borrowings. This lack of strict correspondence between the deficit and borrowings at the central and state levels (Figure 28) is discussed in greater detail in Box 8. For general government, about Rs. 40,000 Crores represents greater market borrowings that is not due to deficits—a fact which markets apparently have not internalized.

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

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

OUTLOOK FOR 2018-19

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

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

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

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

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

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

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

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

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

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

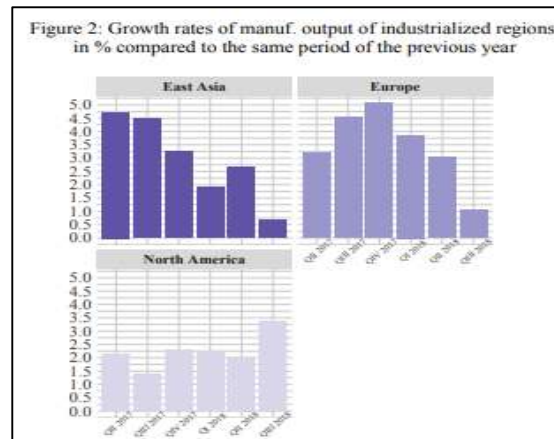
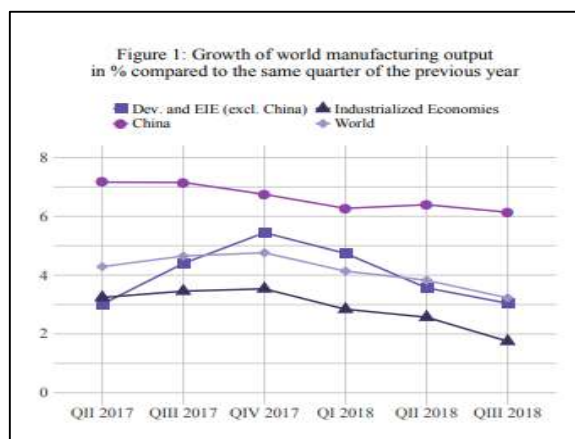
GLOBAL MANUFACTURING SECTOR

World manufacturing growth

World manufacturing growth further declined in the third quarter of 2018 amid rising tension over trade and tariffs among the leading manufacturers, especially the United States, the European Union and China. Compared to the same period of the previous year, global manufacturing output rose by 3.2 per cent in the third quarter of 2018, after growing by 3.8 per cent in the second, and 4.1 per cent in the first quarter of 2018. Global manufacturing output growth has been consistently declining since the second half of 2017 (see Figure 1), which marked the temporary peak of the steady expansion that had been registered since mid-2016, both in industrialized as well as in developing and emerging industrialized economies.

Manufacturing growth in industrialized economies generally lost some momentum in the third quarter of 2018. In a year-on-year comparison, manufacturing output growth is estimated at 1.7 per cent. Against the backdrop of procyclical fiscal stimulus in the U.S., the pace of growth in North America rose to 3.4 per cent. By contrast, the manufacturing sector's growth rate of industrialized economies in Europe performed below expectations at 1.1 per cent compared to the same period of the previous year.

The manufacturing output growth of industrialized economies in East Asia was also quite moderate. Compared to the same period of the previous year, the countries' growth rate declined from 2.7 per cent in the second quarter to 0.7 per cent in the third quarter of 2018. This relatively sharp decline is mainly attributable to Japan's negative year-on-year growth rate of -0.1 per cent, the country groups' largest manufacturer by far. Severe weather-related production impairments also contributed to this drop in manufacturing output.



(Source: World Manufacturing Production- Statistics for Quarter III, 2018; United Nations Industrial Development Organisation - www.unido.org)

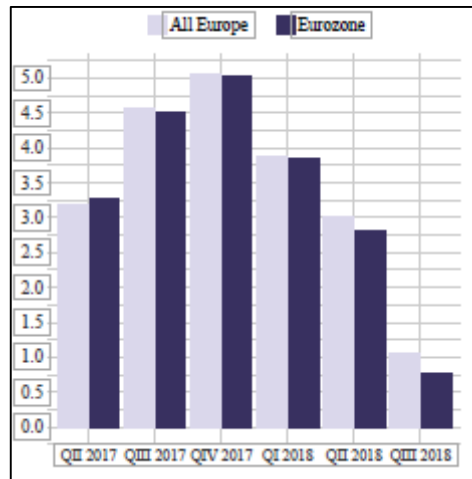
Industrialized economies

The manufacturing output of industrialized countries maintained a positive growth rate in the third quarter of 2018 compared to the same period of the previous year. While the pace of growth further slowed down in East Asia and Europe to 0.7 per cent and 1.1 per cent, respectively, North America's manufacturing out-put expanded to 3.4 per cent compared to 2.0 per cent in the second quarter of 2018. Besides economic factors, another reason for this diver-gent development is the relatively higher year-on-year comparison thresholds for East Asia and Europe, as illustrated in Figure 2

The robust manufacturing growth rate observed in European industrialized economies since 2014 has recently experienced a downward trend. This is especially visible when the data are compared to 2017, a year characterized by high growth rates. For instance, the year-on-year growth of manufacturing output reached 5.1 per cent in the fourth quarter of 2017. The first half of 2018 already showed a notable deceleration, which continued into the third quarter of 2018. The manufacturing output growth rate dropped to 3.9 per cent in the first quarter and decreased further to 3.0 per cent in the second quarter of 2018 and only reached 1.1 per cent in the third quarter of 2018.

A closer look at the leading euro zone economies reveals that year-on-year manufacturing output in the third quarter of 2018 increased only marginally in France, Spain and Germany, reaching 1.0 per cent, 0.9 per cent and 0.3 per cent, respectively. Growth in Italy slightly de-creased, with a drop in manufacturing output by 0.1 per cent.

With the exception of Malta and Portugal, where manufacturing output fell by 4.1 per cent and 1.3 per cent, respectively, other euro zone economies continued to witness positive growth rates. Manufacturing output rose by more than 3.0 per cent in Slovenia, Cyprus, Estonia, the Netherlands and Lithuania.



Outside the euro zone, manufacturing out-put increased in Denmark by 4.5 per cent, by 3.6 per cent in Hungary and by 3.3 per cent in Czechia. The United Kingdom had a lower growth rate of 1.0 per cent under the intense pressure of the Brexit negotiations. Among the non-EU economies, Switzerland registered a growth rate of 1.7 per cent compared to the third quarter of the previous year. Belarus, which in accordance with UNIDO criteria has recently joined the group of industrialized economies, recorded 3.6 per cent growth in the third quarter of 2018. Similarly, manufacturing out-put grew by 2.7 per cent in Norway and 2.4 per cent in the Russian Federation.

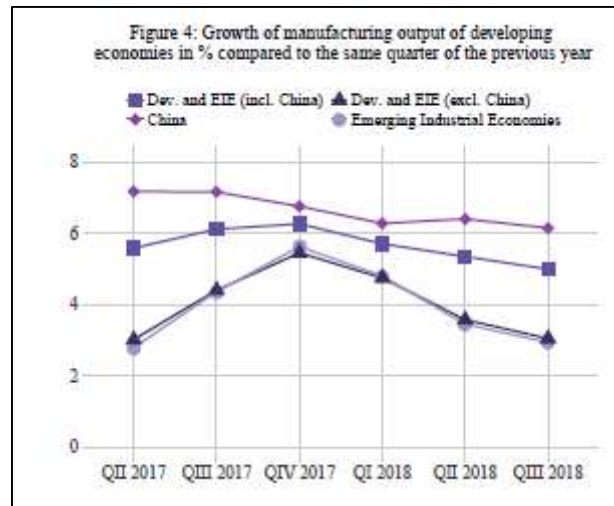
North America's overall manufacturing production grew by 3.4 per cent compared to the same period of the previous year. Economists view robust demand and tax incentives as some of the reasons for the United States' year-on-year manufacturing output growth of 3.4 per cent.

Positive results were observed in industrialized East Asian economies in the third quarter of 2018. Japan's manufacturing output slightly declined after eight straight quarters of year-on-year growth, the downward trend partly being caused by severe weather-related production impairments, forcing vehicle manufacturers and component suppliers, in particular, to suspend production at several plants. Other East Asian economies recorded positive growth rates in the third quarter of 2018 compared to the same period of the previous year. Malaysia grew by 4.8 per cent, Singapore by 3.8 per cent, Taiwan ROC by 2.7 per cent, Hong Kong SAR by 1.4 per cent and the Republic of Korea by 1.0 per cent.

(Source: World Manufacturing Production- Statistics for Quarter III, 2018; United Nations Industrial Development Organisation - www.unido.org)

Developing and Emerging Industrial Economies

Consistent with recent quarterly reports, China is presented separately from other country groups due to its size and the special characteristics of its economy, as the country's pro-longed high growth period is rapidly transforming China into an industrialized economy.



China

China's manufacturing output rose by 6.1 per cent in the third quarter of 2018. Although this marks the slowest pace of year-on-year growth for years, Figure 4 demonstrates that the country enjoyed stability in manufacturing production in the first three quarters of 2018. Despite deepening trade tensions, seasonally adjusted estimates show that China's manufacturing output has not yet experienced any substantial declines. A relatively high growth performance was observed in computer electronics (+13.2 per cent), basic metals (+8.1 per cent) and machinery (+8.0 per cent) and contributed to China's overall economic performance. However, experts warn of downward pressures such as rising costs, sluggish demand or operating difficulties for enterprises due to trade frictions. The country's further trajectory in the fourth quarter of 2018 remains to be seen, as China and the U.S. imposed additional tariffs on each other's exports at the end of September and have threatened to expand these further at the beginning of 2019.

Developing and emerging industrial economies (excl. China)

Evidence of a slowdown in manufacturing output was observed in developing and emerging industrial economies, especially in comparison to Chinese data. Year-on-year manufacturing output growth fell to 3.0 per cent compared to 3.6 per cent in the second quarter and 4.7 per cent in the first quarter of 2018. The growth performance of Asia and the Pacific remained above this country groups' average and reached 4.4 per cent compared to the same period of the previous year. India's manufacturing output grew by 6.0 per cent and contributed substantially to these results, as did Indonesia's at 5.1 per cent. Mongolia and Bangladesh continued their year-on-year double-digit growth, primarily due to the fast growing textiles and wearing apparel industry. High manufacturing growth of 7.3 per cent has also been a key driver of the Philippines' overall economic growth.

Latin America prolonged the phase of moderate expansion of the region's manufacturing production with a year-on-year growth rate of 1.4 per cent in the third quarter of 2018. Mexican manufacturing output, which largely consists of export goods to the U.S., grew by 2.7 per cent compared to the same quarter of the previous year. Progress in the discussions around the United States–Mexico–Canada Agreement (USMCA builds on the North American Free Trade Agreement) may have contributed to this development by reducing uncertainty. Focusing on some other countries in the region, manufacturing output rose in Brazil by 1.6 per cent, in Chile by 1.5 per cent, in Colombia by 3.4 per cent and in Peru by 2.2 per cent. By contrast, Argentina, Latin America's third largest economy, has fallen deeper into recession, observing a year-on-year manufacturing output of -7.2 per cent in the third quarter of 2018. Economists attribute the drop to struggling businesses due to peso depreciation and high interest rates.

Growth estimates based on limited data for African countries generally indicated a moderate rise in manufacturing output. South Africa, the region's most industrialized country, registered a 1.5 per cent

growth in the third quarter of 2018 compared to the same period of the previous year. However, UNIDO estimates on the share of MVA in GDP suggest a decreasing tendency. Whereas the share was 13.1 per cent in 2010, it declined to 12.4 per cent in 2017. Considering that manufacturing is a major catalyst and multiplier for job creation, more dynamic manufacturing growth would be desirable. Among other African economies, positive growth rates were achieved in Senegal at 4.0 per cent and Cote d'Ivoire at 4.2 per cent.

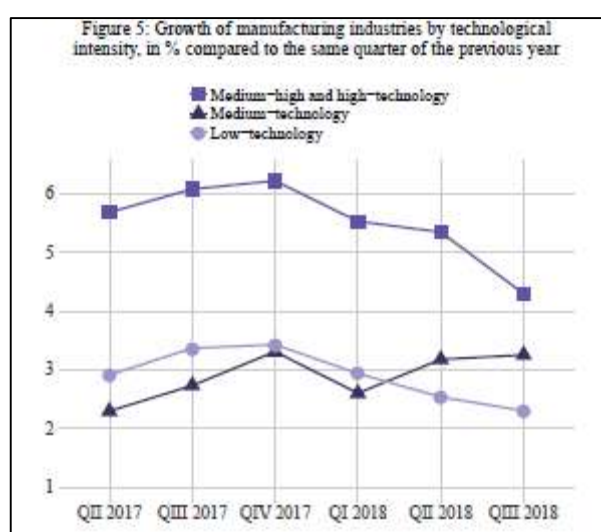
As regards other developing economies, the manufacturing output of Eastern European countries grew by 2.9 per cent in the third quarter of 2018 compared to the same period of the previous year. Manufacturing output rose by 7.3 per cent in the FYR of Macedonia, 5.8 per cent in Poland and 4.6 per cent in Romania. Turkey's year-on-year growth dropped to 1.1 per cent in the third quarter, after 9.8 and 4.8 per cent in the first and second quarters of 2018, respectively, against the backdrop of a weakening lira. Greece's manufacturing output has continued to grow on a year-on-year basis since the beginning of 2016, reaching 2.8 per cent in the third quarter of 2018.

Key Findings - Global manufacturing Sector

Global manufacturing production showed a positive growth rate in all industries in the third quarter of 2018. Industries grouped according to technological intensity continued to follow growth patterns that reveal that medium high- and high-technology manufacturing industries outperform other industry groups. However, in terms of growth rates, this industry group witnessed a sharp decline in the third quarter of 2018 compared to the same period of the previous year.

By contrast, as illustrated in Figure 5, medium-technology industries, including the manufacture of rubber and plastic products, non-metallic mineral products and basic metals, were able to resist decelerating year-on-year growth rates in manufacturing output and expanded at 3.3 per cent in the third quarter of 2018. This is to a large extent due to augmented steel output in China, the world's largest producer of basic metals, where, compared to the third quarter of 2017, output grew by 8.1 per cent.

A decomposition of medium high- and high-technology industries identifies the auto-motive industry in Germany, Japan and China as being the main cause for the waning growth rates. While China, after a period of ten consecutive months with two digit year-on-year growth rates, continued to grow by 3.4 per cent in the third quarter of 2018 compared to the same period of the previous year, the figures plunged to -0.6 per cent in Japan and -8.0 per cent in Germany. Production breaks due to the mandatory implementation of new test procedures related to the global harmonized standard for determining CO2 levels and other emissions might be one of the reasons for the strong decline in Germany.

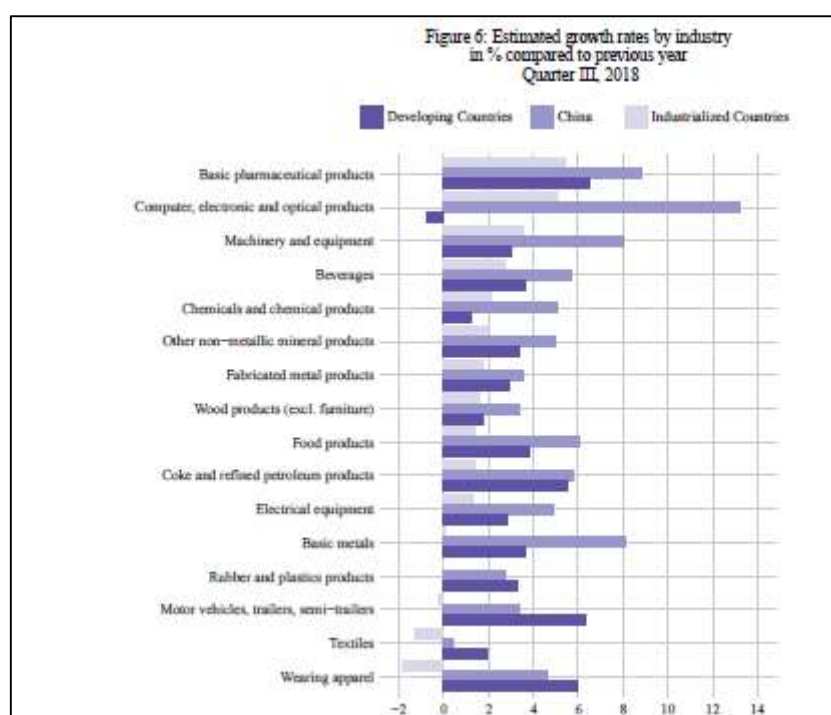


Global manufacturing output maintained relatively stable growth rates in the production of basic consumer goods. The manufacture of food products rose by 2.9 per cent, beverages by 3.7 per cent and

wearing apparel by 3.9 per cent. The global production of wood products rose by 2.0 per cent, while the manufacture of paper products only increased marginally by 0.4 per cent compared to the same period of the previous year.

Figure 6 presents the growth rates for various industries in detail, showing mainly expanding manufacturing output. Negative growth rates were only recorded in the manufacture of computer, electronic and optical products in developing countries (excl. China) and the manufacture of textiles and wearing apparel in industrialized economies. As regards the latter, shrinking year-on-year output was specifically observed in Europe and East Asia. At the same time, developing countries in Asia and the Pacific, in particular, achieved significantly higher growth rates in the textiles and clothing industry, due also to positive signs of recovery in India.

Additional data on growth rates in the third quarter of 2018 are available in the Statistical Tables.



(Source: World Manufacturing Production- Statistics for Quarter III, 2018; United Nations Industrial Development Organisation - www.unido.org)

GLOBAL COTTON INDUSTRY: POSITION & OUTLOOK

World Balance sheet of Cotton Stocks

World Balance Sheet						
million 480 lb. bales	2013/14	2014/15	2015/16	2016/17	2017/18 February	2017/18 March
Beginning Stocks	92.1	102.9	111.1	95.3	87.7	87.7
Production	120.4	119.1	96.2	106.8	121.4	121.9
Supply	212.5	222.1	207.3	202.1	209.0	209.6
Mill-Use	110.0	111.9	112.3	114.8	120.5	120.8
Ending Stocks	102.9	111.1	95.3	87.7	88.6	88.8
Stocks/Use Ratio	93.5%	99.3%	84.9%	76.4%	73.5%	73.6%

China: Balance sheet of Cotton Stocks

China Balance Sheet						
million 480 lb. bales	2013/14	2014/15	2015/16	2016/17	2017/18 February	2017/18 March
Beginning Stocks	50.4	62.7	66.9	58.2	48.4	48.4
Production	32.8	30.0	22.0	22.8	27.5	27.5
Imports	14.1	8.3	4.4	5.0	5.0	5.1
Supply	97.2	101.0	93.3	86.0	80.9	81.0
Mill-Use	34.5	34.0	35.0	37.5	40.0	40.0
Exports	0.0	0.1	0.1	0.1	0.1	0.1
Demand	34.5	34.1	35.1	37.6	40.1	40.1
Ending Stocks	62.7	66.9	58.2	48.4	40.9	41.0
Stocks/Use Ratio	181.6%	196.4%	165.7%	128.9%	102.0%	102.3%

Word less china: Balance sheet of cotton Stocks

World-Less-China Balance Sheet						
million 480 lb. bales	2013/14	2014/15	2015/16	2016/17	2017/18 February	2017/18 March
Beginning Stocks	41.8	40.2	44.1	37.1	39.2	39.3
Production	87.6	89.1	74.2	84.0	93.9	94.4
Imports from China	0.0	0.1	0.1	0.1	0.1	0.1
Supply	129.4	129.4	118.5	121.2	133.2	133.8
Mill-Use	75.5	77.9	77.3	77.3	80.5	80.8
Exports to China	14.1	8.3	4.4	5.0	5.0	5.1
Demand	89.7	86.2	81.7	82.3	85.5	85.9
Ending Stocks	40.2	44.1	37.1	39.3	47.7	47.9
Stocks/Use Ratio	44.9%	51.2%	45.4%	47.7%	55.8%	55.7%

Source: USDA

India: Balance sheet of Cotton Stocks

India Balance Sheet						
million 480 lb. bales	2013/14	2014/15	2015/16	2016/17	2017/18 February	2017/18 March
Beginning Stocks	11.8	11.5	13.5	9.9	11.1	11.1
Production	31.0	29.5	25.9	27.0	28.5	28.5
Imports	0.7	1.2	1.1	2.7	1.7	1.7
Supply	43.5	42.2	40.5	39.7	41.3	41.3
Mill-Use	23.3	24.5	24.8	24.0	24.5	24.5
Exports	9.3	4.2	5.8	4.6	4.2	4.2
Demand	32.5	28.7	30.5	28.6	28.7	28.7
Ending Stocks	11.5	13.5	9.9	11.1	12.6	12.6
Stocks/Use Ratio	35.2%	47.0%	32.6%	39.0%	44.0%	44.0%

United States: Balance Sheet of Cotton Stocks

U.S. Balance Sheet						
million 480 lb. bales	2013/14	2014/15	2015/16	2016/17	2017/18 February	2017/18 March
Beginning Stocks	3.8	2.4	3.7	3.8	2.8	2.8
Production	12.9	16.3	12.9	17.2	21.3	21.0
Imports	0.0	0.0	0.0	0.0	0.0	0.0
Supply	16.7	18.7	16.6	21.0	24.0	23.8
Mill-Use	3.6	3.6	3.5	3.3	3.4	3.4
Exports	10.5	11.2	9.2	14.9	14.5	14.8
Demand	14.1	14.8	12.6	18.2	17.9	18.2
Ending Stocks	2.4	3.7	3.8	2.8	6.0	5.5
Stocks/Use Ratio	16.7%	24.6%	30.2%	15.1%	33.6%	30.3%

(Source: USDA – United States Department of Agriculture www.usda.gov)

INDIAN MANUFACTURING SECTOR

Introduction

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

Market Size

The Gross Value Added (GVA) at basic constant (2011-12) prices from the manufacturing sector in India grew 7.9 per cent year-on-year in 2016-17, as per the first revised estimates of annual national income published by the Government of India. Under the Make in India initiative, the Government of India aims to increase the share of the manufacturing sector to the gross domestic product (GDP) to 25 per cent by 2022, from 16 per cent, and to create 100 million new jobs by 2022. Business conditions in the Indian manufacturing sector continue to remain positive.

Investments

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

Cumulative Foreign Direct Investment (FDI) in India's manufacturing sector reached US\$ 72.31 billion during April 2000-September 2017.

India has become one of the most attractive destinations for investments in the manufacturing sector. Some of the major investments and developments in this sector in the recent past are:

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

Government Initiatives

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

- In Union Budget 2018-19, the Government of India reduced the income tax rate to 25 per cent for all companies having a turnover of up to Rs 250 crore (US\$ 38.75 million).
- Under the Mid-Term Review of Foreign Trade Policy (2015-20), the Government of India increased export incentives available to labour intensive MSME sectors by 2 per cent.
- The Ministry of Electronics and Information Technology is in the process of formulation of a new electronics manufacturing policy. The aim of the new policy will be to create an ecosystem

of manufacturing in the country, enable India to become a significant global player in some of these categories.

- Ministry of Home Affairs liberalised Arms Rules to boost ‘Make in India’ manufacturing policy of the government. The liberalisation of the policy is expected to encourage investment in the manufacturing of arms and ammunition and weapon systems and promote employment generation.
- The Government of India has launched a phased manufacturing programme (PMP) aimed at adding more smartphone components under the Make in India initiative thereby giving a push to the domestic manufacturing of mobile handsets.
- The Government of India is in talks with stakeholders to further ease foreign direct investment (FDI) in defence under the automatic route to 51 per cent from the current 49 per cent, in order to give a boost to the Make in India initiative and to generate employment.
- The Ministry of Defence, Government of India, approved the “Strategic Partnership” model which will enable private companies to tie up with foreign players for manufacturing submarines, fighter jets, helicopters and armoured vehicles.
- The Union Cabinet has approved the Modified Special Incentive Package Scheme (M-SIPS) in which, proposals will be accepted till December 2018 or up to an incentive commitment limit of Rs 10,000 crore (US\$ 1.5 billion).

Road Ahead

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

The manufacturing sector of India has the potential to reach US\$ 1 trillion by 2025 and India is expected to rank amongst the top three growth economies and manufacturing destination of the world by the year 2020. The implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of US\$ 2.5 trillion along with a population of 1.32 billion people, which will be a big draw for investors.

With impetus on developing industrial corridors and smart cities, the government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

Exchange Rate Used: INR 1 = US\$ 0.0155 as on January 04, 2018

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

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

INDIAN TEXTILE INDUSTRY

Introduction

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. India's overall textile exports during FY 2017-18 stood at US\$ 39.2 billion.

The Indian textiles industry is extremely varied, with the hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital intensive sophisticated mills sector at the other end of the spectrum. The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of the textile industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments, both within India and across the world.

Market Size

The Indian textiles industry, currently estimated at around US\$ 150 billion, is expected to reach US\$ 250 billion by 2019. India's textiles industry contributed seven per cent of the industry output (in value terms) of India in 2017-18. It contributed two per cent to the GDP of India and employs more than 45 million people in 2017-18. The sector contributed 15 per cent to the export earnings of India in 2017-18.

The production of raw cotton in India is estimated to have reached 34.9 million bales in FY18^.

Investments

The textiles sector has witnessed a spurt in investment during the last five years. The industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth US\$ 2.97 billion during April 2000 to June 2018.

Some of the major investments in the Indian textiles industry are as follows:

- The Cabinet Committee on Economic Affairs (CCEA), Government of India has approved a new skill development scheme named 'Scheme for Capacity Building in Textile Sector (SCBTS)' with an outlay of Rs 1,300 crore (US\$ 202.9 million) from 2017-18 to 2019-20.
- In May 2018, textiles sector recorded investments worth Rs 27,000 crore (US\$ 4.19 billion) since June 2017.

Government Initiatives

The Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the Indian textiles sector under the automatic route.

Initiatives taken by Government of India are:

- The Textile Ministry of India earmarked Rs 690 crore (US\$ 106.58 million) for setting up 21 ready made garment manufacturing units in seven states for development and modernisation of Indian Textile Sector.
- The Directorate General of Foreign Trade (DGFT) has revised rates for incentives under the Merchandise Exports from India Scheme (MEIS) for two subsectors of Textiles Industry - Readymade garments and Made ups - from 2 per cent to 4 per cent.
- As of August 2018, the Government of India has increased the basic custom duty to 20 per cent from 10 per cent on 501 textile products, to boost Make in India and indigenous production.
- The Government of India announced a Special Package to boost exports by US\$ 31 billion, create one crore job opportunity and attract investments worth Rs 80,000 crore (US\$ 11.93 billion) during 2018-2020. As of August 2018 it generated additional investments worth Rs 25,345 crore (US\$ 3.78 billion) and exports worth Rs 57.28 billion (US\$ 854.42 million).
- The Government of India has taken several measures including Amended Technology Upgradation Fund Scheme (A-TUFS), scheme is estimated to create employment for 35 lakh people and enable investments worth Rs 95,000 crore (US\$ 14.17 billion) by 2022.

Road Ahead

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market.

High economic growth has resulted in higher disposable income. This has led to rise in demand for products creating a huge domestic market.

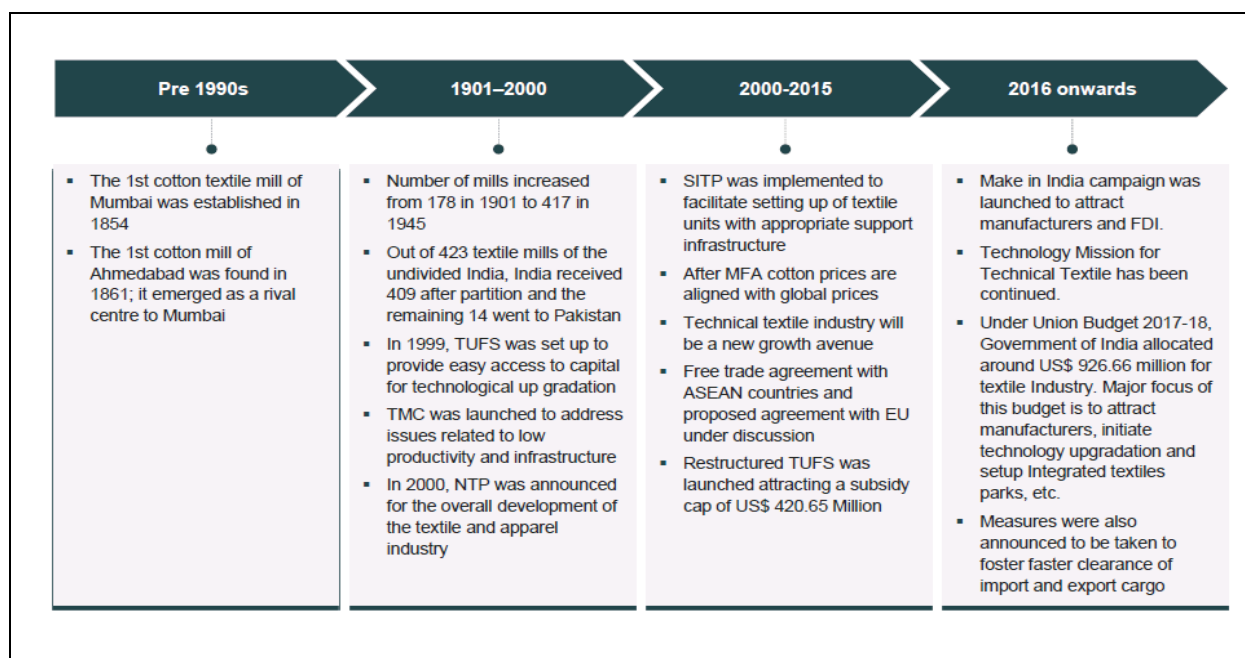
Exchange Rate Used: INR 1 = US\$ 0.0149 as of Q1 FY19.

References: Ministry of Textiles, Indian Textile Journal, Department of Industrial Policy and Promotion, Press Information Bureau

Note: ^ - Third advance estimates for FY18 of 170 kgs. each

(Source: Indian Textile Industry - India Brand Equity Foundation www.ibef.org)

EVOLUTION OF INDIAN TEXTILE INDUSTRY



(Source: Textile and Apparel Report October 2018 - India Brand Equity Foundation www.ibef.org)

KEY POLICY SUPPORT TO THE GROWTH OF TEXTILE INDUSTRY

Technology Up-gradation Fund Scheme (TUFS)

- Investment was made to promote modernisation and up-gradation of the textile industry by providing credit at reduced rates. A subsidy of Rs 1,400 crore (US\$ 216.25 million) was released under this scheme in 2017.
- Under the Union Budget 2018-19, Rs 2,300 (US\$ 355.27 million) crore have been allocated for this scheme

National Textile Policy – 2000

- Key areas of focus include technological upgrades, enhancement of productivity, product diversification and financing arrangements.
- New draft for this policy ensures to employ 35 million by attracting foreign investments. It also focuses on establishing a modern apparel garment manufacturing centre in every North Eastern state for which Government has invested an amount of US\$ 3.27 million.

Foreign Direct Investment

- FDI of up to 100 per cent is allowed in the textile sector through the automatic route.

SAATHI Scheme

- The Union Ministry of Textiles, Government of India, along with Energy Efficiency Services Ltd (EESL), has launched a technology upgradation scheme called SAATHI (Sustainable and Accelerated Adoption of Efficient Textile Technologies to Help Small Industries) for reviving the powerloom sector of India.

Merchandise Exports from India Scheme

- The Directorate General of Foreign Trade (DGFT) has revised rates for incentives under the Merchandise Exports from India Scheme (MEIS) for two subsectors of Textiles Industry - Readymade garments and Made ups - from 2 per cent to 4 per cent.

Scheme for Capacity Building in Textiles Sector (SCBTS)

- The Cabinet Committee on Economic Affairs (CCEA), Government of India has approved a new skill development scheme named 'Scheme for Capacity Building in Textile Sector (SCBTS)' with an outlay of Rs 1,300 crore (US\$ 202.9 million) from 2017-18 to 2019-20.
- The scheme is aimed at providing a demand driven and placement oriented skilling programme to create jobs in the organised textile sector and to promote skilling and skill up-gradation in the traditional sectors.

Textile Incentives

- The Textile Ministry of India earmarked Rs 690 crore (US\$ 106.58 million) for setting up 21 ready-made garment manufacturing units in seven states for development and modernisation of Indian Textile Sector.

Khadi App Store

- The National Board of Khadi and Village Industries Commission (KVIC) launched a mobile phone application for locating 4,000 khadi stores in India.

Government Incentives

- The Government of India announced a Special Package to boost exports by US\$ 31 billion, create one crore job opportunities and attract investments worth Rs 800.00 billion (US\$ 11.93 billion) during 2018-2020. As of August 2018, it generated additional investments worth Rs 253.45 billion (US\$ 3.78 billion) and exports worth Rs 57.28 billion (US\$ 854.42 million).
- The Government of India has taken several measures including Amended Technology Up-gradation Fund Scheme (A-TUFS). The scheme is estimated to create employment for 3.5 million people and enable investments worth Rs 950.00 billion (US\$ 14.17 billion) by 2022.
- To boost exports from India's handicraft sector, the Government of India is in process of identifying 25 export oriented clusters, as of September 2018.

SAMARTH

- In December 2017, Rs 1,300 crore (US\$ 201.71 million) were approved for providing employment oriented training to 10 lakh people in various segments including one lakh in traditional sectors, by March 2020, under the Scheme for Capacity Building in Textile Sector (SCBTS).

Integrated Wool Development Programme

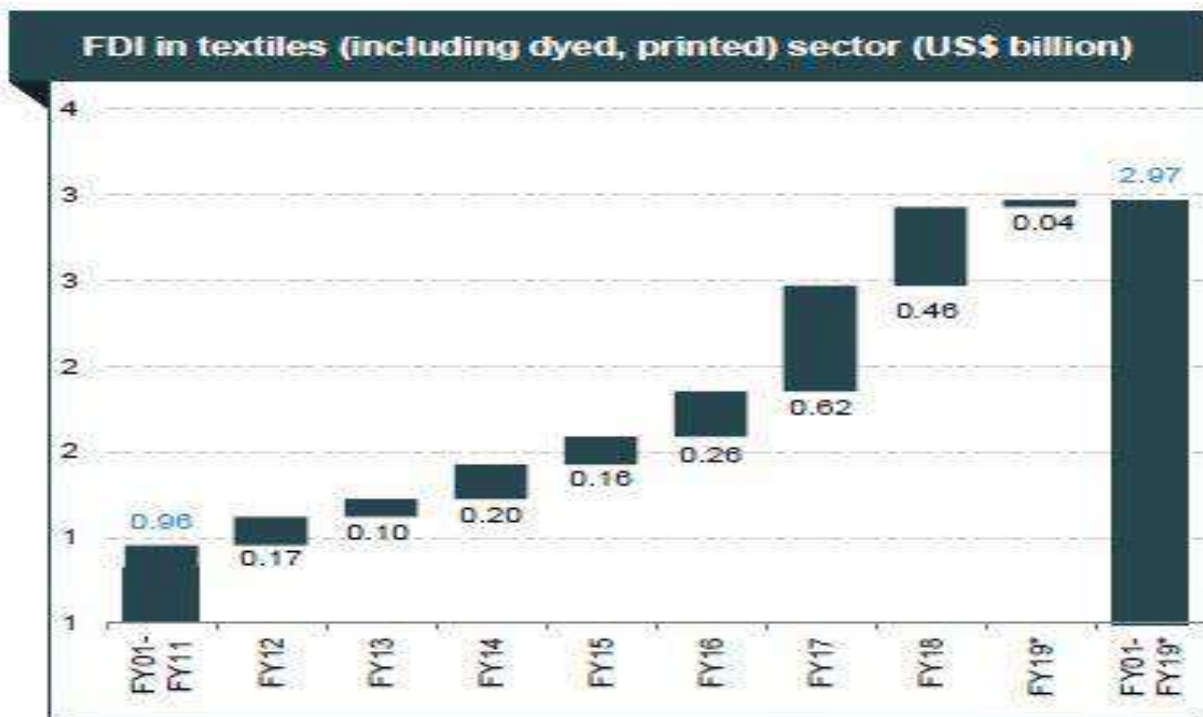
- Integrated Wool Development Programme (IWDP) approved by Government of India to provide support to the wool sector starting from wool rearer to end consumer which aims to enhance the quality and increase the production during 2017-18 and 2019-20.

Boost to domestic

- Integrated Wool Development Programme (IWDP) approved by Government of India to provide support to the wool sector starting from wool rearer to end consumer which aims to enhance the quality and increase the production during 2017-18 and 2019-20.

(Source: Textile and Apparel Report October 2018 - India Brand Equity Foundation www.ibef.org)

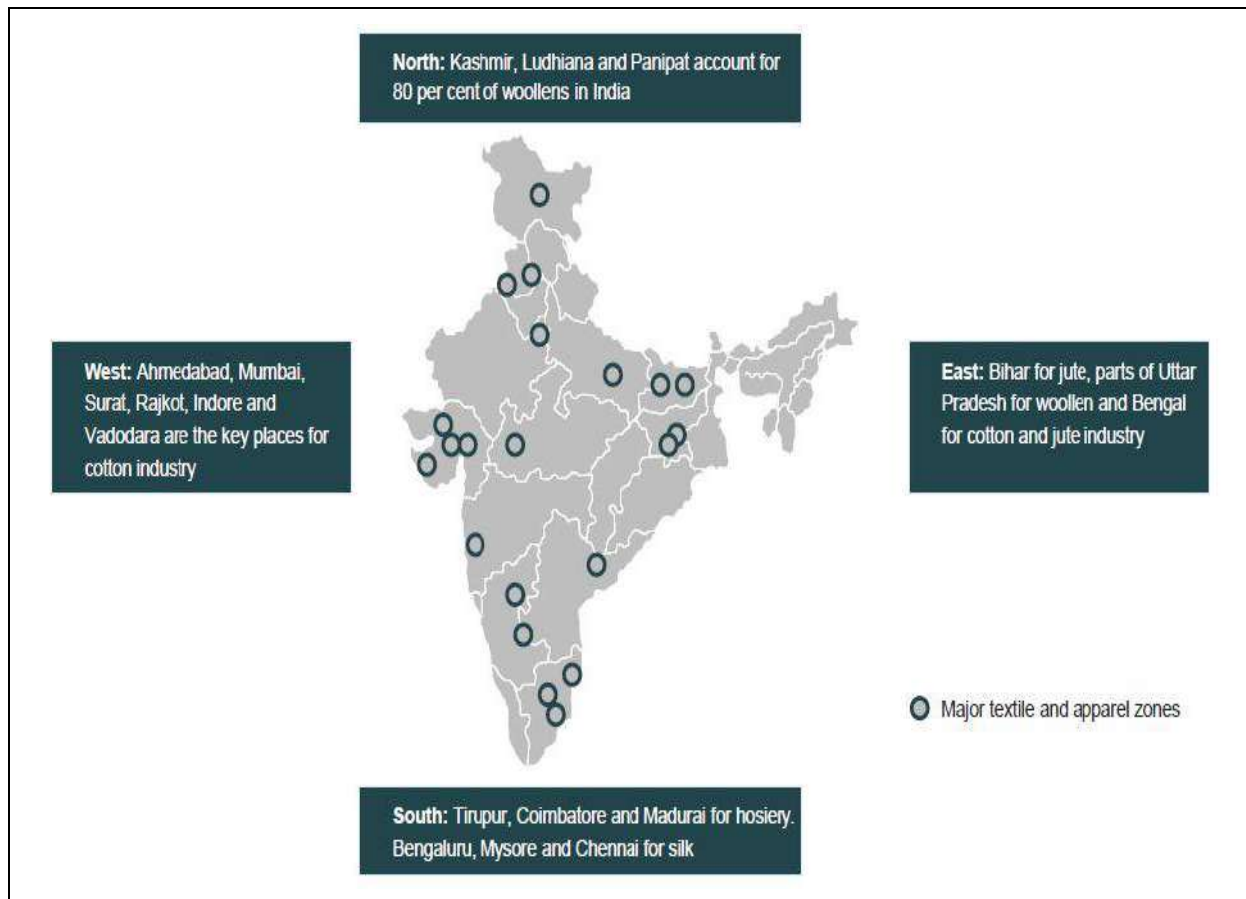
FOREIGN INVESTMENTS FLOWING INTO THE TEXTILE SECTOR



- 100 per cent FDI is approved in the sector. Cumulative FDI inflows into the textiles sector over April 2000 – June 2018, totalled to US\$ 2.97 billion.
- The textiles industry in India is experiencing a significant increase in collaboration between global majors and domestic companies.
- International apparel giants, such as Hugo Boss, Liz Claiborne, Diesel and Kanz, have already started operations in India.
- Furthermore, the Government of Gujarat expects that the extension of its textile policy by a year will attract investments worth Rs 5,000 crore (US\$ 775 million) in various sectors across the value chain.

(Source: Textile and Apparel Report October 2018 - India Brand Equity Foundation www.ibef.org)

KEY TEXTILE AND APPAREL AREAS



(Source: Textile and Apparel Report October 2018 - India Brand Equity Foundation www.ibef.org)

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled “*Forward-Looking Statements*” beginning on page 20 of this Prospectus, for a discussion of the risks and uncertainties related to those statements and also the section “*Risk Factors*” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

The financial information used in this section, unless otherwise stated, is derived from our Financial Information, as restated prepared in accordance with Indian GAAP, Companies Act and SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Prospectus, including the information contained in the sections titled “*Risk Factors*” and “*Financial Information*” beginning on pages 21 and 209 respectively.

OVERVIEW

Our Company was originally incorporated as “Artedz Fabs Private Limited” at Mumbai, Maharashtra as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated August 08, 2006 bearing Corporate Identification Number U17299MH2006PTC163645 issued by Registrar of Companies, Mumbai, Maharashtra. Subsequently, our Company was converted into a Public Limited Company pursuant to special resolution passed by the members in Extra-ordinary General Meeting of our Company held on January 18, 2018 and the name of our Company was changed to “Artedz Fabs Limited” and a fresh certificate of incorporation consequent upon Conversion of Private Company to Public Limited Company dated February 19, 2018 was issued by Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of our Company is U17299MH2006PLC163645.

Our Company is engaged in manufacturing and trading of textile fabrics for shirtings and suitings. We specialise in manufacturing of textile fabrics majorly from cotton yarn. We also use linen yarn as well as blended yarns as the raw material. We are primarily engaged in the manufacturing of grey fabrics with high-end and fashion forward designs, using the expertise of our in-house designing team. Our Company caters to orders from both domestic and international markets. With a manufacturing facility spread over a Land area of 15,789 sq. ft. in Bhiwandi,



Maharashtra, our Company currently has an installed capacity of 21 Lakhs sq. metre per annum with 43 installed looms which can cater to the orders requiring any specific category of yarn.

Our Company initially started its commercial production in the year 2007 by setting up a manufacturing facility at Bhiwandi Nashik Road, Maharashtra by importing second hand machineries. In year 2011, the manufacturing facility of the Company collapsed due to incorrect and improper construction, subsequent to that, we reconstructed the manufacturing facility by installing the same machineries in the same facility. However, in order to retain our customer’s trust during the dire time not only was our Company successful in reconstructing the facility but we also fulfilled the orders received from our customers through outsourcing our manufacturing activity, thereby reposing the value and brand of the Company.

Initially, our Company started the manufacturing of Cotton Fabric for shirtings and further started manufacturing Linen Fabric along with Blend of Cotton and Linen Fabrics. Our Company concentrates on Men’s Casual Shirt and manufactures entirely for two collections viz., Summer & Winter. Our Company manufactures its products on the basis of orders received from the customers hence following

the Just-in-time concept for managing its inventory level curtailing cost. Ours is a complete made to order business model.

As an organization, our focus has been on the design and colour we offer to our customers. Further, we aim to satisfy our customers with timely delivery of the orders placed by us. However, our production capacity at times are not sufficient to meet the orders received from the customers. However, to meet the customer demand, we accept the orders and undertake all the pre-production activity in-house but trade the grey fabric from our trusted job workers. In our trading activity, we basically purchase grey fabric and sells it further to the customers instead of manufacturing it in-house.

Our Company is promoted and managed by Kashyap Gambhir and Satbinder Singh Gill. Our Promoters have experience of more than 12 years in the textile industry. They are actively involved in the business operations, the outcome of which is reflected in the operational and financial performance of the Company.

LOCATIONAL PRESENCE

Our Company's Location and Manufacturing facility are as follows:

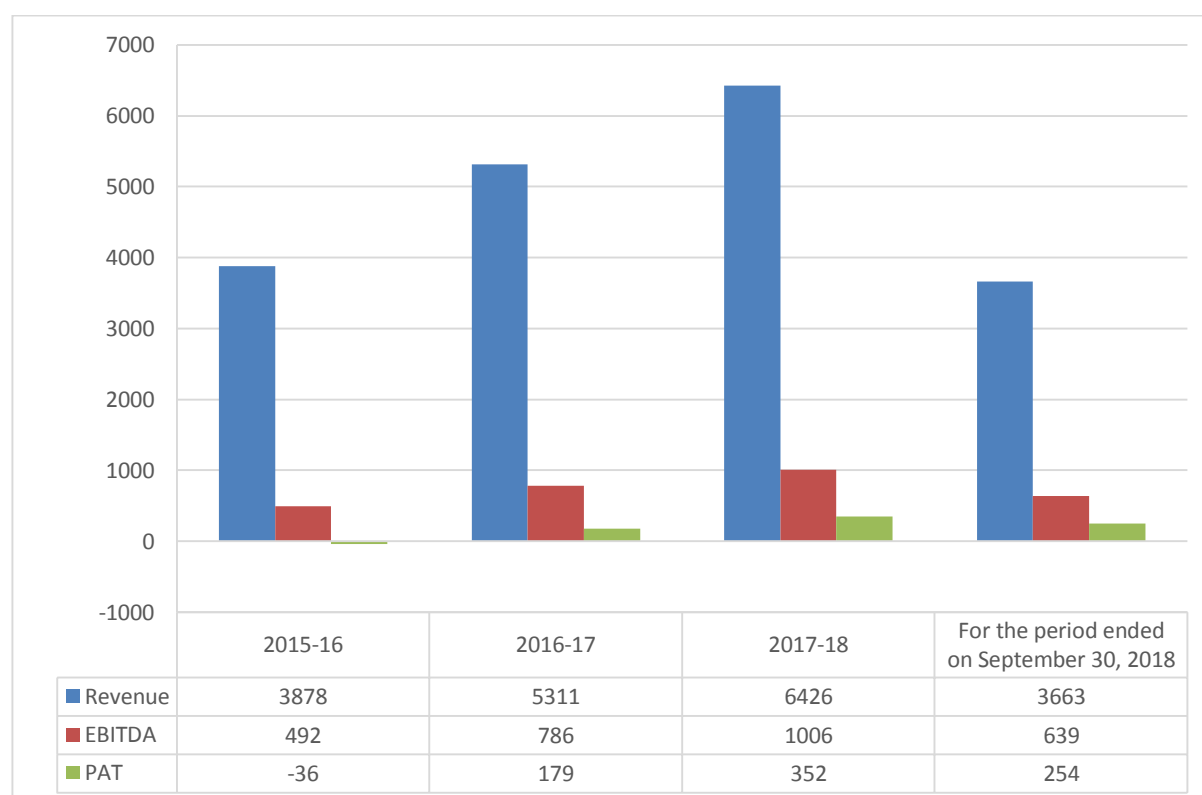
Registered Office: A-206, Gambhir Industrial Estate, Off Aarey Road, Opp. Paramount Print, Goregaon (East), Mumbai – 400063, Maharashtra, India.

Manufacturing Unit: Unit No. T -1, Shree Rajlaxmi Complex, Bhiwandi –Nashik Road, Near Satyam Petrol Pump and Popular petrol Pump, Village –Sonale, Bhiwandi, Taluka- Bhiwandi, District – Thane, Maharashtra, India.

FINANCIAL SNAPSHOT AS PER RESTATED FINANCIAL STATEMENTS

Financial Snapshot of our Company as per Restated Financial Statements is as under:

(Amount in Rs. Lakhs)



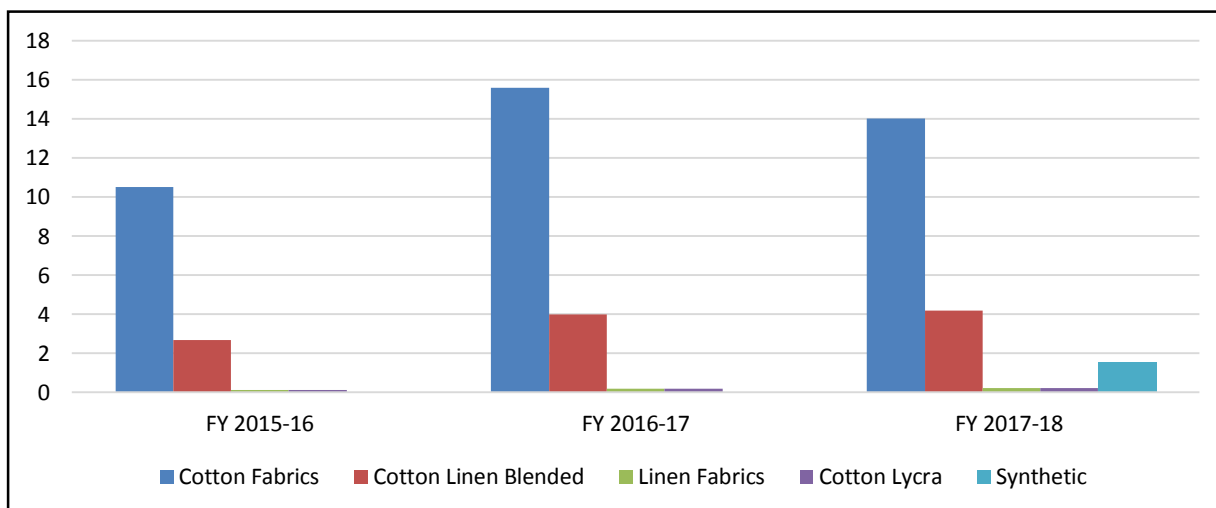
Segmental break-up of our Revenue from Operation is as under:

(Amount in Rs. Lakhs)

Particulars	F.Y. 2015-16	F.Y. 2016-17	F.Y. 2017-18	For the period ended on September 30, 2018
Manufacturing	2,006.69	3,387.19	3,534.79	2,804.88
Trading	1,869.98	1,918.44	2,891.49	857.87
Revenue from Operations	3,876.68	5,305.63	6,426.28	3,662.75

Figure describing capacity utilization trend over the period:

(Units in Lakhs)



Particulars	Unit	F.Y. 2015-16	F.Y. 2016-17	F.Y. 2017-18
Cotton Fabrics	Mtrs p.a.	10,51,860.00	15,58,686.00	14,02,817.40
Cotton Linen Blended	Mtrs p.a.	2,69,707.60	3,99,663.00	4,19,646.15
Linen Fabrics	Mtrs p.a.	13,485.38	19,983.15	20,982.31
Cotton Lycra	Mtrs p.a.	13,485.38	19,983.15	20,982.31
Synthetic	Mtrs p.a.	-	-	1,55,868.60

Break up for the state wise revenue details for last 3 years and for the period ended on September 30, 2018 along with the percentage.

(Amount Rs. In Lakhs)

State	F Y 2015- 16		F Y 2016- 17		F Y 2017- 18		For the period ended on September 30, 2018	
	Revenue	% to Total Revenue	Revenue	% to Total Revenue	Revenue	% to Total Revenue	Revenue	% to Total Revenue
Maharashtra	3,219.73	83.05	5,202.02	98.04	6,411.82	99.77	3,626.13	99.00
Tamil Nadu	239.52	6.18	25.3	0.48	13.2	0.21	-	-
West Bengal	46.87	1.21	3.86	0.07	0.56	0.01	-	-
Gujarat	52.58	1.36	59.75	1.13	0.7	0.01	36.62	1.00
Karnataka	208.82	5.39	6.17	0.12	-	-	-	-
Madhya Pradesh	44.29	1.14	7.59	0.14	-	-	-	-
Delhi	10.09	0.26	0.94	0.02	-	-	-	-
Punjab	33.42	0.86	-	-	-	-	-	-
Haryana	11	0.28	-	-	-	-	-	-

State	F Y 2015- 16		F Y 2016- 17		F Y 2017- 18		For the period ended on September 30, 2018	
	Revenue	% to Total Revenue	Revenue	% to Total Revenue	Revenue	% to Total Revenue	Revenue	% to Total Revenue
Kerala	9.54	0.25	-	-	-	-	-	-
Uttar Pradesh	0.82	0.02	-	-	-	-	-	-
Total	3,876.68	100.00	5,305.63	100.00	6,426.28	100.00	3,662.75	100.00

Productwise revenue details for last 3 years and for the period ended on September 30, 2018 along with the percentage

(Amount Rs. In Lakhs)

Product Name	F Y 2015- 16		F Y 2016- 17		F Y 2017- 18		For the period ended on September 30, 2018	
	Revenue	% to Total Revenue	Revenue	% to Total Revenue	Revenue	% to Total Revenue	Revenue	% to Total Revenue
Revenue From Manufacturing Activity								
Cotton Fabric	1420.01	36.63	2579.87	48.63	2,384.79	37.11	1,881.02	51.35
Cotton Linen Blended	525.93	13.57	719.39	13.56	902.24	14.04	826.63	22.57
Linen Fabric	39.17	1.01	55.95	1.05	57.70	0.90	6.15	0.17
Cotton Lycra	21.58	0.56	31.97	0.60	34.20	0.53	19.09	0.52
Synthetic	-	-	-	-	155.86	2.43	71.99	1.97
Sub Total (A)	2006.69	51.76	3387.19	63.84	3,534.79	55.01	2,804.88	76.58
Revenue From Trading Activity								
Cotton Fabric	1,184.87	30.56	886.12	16.70	1,586.87	24.69	681.62	79.45
Cotton Linen Blended	225.92	5.83	100.39	1.89	235.78	3.67	94.96	11.07
Linen Fabric	239.18	6.17	255.95	4.82	23.42	0.36	16.76	1.95
Cotton Lycra	-	-	50.01	0.94	174.08	2.71	3.22	0.38
Synthetic	220.01	5.68	625.96	11.80	871.34	13.56	61.29	7.15
Sub – Total (B)	1869.99	48.24	1918.44	36.16	2,891.49	44.99	857.87	23.42
TOTAL (A+B)	3876.68	100.00	5305.63	100.00	6,426.28	100.00	3,662.75	100.00

Top 5 customers for period ended September 30, 2018

(Amount in Rs. Lakhs)

Sr. No.	Customer Name	Amount	Percentage to Total Sales
1.	Dukes International LLP	507.43	13.85%
2.	Piyutex Synfab (India) Pvt. Ltd.	332.31	9.07%
3.	Aravali Silk Mills Pvt. Ltd.	299.57	8.18%
4.	J.J. Textiles	203.54	5.56%
5.	Y2K Fashion	188.12	5.14%

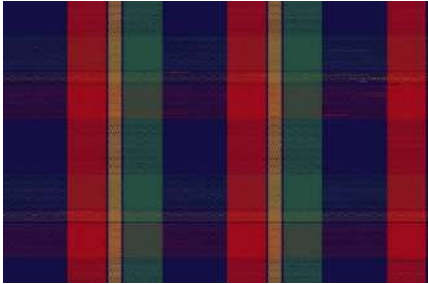


	Total	1,530.97	41.80%
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Top 5 suppliers for period ended September 30, 2018

(Amount in Rs. Lakhs)

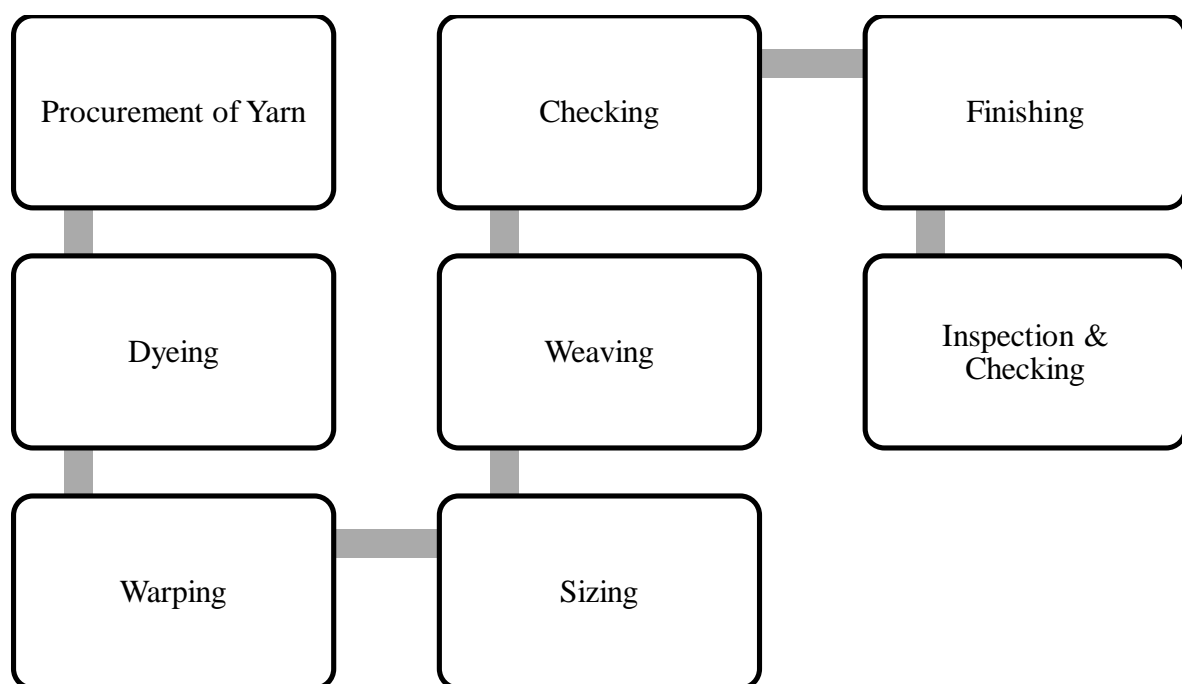
Sr. No.	Supplier Name	Amount	Percentage to Total Purchases
1.	Seema Synthetics	624.51	21.64%
2.	Pearl Polymers	488.29	16.92%
3.	Sonale Fabrics Pvt. Ltd.	305.82	10.60%
4.	Shreeji Synthetics	246.14	8.53%
5.	Purab Associates	186.27	6.46%
	Total	1,851.01	64.15%

OUR PRODUCTS

Sr. No.	Product	Image	Description
1	Cotton Fabric		Cotton fabric is popular because it's easy to care for and comfortable year-round. As the body perspires, cotton fibers absorb the moisture and release it on the surface of the fabric, so that it evaporates. In cold weather, if the fabric remains dry, the fibers retain body heat, especially the napped fabrics. Cotton is easy to clean; it can be laundered or dry-cleaned. It withstands high water temperatures, so it can be boiled and thus sterilized. It does wrinkle easily and is prone to shrinkage.
2	Linen Fabric		Linen is a textile made from the fibers of flax plant. Further, Linen is laborious to manufacture, but the fiber is very absorbent and garments made of linen are valued for their exceptional coolness and freshness in hot weather.
3	Polyester Fabric		Polyester is a category of polymers that contains the ester functional group in their main chain. As a specific material, it most commonly refers to a type called polyethylene terephthalate (PET). Natural polyesters and a few synthetic ones are biodegradable, but most synthetic polyesters are

			not. The material is used extensively in clothing.
4	Nylon Fabric		Nylon is a generic designation for a family of synthetic polymers. Nylon is a thermoplastic silky material that can be melt-processed into fibers, films or shapes.
5	Blended Fabric		Blended fabrics are created when two or more different kinds of fibres are mixed together to create a new fabric with unique properties.

OUR MANUFACTURING PROCESS



The making of Cotton and Linen fabrics requires the following process to obtain a finish product. These steps include purchasing of raw materials, dyeing, warping, sizing, drawing and weaving, checking and mending processing and inspection and checking.

1. Procurement of Yarn

Yarn is the major raw material used for the manufacturing of our fabrics. We procure the raw materials directly from the domestic market. Order for the yarn is placed on the basis of orders received from our customers and accordingly we book the category, quantity and quality of yarn from the respective vendors.



2. Dyeing

Yarns are dyed once procured. The solids, stripes and checks that we see is a resultant of using different dyed yarns in the warp and weft. Yarns are dyed in package form or hank form by the yarn dyeing process. Our Company outsources the dyeing process to nearby dyeing units in Tarapur / Bhiwandi.

3. Warping

Warping is a process of making the hank yarn to linear lengthy form in a huge warping wheel, which helps the yarn to take position of warping section for weaving. The dyed yarns are collected and spun onto the warping wheel where the yarn is counted with the length.



4. Sizing

The objective of sizing is to improve the strength of yarn by chemically binding the fibres with each other and also improve upon its friction resistance capacity by chemically coating its surface.



5. Weaving

The weaving process consists of interlacing straight yarns at right angles to one another. Warp yarns are supplied from a large reel, called a wrap beam, mounted at the back of the weaving machine. The warp thread is in the form of a sheet. The weft thread is inserted between two layers of warp sheets by means of a suitable carrier, such as, Rapier.



6. Checking

Once the weaving is completed, fabric is sent for checking to ease out any lag in the process and rectify it before further processing. Each roll of fabric is checked in the machine by a dedicated labour.



7. Finishing

The woven fabric contains impurities and thus requires further treatment in order to develop its full textile potential. Furthermore, it may receive considerable added value by applying one or more finishing processes such as washing, mercerizing, calendaring, coating, finishing etc. which result in adding the required softness, control shrinkage and fineness to the fabric. This process is outsourced to third party in nearby facilities.

8. Inspection and Checking

Our Company gives utmost importance to the quality of our final product. Hence, it is ensured that the fabric material is individually checked and ensured that it is free from any defects. It is ensured that the material manufactured is as per the required quality standards. Finishing of products involves removal of loose and unwanted threads, conformity of design and size as per the order.



OUR RAW MATERIALS

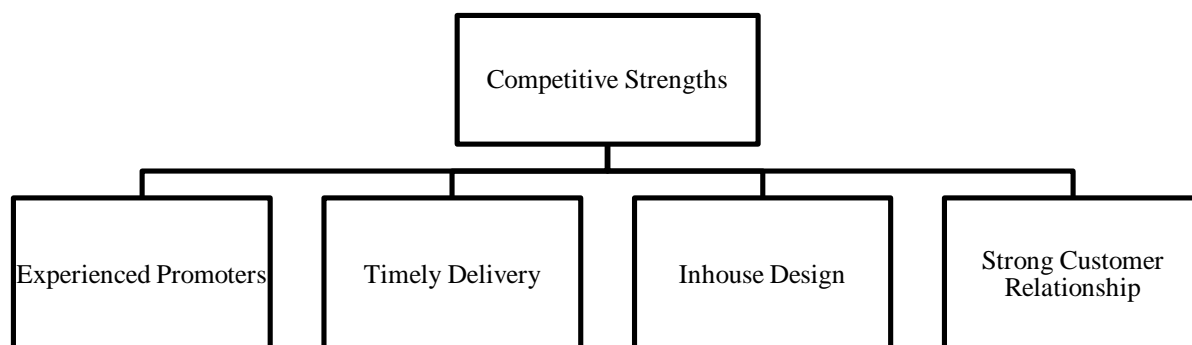
Requirement of raw material is entirely dependent on the type of order received from the customers. Product is made by using yarn as per the type of fabric required. Major raw materials required by our Company are Cotton Yarn, Cotton Linen, Cotton Lycra, flax, Linen, Nylons, Slub, etc. as per the products to be manufactured.

We place the order for the raw material as soon as the order is received from our customers. Immediately

then, the yarn details are finalised. The pricing of the yarn is generally as per the spot rate available while the delivery of the yarn takes anytime between 5 to 15 days. Procurement of the raw material is done majorly from Southern India and also from the local markets in Gujarat.

OUR COMPETITIVE STRENGTHS

We believe the following strengths have contributed to our success and will continue to be competitive advantages for us, supporting our strategy and contributing to improvements in our financial performance:



1. Experienced Promoters

The Promoters of the Company, Kashyap Gambhir and Satbinder Singh Gill have been associated with the textile industry even before the incorporation of this Company and are having an experience of more than 12 years. With their sound knowledge and experience in the industry in which we operate, our Company enjoys a strategic and sensible approach towards business decisions which have become the guiding force behind the operational and financial success of our company. They are responsible for the entire business operations of the Company along with an experienced team of professionals who assist them independently. We believe that their experience shall continue to contribute significantly to the growth of our operations.

2. Timely Delivery

Being a competitive industry, the quality of customer service we provide becomes one of the deciding factor for preference among other players. Any delay in delivery of the same impacts our customers & they refrain from giving us repeat orders, but we have tried to ensure that we do not lose any customer owing to our service and quality. We have always strived to provide the delivery of our products as per the committed time.

3. In-house Design

We believe one of our unique strength is the capability of our in-house designing. Fabric becomes more appealing with designs which are both trendy, fashion forward and to the taste of the customers. Our especially dedicated in-house designing team led by our Promoter, Satbinder Singh Gill, keeps updating our designs portfolio as per the ongoing trends. This design catalogue with numerous options is presented to customers to use in their fabric.

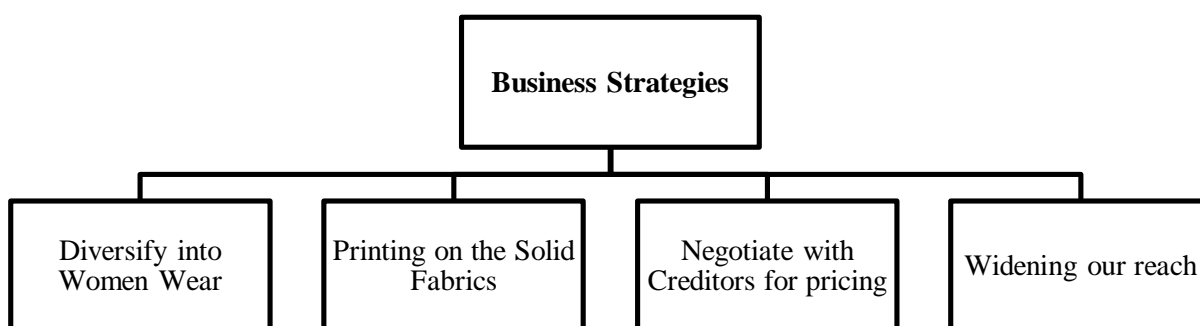
4. Strong Customer Relationship

Sales in our Industry is driven by the long-maintained customer relationship which then provided repetitive orders. Our promoters are into textile business for more than 3 decades and have built strong relationship with its customers who prefer our Company as their business partner. Further, this relationship helps with non-commercial marketing by way of “word of *mouth publicity*”. Owing to our strong relationship with these customers, we do not enter into any written agreement for our transactions with our customers, but we have never faced issues w.r.t non-acceptance of product delivery.

OUR BUSINESS STRATEGIES

Our vision is to meet the critical success factors of customers and provide superior service through clear and concise two-way communication. The goal is to build relationships through our flexibility to meet our customer's changing needs. Our Company is implementing a business strategy with the following key components. Our strategy will be to focus on capitalizing on our core strengths and expanding the operations of our business.

We intend to focus on our existing range of products with specific emphasis on the following factors as business and growth strategy:



1. Diversify into women wear

Our company is currently focusing on fabric of one particular segment, Men's Casual Shirt. With presence for over a decade now, we have built a strong customer base required for expanding our market. Going forward, our Company intends to diversify into fabric for the women wear segment, focusing on contemporary styles for Indian and boho chic categories that can be manufactured within our existing manufacturing facility avoiding the need of installation of any new machineries. Our Company expects a considerable size of business from this segment which will be margin accretive to our business.

2. Printing on the Solid Fabrics

Our company currently manufactures various types of fabric made by using varieties of yarn. These fabrics are manufactured using our in-house designs. Our Company plans to diversify into printing segment and cater to the existing and new markets. We will outsource printing facilities from a 3rd party on fabrics manufactured by us or also the fabrics sourced from outside. Our colour strength and design expertise will come in use while we cater to the printing segment.

3. Negotiate with Creditors for pricing

From the Net Proceeds of this Issue, our Company intends to utilize the money to reduce the credit period taken from our creditors and consequently negotiate with them for better pricing of raw material. This will lead to improved relationship with our creditors and financially, it will decrease the cost of raw material procured, in turn leading to improved profitability.

4. Widen our customer base

Our customer base currently are traders engaged in the business of textile who are the middlemen between fabric user (garmenters) and fabric manufacturers. To increase revenue and sales, we need to continuously add new customers to our existing system. We currently cater to unorganised retail client, but we plan to rigorously target the organised retail clients which will help us get big sized orders and better brand visibility.

SWOT ANALYSIS

Strength <ul style="list-style-type: none"> Experienced promoter in textile industry In-house designing expertise 	Weakness <ul style="list-style-type: none"> Reliability on outsourced activities Dependency on suppliers for product availability Seasonal availability of raw material
Opportunity <ul style="list-style-type: none"> Capability to expand into value added products Large demand in export and domestic market Government incentive for growth of textile sector 	Threat <ul style="list-style-type: none"> Market competition Electric Power cut Water scarcity Raw material price fluctuation

UTILITIES & INFRASTRUCTURE FACILITIES

Infrastructure Facilities

Our registered office is located at Goregaon, Maharashtra and our manufacturing unit is situated at Bhiwandi, Maharashtra.

Our registered office is well equipped with all infrastructure facilities including telecommunications, internet and other facilities, which are required for our business operations to function smoothly.

Our Registered office and manufacturing unit has facility of electricity and water provided by respective authority. Generally power requirements are met through normal distribution channels like State electricity Board.

Power

Our Company meets its power requirements for Manufacturing Unit by purchasing electricity from State Electricity Board.

Water

We require water at various manufacturing processes. Our Company procures water from third party through tankers for our production process and through tube well for drinking and other office use.

Fire Hydrant

Our Company has installed fire safety equipment to manage any fire accident at its facility.

CAPACITY UTILIZATION

Our manufacturing units are engaged in manufacturing and sale of Textile Fabrics of various yarns. The projected capacities and utilizations for the subsequent three years are set forth in the following table:

Units in sq. meters

Product Name	Installed Capacity	Actual Utilisation			Projected Utilization		
		2015-16	2016-17	2017-18	2018-19	2019 - 20	2020 – 21
Cotton Fabrics	21,00,000 Sq. Meter	10,51,860	15,58,686	14,02,817	14,62,958	14,26,106	13,87,411
Cotton Linen Blended		2,69,708	3,99,663	4,19,646	4,33,128	4,54,784	4,86,524
Linen Fabrics		13,485	19,983	20,982	22,031	23,133	24,289
Cotton Lycra		13,485	19,983	20,982	22,031	32,133	33,739
Synthetic		-	-	1,55,869	1,59,765	1,63,759	1,67,853
TOTAL		13,48,538	19,98,315	20,20,297	20,99,915	20,99,915	20,99,819

MAJOR PLANT AND MACHINERY

As on date of this Prospectus major plant and machinery of our Company are as follows:-

Name of Machinery	Quantity	Year	Vendor	Total life of Machinery	No. of Years Machinery used
Rapier Looms	19	12/12/2007	Win Worth	15 Years	10 Years
Air Jet Looms	24	16/02/2011	Tessitura Sootovento	15 Years	7 Years
Wrapping Machine	3	2007-08	Prashant Gramatex	15 Years	4 to 10 years
Folding Machine	1	22/01/2015	Gayatri	15 Years	3 Years
Coning Machine	2	2009/ 2010	Alphatex Engineering / Shri Vignesh Machine	15 Years	8 Years
Single End Sizing Machine	1	25/04/2015	Prashant Gramatex	15 Years	3 Years
Packing Machine	1	22/01/2016	Pradeep Enterprises	15 Years	2 Years
Beam Trolley	1	21/11/2011	Quality Engineering Works	15 Years	6 Years
Knotting Machine	1	2009-10	Deev Jyoti / Shiv Tex	15 Years	8 Years
Cleaning Machine	1	2015	Made locally	15 Years	3 Years
Air Compressor	5	2013-2016	Horizon Airtech	15 Years	2 Years / 5 Years
Air Compressor	1	2018-19	FX Multitech Pvt. Ltd.	15 years	-
Humidification Plant	1	2014	Best Air Firm Tamil Nadu	Not available	Not available
Goods Lift	1	2014	Star Elevators	15 Years	3 Years
Dryer	1	2014	Excal Enterprises	15 Years	3 Years
Electric Stabilizer	6	2007-2014	Made locally	15 Years	3-10 Years

COLLABORATIONS/ TIE UPS/ JOINT VENTURES

As on the date of this Prospectus, our Company has not entered into any technical or other collaboration or Tie ups or Joint venture.

EXPORT AND EXPORT OBLIGATIONS

As on date of this Prospectus, our Company have the following Export Obligation under Export Promotion Capital Goods (EPCG) Scheme:

License No.	Items	Duty Saved (in INR Lakhs)	Export Obligation (in USD Lakhs)	Balance Export Obligation (in USD Lakhs)	Period by which Export Obligation to be completed
330028987	Fabrics	23.66	4.14	4.14	March 2019

HUMAN RESOURCES

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

As of March 01, 2019, we have 71 employees who look after our business operations, factory management, administrative, secretarial, legal, marketing and accounting functions and semi-skilled labour in accordance with their respective designated goals.

Apart from these we also employ casual labour or temporary labour on need basis. Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work progress and skilled/ semi-skilled/ unskilled resources together with our strong management team have enabled us to successfully implement our growth plans.

Department wise details of employees is as under

Sr. No.	Department	No. of Employee
1.	Directors	6
2.	Accounts	6
3.	Back Office	2
4.	Designing	3
5.	Handloom Worker	1
6.	Key Managerial Personnel	2
7.	Production	4
8.	Sales & Marketing	8
9.	Factory Workers	39
Total Employee		71

SALES & MARKETING

The efficiency of the marketing and sales network is critical to the success of our Company. Our success lies in the strength of the relationship with the customers who have been associated with our Company. Our team through their relevant experience and good rapport with these customers owing to timely and quality delivery of service plays an instrumental role in creating and expanding a work platform for our Company.

We believe our relationship with our customers is strong and established as we receive repeated orders. To retain our customers, our team regularly interacts with them and focuses on gaining an insight into their additional needs. We intend to expand our existing customer base by increasing our presence in existing markets and reaching out to other geographical areas. Our marketing team is ready to take up challenges so as to scale new heights.

Our Company's marketing team develops and maintains cordial relations with our customers by continuously following – up with the existing customers and approaching new customers.

MARKETING STRATEGY

Our Company intends to focus on following marketing strategies:

- Introducing new range of products
- Participating in trade fairs and exhibitions
- Visiting Garment fairs
- Customer satisfaction
- Continuous follow-up with customers
- Develop new markets and customers

END USERS

We sell our products to the traders engaged in the textile industry. They further sell the fabric to the units engaged in the manufacturing of apparels.

COMPETITION

Our industry being a large and global industry, we face competition from various domestic and international players. The Industry which we cater to is highly competitive, organized and also fragmented with many small and medium-sized companies and entities. We compete with organized as well as unorganized sector on the basis of our capability to supply products with quality consistency, competitive pricing, catering to niche customer segment, service back up and product range, availability of product, product quality and product range with strength of customer friendly dispatches/deliveries.

Most of our competitors in the regional level are from unorganised sector of the Textile sector. We continually upgrade our competency to respond to the competitive forces effectively. We intend to continue competing vigorously to spread our market share and manage our growth in an optimal way.

Amongst listed companies, we see ourselves competing with:

1. VTM Limited
2. Donear Industries Limited

INSURANCE

Our Company has insurance coverage which we consider reasonably sufficient to cover all normal risks associated with our operations and which we believe is in accordance with the industry standards. We have taken Standard Fire & Special Perils Policy for a substantial majority of our assets at our registered office and manufacturing facility. These policies also insure us against the risk of Spontaneous Combustion and earthquake without plinth and foundation.

We believe that our insurance coverage is adequate for our business needs and operations. We will continue to review our policies to ensure adequate insurance coverage is maintained.

Policy No.	Insurer	Type of Policy	Asset Insured	Sum Assured	Policy From	Policy To
240102111 810000394	National Insurance Co. Ltd.	Standard Fire and Special Perils	Building, Plant & Machineries, Furniture, Fittings, Stocks	Rs. 2,269.00 Lakhs	July 24, 2018	July 23, 2019
240102111 810000395	National Insurance Co. Ltd.	Standard Fire and Special Perils (stocks only) - Floater	Stocks	Rs. 800.00 Lakhs	July 24, 2018	July 23, 2019
142200111 801000013 85	The New India Assurance Co. Ltd.	Standard Fire and Special Perils	Registered & Corporate Office	Rs. 35.00 Lakhs	February 01, 2019	January 31, 2020

HEALTH, SAFETY AND ENVIRONMENT

We are committed to creating and maintaining a safe work environment on an ongoing basis. We are subject to health, safety and environmental laws, regulations and certain production safety and environmental technical guidelines which govern our process and facilities. For further details, see “**Key Industry Regulations and Policies**” on page 169 of this Prospectus.

LAND AND PROPERTY


We have our properties located at following:

Lease and Licenced Properties:

S. No	Name of the Licensor	Name of the Licensee	Address of the Property	Period of Agreement	Consideration	Usage
1.	Kashyap Gambhir	Artedz Fabs Limited	206, Gambhir Industrial Estate, Off Aarey Road, Opp Paramount Print, Goregaon (East), Mumbai 400 063, Maharashtra, India	Feb 1, 2018 to Jan 31, 2021	Rs. 34,920 p.a.	Registered Office and Corporate Office
2.	Kashyap Gambhir	Artedz Fabs Limited	Unit No. T -1, Shree Rajlaxmi Complex, Bhiwandi –Nashik Road, Near Satyam Petrol Pump and Popular petrol Pump, Village –Sonale, Bhiwandi, Taluka- Bhiwandi, District – Thane, Maharashtra, India.	Feb 1, 2018 to Jan 31, 2021	Rs. 34,920 p. a.	Manufacturing facility

INTELLECTUAL PROPERTY RIGHTS

The details of trademark are as under:

Sr . No .	Trademark	Trade mark Type	Class	Applicant	Applica tion No.	Date of Applica tion	Validity/ Renewal	Registration Status
1.		Device	24	Artedz Fabs Limited	3906007	August 02, 2018	August 02, 2028	Registered

Company confirms that no other applications have been made by the Company nor has it registered any type of intellectual property including trademarks/copyrights/patents etc.

KEY INDUSTRY REGULATIONS AND POLICIES

Except as otherwise specified in this Prospectus, the Companies Act, 1956 / the Companies Act, 2013, We are subject to a number of central and state legislations which regulate substantive and procedural aspects of our business. Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye-laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in business of our Company is engaged in manufacturing and trading of textile fabrics for shirtings. Taxation statutes such as the I.T. Act, and applicable labour laws, environmental laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive, and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.

APPROVALS

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “Government and Other Statutory Approvals” beginning on page number 241 of this Prospectus.

APPLICABLE LAWS AND REGULATIONS

BUSINESS/TRADE RELATED LAWS/REGULATIONS

The Micro, Small and Medium Enterprises Development Act, 2006

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the 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 regulation) Act, 1951 as “micro enterprise”, where the investment in plant and machinery does not exceed twenty-five lakh rupees; “Small enterprise”, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a medium enterprise, where the investment in plant and machinery is more than five crore but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, “Micro – enterprise”, where the investment in equipment does not exceed ten lakh rupees, “Small Enterprise” where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or “Medium Enterprise” where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

Industrial Policy of Relevant State

The Maharashtra Industrial Policy, 2013

The Maharashtra Industrial Policy 2013 has given a special attention to encourage small scale industries. For financial stability of MSMEs (Micro Small and Medium Enterprises), the state government will provide fiscal incentives and support to less developed areas, such as 75% reimbursement of cost of water and energy admissible. There is 100% stamp duty exemption within investment period for acquiring land and for term loan purposes. Exemption from payment of electricity duty to eligible new units is also available in certain cases. Power tariff of INR 1/- per unit consumed is available for eligible new units located in Gondia, Kinvat, Chandrapur, etc. Financial incentives are available in the form of Industrial Promotion Subsidy (IPS), Interest Subsidy, Electricity duty exemption, Waiver of Stamp Duty, Power Tariff Subsidy, etc. up to 70 lacs can be utilized in the various ways. The Industrial Promotion Subsidy, which is receivable in cash as a specific percentage of net VAT and CST is also provided. Existing units can also be benefited under this scheme provided that they make 1) minimum investment in capital assets of 25%; 2) same increase in production capacity; and 3) minimum 10% increase in employment.

The Textiles Committee Act, 1963

The Textiles Committee Act, 1963 (“TCA”) was enacted in 1963. The textiles committee has been established under the TCA (hereinafter referred to as the “Textile Committee”) with the primary objective of ensuring a standard quality of textiles both for domestic and export markets as well as standardization of the type of textile machinery used for production. The Textiles Committee’s functions include, among others, the promotion of Indian textiles and textile exports, researching in technical and economic fields, establishing standards for Indian textiles and textile machinery, setting up of laboratories, and data collection. Additionally, the Textile Committee regulates the imposition of cess on textile and textile machinery that is manufactured in India under the Textiles Committee Act. The Additional Duties of Excise (Textiles and Textile Articles) Act, 1978 prescribes and provides for the levy and collection of an additional excise duty on certain textiles and textile articles.

National Textile Policy, 2000

The main objective of the National Textile Policy, 2000 (“NTxP – 2000”) was to enable the industry to attain and sustain a pre-eminent global standing in the manufacture and export of clothing. The NTxP – 2000 took note of the new challenges and opportunities presented by the changing global environment, particularly the initiation of the process of gradual phasing out of quantitative restrictions on imports and the lowering of tariff levels for an integration of the world textile and clothing markets.

Amended Technology Up-Gradation Fund Scheme

Ministry of Textiles, Government of India has notified Amended Technology Up gradation Fund Scheme (“ATUFS”) vide notification dated January 13, 2016. In order to promote ease of doing business, promote make in India and increase the employment, government will be providing credit linked Capital Investment Subsidy (CIS) under the ATUFS. The scheme would facilitate augmenting of investment, productivity, quality, employment and exports. It will also increase investment in textile industry (using benchmarked technology). Entities registered as Companies which have acknowledgment of Industrial Entrepreneur Memorandum (IEM) with DIPP except MSMEs units which will be as per ministry of MSME or units registered with the concerned Directorates of the State Government showing clearly the activity for which the unit is registered, will only be eligible to get benefits under the scheme. Only benchmarked machinery as specified will be eligible for the subsidy under the scheme. The maximum subsidy for overall investment by an individual entity under ATUFS will be restricted to Rs.30 Crore.

Anti-Trust Laws

Competition Act, 2002

An act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of agreements and Anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

The prima facie duty of the commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. The commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General he shall be punishable with a fine which may exceed to Rs. 1 lakh for each day during such failure subject to maximum of Rupees One Crore.

GENERAL CORPORATE COMPLIANCE

The Companies Act 1956 and The Companies Act, 2013

The consolidation and amendment in law relating to Companies Act, 1956 made way to enactment of Companies Act, 2013. The Companies act 1956 is still applicable to the extent not repealed and the

Companies Act, 2013 is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a One Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.

Further, Schedule V (read with sections 196 and 197), Part I lay down conditions to be fulfilled for the appointment of a managing or whole time director or manager. It provides the list of acts under which if a person is prosecuted he cannot be appointed as the director or Managing Director or Manager of the firm. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

EMPLOYMENT AND LABOUR LAWS

Contract Labour (Regulation and Abolition) Act, 1970

The Contract Labour (Regulation and Abolition) Act, 1970 ("CLRA") has been enacted to regulate the employment of contract labour in certain establishments, the regulation of their conditions and terms of service and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. The CLRA vests the responsibility on the principal employer of an establishment to which the CLRA applies to make an application to the registered officer in the prescribed manner for registration of the establishment. In the absence of registration, a contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. To ensure the welfare and health of the contract labour, the CLRA imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("the EPF Act") and the Employees Provident Fund Scheme, 1952

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

Employees Deposit Linked Insurance Scheme, 1976

The scheme shall be administered by the Central Board constituted under Section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

The Employees Pension Scheme, 1995

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

Employees' State Insurance Act, 1948 (the "ESI Act")

It is an act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government other than seasonal factories. Provided that nothing contained in this sub-section shall apply to a factory or establishment belonging to or under the control of the Government whose employees are otherwise in receipt of benefits substantially similar or superior to the benefits provided under this Act. This Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year covered to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

Payment of Gratuity Act, 1972

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf.. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five year period shall be relaxed in case of termination of service due to death or disablement.

Minimum Wages Act, 1948

The Minimum Wages Act, 1948 ("MWA") came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

Maternity Benefit Act, 1961

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in

which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

Equal Remuneration Act, 1979

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against Female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

Child Labour Prohibition and Regulation Act, 1986

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

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

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

The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an "Internal Complaints Committee" and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

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

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

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

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

TAX RELATED LEGISLATIONS

Value Added Tax ("VAT")

VAT is a system of multi-point Levy on each of the purchases in the supply chain with the facility of set-off input 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.

Maharashtra Value Added Tax Act, 2002

As per the provisions of MVAT, a dealer is liable to pay tax on the basis of turnover of sales within the State of Maharashtra. The term dealer has been defined u/s 2(8) of the Act. It includes all person or persons who buys or sells goods in the State whether for commission, remuneration or otherwise in the course of their business or in connection with or incidental to or consequential to engagement in such business. The term includes a Broker, Commission Agent, Auctioneer, Public Charitable Trusts, Clubs Association of Persons, Departments of Union Government and State Government, Customs, Port Trusts, Railways, Insurance & Financial Corporations, Transport Corporations, Local authorities, Shipping and Construction & Financials Corporations, Airlines, advertising Agencies and also any corporation, company, body or authority, which is owned, constituted or subject to administrative control of the Central Government any State Government or any local authority.

Service Tax

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of 'taxable services', as specified in entry 39 defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 5th / 6th of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the Company is required to file a half yearly return in Form ST 3 by the 25th of the month immediately following the half year to which the return relates.

Central Sales Tax Act, 1956 ("CST")

The main object of this act is to formulate principles for determining (a) when a sale or purchase takes place in the course of trade or commerce (b) When a sale or purchase takes place outside a State (c) When a sale or purchase takes place in the course of imports into or export from India, to provide for Levy, collection and distribution of taxes on sales of goods in the course of trade or commerce, to

declare certain goods to be of special importance trade or commerce and specify the restrictions and conditions to which State Laws imposing taxes on sale or purchase of such goods of special importance (called as declared goods) shall be subject. CST Act imposes the tax on interstate sales and states the principles and restrictions as per the powers conferred by Constitution.

Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. 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.

Goods and Service Tax (GST)

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination based consumption tax GST would be a dual GST with the centre and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise – goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

It is applicable on all goods except for alcohol for human consumption and five petroleum products.

Taxpayers with an aggregate turnover of Rs. 20 lakhs would be exempt from tax. The exemption threshold for special category of states like North-East shall be Rs. 10 lakhs. Small taxpayers with an aggregate turnover in preceding financial year upto Rs. 75 lakhs (50 lakhs in case of special category states) may opt for composition levy. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. There is a special rate of 0.25% on rough precious and semi-precious stones and 3% on gold. In addition a cess of 15% or other rates on top of 28% GST applies on few items like

aerated drinks, luxury cars and tobacco products. The rate of tax for CGST and SGST/UTGST shall not exceed –

- a. 2.5% in case of restaurants etc.
- b. 1% of the turnover in state/UT in case of manufacturer
- c. 0.5% of the turnover in state/ UT in case of other supplier

Export and supplies to SEZ shall be treated as zero-rated supplies. Import of goods and services would be treated as inter-state supplies. Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen digit registration number known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple location in a state, a separate application will be made for registration of each and every location. The registered assessee are then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

OTHER LAWS

The Factories Act, 1948

The Factories Act, 1948 (“Factories Act”) aims at regulating labour employed in factories. A “factory” is defined as “any premises...whereon ten or more workers are working or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power, or is ordinarily so carried on, or whereon twenty or more workers are working, or were 81 working on any day of the preceding twelve months, and in any part of which a manufacturing process is carried on without the aid of power, or is ordinarily so carried on...”. The main aim of the said Act is to ensure adequate safety measures and to promote the health and welfare of the workers employed in factories initiating various measures from time to time to ensure that adequate standards of safety, health and welfare are achieved at all the places.

Under the Factories Act, the State Government may make rules mandating approval for proposed factories and requiring licensing and registration of factories. The Factories Act makes detailed provision for ensuring sanitary conditions in the factory and safety of the workers and also lays down permissible working hours, leave etc. In addition, it makes provision for the adoption of worker welfare measures. The prime responsibility for compliance with the Factories Act and the rules thereunder rests on the “occupier”, being the person who has ultimate control over the affairs of the factory. The Factories Act states that save as otherwise provided in the Factories Act and subject to provisions of the Factories Act which impose certain liability on the owner of the factory, in the event there is any contravention of any of the provisions of the Factories Act or the rules made thereunder or of any order in writing given thereunder, the occupier and the manager of the factory shall each be guilty of the offence and punishable with imprisonment or with fine. The occupier is required to submit a written notice to the chief inspector of factories containing all the details of the factory, the owner, manager and himself, nature of activities and such other prescribed information prior to occupying or using any premises as a factory. The occupier is required to ensure, as far as it is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory.

Shops and establishments laws in various states

Under the provisions of local Shops and Establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service,

maintenance of shops and establishments and other rights and obligations of the employers and employees.

ENVIRONMENTAL LEGISLATIONS

The Environment Protection Act, 1986 ("Environment Protection Act")

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a frame work for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

Air (Prevention and Control of Pollution) Act, 1981

Air (Prevention and Control of Pollution) Act 1981("the Act") was enacted with an objective to protect the environment from smoke and other toxic effluents released in the atmosphere by industries. With a view to curb air pollution, the Act has declared several areas as air pollution control area and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Act, if a person intends to commence an industrial plant in a pollution control area.

Water (Prevention and Control of Pollution) Act, 1974

The Water (Prevention and Control of Pollution) Act 1974 ("the Act") was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution control boards constituted under the Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain prior consent of the board constituted under the Act.

Hazardous Waste (Management and Handling) Rules, 1989

The Hazardous Waste (Management and Handling) Rules, 1989, as amended, impose an obligation on each occupier and operator of any facility generating hazardous waste to dispose of such hazardous wastes properly and also imposes obligations in respect of the collection, treatment and storage of hazardous wastes. Each occupier and operator of any facility generating hazardous waste is required to obtain an approval from the relevant state pollution control board for collecting, storing and treating the hazardous waste.

The Public Liability Insurance Act, 1991

This Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

National Environmental Policy, 2006

The Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

INTELLECTUAL PROPERTY LEGISLATIONS

In general, the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- Indian Copyright Act, 1957
- The Trade Marks Act, 1999
- Designs Act, 2000

Indian Patents Act, 1970

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

The Copyright Act, 1957

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

Trade Marks Act, 1999

The Trade Marks Act, 1999 (the “Trade Marks Act”) provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The Trade Marks Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

Designs Act, 2000

The Design Act, 2000 came into force in May 2001 to consolidate and amend the law relating to protection of designs. A design refers to the features of shape, configuration, pattern, ornamentation or composition of lines or colours applied to any article, in two or three dimensional or both forms. In

order to register a design, it must be new and original and must not be disclosed to the public anywhere in India or any other country by publication in tangible form or in any other way prior to the filing date. A design should be significantly distinguishable from known designs or combination of known designs in order for it to be registerable. A registered design is valid for a period of 10 years after which can be renewed for a second period of 5 years, before the expiration of the original period of 10 years. After such period the design is made available to the public by placing it in the public domain.

GENERAL LAWS

- Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986 are also applicable to the company.

OTHER LAWS:

Foreign Trade (Development and Regulation) Act, 1992

The Development and Regulation of foreign trade by facilitating imports and exports from and to India. The Import-Export Code number and licence to import or export includes a customs clearance permit and any other permission issued or granted under this act. The Export and Import policy, provision for development and regulation of foreign trade shall be made by the Central Government by publishing an order. The Central Government may also appoint Director General of Foreign Trade (DGFT) for the purpose of Export-Import Policy formulation.

If any person makes any contravention to any law or commits economic offence or imports/exports in a manner prejudicial to the trade relations of India or to the interest of other person engaged in imports or exports then there shall be no Import Export Code number granted by Director-General to such person and if in case granted shall stand cancelled or suspended. Provision of search and seizure of Code of Criminal Procedure, 1973 shall apply to every search and seizure made under this Act. In case of appeals in a case the order made by the appellate authority shall be considered to be final. The powers of 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 Exchange Management Act, 1999

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999(“FEMA”) and the rules and regulations promulgated there under. The act aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services

shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

FEMA Regulations

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 ("**FEMA Regulations**") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce & Industry, Government of India.

THE FOREIGN DIRECT INVESTMENT

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("**FDI**") through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("**DIPP**"), has issued consolidated FDI Policy Circular of 2017 ("**FDI Policy 2017**"), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India ("**RBI**") also issues Master Directions Foreign Investment in India and updates at the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including the filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore, applicable foreign investment up to 100% is permitted in our company under automatic route.

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Our Company was originally incorporated as “Artedz Fabs Private Limited” at Mumbai, Maharashtra as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated August 08, 2006 bearing Corporate Identification Number U17299MH2006PTC163645 issued by Registrar of Companies, Mumbai, Maharashtra. Subsequently, our Company was converted into a Public Limited Company pursuant to special resolution passed by the members in Extra Ordinary General Meeting of our Company held on January 18, 2018 and the name of our Company was changed to “Artedz Fabs Limited.” A fresh certificate of incorporation consequent upon conversion of Private Company to Public Limited Company dated February 19, 2018 was issued by Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of our Company is U17299MH2006PLC163645.

Kashyap Gambhir, Deepika Gambhir, Rashmin Shah, and Satbinder Singh Gill were initial subscribers to our Company. Rashmin Shah had transferred his entire shareholding i.e. 3,00,583 Equity Shares to Satbinder Singh Gill and Kashyap Gambhir on February 20, 2018 and February 28, 2018 i.e. 3,00,000 Shares and 583 Shares, respectively. For further details in this regard please refer chapter titled *Capital Structure*” on page 103 of this Prospectus.

Kashyap Gambhir and Satbinder Singh Gill are the promoters of our Company.

Our Company is engaged in the business of manufacturing of cotton and blended fabrics for men's wear, women's wear as well as made ups.

For information on our Company's profile, activities, market, products, etc., market of each segment, standing of our Company in comparison with prominent competitors, with reference to its products, management, managerial competence, technology, market, major suppliers and customers, environmental issues, geographical segment, etc. wherever applicable, please refer to this chapter and chapters titled “*Our Business*”, “*Our Industry*”, “*Financial Statements as Restated*”, “*Management's Discussion and Analysis of Financial Condition and Results of Operation*”, “*Government and Other Statutory Approvals*” beginning on page 153, 132, 209, 210 and 241 respectively of this Prospectus.

CHANGES IN REGISTERED OFFICE OF OUR COMPANY

There has not been any change in the registered office of our Company since incorporation. Our Company's registered office is situated at 206, Gambhir Industrial Estate, Off Aarey Road, Opp. Paramount Print, Goregaon (East), Mumbai, 400 063, Maharashtra, India.

KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

Financial Year	Events
2006	Incorporation of Our Company as private limited company under the name and style of “Artedz Fabs Private Limited”.
2018	Conversion of Company from Private Limited Company to Public Limited Company

MAIN OBJECT OF THE COMPANY

The main object of our Company, as contained in our Memorandum of Association, is as set forth below:

“To carry on the business of manufacturing, designing, producing, processing, reprocessing, dealing, dyeing, bleaching, reeling, winding, printing, mercerizing, combing, colouring, embroidering, blending, preparing, spinning, weaving, finishing, calendaring, sizing, processing, purchasing, selling, trading, exporting, importing, distributing and/or otherwise to act as printing agents, buying and selling agents, wholesale and retail dealers and commission agents, showroom owners, intending agents, and dealing in all types of textiles goods, dress materials, sarees, fabrics, clothes, yarns, made on powerloom, handloom or mill by man made or natural materials like silk, artsilk, nylon, cotton, velvets, chiffon,

georgette, gabardine, terry fabrics, suitings, shirtings, wool, viscose, ramie, polyster, rayon, jute, hemo, linen, flax staple fibres, terecotton, filaments, acrylics, cellulose, dropping, spun and/or, synthetic fibre or man made fibres, cottons, hosiery and filaments or raw materials thereof or any other related materials substances and goods, whether textile, felted, netted, embroidered or looped or otherwise and making and preparing of vitriol, bleaching and dyeing materials and substances and all kinds of ready made garments and fashion wears, daily wears, sportswears, wearing apparels, underwears, activewear.”

AMENDMENTS TO THE MOA OF OUR COMPANY SINCE INCORPORATION

Since incorporation, the following changes have been made to our Memorandum of Association.

Date of Shareholder's Approval	Amendment
January 20, 2007	The authorized share capital of Rs. 1,00,000 consisting 10,000 Equity Shares of Rs. 10/- each was increased to Rs. 1,00,00,000 consisting of 10,00,000 Equity Shares of Rs. 10/- each.
March 16, 2009	The authorized share capital of Rs. 1,00,00,000 consisting 10,00,000 Equity Shares of Rs. 10/- each was increased to Rs. 2,00,00,000 consisting of 20,00,000 Equity Shares of Rs. 10/- each.
August 01, 2011	The authorized share capital of Rs. 2,00,00,000 consisting 20,00,000 Equity Shares of Rs. 10/- each was increased to Rs. 3,00,00,000 consisting of 30,00,000 Equity Shares of Rs. 10/- each.
February 05, 2013	The authorized share capital of Rs. 3,00,00,000 consisting 30,00,000 Equity Shares of Rs. 10/- each was increased to Rs. 6,00,00,000 consisting of 60,00,000 Equity Shares of Rs. 10/- each.
February 18, 2015	1. The authorized share capital of Rs. 6,00,00,000 consisting 60,00,000 Equity Shares of Rs. 10/- each was increased to Rs. 6,50,00,000 consisting of 65,00,000 Equity Shares of Rs. 10/- each. 2. Adoption of new set of Memorandum of Association in accordance with the provisions of Companies Act, 2013
September 05, 2017	The authorized share capital of Rs. 6,50,00,000 consisting of 65,00,000 Equity Shares of Rs. 10/- each was increased to Rs. 12,50,00,000 consisting of 1,25,00,000 Equity Shares of Rs. 10/- each.
January 18, 2018	Conversion of our Company from Private Limited Company to Public Limited Company and Clause I of the Memorandum of Association of the Company changed to reflect changed name of the Company as Artedz Fabs Limited on conversion of Company into a public Company.

COUNTRY WISE EXPORT SALES

Our Company does not have any export sales.

HOLDING/SUBSIDIARY COMPANY OF OUR COMPANY

Our Company has no holding and/or subsidiary company as on this date of filing of this Prospectus.

PROMOTERS OF OUR COMPANY

The promoters of our Company are Kashyap Gambhir and Satbinder Singh Gill. For details, see “*Our Promoter and Promoter Group*” beginning on page 200 of this Prospectus.

CAPITAL RAISING ACTIVITIES THROUGH EQUITY OR DEBT

For details regarding our capital raising activities through equity and debt, refer to the section titled “*Capital Structure*” beginning on page 103 of this Prospectus.

INJUNCTIONS OR RESTRAINING ORDERS

The Company is not operating under any injunction or restraining order.

MERGERS AND ACQUISITIONS IN THE HISTORY OF OUR COMPANY

There has been no merger and acquisition of businesses and undertakings in the history of our Company

SHAREHOLDERS AGREEMENTS

Our Company has not entered into any shareholders agreement as on date of filing of this Prospectus.

OTHER AGREEMENTS

Our Company has not entered into any agreements/arrangement except under normal course of business of the Company, as on the date of filing of this Prospectus.

STRATEGIC/ FINANCIAL PARTNERS

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

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 Prospectus.

CONVERSION OF LOANS INTO EQUITY SHARES

There have been no incident of conversion of loans availed from financial institutions and banks into Equity Shares as on the date of this Herring Prospectus.

CHANGE IN ACTIVITIES OF OUR COMPANY IN THE LAST FIVE YEARS

There has been no change in the activities of our Company during the last five years.

STRIKES AND LOCKOUTS

There have been no strikes or lockouts in our Company since incorporation.

REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation and has not issued any Equity Shares including bonus shares by capitalizing any revaluation reserves.-

TIME AND COST OVERRUNS IN SETTING UP PROJECTS

As on the date of this Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

NUMBER OF SHAREHOLDERS

Our Company has 19 shareholders as on date of this Prospectus.

DETAILS OF PAST PERFORMANCE

For details in relation to our financial performance in the previous five financial years, including details of non-recurring items of income, refer to section titled “Financial Statements” beginning on page 209 of this Prospectus.

BUSINESS INTEREST BETWEEN OUR COMPANY AND OUR SUBSIDIARIES

Except as disclosed in “Related Party Transactions” on page 207 we do not have any Subsidiary, Holding Company which has any business interest in our Company.

SIGNIFICANT SALE/PURCHASE BETWEEN OUR SUBSIDIARY/ASSOCIATE/HOLDING/JV AND OUR COMPANY

We do not have any Subsidiary, Holding, Joint Venture and Associate Company as on date of filing this Prospectus.

DEFUNCT/ STRUCK OFF COMPANY

Neither the Company nor any of our Group Companies have become defunct or have been struck off as on the date of filing of this Prospectus.

OUR MANAGEMENT

BOARD OF DIRECTORS

Under our Articles of Association, Our Company is required to have not less than 3 directors and not more than 15 directors, subject to the applicable provisions of the Companies Act. Our Company currently has 6 directors on its Board.

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

Sr. No.	Name, Age, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of last Appointment/ Re-appointment	Other Directorship
1.	Name: Kashyap Gambhir Age: 51 Years Father's Name: Pran Gambhir Designation: Chairman & Managing Director Address: D/1002, Vikas Park, Mith Chowky Junction, Marve Road, Malad (West), Mumbai – 400064, Maharashtra, India. Occupation: Business Nationality: Indian Term: Five Years w.e.f. January 01, 2018 DIN: 00512674	Appointed as Director on August 08, 2006 Re – appointed as Chairman and Managing Director w.e.f. January 01, 2018	Public Limited Company – Nil Private Limited Company – - Synsilva Synthetics Private Limited - Toron Fabs Private Limited
2.	Name: Satbinder Singh Gill Age: 48 Years Father's Name: Ranjeet Singh Gill Designation: Whole Time Director Address: C/402, Shanti Complex, Tunga Village, Saki Vihar Road, Powai Mumbai - 400072 Maharashtra, India Occupation: Business Nationality: Indian Term: Five Years w.e.f. January 18, 2018 DIN: 00512666	Appointed as Director on August 08, 2006 Re - appointed as Whole Time Director on January 18, 2018	Public Limited Company – Nil Private Limited Company – Nil
3.	Name: Deepika Gambhir Age: 51 Years Husband's Name: Kashyap Gambhir Designation: Executive Director Address: D/1002, Vikas Park, Mith Chowky Junction, Marve Road, Malad (West), Mumbai – 400064, Maharashtra, India. Occupation: Business Nationality: Indian Term: Liable to retire by rotation DIN: 00512676	Appointed as Additional Director on November 17, 2017 Regularised as Executive Director on December 26, 2017	Public Limited Company – Nil Private Limited Company – – Toron Fabs Private Limited
4.	Name: Amita Nyaynit Age: 36 Years	Appointed as Additional Director	Public Limited Company – Nil

Sr. No.	Name, Age, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of last Appointment/ Re-appointment	Other Directorship
	Father's Name: Bhagwanta Chandra Nyaynit Designation: (Non –Executive) Director Address: Building No. 227, Room No. 8884, Kannamwar Nagar 1, Tagore Nagar, Vikhroli (East), Mumbai – 400 083 Maharashtra, India Occupation: Business Nationality: Indian Term: Liable to retire by rotation. DIN: 08063284	(Non Executive) on January 30, 2018 Regularised as Director (Non Executive) on August 24, 2018	Private Limited Company – Nil
5.	Name: Mrugank Gohil Age: 31 Years Father's Name: Mahendra Gohil Designation: Independent Director Address: C- 211, Libra Building, Off Marve Road, Near Lower Kharodi, Malad West, Mumbai -400 095, Maharashtra, India. Occupation: Business Nationality: Indian Term: For a term of 5 years w.e.f. November 17, 2017 DIN: 07981022	Appointed as Additional Independent Director on November 17, 2017 Regularised as Independent Director on December 26, 2017	Public Limited Company – Nil Private Limited Company – Nil
6.	Name: Shirish Rampure Age: 27 Years Father's Name: Prakash Baburao Rampure Designation: Independent Director Address: Plot No. – 68, Kalamba Road, Near Panyachi taki, Salokhe Nagar, Karvir, Kolhapur -416007, Maharashtra, India Occupation: Business Nationality: Indian Term: For a term of 5 years w.e.f. November 17, 2017 DIN: 07995861	Appointed as Additional Director on November 17, 2017 Regularised as Independent Director on December 26, 2017	Public Limited Company – Nil Private Limited Company – Nil

BRIEF BIOGRAPHIES OF OUR DIRECTORS

Kashyap Gambhir, Promoter, Chairman and Managing Director

Kashyap Gambhir, aged 51 years is the Promoter, Chairman and Managing Director of our Company. He has been appointed as a director of our Company since incorporation and has been Re - appointed as Chairman and Managing Director w.e.f January 01, 2018. He has completed his Bachelor of Science from University of Bombay, Maharashtra. He has experience of more than 12 years in Textile Industry. He looks into overall Management, Finance, Banking Planning & Strategy, Research & Development activities of the Company.

Satbinder Singh Gill, Promoter and Whole Time Director

Satbinder Singh Gill, aged 48 years is the Promoter and Whole Time Director of our Company. He has been appointed as director of our Company since incorporation and has been Re - appointed as Whole Time Director w.e.f January 18, 2018. He has completed the short term training course in Textile Designing from The Silk and Art Silk Mill's Research Association, Bombay. He has experience of more than 12 yaers in Textile Industry. He looks after Research & Development, Textile Designing and Quality Control unit of the Company.

Deepika Gambhir, Executive Director

Deepika Gambhir, aged 51 years is an Executive Director of our Company. She has been appointed as Additional Director on November 17, 2017 and has been regularised as Executive Director on December 26, 2017. She has completed her Bachelor of Science from University of Bombay. She looks after marketing and research activities of the Company.

Amita Nyaynit, Non – Executive Director

Amita Nyaynit, aged 36 years is a Non – Executive Director of our Company. She was appointed as Additional (Non – Executive) Director w.e.f. January 30, 2018 and was regularised as a Director on August 24, 2018. She has completed her Bachelor of Science from University of Mumbai and Master of Business Administration from Sikkim Manipal University.

Mrugank Gohil, Independent Director

Mrugank Gohil, aged 31 years is and Independent Director of our Company. He was appointed as Additional Director on November 17, 2017 and has been regularised as Independent Director on December 26, 2017. He has completed his Bachelor of Commerce from University of Mumbai.

Shirish Rampure, Independent Director

Shirish Rampure, aged 27 years is Independent Director of our Company. He is appointed as Additional Director on November 17, 2017 and has been regularised as Independent Director on December 26, 2017. He has completed his Master of Science in Industrial Microbiology from Swami Ramanand Teerth Marathwada University, Nanded.

CONFIRMATIONS

As on the date of this Prospectus:

1. Except as stated below; none of the Directors of the Company are related to each other as per section 2(77) of the Companies Act, 2013

Directors	Other Directors	Relation
Kashyap Gambhir	Deepika Gambhir	Spouse

2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of the above mentioned Directors are on the RBI List of willful defaulters. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) or (b) delisted from the stock exchanges during the term of their directorship in such companies.
5. None of the Promoter, 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.

REMUNERATION/COMPENSATION PAID TO DIRECTORS

Except as mentioned below, no other current Directors have received remuneration during the last financial year ended on March 31, 2018.

Name of the Directors	Amount (in Lakhs)
Kashyap Gambhir	24.00
Satbinder Singh Gill	13.80
Deepika Gambhir	18.00

Terms and conditions of employment of our Managing Director:

Kashyap Gambhir

Kashyap Gambhir, is the Managing Director of our Company and has been appointed for a period of 5 years with effect from January 01, 2018. He is entitled for remuneration as per terms and conditions mentioned in the Agreement dated January 25, 2018 entered between our company and Managing Director. The terms and conditions of appointment of Managing Director are given below:

Remuneration	Rs. 2.00 lacs per month
Term of Appointment	For a period of 5 years with effect from January 01, 2018
Perquisites	<p><i>Provident fund and superannuation:</i></p> <p>A. Company's contribution towards provident fund as per rules of the company, but not exceeding 12% of salary and Company's contribution towards superannuation fund which shall not, together with the Company's contribution to provident fund, exceed 12%.</p> <p>B. Gratuity payable at the rate of half month's salary for each completed year of service with a service of six months or more being treated as a full year.</p> <p>C. Encashment of leave at the end of tenure.</p> <p><i>Other perquisites as provided below:</i></p> <p>I. The Managing Director will be provided with a car and driver for use on Company's business. Use of car for private purpose will be billed by the Company.</p> <p>II. The Company shall reimburse actual entertainment and traveling expenses incurred by the Managing Director in connection with the Company's business.</p>

However, the total managerial remuneration payable to the director shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time (i.e as per section 1 of Part II of Schedule V) or whether in case in any financial year, during his currency of tenure of a managerial person, the Company has no profits or its profits are inadequate, it may without approval of Central Government pay, the remuneration to above managerial personnel not exceeding the ceiling (not exceeding the highest of the limit prescribed under section 2 of Part II of Schedule V of the Act.

Terms and conditions of employment of our Whole Time Director:

Satbinder Singh Gill

Satbinder Singh Gill, aged 47 years is Whole Time Director of our Company and has been appointed for a period of 5 years w.e.f. January 18, 2018. He is entitled for remuneration as per terms and conditions mentioned in the Agreement dated January 25, 2018 entered between our company and Whole Time Director. The terms and conditions of appointment of Whole Time Director are given below:

Remuneration	Rs. 1,15,000 per month
Term of Appointment	For a period of 5 years w.e.f. January 18, 2018
Perquisites	<i>Provident fund and superannuation:</i>

	<p>A. Company's contribution towards provident fund as per rules of the company, but not exceeding 12% of salary and Company's contribution towards superannuation fund which shall not, together with the Company's contribution to provident fund, exceed 12%.</p> <p>B. Gratuity payable at the rate of half month's salary for each completed year of service with a service of six months or more being treated as a full year.</p> <p>C. Encashment of leave at the end of tenure.</p> <p>Other perquisites as provided below:</p> <p>I. The Whole Time Director will be provided with a car and driver for use on Company's business. Use of car for private purpose will be billed by the Company.</p> <p>II. The Company shall reimburse actual entertainment and traveling expenses incurred by the Managing Director in connection with the Company's business.</p>
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Terms and conditions of employment of our Executive Directors

Executive Directors of our company may be paid remuneration, commission and any other amounts as may be decided by our board in accordance with the provisions of the Articles of Association, the Companies Act, 2013 and their appointment letters and other applicable laws and regulations.

However, the total managerial remuneration payable to the director shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time (i.e as per section 1 of Part II of Schedule V) or whether in case in any financial year, during his currency of tenure of a managerial person, the Company has no profits or its profits are inadequate, it may without approval of Central Government pay, the remuneration to above managerial personnel not exceeding the ceiling (not exceeding the highest of the limit prescribed under section 2 of Part II of Schedule V of the Act.

Sitting Fees

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

OTHER CONFIRMATIONS

As on the date on this Prospectus:

1. There is no contingent or deferred compensation payable to any Director, Managing Director which has accrued for this year and payable in current or any future period.
2. No compensation was paid to any Director pursuant to bonus or profit sharing plan.

SHAREHOLDING OF OUR DIRECTORS IN THE COMPANY

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

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

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Kashyap Gambhir	18,35,582	29.37	21.44%
2.	Deepika Gambhir	9,85,500	15.77	11.51%
3.	Satbinder Singh Gill	5,50,583	8.81	6.43%
Total		33,71,665	53.95	39.39

INTERESTS OF DIRECTORS

Interest in promotion of our Company

Directors of our Company viz. Kashyap Gambhir and Satbinder Singh Gill, are interested in the promotion of the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. For further details, refer to chapter titled *“Our Promoter and Promoter Group”* beginning on page 200 of this Prospectus.

Interest in the property of our Company

Except as stated/referred to in the heading titled *“Land and Properties”* under the chapter titled *“Our Business”* beginning on page 153 and chapter titled *“Related Party Transaction”* on page 207 of the Prospectus, our Directors have not entered into any contract, agreement or arrangements within a period of two years preceding the date of Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them. Further our Directors do not have any interest in any immovable property to be acquired by the Company except otherwise disclosed in the heading titled *“Land and Properties”* under the chapter titled *“Our Business”* beginning on page 153 of the Prospectus.

Interest as member of our Company

As on date of this Prospectus, our Directors together hold 33,71,665 Equity Shares in our Company i.e. 53.95% of the pre Issue paid up Equity Share capital of our Company. Therefore, our Directors are interested to the extent of their respective shareholding and the dividend declared, if any, by our Company.

Interest as a Creditor of our Company

As on the date of this Prospectus, our Company has availed loans from the Directors of our Company. For further details, refer to chapter titled *“Financial Indebtedness”* and heading titled *“Related Party Transactions”* under chapter titled *“Financial Statements as Restated”* beginning on page 229 and 209 respectively of this Prospectus

Interest as Director of our Company

Except as stated in the chapters titled *“Our Management”*, *“Financial Statements as Restated”* and *“Capital Structure”* beginning on pages 185, 209 and 103 respectively, of this Prospectus our Directors, may deemed to be interested to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of agreements entered into with our Company, if any and AoA of our Company.

Interest as Key Managerial Personnel of our Company

Kashyap Gambhir, Chairman and Managing Director and Satbinder Singh Gill, Whole Time Director of the Company are the Key Managerial Personnel of the Company and may deemed to be interested to the extent of remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of agreement entered into with our Company, if any and AoA of our Company and to the extent of Equity Shares held by them in our Company. They may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares. Other than as disclosed above, no other Director is interested as Key Managerial Personnel of the Company. For further details, please refer to heading titled *“Related Party Transactions”* under chapter titled *“Financial Statements as Restated”* beginning on page 209 of this Prospectus.

Interest in transactions involving acquisition of land

Our Directors are not currently interested in any transaction with our Company involving acquisition of land. Except as stated/referred to under the heading titled *“Land and Property”* under chapter titled *“Our Business”* beginning on page 153 of this Prospectus, our Directors have not entered into any contract, agreement or arrangements in relation to acquisition of property, since incorporation in which

the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to him.

Other Indirect Interest

Except as stated in chapter titled “*Financial Statements as Restated*” beginning on page 209 of this Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Directors.

Interest in the Business of Our Company

Except as stated in “*Related Party Transactions*” in the chapter titled “*Financial Statements as Restated*” beginning on page 209 of this Prospectus, our Directors do not have any other interests in our Company as on the date of this Prospectus.

SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES

Our Company does not have any associate or subsidiary company as on date of filing of this Prospectus.

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Following are the changes in directors of our Company in last three years prior to the date of this Prospectus:

Name	Date of event	Nature of event	Reason
Rashmin Shah	November 17, 2017	Cessation	Resignation from Directorship
Deepika Gambhir	November 17, 2017	Appointment	Appointed as Additional (Executive) Director
Mrugank Gohil	November 17, 2017	Appointment	Appointed as Additional (Independent) Director
Shirish Rampure	November 17, 2017	Appointment	Appointed as Additional (Independent) Director
Deepika Gambhir	December 26, 2017	Regularisation	Regularised as Executive Director
Mrugank Gohil	December 26, 2017	Regularisation	Regularised as Independent Director
Shirish Rampure	December 26, 2017	Regularisation	Regularised as Independent Director
Kashyap Gambhir	January 01, 2018	Re - Appointment	Re - appointed as Chairman And Managing Director
Satbinder Singh Gill	January 18, 2018	Re - Appointment	Re - appointed as Whole Time Director
Amita Nyaynit	January 30, 2018	Appointment	Appointed as Additional (Non – Executive) Director
Amita Nyaynit	August 24, 2018	Regularisation	Regularised as Director (Non Executive)

BORROWING POWERS OF THE BOARD

Pursuant to a special resolution passed at the Extraordinary General Meeting of our Company held on April 14, 2018 and pursuant to provisions of Section 180(1)(a) and 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under and the Board of Directors (including committees) of the Company be and is hereby authorized to borrow money on such terms and conditions as may be considered and suitable by the Board of Directors up to a limit of Rs.100.00 Crores notwithstanding that the money(s) to be borrowed together with the money(s) already borrowed by the Company (apart from the Temporary Loans obtained from the Company’s Bankers in the ordinary course of business) may exceed the aggregate of the Paid-up Capital of the Company and its Free Reserves of the Company.

CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013 with respect to corporate governance, provisions of the SEBI Listing Regulations will also be complied with the extent applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchange.

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 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, the Board's Supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full board or through the various committees constituted to oversee specific operational areas.

As on the date of this Prospectus, there are Six Directors on our Board out of which more than one third are independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013, particularly, in relation to appointment of Independent Directors to our Board and constitution of Board-level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations, the Equity Listing Agreements and the Companies Act, 2013.

The following committees have been constituted in terms of SEBI Listing Regulations and the Companies Act, 2013.

- A. Audit Committee
- B. Stakeholders Relationship Committee
- C. Nomination and Remuneration Committee

A) Audit Committee

Our Company has constituted an audit committee ("**Audit Committee**"), as per section 177 of the Companies Act 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; vide resolution passed at the meeting of the Board of Directors held on April 20, 2018.

The terms of reference of Audit Committee adheres to the requirements of Regulation 18 of the Listing Agreement, proposed to be entered into with the Stock Exchange in due course. The committee presently comprises the following three (3) directors:

Name of the Director	Status	Nature of Directorship
Mrugank Gohil	Chairman	Independent Director
Shirish Rampure	Member	Independent Director
Kashyap Gambhir	Member	Chairman and Managing Director

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

The Audit Committee shall have following powers:

- a. To investigate any activity within its terms of reference;
- b. To seek information from any employee;
- c. To obtain outside legal or other professional advice; and
- d. To secure attendance of outsiders with relevant expertise if it considers necessary.

The Audit Committee shall mandatorily review 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.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The role of the Audit Committee not limited to but includes:

1. 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.
2. 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.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - i. 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;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;
 - v. Compliance with listing and other legal requirements relating to financial statements;
 - vi. Disclosure of any related party transactions;
 - vii. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Draft Red Herring Prospectus / Red Herring Prospectus /Prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence, performance and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors any significant findings and follow up there on.

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
18. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.
19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board.
20. 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.
21. To investigate any other matters referred to by the Board of Directors.
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Meeting of Audit Committee and relevant Quorum

The audit committee shall meet at least 4 times in a year and not more than 4 months shall elapse between 2 meetings. The quorum shall be either 2 members or one third of the members of the Audit Committee whichever is greater, but there shall be a minimum of 2 Independent Directors, who are members, present.

B) Stakeholder's Relationship Committee

Our Company has constituted a shareholder / investors grievance committee ("*Stakeholders' Relationship Committee*") to redress complaints of the shareholders. The Stakeholders' Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on April 20, 2018.

The Stakeholders' Relationship Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Shirish Rampure	Chairman	Independent Director
Mrugank Gohil	Member	Independent Director
Amita Nyaynit	Member	Director (Non Executive)

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Stakeholders' Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The scope and function of the Stakeholder's Relationship Committee and its terms of reference shall include the following:

A. Tenure: The Stakeholder's Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder's Relationship Committee as approved by the Board.

B. Meetings: The Stakeholder's Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on quarterly basis

regard the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.

C. Role of the Stakeholder's Relationship Committee:

The Committee shall consider and resolve grievances of security holders, including but not limited to:

1. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized.
2. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and
3. Review the process and mechanism of redressal of Shareholders /Investors grievance and suggest measures of improving the system of redressal of Shareholders /Investors grievances.
4. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
5. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
6. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.
7. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting.
8. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

C) Nomination and Remuneration Committee

Our Company has constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on April 20, 2018. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Shirish Rampure	Chairman	Independent Director
Mrugank Gohil	Member	Independent Director
Amita Nyaynit	Member	Director (Non Executive)

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

The scope and function of the Committee and its terms of reference shall include the following:

1) Tenure: The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

2) Meetings: The committee shall meet as and when the need arise for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. Meeting of the Nomination and Remuneration Committee shall be called by at least seven day's notice in advance.

3) Role of the Nomination and Remuneration Committee not limited to but includes:

- i. Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration for directors, KMPs and other employees.

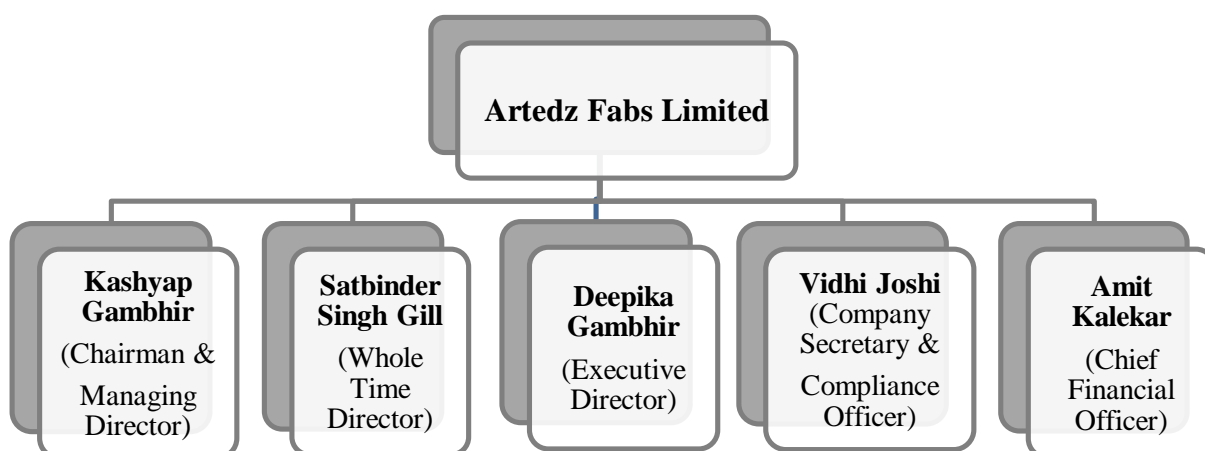
- ii. Identifying persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- iii. Formulation of criteria for evaluation of performance of independent directors and Board of Directors
- iv. Devising a policy on diversity of board of directors
 - v. Deciding on, whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- vi. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
- vii. Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- viii. Decide the amount of Commission payable to the Whole time Director / Managing Directors.
- ix. Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.
- x. To formulate and administer the Employee Stock Option Scheme.

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading:

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on National Stock Exchange of India Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. Further, Board of Directors at their meeting held on April 20, 2018 have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

Vidhi Joshi, Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the board.

ORGANISATIONAL STRUCTURE



KEY MANAGERIAL PERSONNEL

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

The details of our Key Managerial Personnel are set out below:

Kashyap Gambhir, Promoter, Chairman and Managing Director

Kashyap Gambhir, aged 51 years is the Promoter, Chairman and Managing Director of our Company. He has been appointed as director of our Company since incorporation and has been Re - appointed as Chairman and Managing Director w.e.f January 01, 2018. He has completed his Bachelor of Science from University of Bombay, Maharashtra. He looks into overall Management, Finance, Banking Planning & Strategy and Research & Development of the Company.

Satbinder Singh Gill, Promoter and Whole Time Director

Satbinder Singh Gill, aged 48 years is the Promoter and Whole Time Director of our Company. He has been appointed as director of our Company since incorporation and has been Re - appointed as Whole Time Director w.e.f January 18, 2018. He has completed the short term training course in Textile Designing from The Silk and Art Silk Mill's Research Association, Bombay. He looks after Research & Development, Textile Designing and Quality Control unit of the Company.

Amit Kalekar, Chief Financial Director

Amit Kalekar, aged 38 years is Chief Financial Officer of our company. He has been appointed as Chief Financial Officer with effect from November 17, 2017. He has completed his Bachelor of Arts from Shivaji University, Kolhapur. He looks after the Accounts, Finance and Taxation department of the company. In the fiscal year 2018, he has been paid remuneration of Rs. 1.05 Lakhs.

Vidhi Joshi, Company Secretary and Compliance Officer

Vidhi Joshi, aged 28 years is Company Secretary and Compliance Officer of our company. She has been appointed as Company Secretary and Compliance Officer with effect from November 01, 2017. She is a Company Secretary by profession and is an Associate member of Institute of Company Secretaries of India. She is entrusted with the responsibility of handling Legal and Corporate Secretarial Department of the Company. In the fiscal year 2018, she has been paid remuneration of Rs. 0.92 Lakhs.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

None of the key managerial personnel are related to the each other within the meaning of Section 2(77) of the Companies Act, 2013. All of Key Managerial Personnel are permanent employees of our Company.

RELATIONSHIP OF DIRECTORS AND PROMOTER BETWEEN KEY MANAGERIAL PERSONNEL

Except as stated below, none of the key managerial personnel are related to the Promoter and Directors within the meaning of Section 2 (77) of the Companies Act, 2013. All of Key Managerial Personnel are permanent employees of our Company.

Name of the Director	Name of the Key Managerial Personnel	Relationship
Amita Nyaynit	Amit Kalekar	Spouse

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

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

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Except as mentioned below, none of our Key Managerial Personnel holds any Equity shares of our company as on the date of this Red Herring Prospectus:

Sr. No.	Name of the KMPs	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Kashyap Gambhir	18,35,582	29.37%	21.44%
2.	Satbinder Singh Gill	5,50,583	8.81%	6.43%
	Total	23,86,165	38.18%	27.87%

BONUS OR PROFIT SHARING PLAN OF THE KEY MANAGERIAL PERSONNEL

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Key Managerial Personnel.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

LOANS TO KEY MANAGERIAL PERSONNEL

Our company has not given any loans and advances to the Key Managerial Personnel as on the date of this Prospectus.

INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company have interest in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any and dividends payable thereon and other distributions in respect of such equity shares, if any. Except as disclosed in this Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration.

Except as stated otherwise in this Prospectus, we have not entered into any contract, agreement or arrangement during the preceding 2 (two) years from the date of this Prospectus in which the Key Managerial Personnel are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

Except as stated in the chapters “Our Management” and “Related Party Transactions” beginning on pages 185 and 207 respectively of this Prospectus and described herein above, our key managerial personnel do not have any other interest in the business of our Company.

CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS

Name of Managerial Personnel	Date of Event	Nature of event	Reason
Vidhi Joshi	November 01, 2017	Appointment	Appointed as Company Secretary and Compliance Officer
Amit Kalekar	November 17, 2017	Appointment	Appointed as Chief Financial Officer
Kashyap Gambhir	January 01, 2018	Re-Appointment	Re-appointed as Chairman And Managing Director
Satbinder Singh Gill	January 18, 2018	Re-Appointment	Re-appointed as Whole Time Director

ESOP/ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOP/ESPS Scheme for employees.

PAYMENT OR BENEFIT TO OUR OFFICERS (NON SALARY RELATED)

Except as disclosed in the heading titled “Related Party Transactions” in the section titled “Financial Statements as Restated” beginning on page 209 of this Prospectus, no amount or benefit has been paid



or given within the three preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.

OUR PROMOTER AND PROMOTER GROUP

OUR PROMOTERS

The Promoters of our Company are Kashyap Gambhir and Satbinder Singh Gill. As on date of this Prospectus, our Promoters holds 23,86,165 equity shares representing 38.18% of the pre-issue paid up share capital of our Company.

Brief profile of our Promoters is as under:

	<p>Kashyap Gambhir, Promoter, Chairman and Managing Director</p> <p>Kashyap Gambhir, aged 51 years is the Promoter, Chairman and Managing Director of our Company. He has been appointed as the Director of our Company since incorporation and has been re-appointed as Chairman and Managing Director w.e.f January 01, 2018. He has completed his Bachelor of Science from University of Bombay. He has experience of more than 12 years in Textile Industry. He looks after the overall Management, Finance, Banking Planning & strategy and research & development.</p> <p>Nationality: Indian</p> <p>Passport No: S8287292</p> <p>Driving License: MH02 20070015240</p> <p>Voters ID: NLF2225811</p> <p>Address: D/1002 Vikas Park Mith Chowky Junction, Marve Road, Malad (West), Mumbai, - 400064, Maharashtra, India</p> <p>Other Ventures promoted by him:</p> <ul style="list-style-type: none"> - Toron Fabs Private Limited - Kashyap Gambhir HUF - Ozone Textile <p>For further details, relating to Kashyap Gambhir, including terms of appointment as Chairman & Managing Director and other directorships please refer to the chapter titled “Our Management” beginning on page 185 of this Prospectus.</p>
	<p>Satbinder Singh Gill, Promoter and Whole Time Director</p> <p>Satbinder Singh Gill, aged 48 years is the Promoter and Whole Time Director of our Company. He has been appointed as the Director of our Company since incorporation and has been re-appointed as Whole Time Director w.e.f January 18, 2018. He has completed his Short term Training course in Textile Designing from The Silk and Art Silk Mill’s Research Association, Bombay. He has experience of more than 12 yaers in Textile Industry. He looks after the Research & Development, Textile Designing and Quality Control activities of our Company.</p> <p>Nationality: Indian</p> <p>Passport No: H8384548</p> <p>Driving License: MH02 2006 C 20723</p> <p>Voters ID: NHL5101001</p> <p>Address: C/402, Shanti Complex, Tunga Village, Saki Vihar Road, Powai, Mumbai – 400072, Maharashtra, India.</p>

	<p>Other Ventures promoted by him: Nil</p> <p>For further details relating to Satbinder Singh Gill, including terms of appointment as Whole Time Director and other directorships please refer to the chapter titled “Our Management” beginning on page 185 of this Prospectus.</p>
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DECLARATION

Our Company confirms that the permanent account number, bank account number and passport Number of our Promoters have been submitted to the Stock Exchange at the time of filing of the Draft Red Herring Prospectus with it.

INTEREST OF PROMOTER

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their shareholding and the dividend receivable, if any and other distributions in respect of the equity shares held by them. For details regarding shareholding of our promoters in our Company, please refer “*Capital Structure*” on page 103 of this Prospectus.

Our Promoter, Kashyap Gambhir may also be deemed to be interested in our Company to the extent of his shareholding in our Group Company with which our company transacts during the course of its operations.

Our Promoters are also the Directors of our Company and may be deemed to be interested to the extent of remuneration and/ or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of the agreements entered into with our Company, if any and AoA of our Company. For details please refer to the chapter titled “*Our Management*”, “*Financial Statements*” and “*Capital Structure*” beginning on pages 185, 209 and 103 respectively of this Prospectus.

Except as mentioned in the chapter titled “Our Business” under “Land & Property”, our Promoters do not have any other interest in any property acquired or proposed to be acquired by our Company in a period of two years before filing of this Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

RELATED PARTY TRANSACTIONS

For details of related party transactions entered into by our Promoters, members of our Promoter Group and Company during the last financial year, the nature of transactions and the cumulative value of transactions, refer chapter titled “Related Party Transactions” on page 207 of this Prospectus.

PAYMENT OR BENEFITS TO PROMOTER

Except as stated otherwise in the chapter titled “*Related Party Transactions*” on page 207 of this Prospectus, there have been no payments or benefits to the Promoters during the two years prior to filing of this Prospectus.

OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1)(zb) of the SEBI (ICDR) Regulations is as under:

A. Individuals related to our Promoters:

Relationship with Promoters	Kashyap Gambhir	Satbinder Singh Gill
Father	Pran Gambhir (Deceased)	Ranjeet Singh Gill (Deceased)
Mother	Ravi Gambhir (Deceased)	Rajinderkaur Gill
Brother	Refer Note	Narindersingh Gill
Sister	NA	Balvinder Kaur
Spouse	Deepika Gambhir	Gurdeepkaur Gill
Son	Rounit Gambhir	Ranjot Singh Gill
Daughter	Sonika Gambhir	NA

Relationship with Promoters	Kashyap Gambhir	Satbinder Singh Gill
Spouse's Father	Kamlakar Arwari	Mahinder Singh Mangat (Deceased)
Spouse's Mother	Sujata Arwari	Gurmail Kaur (Deceased)
Spouse's Sister	NA	NA
Spouse's Brother	NA	Hardev Singh Mangat
		Jagtar Singh (Non Resident Indian)

Note – Vikas Gambhir, brother of our promoter Kashyap Gambhir has disassociated himself from being part of Promoter Group via Disassociation Letter dated January 08, 2018.

B. Companies, firms, proprietorships and HUFs which form part of our Promoter Group are as follows:

1. Toron Fabs Private Limited (A Private Limited Company)
2. Anchans Channel (A Proprietorship Concern)
3. Anchans Carriers (A Proprietorship Concern)
4. Ozone Textile (A Proprietorship Concern of Kashyap Gambhir HUF)
5. Kashyap Gambhir HUF

RELATIONSHIP OF PROMOTERS WITH OUR DIRECTORS

Except as disclosed herein, none of our Promoter(s) are related to any of our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

Promoters	Director	Relationship
Kashyap Gambhir	Deepika Gambhir	Husband – Wife

DISASSOCIATION BY THE PROMOTERS IN THE LAST THREE YEAR

Our Promoters have not disassociated themselves from any entities/firms during preceding three years.

CHANGES IN CONTROL

There has been no change in the management or control of our Company in the last three years.

LITIGATION INVOLVING OUR PROMOTER

For details of legal and regulatory proceedings involving our Promoters, refer to the chapter titled "*Outstanding Litigation and Material Developments*" on page 234 of this Prospectus.

CONFIRMATIONS

Our Company, our Promoters and their relatives (as defined under the Companies Act, 2013) are not Wilful Defaulters and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against them.

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Our Promoters and members of the Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters are not and have never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except as disclosed in “*Related Party Transactions*” on page 207 of this Prospectus, our Promoters are not related to any of the sundry debtors or are not beneficiaries of Loans and Advances given by/to our Company.

OUR GROUP COMPANY

In accordance with the provisions of the SEBI (ICDR) Regulations, for the purpose of identification of “Group Companies”, our Company has considered companies as covered under the applicable accounting standards, i.e. Accounting Standard 18 issued by the Institute of Chartered Accountant of India and such other companies as considered material by our Board. Pursuant to a resolution dated March 1, 2019, our Board vide a policy of materiality has resolved that except as mentioned in the list of related parties prepared in accordance with Accounting Standard 18 no other Company is material in nature. Further, companies which have not been disclosed as related parties in the restated financial statements of our company for the last five financial years or which are no longer associated with our Company have not be disclosed as Group Companies.

Based on the above, following is our Group Company:

- Toron Fabs Private Limited (TFPL)

Following are the details of our unlisted Group Company:

Toron Fabs Private Limited (TFPL)

Corporate Information:

Toron Fabs Private Limited is a Private Company originally incorporated under the provisions of Companies Act, 1956 on September 09, 2004. The registered office of the Company is situated at 206, Gambhir Industrial Estate, Off Aarey Road, Goregaon (E), Mumbai – 400063, Maharashtra, India. The authorised capital of TFPL is Rs. 50.00 Lakh. The current paid up capital of TFPL is Rs. 1.00 Lakh. The Corporate Identification Number of TFPL is U17120MH2004PTC148472.

Main Objects of the Company:

To carry on the business of manufacturing, designing, producing, processing, reprocessing, dealing, dyeing, bleaching, reeling, winding, printing, mercerizing, combing, colouring, embroidering, blending, preparing, spinning, weaving, finishing, calendaring, sizing, processing, purchasing, selling, trading, exporting, importing, distributing, and/or otherwise to act as printing agent, buying and selling agents, showroom owners, indenting agents, and dealing in all types of textile goods, dress materials like silk, artsilk, nylon, cotton, velvet, chiffon, georgette, gabardine, terry fabrics, suitings, shirtings, wool, viscose, ramie, polyester, rayon, jute, hemo, linen, flax staple fibres, terecotton, filaments or raw materials, acrylics, cellulose, dropping, spun and/or synthetic fibre or man made fibres, cottons, hosiery and filaments or raw materials thereof or any other related material substance and goods whether textile, felted, netted, embroidered or looped or otherwise and making and preparing of vitriol, bleaching and dyeing materials and substances and all kinds of ready made garments and fashion wears, daily wears, sportswears, wearing apparels, underwears, activewear.

Nature and Extent of Interest of our Promoters:

Our Promoter Kashyap Gambhir holds 5,000 Equity Shares of Rs. 10 each, aggregating to 50.00% of the issued and paid up share capital of TFPL. Further our promoter is also Director of TFPL and may deemed to be interested in TFPL to that extent.

Board of Directors:

The board of directors of TFPL comprises of following:

- Kashyap Gambhir
- Deepika Gambhir

Audited Financial Performance:*Amount (Rs. in lakhs)*

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Equity Paid Up Capital	1.00	1.00	1.00
Reserves and Surplus (excluding revaluation reserves, if any)	43.54	44.73	42.23
Net Asset Value per equity share (in Rs.)	445.36	457.32	432.30

Shareholding pattern of TFPL:

Sr. No	Name of Shareholder	No. of Shares held	% of Total No. of Shares
1.	Kashyap Gambhir	5,000	50.00
2.	Deepika Gambhir	5,000	50.00
	Total	10,000	100.00

Related Party Transactions

For details on related party transactions please refer to Financial Statements, as restated “Annexure XXIX” Restated Statement of Related Parties Transactions on page 209 of this Prospectus.

Other disclosures:

None of our Group Companies have remained defunct and no application has been made to the Registrar of Companies for striking off the name of any of our Group Companies during the five years preceding the date of filing the Prospectus.

Our Group Companies have not been declared as wilful 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.

None of our Group Companies are under any winding up proceedings.

None of our Group Companies fall under the definition of Sick Industrial Companies under Sick Industrial Companies (Special Provisions) Act, 1995. None of our Group Companies are listed on any of the Stock Exchanges and they have not made any public/ rights issue in last five years. Further, no action has been taken against these companies by any Stock Exchange or SEBI.

Companies with negative net worth:

Our Group Company i.e. Toron Fabs Private Limited does not have negative Net Worth as per the last audited financial statements mentioned herein.

Nature and Extent of Interest of Group Companies:*(a) In the promotion of our Company*

Our Group Company does not have any interest in the promotion of our Company.

(b) In the properties acquired or proposed to be acquired by our Company in the past 2 years before filing the Prospectus

Our Group Company does not have any interest in the properties acquired or proposed to be acquired by our Company in the past 2 years before filing the Prospectus.

(c) Related Business Transactions within the Group Companies and Significance on the Financial Performance of our Company

For details, please see Financial Statements, as restated “Annexure XXIX” – Restated Statement of Related Parties Transactions on page 209 of this Prospectus.

(d) Unsecured Loans extended to our Company

In addition to the above, Our Group Company has not extended unsecured loans to our Company, as on March 31, 2018. For further details, please refer to the chapter titled—Financial Statements, as restated “Annexure XXIX” – Restated Statement of Related Parties Transactions on page 209 of this Prospectus.

Common Pursuits amongst the Group Companies with our Company

As on the date of filing of the Prospectus, our Group Company, Toron Fabs Private Limited is involved in business similar to our Company.

Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situations as and when it arises. Further, we have not entered into any non-compete or similar arrangement with our Group Company or otherwise with our Promoters. Accordingly, there can be no assurance that they will not in future engage in any competing business activity or acquire interests in competing ventures.

Sale/Purchase between Group Companies exceeding in value in aggregate of 10% of total sales or purchases of our Company

For details please refer to “Financial Statements”, as restated “Annexure XXIX” Restated Statement of Related Parties Transactions on page 209 of this Prospectus.

Payment of Amount or Benefits to our Group Companies during the Last Two Years

Except as stated in Financial Statements, as restated Annexure XXIX Restated Statement of Related Parties Transactions on page 209 of this Prospectus, no amount or benefits were paid or were intended to be paid to our Group Company during the last two years from the date of filing of this Prospectus.

Business Interest of Group Entities

Other than as stated above and as mentioned in “Financial Statements, as restated” “Annexure XXIX” Restated Statement of Related Parties Transactions on page 209 of this Prospectus, none of our Group Entities have any business interest in our Company.

Litigation

For details on litigations and disputes pending against the Group Companies and defaults made by them, please refer to the chapter titled, “Outstanding Litigations and Material Developments” on page 234 of this Prospectus.

RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to Annexure XXIX of restated financial statement under the section titled, “Financial Statements as restated” beginning on page 209 of this Prospectus.

DIVIDEND POLICY

Under the Companies Act, 2013, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. Under the Companies Act, 2013 dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not paid any dividend for the last five years.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the record date are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

SECTION V – FINANCIAL STATEMENTS
FINANCIAL STATEMENTS AS RE-STATED

Particulars	Page No.
Restated Financial Statements	F1-F50

**SECTION V – FINANCIAL STATEMENTS
FINANCIAL STATEMENTS AS RE-STATED**

**Independent Auditor's Report for the Restated Financial Statements of
Artedz Fabs Limited**

Report of Auditors on the Restated Financial Information of Artedz Fabs Limited for each of the period / years ended on September 30, 2018, March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

**The Board of Directors
ArtedzFabs Limited
206, Gambhir Industrial Estate,
Off Aarey Road,
Opp. Paramount Print,
Goregaon(East), Mumbai-MH 400063**

Dear Sirs,

We, N. K. Aswani & Co., have examined the attached Restated Statement of Assets and Liabilities of Artedz Fabs Limited (the "Company") as at September 30, 2018, March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and the related Restated Statement of Profit & Loss and Restated Statement of Cash Flow for the years / period ended September 30, 2018, March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, annexed to this report for the purpose of inclusion in the offer document prepared by the Company (collectively the "**Restated Summary Statements**" or "**Restated Financial Statements**"). These Restated Summary Statements have been prepared by the Company and approved by the Board of Directors of the Company in connection with the Initial Public Offering (IPO) in Emerge Platform of National Stock Exchange of India Limited.

1. These Restated Summary Statements have been prepared in accordance with the requirements of:
 - (i) Part I of Chapter III to the Companies Act, 2013 ("**Act**") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
 - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("**ICDR Regulations**") issued by the Securities and Exchange Board of India ("**SEBI**") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
 - (iii) The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in Emerge Platform of National Stock Exchange of India Limited. ("**IPO**" or "**SME IPO**"); and
 - (iv) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("**Guidance Note**").
2. The Restated Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the financial year / period ended on September 30, 2018, March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

3. In accordance with the requirements of Part I of Chapter III of Act including rules made therein, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
 - (i) The “**Statement of Assets and Liabilities as Restated**” as set out in **Annexure I** to this report, of the Company as at September 30, 2018, March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 are prepared by the Company and approved by the Board of Directors. These Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV(A)** to this Report.
 - (ii) The “**Statement of Profit and Loss as Restated**” as set out in **Annexure II** to this report, of the Company for the years / period ended September 30, 2018, March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 are prepared by the Company and approved by the Board of Directors. These Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV(A)** to this Report.
 - (iii) The “**Statement of Cash Flow as Restated**” as set out in **Annexure III** to this report, of the Company for the years / period ended September 30, 2018, March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV(A)** to this Report.
4. Based on the above, we are of the opinion that the Restated Financial Statements have been made after incorporating:
 - a) Adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any.
 - b) Adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments.
 - c) There were no qualifications in the Audit Reports issued by the Statutory Auditors for the financial period/year ended on September 30, 2018, March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 which would require adjustments in this Restated Financial Statements of the Company.
 - d) These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV(A)** to this report.
 - e) Other emphasis of matter included in Auditors report for the year / period ended on September 30, 2018, March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 & other audit qualifications in auditors report issued under Companies(Auditors Report) order 2016, 2015 & 2003 (as amended), respectively on the Financial statement for year / period ended on September 30, 2018, March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, which do not require any corrective adjustment in the restated financials , have been disclosed in Annexure IV C to the Restated Financials Statement.
5. Audit for the financial year / period ended on September 30, 2018 was conducted by Keyur Shah & Co. and Audit for the financial year ended on March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 was conducted by M/s. B.T.Bhomawat & Co. (Chartered Accountants). Accordingly reliance has been placed on the financial information

examined by them for the said years. The financial report included for these years is based solely on the report submitted by them. Further financial statements for the period / financial year/Period ended on September 30,2018, March 31, 2018 have been reaudited by us as per the relevant guidelines.

6. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial period/year ended on September 30, 2018, March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 proposed to be included in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus (“**Offer Document**”).

Annexure of Restated Financial Statements of the Company:-

- a. Significant Accounting Policies and Notes to Accounts as restated in Annexure IV(A);
- b. Reconciliation of Restated Profit as appearing in Annexure IV(B) to this report;
- c. Other emphasis of matter paragraph as appearing in Annexure IV(C) to this report;
- d. Details of Share Capital as Restated as appearing in Annexure V to this report;
- e. Details of Reserves and Surplus as Restated as appearing in Annexure VI to this report;
- f. Details of Long Term Borrowings as Restated as appearing in Annexure VII to this report;
- g. Nature of Security and Terms of Repayment for Long term Borrowings as appearing in Annexure VIII to this report;
- h. Details of Deferred Tax Liabilities (Net) as Restated as appearing in Annexure IX to this report;
- i. Details of Other Non-Current Liabilities as Restated as appearing in Annexure X to this report;
- j. Details of Long Term Provision as Restated as appearing in Annexure XI to this report;
- k. Details of Short Term Borrowings as Restated as appearing in Annexure XII to this report;
- l. Nature of Security and Terms of Repayment for Short term Borrowings as appearing in Annexure XIII to this report;
- m. Details of Trade Payables as Restated as appearing in Annexure XIV to this report;
- n. Details of Other Current Liabilities as Restated as appearing in Annexure XV to this report;
- o. Details of Short Term Provisions as Restated as appearing in Annexure XVI to this report;
- p. Details of Fixed Assets as Restated as appearing in Annexure XVII to this report;
- q. Details of Non-Current Investments as Restated as appearing in Annexure XVIII to this report;
- r. Details of Long Term Loans & Advances as Restated as appearing in Annexure XIX to this report;
- s. Details of Inventories as Restated as appearing in Annexure XX to this report;
- t. Details of Trade Receivables as Restated enclosed as Annexure XXI to this report;
- u. Details of Cash and Cash Equivalents as Restated enclosed as Annexure XXII to this report;
- v. Details of Short Term Loans & Advances as Restated as appearing in Annexure XXIII to this report;
- w. Details of Revenue from operations as Restated as appearing in Annexure XXIV to this report;
- x. Details of Other Income as Restated as appearing in Annexure XXV to this report;
- y. Details of Employee Benefit Expenses as Restated as appearing in Annexure XXVI to this report;
- z. Details of Finance Cost as Restated as appearing in Annexure XXVII to this report;
- aa. Details of Other Expenses as Restated as appearing in Annexure XXVIII to this report;
- bb. Details of Related Parties Transactions as Restated as appearing in Annexure XXIX to this report;
- cc. Details of Summary of Accounting Ratios as Restated as appearing in Annexure XXX to this report;

dd. Capitalization Statement as Restated as at September 30, 2018 as appearing in Annexure XXXI to this report;

ee. Statement of Tax Shelters as Restated as appearing in Annexure XXXII to this report;

7. We, N. K. Aswani & Co., Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI.
8. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.
9. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
11. In our opinion, the above financial information contained in Annexure I to XXXII of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in Annexure IV(A) are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
12. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

For, N. K. Aswani & Co.

Chartered Accountants

Firm Registration No.: 100738W

Sd/-

N. K. Aswani

Proprietor

Membership No.: 033278

Date: March 1, 2019

Place: Ahmedabad

RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES ANNEXURE-I
(Amount in Lakhs)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
I. EQUITY AND LIABILITIES						
1. Shareholders' funds						
(a) Share capital	625.00	625.00	625.00	625.00	525.00	525.00
(b) Reserves and surplus	459.42	205.17	(146.68)	(325.55)	(290.00)	(212.70)
Sub-Total	1,084.42	830.17	478.32	299.45	235.00	312.30
2. Share Application Money Pending Allotment	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-
3. Non-current liabilities						
(a) Long-term borrowings	792.26	710.33	564.46	1,041.30	970.23	868.65
(b) Deferred tax liabilities (Net)	-	-	-	-	-	-
(c) Other Non-Current provisions	806.70	824.46	830.62	150.00	100.00	100.00
(d) Long Term Provision	11.12	11.58	10.28	8.39	6.44	4.44
Sub-Total	1,610.08	1,546.37	1,405.36	1,199.69	1,076.67	973.09
4. Current liabilities						
(a) Short-term borrowings	1,080.79	1,046.89	1,045.93	1,047.76	904.42	864.15
(b) Trade payables	2,953.79	2,096.17	1,165.52	546.89	1,018.58	386.87
(c) Other current liabilities	519.56	571.04	303.90	531.09	640.89	367.29
(d) Short-term provisions	159.96	57.50	26.18	20.43	36.09	10.21
Sub-Total	4,714.10	3,771.60	2,541.53	2,146.17	2,599.98	1,628.52
TOTAL	7,408.60	6,148.14	4,425.21	3,645.31	3,911.65	2,913.91
II. ASSETS						
1. Non-current assets						
(a) Fixed assets	540.86	587.98	692.04	810.10	872.10	777.94
(i) Tangible Assets	540.86	587.98	692.04	810.10	872.10	500.50
(ii) Intangible assets	-	-	-	-	-	-
(iii) Capital Work in Progress	-	-	-	-	-	277.44
(iv) Intangible asset under development	-	-	-	-	-	-
(b) Non-Current Investments	6.56	6.32	5.85	5.42	5.02	4.65
(c) Deferred Tax Assets (Net)	47.31	46.62	75.54	155.67	139.56	103.55
(d) Long Terms Loans and Advances	12.22	12.22	12.00	16.16	22.26	27.16
(e) Other Non-Current Assets	-	-	-	-	-	-
Sub-Total	606.95	653.14	785.43	987.35	1,038.94	913.30
2. Current assets						
(a) Current investments	-	-	-	-	-	-
(b) Inventories	2,419.74	2,082.41	1,712.65	1,514.03	1,284.33	1,192.59

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
(c) Trade receivables	4,315.80	3,370.22	1,874.32	1,104.64	1,551.58	778.94
(d) Cash and cash equivalents	3.95	2.38	5.06	3.00	6.21	4.24
(e) Short-term loans and advances	62.16	39.99	47.75	36.29	30.59	24.84
(f) Other Current Assets	-	-	-	-	-	-
Sub-Total	6,801.65	5,495.00	3,639.78	2,657.96	2,872.71	2,000.61
Total	7,408.60	6,148.14	4,425.21	3,645.31	3,911.65	2,913.91

For, N. K. Aswani & Co.

Chartered Accountants

Firm Registration No.: 100738W

Sd/-

N. K. Aswani

Proprietor

Membership No.: 033278

Date: March 1, 2019

Place: Ahmedabad

For and on behalf of the Board of Directors

Sd/-

Kashyap Gambhir
(Director)

Sd/-

Satbinder Singh Gill
(Director)

Sd/-

Amit Kalekar
(CFO)

Sd/-

Vidhi Joshi
(CS)

RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS ANNEXURE-II

(Amount in Lakhs)

Particulars	For the Period ended September 30, 2018	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
I. Revenue from operations	3,662.75	6,426.28	5,305.63	3,876.68	3,097.41	2,649.59
II. Other income	0.74	7.62	5.18	1.29	0.41	2.46
III. Total Revenue (I + II)	3,663.49	6,433.90	5,310.81	3,877.97	3,097.82	2,652.05
IV. Expenses:						
Cost of Material Consumed	2,071.81	1,683.95	1,316.40	966.57	1,340.72	1,395.93
Purchases of Stock-in-Trade	787.04	2,811.89	2,310.28	1,770.29	374.91	7.00
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	(310.73)	(133.04)	(74.67)	(185.51)	(57.44)	(339.75)
Employee benefits expense	129.00	254.79	224.97	187.30	208.01	180.27
Finance costs	240.23	394.72	395.58	395.37	338.90	263.12
Depreciation and amortization expense	47.12	111.57	131.17	148.74	136.64	89.98
Other expenses	347.14	810.74	748.08	646.86	869.17	1,120.29
Total expenses	3,311.61	5,934.62	5,051.81	3,929.62	3,210.91	2,716.85
V. Profit before exceptional and extraordinary items and tax (III-IV)	351.88	499.28	259.00	(51.65)	(113.09)	(64.79)
VI. Exceptional items	-	-	-	-	-	-
VII. Profit before extraordinary items and tax (V - VI)	351.88	499.28	259.00	(51.65)	(113.09)	(64.79)
VIII. Extraordinary Items-	-	-	-	-	-	-
IX. Profit before tax (VII- VIII)	351.88	499.28	259.00	(51.65)	(113.09)	(64.79)
X. Tax expense:						
(1) Current tax	98.31	118.51	17.19	-	-	-
(2) MAT Credit	-	-	(17.19)	-	-	-
(2) Deferred tax	(0.68)	28.92	80.13	(16.11)	(36.01)	(19.93)
(3) Current tax expense relating to prior years	-	-	-	-	-	-
XI. Profit (Loss) for the period from continuing operations (VII-VIII)	254.25	351.85	178.87	(35.55)	(77.08)	(44.86)
XII. Profit/(loss) from discontinuing operations	-	-	-	-	-	-
XIII. Tax expense of discontinuing operations	-	-	-	-	-	-
XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)	-	-	-	-	-	-
XV. Profit (Loss) for the period (XI + XIV)	254.25	351.85	178.87	(35.55)	(77.08)	(44.86)

Particulars	For the Period ended September 30, 2018	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
XVI Earnings per equity share:						
(1) Basic & Diluted	4.07	5.63	2.86	(0.59)	(1.47)	(1.05)

For, N. K. Aswani & Co.

Chartered Accountants

Firm Registration No.: 100738W

Sd/-

N. K. Aswani

Proprietor

Membership No.: 033278

Date: March 1, 2019

Place: Ahmedabad

For and on behalf of the Board of Directors

Sd/-

Kashyap Gambhir
(Director)

Sd/-

Satbinder Singh Gill
(Director)

Sd/-

Amit Kalekar
(CFO)

Sd/-

Vidhi Joshi
(CS)

RESTATED SUMMARY STATEMENT OF CASH FLOWANNEXURE-III
(Amount in Lakhs)

Particulars	For the Period ended September 30, 2018	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
CASH FLOW FROM OPERATING ACTIVITIES						
Restated Net profit Before Tax and Extraordinary Items	351.88	499.28	259.00	(51.65)	(113.09)	(64.79)
Adjustments For:	-	-	-	-	-	-
Depreciation	47.12	111.57	131.17	148.74	136.64	89.98
(Interest Received)	(0.27)	(0.51)	(0.47)	(0.44)	(0.41)	(0.38)
Net (gain) / loss on Sale of Asset	-	-	-	(0.85)	-	-
Interest and Finance Charges	240.23	394.72	395.58	395.37	338.90	263.12
Operating Profit before working capital changes	638.96	1005.06	785.28	491.16	362.04	287.92
Adjustment For:						
Decrease/(Increase) in Inventories	(337.35)	(369.76)	(198.60)	(229.71)	(91.74)	(414.70)
Decrease/(Increase) in Trade receivables	(945.59)	(1495.90)	(769.68)	446.95	(772.64)	(257.87)
(Decrease)/Increase in Trade Payables	857.62	930.65	618.63	(471.69)	631.71	158.24
(Decrease)/Increase in Other Current Liabilities	(51.48)	267.14	(227.20)	(109.79)	273.60	154.40
(Decrease)/Increase in Short Term Provisions	102.46	31.32	5.75	(15.67)	25.88	6.51
(Decrease)/Increase in Other Non-current Provisions	(0.46)	1.30	1.89	1.95	1.99	1.01
(Decrease)/Increase in Other Non-current liabilities	(17.76)	(6.16)	680.62	50.00	-	(75.00)
Cash Generated from Operations	246.40	363.65	896.68	163.20	430.85	(139.49)
Taxes Paid	98.32	118.51	-	-	-	-
Net Cash From /(Used In) Operating Activities (A)	148.09	245.14	896.68	163.20	430.85	(139.49)
Cash Flow From Investing Activities						
(Purchase) / Sale of Fixed Assets/ Capital Work In Progress	-	(7.51)	(13.12)	(86.74)	(231.02)	(304.29)
Decrease/(Increase) in Non-Current investments	(0.24)	(0.46)	(0.44)	(0.40)	(0.37)	(0.34)
Decrease/(Increase) in Short-term loans and advances	(22.17)	7.76	(11.46)	(5.70)	(5.75)	(3.02)
Decrease/(Increase) in Long Term Loans and Advances	-	(0.22)	4.16	6.10	4.90	(12.02)
Net gain / loss on Sale of Asset	-	-	-	0.85	-	-
Interest Received	0.27	0.51	0.47	0.44	0.41	0.38
Net Cash From /(Used In) Investing Activities (B)	(22.14)	0.08	(20.38)	(85.45)	(231.83)	(319.29)
Cash Flow From Financing Activities						
Proceeds from Issue of Shares	-	-	-	100.00	-	250.00
Interest and Finance Charges	(240.23)	(394.72)	(395.58)	(395.37)	(338.90)	(263.12)

Particulars	For the Period ended September 30, 2018	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
Proceeds / (Repayments) of Share Application Money	-	-	-	-	-	(250.00)
(Decrease)/Increase in Short Term Borrowing	33.90	0.96	(1.83)	143.34	40.27	304.77
(Decrease)/Increase in Long Term Borrowing	81.95	145.86	(476.83)	71.06	101.59	420.85
Net Cash From Financing Activities (c)	(124.38)	(247.90)	(874.24)	(80.97)	(197.04)	462.50
Net Increase / (Decrease) in Cash (A)+(B)+(C)	1.56	(2.68)	2.06	(3.21)	1.97	3.73
Cash and Cash equivalents at the beginning of the year	2.38	5.06	3.00	6.21	4.24	0.51
Cash and Cash equivalents at the end of the year	3.95	2.38	5.06	3.00	6.21	4.24

- I. The Cash Flow statement has been prepared under Indirect method as per Accounting Standard-3 "Cash Flow Statements"
- II. Figures in Brackets represent outflows
- III. The above statement should be read with the Restated Statement of Assets and Liabilities, Statement of Profit and loss, Significant Accounting Policies and Notes to Accounts as appearing in Annexure I, II and IV (A) respectively

For, N. K. Aswani & Co.

Chartered Accountants

Firm Registration No.: 100738W

Sd/-

N. K. Aswani

Proprietor

Membership No.: 033278

Date: March 1, 2019

Place: Ahmedabad

For and on behalf of the Board of Directors

Sd/-

Kashyap Gambhir
(Director)

Sd/-

Satbinder Singh Gill
(Director)

Sd/-

Amit Kalekar
(CFO)

Sd/-

Vidhi Joshi
(CS)

Significant Accounting Policies and Notes to Accounts

(A) Corporate Information:

The Company was originally incorporated as “Artedz Fabs Private Limited” at Mumbai, Maharashtra as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated August 08, 2006 bearing Corporate Identification Number U17299MH2006PLC163645 issued by Registrar of Companies, Mumbai, Maharashtra. Subsequently, the Company was converted into a Public Limited Company pursuant to special resolution passed by the members in Extra Ordinary General Meeting of the Company held on January 18, 2018 and the name of the Company was changed to “Artedz Fabs Limited” and a fresh certificate of incorporation consequent upon Conversion of Private Company to Public Limited Company dated February 19, 2018 was issued by Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of the Company is U17299MH2006PLC163645.

The Company is engaged in manufacturing and trading of textile fabrics for shirtings. The Company also specialise in manufacturing of textile fabrics majorly from cotton yarn apart from also using linen yarn, blended yarn as the input. The company is primarily engaged in manufacturing of grey fabrics and also designed fabrics, using the expertise of its in-house designing team. The Company caters to orders from both domestic and international markets.

(B) Basis of Preparation:

The Restated Summary Statements of Assets and Liabilities of the Company as at September 30,2018, March 31,2018, March 31, 2017, March 31, 2016, March 31,2015 and March 31, 2014 and the related Restated Summary Statements of Profits and Losses and Cash Flows Statement for the period / years ended September 30,2018, March 31,2018, March 31, 2017, March 31, 2016, March 31,2015 and March 31, 2014, have been compiled by management from the financial statements of the company for the period ended on September 30,2018, March 31,2018, March 31, 2017, March 31, 2016, March 31,2015 and March 31, 2014.

"The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, 1956 (up to March 31, 2014), and notified sections, schedules and rules of the Companies Act 2013 (with effect from April 01, 2014), including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of Companies (Accounts) Rules, 2014).

The presentation of financial statements requires estimates and assumption to be made that affect the reported amount of assets & Liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which results are known/materialized."

(C) Significant Accounting Policies:

(a) Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reported period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the Carrying amounts of Assets or Liabilities in future periods.

(b) Fixed Assets:

Fixed assets are stated at cost of acquisition, including any attributable cost for bringing the asset to its working condition for its intended use, less accumulated depreciation. CENVAT credit availed but not

adjusted against excise duty payment is treated as CENVAT credit receivable and shown under 'Loans and Advances'. Fixed assets on which CENVAT credit is not availed is shown at full value.

The Company was required to comply with AS-28 "Impairment of Assets", but due to non-availability of the data, the same have not been complied with.

(c) Depreciation:

Up to March 31, 2014 depreciation on fixed assets is provided on Written Down Value(WDV) Method. At the rate and manner prescribed in schedule XIV of the Companies Act, 1956 over their useful life. w.e.f April 1, 2014 depreciation is provided based on useful life of asset as prescribed in schedule II of Companies Act 2013 except non charging of 100% depreciation on assets costing below Rs. 5000/-. The carrying amount as on April 1, 2014 is depreciated over the balance useful life of asset.

Depreciation on additions to the assets and the assets sold or disposed off, during the year is provided on prorata basis, at their respective useful life or rate of depreciation as prescribed with reference to the date of acquisition / installation or date of sale / disposal.

(d) Revenue Recognition:

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue from sale of goods is recognized on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for price, significant risk and rewards of ownership are transferred to the customers and no effective ownership is retained. Sales comprises sale of goods and services, net of trade discounts and include exchange differences arising on sales transactions.

(D) Foreign Currency Transactions:

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Monetary foreign currency assets and liabilities are translated into Rupees at the exchange rate prevailing at the Balance Sheet Date. All exchange differences are dealt with in Profit and Loss Account.

(E) Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of Investments.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(F) Inventories:

Inventories are valued at cost or net realizable value whichever is lower. Cost of Raw material includes value of goods & transport & any other incidental expense incurred to procure the inventory. Cost of finished goods includes cost of raw material consumed & any other direct expenses incidental to manufacturing of goods

(G) Employee Benefits:

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when an employee renders the related services. The company has no obligations, other than the contribution payable to the provident fund.

(H) Taxation:

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the Tax Authorities in accordance with the Income Tax Act'1961 enacted or substantively enacted at the reporting date.

Deferred Tax Assets or Deferred Tax Liability is recognized on timing difference being the difference between taxable income and accounting income. Deferred Tax Assets or Deferred Tax Liability is measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future.

(I) Borrowing Cost:

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

(J) Segment Reporting:

The Company is engaged in manufacturing and trading of textile fabrics for shirtings. Looking at the nature of business and financial reporting of the company, the Company is operating in only one Segment and hence segment reporting is not applicable.

(K) Provisions and Contingent Liabilities:

A provision is recognized when the company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

Particulars	As at Septem ber30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
(a) Claim against company not acknowledge as debt.	69.77	69.77	69.77	69.77	69.77	69.77
(b) Duty saved against EPCG	23.66	23.66	23.66	23.66	23.66	23.66

- As we are unable to quantify amount for contravention of provision of subsection 1 of section 73 of Companies Act,2013, no amount have been provided for the same in Contingent liability as we are unable to quantify the same, because the amount of penalty(ies) to be levied is on the discretion of the appropriate authority.

(L) Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

RECONCILIATION OF RESTATED PROFIT**ANNEXURE IV (B)**
(Amount in Lakhs)

Adjustments for	As at Septem ber 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Net profit/(loss) after tax as per audited statement of profit and loss	234.71	407.14	271.56	(94.77)	(47.49)	5.67
Adjustments for:						
Gratuity Provisions	-	-	8.55	(1.98)	(2.03)	(1.03)
Prior Period Adjustments (Note-2)	(49.08)	2.82	-	-	(0.14)	(37.28)
Increase/ decrease in Expenses (Note-2)	-	(5.71)	(8.27)	(0.16)	(0.50)	0.64
Excess / Short Provision for Tax (Note-4)	(3.57)	3.42	55.39	-	-	-
Difference in Depreciation (Note-1)	20.59	(95.85)	(102.40)	12.85	2.92	(35.75)
Provision for MAT Credit Entitlement (Note-3)	-	(5.77)	17.19	-	-	-
Deferred Tax Asset/Liability Provision (Note-5)	51.59	45.79	(63.16)	48.53	(29.84)	22.89
Net profit/ (loss) after tax as restated	254.25	351.85	178.87	(35.55)	(77.08)	(44.86)

Explanatory Notes to the above restatements made in Audited Financial Statements of the Company for the respective years.

Adjustments having impact on Profit:**Note 1:**

The Depreciation have been recalculated by us by following the Relevant Provisions of Companies Act & Accounting standards.

Note: 2

Amounts relating to the prior period & other incomes/Expenses have been adjusted in the year to which the same relates to & under which head the same relates to.

Note: 3

There is difference between MAT Entitlement as per books of accounts & as per MAT, the same have been adjusted in the year to which the same relates to.

Note: 4

The company has provided Excess or Short Provision in the year in which the income tax return has been filled. But in restated account, the company has provided Excess or Short Provision in the year to which it relates.

Note: 5

There is change in Deferred Tax Assets/ Liabilities as per Audited Books of Accounts and as per Restated Books and the same has been given effect in the year to which the same relates.

To give Explanatory Notes regarding Adjustments

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years and

the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2009.

Other emphasis of matter paragraph:

ANNEXURE - IV(C)

- a) **As Per Our opinion, the company has contravened the provisions of sub section 1 of section 73 of Companies Act, 2013 read with the (Acceptance of Deposit) Rules 2014 in past.**

In case any queries are raised by the appropriate authorities, penalty (ies) as prescribed in the law may be levied on the Company. However, Quantum of penalty depends upon discretion of the appropriate authority, hence, we are unable to quantify the same.

- b) **During the Financial Year 2011-12, one of the factory building of the Company collapsed, for which the claim has been rejected by insurance Company. Proper treatment of loss on account of the collapse of the building have been given in restated financials. However, for assets substantially damaged, AS-28 “Impairment of Asset” was required to be followed by the Company, but due to non-availability of sufficient data, the Company have departed from the said Accounting Standard.**

DETAILS OF SHARE CAPITAL AS RESTATED ANNEXURE-V
(Amount in Lakhs)

1. Statement of Share Capital

Adjustments for	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Authorised						
60,00,000 , Equity shares of Rs. 10/- each	-	-	-	-	-	600.00
65,00,000 , Equity shares of Rs. 10/- each	-	-	650.00	650.00	650.00	-
125,00,000 , Equity shares of Rs. 10/- each	1250.00	1,250.00	-	-	-	-
Issued , Subscribed and Fully paid up Capital						
"52,50,000 Equity shares of Rs. 10/- each fully paid up"	-	-	-	-	525.00	525.00
"62,50,000 Equity shares of Rs. 10/- each fully paid up"	625.00	625.00	625.00	625.00	-	-
Total	625.00	625.00	625.00	625.00	525.00	525.00

- During the FY 2014-15, the company has increased its authorized share capital from Rs.600.00 Lakhs to Rs.650.00 Lakhs wide a resolution passed at the EGM of the Company held at the registered office of the Company on February 18, 2015.
- During the FY 2017-18, the Company has increased its authorized share capital from Rs.650.00 Lakhs to Rs.1250.00 Lakhs wide a resolution passed at the EGM of the Company held at the registered office of the company on September 05, 2017.
- During the FY 2013-14, the Company has issued & Allotted 25,00,000 Shares wide a resolution passed at the Board Meeting of the company held at the registered office of the company on August 23, 2013.
- During the FY 2015-16 Company has issued & Allotted 10,00,000 Shares Wide a resolution passed at Board Meeting of the company held at the registered office of the company on July 06, 2015.
- **Terms/rights attached to equity shares :**
 1. The company was having only one class of Equity Shares with par value of Rs. 10.00 per share. Each holder of Equity shares was entitled to one Vote per share.
 2. In the Liquidation of the company, the holders of Equity Shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

2. Reconciliation of Shares outstanding at the beginning and at the end of the Period

Nos. in lakhs	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
At the beginning of the period	62.5	62.5	62.5	52.5	52.5	27.5
Additional shares Due to changes in Face Value	-	-	-	-	-	-
Issued during the year	-	-	-	10	-	25
Redeemed or bought back during the period	-	-	-	-	-	-
Outstanding at the end of the Period	62.5	62.5	62.5	62.5	52.5	52.5

3. For the period of three years immediately preceding the date as at which the Balance Sheet is prepared:

Particulars	As at Sep 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.	-	-	-	-	-	-
Aggregate number and class of shares allotted as fully paid up by way of bonus shares.	-	-	-	-	-	-
Aggregate number and class of shares bought back.	-	-	-	-	-	-

a. Details of Shareholders holding more than 5% shares in the company (In terms of No. of Shares Holding):

particulars	As at Sep 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Name of Shareholders	No. of Shares	No. of Shares	No. of Shares	No. of Shares	No. of Shares	No. of Shares
Kashyap P Gambhir	1,835,582	1,835,582	1,727,499	1,727,487	1,727,487	1,727,487
Deepika K Gambhir	985,500	985,500	985,500	985,500	938,000	938,000
Satbindersingh Gill	550,583	550,583	583	583	583	583
Hitesh Patel	525,000	750,000	-	-	-	-
ToronFabsPvt. Ltd	583,335	583,335	583,335	583,335	583,335	583,335
PansariRakhiAlok	-	-	300,000	300,000	300,000	300,000
PansariSnehlata	-	-	650,000	650,000	650,000	650,000
SheetalPoddar	-	-	350,000	350,000	350,000	350,000
Total	4,480,000	4,705,000	4,596,917	4,596,905	4,549,405	4,549,405

b. Details of Shareholders holding more than 5% shares in the company (In terms of % Holding)

Particulars	As at Sep 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Name of Shareholders	% holding	% holding	% holding	% holding	% holding	% holding
Kashyap P Gambhir	29.37%	29.37%	27.64%	27.64%	32.90%	32.90%
Deepika K Gambhir	15.77%	15.77%	15.77%	15.77%	17.87%	17.87%
Satbindersingh Gill	8.81%	8.81%	0.01%	0.01%	0.01%	0.01%
Hitesh Patel	8.40%	12.00%	-	-	-	-
ToronFabsPvt. Ltd	9.33%	9.33%	9.33%	9.33%	11.11%	11.11%
PansariRakhiAlok	-	-	4.80%	4.80%	5.71%	5.71%
PansariSnehlata	-	-	10.40%	10.40%	12.38%	12.38%
SheetalPoddar	-	-	5.60%	5.60%	6.67%	6.67%
Total	71.68%	75.28%	73.55%	73.55%	86.66%	86.66%

DETAILS OF RESERVES AND SURPLUS AS RESTATED ANNEXURE-VI

(Amount in Lakhs)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
A. Security premium account						
Opening Balance	-	-	-	-	-	-
Add: Securities premium accounts credited on account of share issue	-	-	-	-	-	-
Less : Deletion for issue of Bonus Shares	-	-	-	-	-	-
Closing Balance	-	-	-	-	-	-
B. Profit loss account	-	-	-	-	-	-
Opening Balance	205.17	(146.68)	(325.55)	(290.00)	(212.70)	(167.83)
Add: Net Profit/(Loss) for the year	254.25	351.85	178.87	(35.55)	(77.08)	(44.87)
"Add: MAT Credit Entitlement for FY 2012-13"	-	-	-	-	-	-
Less: ROC Charges for increase of Authorised capital	-	-	-	-	-	-
"Less: Effect due to Companies Act, 2013"	-	-	-	-	0.22	-
Less: Interim Dividend	-	-	-	-	-	-
Less: Transfer to Reserves	-	-	-	-	-	-
Less: Issuing Bonus Shares	-	-	-	-	-	-
Less: Other Adjustment	-	-	-	-	-	-
Total A+B	459.42	205.17	(146.68)	(325.55)	(290.00)	(212.70)

Notes:

1. The figures disclosed above are based on the Unconsolidated restated summary statement of assets and liabilities of the Company
 - a. The above statement should be read with the notes to unconsolidated restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure I, II and III.
2. Pursuant to the Enactment of the Companies Act, 2013, the Company has applied the estimated useful lives as specified in the Schedule II. The Written Down Value of the Fixed Assets whose lives have expired as at April 1, 2014 have been adjusted, in the Opening balance of Profit and Loss Account

DETAILS OF LONG TERM BORROWINGS AS RESTATED ANNEXURE VII**(Amount in Lakhs)**

Particulars	As at Septem ber 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
A1. From Banks (Secured)						
Bank Of Baroda Term Loan.1	-	-	-	-	39.92	93.20
Bank Of Baroda Term Loan.2	-	-	-	9.48	24.12	38.76
Bank Of Baroda Term Loan.3	-	-	39.49	134.26	232.33	215.43
A2. From NBFC(UnSecured)						
BjajaFinserv Limited	4.24	8.10	14.31	19.99	-	-
Capital First Limited	-	-	19.27	-	-	-
Capital Float limited	18.64	-	-	-	-	-
Clix Capital Services Pvt Ltd	21.72	-	-	-	-	-
Shriram City Union Finance Ltd	-	-	4.91	13.39	-	-
Shriram City Union Finance Ltd-2	20.64	26.30	-	-	-	-
Magma Fincorp Ltd-1	-	-	10.78	-	-	-
Magma Fincorp Ltd-2	3.64	6.44	11.30	-	-	-
Magma Fincorp Ltd-3	13.76	-	-	-	-	-
Tata Capital Financial Services Ltd.-2	-	-	10.36	-	-	-
Tata Capital Financial Services Ltd.-3	16.05	29.19	-	-	-	-
HDB Finance Ltd	-	2.89	-	-	-	-
Edelweiss Retail Finance Ltd BL-2	12.85	-	-	-	-	-
ReligareFinvest Ltd	-	-	-	14.84	-	-
India Bulls Ltd	14.89	-	-	-	-	-
A3. From Banks (Unsecured)						
Kotak Mahindra Bank Ltd-1	-	-	-	-	-	-
Kotak Mahindra Bank Ltd-2	-	-	-	-	-	-
RBL Bank BL-1	-	-	-	-	-	-
RBL Bank BL-2	9.83	-	-	-	-	-
HDFC Bank	14.78	-	-	-	-	-

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Indusand Bank Ltd	16.28	-	-	-	-	-
Deutsche Bank BL-1	-	-	14.12	-	-	-
Deutsche Bank BL-2	26.32	-	-	-	-	-
Total	193.62	72.93	124.54	191.97	296.38	347.39
B. From Other Parties (Unsecured)						
B1. From Promoter / Promoter Group / Group Companies / Other Related Parties						
<u>Loan From Promoter & Promoter Group</u>						
ArunArwari	-	9.75	10.01	10.88	15.00	15.00
Deepika K Gambhir	181.17	161.75	163.26	-	4.82	3.75
Kamaljeet Kaur M Gill	-	5.54	5.14	5.14	5.00	5.00
Kashyap P Gambhir	313.47	303.87	100.50	0.26	0.22	0.22
SonikaGambhir	-	-	6.14	6.14	-	-
Narinder Singh Gill	-	2.08	-	-	-	-
RounitGambhir	-	23.42	-	-	-	-
Gurdeep Kaur Gill	-	50.04	-	-	-	-
Kamlakar D. Arwari	-	-	-	-	15.00	15.00
Sujata .K. Arwari	-	-	-	-	15.00	20.00
<u>Loan From Members</u>	-	-	-	-	-	-
<u>Loan From Others</u>	-	-	-	-	-	-
Arju Kothari	-	-	-	15.00	10.00	-
Anand Maheshwari	-	-	5.63	-	-	-
ArtiSachdev	-	-	-	-	0.50	0.50
GirishChunilalSheth	-	5.17	5.00	5.00	5.00	5.00
Kamal Suresh Doshi HUF	-	5.17	5.00	5.00	5.00	5.00
MukundRamniklal Desai (HUF)	-	5.17	5.00	5.00	5.00	5.00
RadhaballabhKejriwal	-	-	-	60.00	60.00	50.00
Sangeeta Maheshwari	-	-	5.63	-	-	-
R. Rakesh Kumar & Co.	-	4.43	4.43	4.43	4.00	4.00
Sejalsachdev	-	-	-	-	0.50	0.50
Shwetha Kothari	-	-	-	19.08	10.00	-
Dhaneschandra Kothari & Co.	-	-	-	116.69	17.78	-
P Nanchand	-	-	-	15.35	3.80	51.09
M Ramniklal & Co.	-	-	18.20	17.96	36.95	98.56
Sushila Kothari	-	-	-	15.00	-	118.79
Arun Enterprises	-	-	18.70	24.53	34.44	9.31
BharatKumarDhaneschandra Kothari	-	-	-	131.57	117.45	-
Kishore Bros	-	5.00	5.00	5.00	5.00	-
ReemaLalwani	-	2.50	2.50	2.50	2.50	-
ShetalPai	-	-	-	17.75	10.00	-

Particulars	As at Septem ber 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Ratilal& Sons	-	-	-	17.53	-	-
Ashish Kothari HUF	-	-	-	21.00	10.00	-
Ashish Textile	-	-	-	62.73	-	16.44
Gyan Kaur	-	3.51	5.00	5.00	4.85	4.85
B2. From Financial Institutions	-	-	-	-	-	-
B3. Others	-	-	-	-	-	-
<u>Inter Corporate Deposits</u>	-	-	-	-	-	-
AbhijitHsg P Ltd.	-	-	-	-	-	-
AgrankitSynfab Pvt. Ltd.	-	-	-	-	28.29	3.75
Chitrakar Textiles Pvt. Ltd	-	-	-	-	7.84	8.24
KanoriaChembond Pvt. Ltd	46.00	50.00	74.79	-	-	-
V M Yarns P Ltd	-	-	-	125.00	125.00	-
B T Syndicate Ltd	-	-	-	-	15.92	-
Olympia Industries Ltd.	58.00	-	-	135.77	28.01	31.33
Ekamat Synthetics Pvt. Ltd.	-	-	-	-	45.92	28.34
Jamjir Polyester P Ltd	-	-	-	-	9.46	8.15
Manmol Textile Pvt. Ltd	-	-	-	-	4.79	4.83
Synsilva Synthetics P Ltd	-	-	-	-	10.81	5.19
Total	598.64	637.40	439.93	849.32	673.85	521.26
Total A+B	792.26	710.33	564.46	1,041.30	970.23	868.65

NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWINGS INCLUDING CURRENT MATURITIES **ANNEXURE VIII**
(Amount in Lakhs)

Bajaj Finserv Limited			
Particulars	As at		
	30th September, 2018	31st March, 2018	31st March, 2017
Rate of Interest	18.88%	18.88%	18.88%
Opening Balance Cr/(Dr)	14.48	19.99	24.65
Amount Received / Credited	0.34	0.39	-
Interest on Loan	1.15	3.05	3.55
Amount Repaid / Adjusted	4.48	8.95	8.21
Outstanding Amount	11.49	14.48	19.99
Terms of Repayment: Loan is repayable In 48 Equally Monthly Installment of Rs.74612 each			

Capital First Limited			
Particulars	As at		
	30th September, 2018	31st March, 2018	31st March, 2017
Rate of Interest	18.20%	18.20%	18.20%
Opening Balance Cr/(Dr)	20.24	35.34	-
Amount Received / Credited	-	1.78	35.24
Interest on Loan	1.55	4.34	0.10

Amount Repaid / Adjusted	10.76	21.22	-
Outstanding Amount	11.02	20.24	35.34
Terms of Repayment: Loan is repayable In 24 Equally Monthly Installment of Rs.176,824/- each			
Capital Float limited			
Particulars	As at		
	30th September, 2018	31st March, 2018	31st March, 2017
Rate of Interest	20.00%		
Opening Balance Cr/(Dr)	-	-	-
Amount Received / Credited	29.83	-	-
Interest on Loan	1.93	-	-
Amount Repaid / Adjusted	4.46	-	-
Outstanding Amount	27.29	-	-
Terms of Repayment: Loan is repayable In 36 Equally Monthly Installment of Rs.1,11,603.13/- each			

Clix Capital Services Pvt Ltd			
Particulars	As at		
	30th September, 2018	31st March, 2018	31st March, 2017
Rate of Interest	18.00%		
Opening Balance Cr/(Dr)	-	-	-
Amount Received / Credited	35.00	-	-
Interest on Loan	2.03	-	-
Amount Repaid / Adjusted	5.06	-	-
Outstanding Amount	31.97	-	-
Terms of Repayment: Loan is repayable In 36 Equally Monthly Installment of Rs.1,26,533/- each			

Shriram City Union Finance Ltd-2			
Particulars	As at		
	30th September, 2018	31st March, 2018	31st March, 2017
Rate of Interest	19.00%	19.00%	Nil
Opening Balance Cr/(Dr)	34.99	-	-
Amount Received / Credited	0.01	34.91	-
Interest on Loan	2.40	0.08	-
Amount Repaid / Adjusted	6.41	-	-
Outstanding Amount	30.98	34.99	-
Terms of Repayment: Loan is repayable In 30 Equally Monthly Installment of Rs.84266/each			

Magma Fincorp Ltd-2			
Particulars	As at		
	30th September, 2018	31st March, 2018	31st March, 2017
Rate of Interest	19.50%	19.50%	19.50%
Opening Balance Cr/(Dr)	11.05	14.99	-
Amount Received / Credited	0.01	0.55	14.93
Interest on Loan	0.91	2.15	0.06
Amount Repaid / Adjusted	3.32	6.64	-
Outstanding Amount	8.65	11.05	14.99

Terms of Repayment: Loan is repayable in 36 Equally Monthly Installments of Rs.55,364/- each

Magma Fincorp Ltd-3			
Particulars	As at		
	30th September, 2018	31st March, 2018	31st March, 2017
Rate of Interest	19.50%	Nil	Nil
Opening Balance Cr/(Dr)	-	-	-
Amount Received / Credited	41.02	-	-
Interest on Loan	3.04	-	-
Amount Repaid / Adjusted	10.33	-	-
Outstanding Amount	33.73	-	-
Terms of Repayment: Loan is repayable in 24 Equally Monthly Installments of Rs.2,06,558/- each			

Tata Capital Financial Services Ltd.-3			
Particulars	As at		
	30th September, 2018	31st March, 2018	31st March, 2017
Rate of Interest	17.25%	17.25%	Nil
Opening Balance Cr/(Dr)	49.99	-	-
Amount Received / Credited	-	49.88	-
Interest on Loan	3.00	0.11	-
Amount Repaid / Adjusted	12.39	-	-
Outstanding Amount	40.60	49.99	-
Terms of Repayment: Loan is repayable in 24 Equally Monthly Installments of Rs.2,47,812/- each			

HDB Finance Ltd			
Particulars	As at		
	30th September, 2018	31st March, 2018	31st March, 2017
Rate of Interest	18.00%	18.00%	Nil
Opening Balance Cr/(Dr)	10.43	-	-
Amount Received / Credited	0.16	14.66	-
Interest on Loan	0.74	1.42	-
Amount Repaid / Adjusted	4.49	5.65	-
Outstanding Amount	6.82	10.43	-
Terms of Repayment: Loan is repayable in 24 Equally Monthly Installments of Rs.74,886/- Each			

Edelweiss Retail Finance Ltd BL-2			
Particulars	As at		
	30th September, 2018	31st March, 2018	31st March, 2017
Rate of Interest	18.50%	Nil	Nil
Opening Balance Cr/(Dr)	-	-	-
Amount Received / Credited	35.25	-	-
Interest on Loan	2.00	-	-

Amount Repaid / Adjusted	7.45	-	-
Outstanding Amount	29.80	-	-
Terms of Repayment: Loan is repayable in 24 Equally Monthly Installments of Rs.1,75,582/- Each			

India Bulls Ltd			
Particulars	As at		
	30th September, 2018	31st March, 2018	31st March, 2017
Rate of Interest	19.00%	0.00%	Nil
Opening Balance Cr/(Dr)	-	-	-
Amount Received / Credited	25.18	-	-
Interest on Loan	1.78	-	-
Amount Repaid / Adjusted	4.63	-	-
Outstanding Amount	22.34	-	-
Terms of Repayment: Loan is repayable in 36 Equally Monthly Installments of Rs.92557/- Each			

Kotak mahindra Bank-2			
Particulars	As at		
	30th September, 2018	31st March, 2018	31st March, 2017
Rate of Interest	17.72%	17.72%	Nil
Opening Balance Cr/(Dr)	7.44	-	-
Amount Received / Credited	-	13.00	-
Interest on Loan	0.52	1.51	-
Amount Repaid / Adjusted	3.86	7.07	-
Outstanding Amount	4.10	7.44	-
Terms of Repayment: Loan is repayable in 25 Equally Monthly Installments of Rs.64,275/- Each			

RBL Bank BL-2			
Particulars	As at		
	30th September, 2018	31st March, 2018	31st March, 2017
Rate of Interest	17.00%	Nil	Nil
Opening Balance Cr/(Dr)	-	-	-
Amount Received / Credited	29.99	-	-
Interest on Loan	2.00	-	-
Amount Repaid / Adjusted	7.42	-	-
Outstanding Amount	24.57	-	-
Terms of Repayment: Loan is repayable in 24 Equally Monthly Installments of Rs.1,48,327/- Each			

HDFC Bank			
Particulars	As at		
	30th September, 2018	31st March, 2018	31st March, 2017
Rate of Interest	17.15%	Nil	Nil
Opening Balance Cr/(Dr)	-	-	-
Amount Received / Credited	19.90	-	-
Interest on Loan	1.22	-	-
Amount Repaid / Adjusted	2.31	-	-
Outstanding Amount	18.80	-	-
Terms of Repayment: Loan is repayable in 48 Equally Monthly Installments of Rs.57,866/- Each			

Indusind Bank Ltd			
Particulars	As at		
	30th September, 2018	31st March, 2018	31st March, 2017
Rate of Interest	16.00%	Nil	Nil
Opening Balance Cr/(Dr)	-	-	-
Amount Received / Credited	49.91	-	-
Interest on Loan	3.20	-	-
Amount Repaid / Adjusted	12.24	-	-
Outstanding Amount	40.87	-	-
Terms of Repayment: Loan is repayable in 24 Equally Monthly Installments of Rs.2,44,816/- Each			

Deutsche Bank BL-2			
Particulars	As at		
	30th September, 2018	31st March, 2018	31st March, 2017
Rate of Interest	18.00%	Nil	Nil
Opening Balance Cr/(Dr)	-	-	-
Amount Received / Credited	46.63	-	-
Interest on Loan	2.89	-	-
Amount Repaid / Adjusted	9.76	-	-
Outstanding Amount	39.76	-	-
Terms of Repayment: Loan is repayable in 36 Equally Monthly Installments of Rs.1,62,686/- Each			

Deepika K Gambhir			
Particulars	As at		
	30th September, 2018	31st March, 2018	31st March, 2017
Rate of Interest	15.00%	15.00%	Nil
Opening Balance Cr/(Dr)	161.75	163.26	-
Amount Received / Credited	10.00	-	170.84
Interest on Loan	22.91	25.47	-
Amount Repaid / Adjusted	13.49	26.97	7.58
Outstanding Amount	181.17	161.75	163.26
Terms of Repayment: On Demand			

Kashyap P Gambhir			
Particulars	As at		
	30th September, 2018	31st March, 2018	31st March, 2017
Rate of Interest	15.00%	15.00%	18.00%
Opening Balance Cr/(Dr)	303.87	100.50	0.26
Amount Received / Credited	11.72	268.38	100.50
Interest on Loan	36.69	34.07	7.23
Amount Repaid / Adjusted	38.81	99.07	7.49
Outstanding Amount	313.47	303.87	100.50
Terms of Repayment: On Demand			

Kanoria Chembond Pvt. Ltd			
Particulars	As at		
	30th September, 2018	31st March, 2018	31st March, 2017
Rate of Interest	12.00%	12.00%	12.00%
Opening Balance Cr/(Dr)	50.00	74.79	-
Amount Received / Credited	-	-	70.00
Interest on Loan	4.50	5.50	4.79
Amount Repaid / Adjusted	8.50	30.29	-
Outstanding Amount	46.00	50.00	74.79
Terms of Repayment: On Demand			

Olympia Industries Ltd.			
Particulars	As at		
	30th September, 2018	31st March, 2018	31st March, 2017
Rate of Interest	Nil	Nil	12.00%
Opening Balance Cr/(Dr)	-	-	135.77
Amount Received / Credited	58.00	-	-
Interest on Loan	-	-	6.49
Amount Repaid / Adjusted	-	-	142.27
Outstanding Amount	58.00	-	-
Terms of Repayment: On Demand			

DETAILS OF DEFERRED TAX LIABILITIES (NET) AS RESTATED

ANNEXURE IX (Amount in Lakhs)

Particulars	As at Septemb er 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
WDV As per Companies Act. 1956 / 2013	540.86	587.98	692.04	810.10	872.10	500.50
WDV As per Income Tax Act, 1961	659.68	705.49	803.90	911.62	961.02	591.88
Difference in WDV	(118.81)	(117.51)	(111.86)	(101.52)	(88.92)	(91.38)
Gratuity Provision	(11.42)	(11.89)	(10.56)	(8.54)	(6.56)	(4.53)
Unabsorbed depreciation as per IT Act	-	-	(82.23)	(353.90)	(316.35)	(199.39)
Carry forward loss as per Income Tax Act, 1961 (STCL)	(39.82)	(39.82)	(39.82)	(39.82)	(39.82)	(39.82)
Total Timing Difference	(170.05)	(169.22)	(244.48)	(503.78)	(451.66)	(335.12)
Tax Rate as per Income Tax	27.82	27.55	30.90	30.90	30.90	30.90
(DTA) / DTL	(47.31)	(46.62)	(75.54)	(155.67)	(139.56)	(103.55)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Net deferred tax liability/(Asset)	(47.31)	(46.62)	(75.54)	(155.67)	(139.56)	(103.55)

DEFERRED TAX ASSETS AND LIABILITIES SUMMARY

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Opening Balance of (DTA) / DTL	(46.62)	(75.54)	(155.67)	(139.56)	(103.55)	(83.62)
Add: Provision for the Year	(0.68)	28.92	80.13	(16.11)	(36.01)	(19.93)
Closing Balance of (DTA) / DTL	(47.31)	(46.62)	(75.54)	(155.67)	(139.56)	(103.55)

OTHER NON-CURRENT LIABILITY AS RESTATED

ANNEXURE X

(Amount in Lakhs)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Security Deposit	806.70	824.46	830.62	150.00	100.00	100.00
Total	806.70	824.46	830.62	150.00	100.00	100.00

OTHER LONG TERM PROVISION AS RESTATED

ANNEXURE XI

(Amount in Lakhs)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Provision for Gratuity	11.12	11.58	10.28	8.39	6.44	4.44
Total	11.12	11.58	10.28	8.39	6.44	4.44

DETAILS OF SHORT TERM BORROWINGS AS RESTATED

ANNEXURE XII

(Amounts in lakhs)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
<u>Loan Repayable on Demand</u>						
A. From Banks (Secured)						
Bank of Baroda CC	1080.79	1046.89	1045.93	1047.76	904.42	864.15
Total (A)	1080.79	1046.89	1045.93	1047.76	904.42	864.15
<u>Loan Repayable on Demand</u>						

A2 Unsecured	-	-	-	-	-	-
Total (B)						
Total A+B	1080.79	1046.89	1045.93	1047.76	904.42	864.15

DETAILS OF NATURE OF SECURITY AND TERMS OF REPAYMENT FOR SHORT TERM BORROWINGS ANNEXURE XIII

(Amounts in lakhs)

Sr. No.	Lender	Nature of facility	Loan	Amount outstanding as at September 30, 2018	Rate of interest (%)	Repayment Terms	Security / Principal terms and conditions
1	Bank of Baroda	Cash Credit	Rs. 1050.00 Lakhs	Rs. 1080.79 Lakhs	MCLR+SP+5.45% p.a. i.e. 14.50% Subject to change as per bank's Internal credit rating/bank's policy/ RBI/ Gov. of india guidelines	Repayment on Demand	<p><u>I.Primary Securities:</u> 1.DP Note under the common seal of the company 2.Hypothecation of stock & Book debts 3.Board resolution 4.General Undertakings 5.Letter of guarantee 6.Letter of Continuing Security 7.Power of attorney to collect book debts 8.Undertaking to not to withdraw unsecured loans</p> <p><u>II.Other Terms & Conditions:</u> a. Hypothecation of existing & proposed Plant & Machinery b. hypothecation of Stock & Book debts c. Equitable Mortgage of: -Residential flat no. C/402, Shanti Complex, Saki-Vihar road, Tunga, Andheri, Mumbai-400072 which is ownership of Satbinder Gill -Flat noD/1002, Vikas Park, Link road, Malad, Mumbai-400064 which is ownership of Kashyap P. Gambhir & Deepika K Gambhir -Factory Land located at unit no T-1, Shree Rajalaxmi Complex, Bhiwandi Nashik Bypass Road, Bhiwandi Dist., Thane standing name of Kashyap P Gambhir</p>

DETAILS OF TRADE PAYABLES AS RESTATED

ANNEXURE XIV
(Amount in Lakhs)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Outstanding From MSME						
Sundry Creditors for Goods	95.65	583.70	156.70	273.70	723.29	226.30
Sundry Creditors for Capital Goods/Fixed Assets	0.25	0.58	1.30	27.67	28.87	3.17
Outstanding From Other than MSME						
Sundry Creditors for Goods	2,857.89	1,508.46	1,006.33	245.24	265.36	156.19
Sundry Creditors for Capital Goods/Fixed Assets	-	3.43	1.18	0.28	1.06	1.21
Total	2,953.79	2,096.17	1,165.52	546.89	1,018.58	386.87

Notes

- Outstanding against Purchase / Acquisition of Capital Goods / Assets have been shown under "Sundry Creditors for Capital Goods / Fixed Assets"
- Trade Payables as on September 30, 2018 has been taken as certified by the management of the company.

DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED
**ANNEXURE XV
(Amount in Lakhs)**

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Advance received from customers	-	-	-	-	-	-
Creditors for Expenses	302.44	368.60	76.95	306.19	485.92	283.08
Other Payables	4.63	-	0.15	0.15	0.15	-
<u>Other Statutory Dues</u>						
TDs Payable	16.97	21.14	20.07	25.10	16.34	14.39
Indirect Taxes Payable	6.34	15.51	0.05	0.07	-	-
Total	330.38	405.25	97.22	331.51	502.40	297.47
<u>Current Maturities of Term Liabilities</u>						
	-	-	-	-	-	-
Bank Of Baroda Term Loan.1	-	-	-	39.92	53.28	53.28
Bank Of Baroda Term Loan.2	-	-	9.48	14.64	14.64	14.64
Bank Of Baroda Term Loan.3	-	35.86	94.78	98.40	70.56	-
HDFC Bank Ltd	4.03	-	-	-	-	1.89
HDB Finance Ltd	6.82	7.54	-	-	-	-
Bajaj Finserv Limited	7.25	6.38	5.69	4.66	-	-
Capital First Limited	11.02	20.24	16.07	-	-	-
Capital Float limited	8.66	-	-	-	-	-
Clix Capital Services Pvt Ltd	10.25	-	-	-	-	-
Deutsche Bank BL-1	-	14.33	11.66	-	-	-
Deutsche Bank BL-2	13.44	-	-	-	-	-
RBL Bank BL-1	-	14.58	-	-	-	-
RBL Bank BL-2	14.74	-	-	-	-	-
Shriram City Union Finance Ltd	-	-	8.48	6.55	-	-
Shriram City Union Finance Ltd-2	10.34	8.69	-	-	-	-
Magma Fincorp Ltd-1	-	10.10	7.78	-	-	-
Magma Fincorp Ltd-2	5.01	4.61	3.69	-	-	-
Magma Fincorp Ltd-3	19.97	-	-	-	-	-
Tata Capital Financial Services Ltd.-1	-	-	-	25.00	-	-
Tata Capital Financial Services Ltd.-2	-	-	22.43	-	-	-
Tata Capital Financial Services Ltd.-3	24.56	20.79	-	-	-	-
ReligareFinvest Ltd	-	1.09	14.84	10.41	-	-
Kotak Mahindra Bank Ltd-1	-	0.99	11.77	-	-	-
Kotak Mahindra Bank Ltd-2	4.10	7.44	-	-	-	-
Edelweiss Retail Finance Ltd BL-1	-	13.15	-	-	-	-
Edelweiss Retail Finance Ltd BL-2	16.95	-	-	-	-	-
India Bulls Ltd	7.45	-	-	-	-	-
Indusand Bank Ltd	24.59	-	-	-	-	-
Total	189.18	165.78	206.68	199.58	138.48	69.81
Total	519.56	571.04	303.90	531.09	640.89	367.29

Notes:

Advances Received from Customers have been taken as certified by the management of the company and no security has been offered by the company against the same.

DETAILS OF SHORT TERM PROVISIONS AS RESTATED**ANNEXURE XVI****(Amount in Lakhs)**

Particulars	As at Sep 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Provision for Direct Tax	124.70	28.34	-	-	-	-
Provision for Indirect Tax	-	-	-	-	-	-
Provision for Others	35.26	29.16	26.18	20.43	36.09	10.21
Total	159.96	57.50	26.18	20.43	36.09	10.21

Notes:

Provision for Direct Tax have been adjusted against the Advance Tax and TDS Receivables, if any.

DETAILS OF FIXED ASSET AS RESTATED**ANNEXURE XVII****(Amount in Lakhs)**

Particulars	Building	Land	Capital WIP	Plant and Machinery	Furniture and Fixtures	Motor Vehicles	Computer	Total
Gross Block :								
As at April 1, 2013	-	-	9.05	749.07	20.61	51.23	3.06	833.02
Additions / (Deletion)	-	-	268.39	34.66	0.49	-	0.75	304.29
As at March 31, 2014	-	-	277.44	783.72	21.10	51.23	3.81	1137.31
As at April 1, 2014	-	-	277.44	783.72	21.10	51.23	3.81	1137.31
Additions / (Deletion)	352.27	-	(277.44)	149.18	6.01	-	1.01	231.02
As at March 31, 2015	352.27	-	-	932.90	27.11	51.23	4.82	1,368.33
As at April 1, 2015	352.27	-	-	932.90	27.11	51.23	4.82	1,368.33
Additions / (Deletion)	46.08	-	-	40.16	-	-	0.50	86.74
As at March 31, 2016	398.35	-	-	973.06	27.11	51.23	5.32	1,455.07
As at April 1, 2016	398.35	-	-	973.06	27.11	51.23	5.32	1,455.07
Additions / (Deletion)	0.45	-	-	12.08	0.09	-	0.50	13.12
As at March 31, 2017	398.80	-	-	985.14	27.20	51.23	5.82	1,468.19
As at April 1, 2017	398.80	-	-	985.14	27.20	51.23	5.82	1,468.19
Additions / (Deletion)	0.66	-	-	5.63	-	-	1.23	7.51
As At March 31, 2018	399.45	-	-	990.77	27.20	51.23	7.04	1,475.70

Particulars	Building	Land	Capital WIP	Plant and Machinery	Furniture and Fixtures	Motor Vehicles	Computer	Total
As at April 1, 2018	399.45	-	-	990.77	27.20	51.23	7.04	1,475.70
Additions / (Deletion)	-	-	-	-	-	-	-	-
As At September 30, 2018	399.45	-	-	990.77	27.20	51.23	7.04	1,475.70
							-	-
Accumulated Depreciation :							-	-
As at April 1, 2013	-	-	-	240.39	5.30	21.54	2.15	269.39
Charge for the year	-	-	-	78.78	2.85	7.69	0.66	89.98
As at March 31, 2014	-	-	-	319.17	8.16	29.23	2.81	359.37
As at April 1, 2014	-	-	-	319.17	8.16	29.23	2.81	359.37
Charge for the year	16.32	-	-	109.32	4.14	5.70	1.17	136.64
Adjustments in Depreciation under the Companies Act ' 2013	-	-	-	-	-	-	0.22	0.22
As at March 31, 2015	16.32	-	-	428.49	12.30	34.92	4.21	496.23
As at April 1, 2015	16.32	-	-	428.49	12.30	34.92	4.21	496.23
Charge for the year	33.13	-	-	106.67	3.84	4.22	0.89	148.74
As at March 31, 2016	49.44	-	-	535.16	16.13	39.15	5.09	644.97
As at April 1, 2016	49.44	-	-	535.16	16.13	39.15	5.09	644.97
Charge for the period	33.18	-	-	91.38	2.84	3.13	0.65	131.17
Additions / (Deletion)	-	-	-	-	-	-	-	-
As at March 31, 2017	82.62	-	-	626.54	18.97	42.28	5.74	776.15
As at April 1, 2017	82.62	-	-	626.54	18.97	42.28	5.74	776.15
Charge for the period	30.10	-	-	76.34	2.13	2.32	0.68	111.57
Additions / (Deletion)	-	-	-	-	-	-	-	-
As At March 31, 2018	112.72	-	-	702.88	21.10	44.60	6.42	887.71
As at April 1, 2018	112.72	-	-	702.88	21.10	44.60	6.42	887.71
Charge for the period	13.66	-	-	31.45	0.79	0.86	0.37	47.12

Particulars	Building	Land	Capital WIP	Plant and Machinery	Furniture and Fixtures	Motor Vehicles	Computer	Total
Additions / (Deletion)	-	-	-	-	-	-	-	-
As At September 30, 2018	126.37	-	-	734.33	21.89	45.46	6.78	934.84
Net Block :								
As at March 31, 2014	-	-	277.44	464.55	12.95	22.01	1.00	777.94
As at March 31, 2015	335.95	-	-	504.41	14.81	16.31	0.61	872.10
As at March 31, 2016	348.91	-	-	437.90	10.98	12.09	0.22	810.10
As at March 31, 2017	316.18	-	-	358.60	8.22	8.96	0.08	692.04
As At March 31, 2018	286.74	-	-	287.89	6.09	6.64	0.63	587.98
As At September 30, 2018	273.08	-	-	256.44	5.30	5.78	0.26	540.86

DETAILS OF NON-CURRENT INVESTMENTS AS RESTATED
(Amount in Lakhs)

ANNEXURE XVIII

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Other non-current investments						
- Share of Bharat Co. Op Bank	0.01	0.01	0.01	-	-	-
- Fixed Deposit with Bank	6.55	6.31	5.84	5.42	5.02	4.65
Aggregate Amount of Unquoted Investments	6.56	6.32	5.85	5.42	5.02	4.65
Aggregate Cost of Quoted Investments	-	-	-	-	-	-
Aggregate Cost of Unquoted Investments	-	-	-	-	-	-
Aggregate Market Value of Quoted Investments	-	-	-	-	-	-
Total	6.56	6.32	5.85	5.42	5.02	4.65

DETAILS OF LONG TERM LOANS AND ADVANCES AS RESTATED

ANNEXURE XIX
(Amount in Lakhs)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Unsecured & Considered Good						-
Security Deposits						
Deposit with M.S.E.B.	9.30	9.30	9.30	13.46	18.92	18.92
Deposit with Anjur Service Centre	0.30	0.30	0.30	0.30	0.30	0.20
Deposit with Idea Cellular	0.05	0.05	0.05	0.05	0.05	0.05
Deposit with Tata Power Co. Ltd.	0.28	0.28	0.28	0.28	0.28	0.28

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Deposit with Autopower Loom Association	0.02	0.02	-	-	-	-
Deposit from Tender	-	-	-	-	-	-
Rent Deposit	-	-	-	-	-	-
Harish T Chhetija	-	-	-	-	-	2.50
Hukumchand N Jain	-	-	-	-	-	-
Motiram T Cheetija HUF	-	-	-	-	-	2.50
NamdeoHarad	0.26	0.26	0.26	0.26	0.90	0.90
MotiramKamble	-	-	-	-	-	-
SurekhaMotiramKambal	0.20	0.20	-	-	-	-
Surender G Jain	-	-	-	-	-	-
Other Deposits	0.40	0.40	0.40	0.40	0.40	0.40
Loans and advances to other parties	-	-	-	-	-	-
Loans and advances to related parties	-	-	-	-	-	-
Others	-	-	-	-	-	-
- Advance to suppliers	1.42	1.42	1.42	1.42	1.42	1.42
Total	12.22	12.22	12.00	16.16	22.26	27.16

DETAILS OF INVENTORIES AS RESTATED

ANNEXURE XX
(Amount in Lakhs)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
a. Raw Materials and components (Valued at Cost or NRV unless otherwise stated)	741.96	715.37	478.65	354.68	310.49	276.19
Goods-in transit	-	-	-	-	-	-
	741.96	715.37	478.65	354.68	310.49	276.19
b. WIP (Valued at Cost or NRV unless otherwise stated)	1,357.21	878.84	522.79	430.80	353.72	273.46
Goods-in transit	-	-	-	-	-	-
	1,357.21	878.84	522.79	430.80	353.72	273.46
c. Finished goods (Valued at Cost or NRV unless otherwise stated)	237.15	245.99	465.46	475.91	374.04	452.81
Goods-in transit	-	-	-	-	-	-
	237.15	245.99	465.46	475.91	374.04	452.81
d. Stock-in-trade (Valued at Cost or NRV unless otherwise stated)	83.42	242.21	245.75	252.63	246.08	190.13
Goods-in transit	-	-	-	-	-	-
	83.42	242.21	245.75	252.63	246.08	190.13
Total	2,419.74	2,082.41	1,712.65	1,514.03	1,284.33	1,192.59

DETAILS OF TRADE RECEIVABLES AS RESTATED**ANNEXURE XXI**
(Amount in Lakhs)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Unsecured and Considered Good						
a. From Director / Promoters / Promoter Group / Associates / Relatives of Directors / Group Companies						
Over Six Months						
Less than Six Months						
b. From Others						
Over Six Months	1061.36	465.34	149.79	87.32	110.68	34.32
Less than Six Months	3254.44	2,904.88	1,724.53	1,017.32	1,440.90	744.62
Total	4,315.80	3,370.22	1,874.32	1,104.64	1,551.58	778.94

Notes:

- Trade Receivables as on September 30, 2018 has been taken as certified by the management of the company
- As per the view of the management of the company there is no doubtful debt and hence provision for doubtful debts have not been made

DETAILS OF CASH AND CASH EQUIVALENTS AS RESTATED**ANNEXURE XXII**
(Amount in Lakhs)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Balances with banks	0.53	0.25	0.54	-	-	-
Cash on hand	3.42	2.14	4.52	3.00	6.21	4.24
Total	3.95	2.38	5.06	3.00	6.21	4.24

DETAILS OF SHORT TERM LOANS AND ADVANCES AS RESTATED **ANNEXURE XXII**
(Amount in Lakhs)

Particulars	As at Septembe r 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
A. Loans and advances to related parties						
B. Security Deposits						
C. Balances with government authorities						
(i) VAT / CENVAT credit receivable/GST Receivable	17.04	17.04	14.73	14.88	11.68	6.78
(ii) TDS / TCS Receivables	-	-	0.15	0.79	0.29	0.39
(iii) Advance / Self- Assessment Tax	-	-	-	15.85	15.85	15.85

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
(IV) MAT Credit Entitlement	-	0.48	17.19	-	-	-
Total	17.04	17.53	32.07	31.53	27.83	23.02
D. Others (specify nature)						
- Advance to Staff	4.55	2.86	-	3.10	0.07	0.33
- Advance to Others	13.50	13.50	13.50	-	-	-
- Other Prepaid Expenses	27.07	6.10	2.18	1.66	2.69	1.49
Total	45.11	22.46	15.68	4.76	2.76	1.82
Total A+B+C+D	62.16	39.99	47.75	36.29	30.59	24.84

DETAILS OF REVENUE FROM OPERATIONS AS RESTATED

ANNEXURE XXIV
(Amount in Lakhs)

Particulars	For the Period ended September 30, 2018	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
<u>Domestic Sales</u>						
Revenue from sale of products:- Mfg. (Net of Goods Return)	2,804.88	3,534.79	3,387.19	2,006.69	2,614.22	2,644.82
Revenue from sale of products:- Trading (Net of Goods Return)	857.87	2,891.49	1,918.44	1,869.99	483.19	4.77
Revenue from sale of products:-] (Net of Goods Return)	-	-	-	-	-	-
<u>Export Sales</u>	-	-	-	-	-	-
Revenue from sale of products	3,662.75	6,426.28	5,305.63	3,876.68	3,097.41	2,649.59
Sale of services	-	-	-	-	-	-
	3,662.75	6,426.28	5,305.63	3,876.68	3,097.41	2,649.59
Other operating revenues	-	-	-	-	-	-
Gross revenue from operations	3,662.75	6,426.28	5,305.63	3,876.68	3,097.41	2,649.59
Less: Adjustments	-	-	-	-	-	-
Net revenue from operations	3,662.75	6,426.28	5,305.63	3,876.68	3,097.41	2,649.59

DETAILS OF OTHER INCOME AS RESTATED

ANNEXURE XXV

(Amount in Lakhs)

Particulars	For the Period ended September 30, 2018	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014	Nature of Income
Profit on Sale Of Machinery	-	-	-	0.85	-	-	Non-Recurring & Not Related to Business Activity
Interest received on security deposit from MSEB	-	-	-	-	-	0.91	Non-Recurring & Not Related to Business Activity
VAT Refund	-	7.11	3.75	-	-	-	Non-Recurring & Related To Business Activity
Interest on Income Tax Refund	-	-	-	-	-	1.17	Non-Recurring & Not Related To Business Activity
Excess Provision for Gratuity written off	0.47	-	-	-	-	-	Non-Recurring & non-related to business
Interest on FD	0.27	0.51	0.47	0.44	0.41	0.38	Recurring & Not Related to Business Activity
Other Misc. Income	-	-	0.95	-	-	-	Non-Recurring & Not Related to Business Activities
Total	0.74	7.62	5.18	1.29	0.41	2.46	

RESTATED STATEMENT OF EMPLOYEE BENEFIT EXPENSE**ANNEXURE XXVI**

(Amount in Lakhs)

Particulars	For the Period ended September 30, 2018	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
Salaries and Wages						
Salary and wages	97.12	186.72	162.19	128.65	151.04	130.34
Directors remuneration	27.90	53.80	51.15	49.00	44.65	42.00
Bonus	-	7.33	5.06	4.39	5.54	3.48
	125.02	247.84	218.40	182.04	201.24	175.82
Contribution to provident and other fund						
Contribution to provident and other funds for others	3.44	4.42	3.50	2.72	4.18	1.99
Provision for Gratuity	-	1.33	2.02	1.98	2.03	1.03
	3.44	5.75	5.52	4.71	6.21	3.01
Staff welfare Expenses						
Staff Welfare Expenses	0.54	1.20	1.04	0.56	0.57	1.44
	0.54	1.20	1.04	0.56	0.57	1.44
Total	129.00	254.79	224.97	187.30	208.01	180.27

RESTATED STATEMENT OF FINANCE COST
ANNEXURE XXVII
(Amount in Lakhs)

Particulars	For the Period ended September 30, 2018	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest						
Interest on short-term loans from Banks & FI	60.41	153.81	141.38	130.80	119.33	97.17
Interest on long-term loans from Banks & FI	0.59	13.11	27.31	48.93	61.60	43.62
Interest to Others	117.27	215.42	216.73	208.19	151.78	108.28
(A)	178.27	382.34	385.43	387.92	332.71	249.07
Other Borrowing costs						
Other Borrowing costs	61.96	12.38	10.15	7.44	6.18	14.05
(B)	61.96	12.38	10.15	7.44	6.18	14.05
Total(A+B)	240.23	394.72	395.58	395.37	338.90	263.12

RESTATED STATEMENT OF OTHER EXPENSE
ANNEXURE XXVIII
(Amount in Lakhs)

Particulars	For the Period ended September 30, 2018	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
Advertisement & Publicity Expenses/ Sales Promotion Expenses	14.60	9.59	4.98	9.07	5.68	10.21
Audit Fees	0.50	0.17	0.17	0.17	0.15	0.15
Commission & Brokerage	18.01	29.37	23.53	5.41	29.01	43.94
Delivery Charges	0.04	1.86	2.04	1.29	2.63	4.07
Labour Charges	205.87	534.50	517.24	374.97	577.07	845.56
Service Tax Expenses	-	0.32	1.18	1.53	2.73	3.41
Loading& Unloading Charges	-	0.05	0.04	0.13	0.64	1.00
Power & Fuel Expenses	45.42	86.31	63.18	130.80	123.50	32.53
Repairs & Maintenance expenses	8.39	25.32	18.20	18.88	19.18	17.41
Refreshment Expenses	0.77	1.72	1.16	1.15	1.72	1.54
Telephone Expenses	0.71	1.81	2.02	2.51	2.35	2.39
Travelling Expenses	0.10	0.36	0.65	3.36	5.48	2.89
Consumption of Stores & Spares	15.16	45.06	46.25	30.67	16.59	17.30
Rent, Rates & Taxes	2.63	5.10	4.18	3.02	18.25	53.83
Stationery & Printing Expenses	1.33	3.36	4.13	3.51	4.08	3.86

Particulars	For the Period ended September 30, 2018	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
Donation	0.22	0.23	0.28	0.21	0.16	0.13
Insurance Expenses	2.44	3.78	3.81	3.84	2.93	2.37
Security Charges	1.08	1.94	1.77	1.95	2.97	4.45
Professional & Legal Charges	8.03	14.35	8.54	7.68	4.59	5.09
Professional Tax	0.01	0.03	0.03	0.03	0.03	0.03
Packing Charges	2.46	5.90	8.24	5.39	7.31	7.67
Octroi Expenses	-	-	-	-	-	1.52
Water Expenses	2.11	4.01	3.73	3.99	3.46	3.09
Courier Expenses	0.26	0.64	1.12	1.99	1.77	1.31
Transportation Expenses	14.48	23.99	26.23	27.68	32.59	48.30
ROC Charges for Increase of Authorized Capital	-	5.71	-	-	0.50	-
Appeal Fees	-	-	0.03	0.16	-	-
Late fees of Professional Tax	-	-	-	-	-	0.07
Service Tax Penalty	-	-	-	-	-	0.12
Misc. Expenses	2.55	5.26	5.35	7.46	3.82	6.07
Total	347.14	810.74	748.08	646.86	869.17	1,120.29

DETAILS OF RELATED PARTIES TRANSACTIONS AS RESTATED
ANNEXURE XXIX
(Amount in Lakhs)

Name of the Party	Nature of Relation	Nature of Transaction	Amount of Transaction Debited in 2013-14	Amount of Transaction Credited in 2013-14	Amount Outstanding as on 31.03.14 (Payable) / Receivable	Amount of Transaction Debited in 2014-15	Amount of Transaction Credited in 2014-15	Amount Outstanding as on 31.03.15 (Payable)/ Receivable	Amount of Transaction Debited in 2015-16	Amount of Transaction Credited in 2015-16	Amount Outstanding as on 31.03.16 (Payable)/ Receivable	Amount of Transaction Debited upto 31.03.2017	Amount of Transaction Credited upto 31.03.2017	Amount Outstanding as on 31.03.17 (Payable)/ Receivable	Amount of Transaction Debited upto 31.03.2018	Amount of Transaction Credited upto 31.03.2018	Amount Outstanding as on 31.03.2018 (Payable)/ Receivable	Amount of Transaction Debited upto 30.09.2018	Amount of Transaction Credited upto 30.09.2018	Amount Outstanding as on 30.09.2018 (Payable)/ Receivable
SATBINDER SINGH RANJEET SINGH GILL	Director	Director's remuneration	11.13	12.00	(0.87)	8.81	8.65	(0.71)	9.83	10.00	(0.88)	12.03	12.15	(1.00)	12.82	13.80	(1.97)	7.14	6.90	(1.73)
KASHYAP PRANJAN BHIR	Director	Director's remuneration	18.00	18.00	-	14.04	21.00	(6.96)	25.65	24.00	(5.31)	22.22	24.00	(7.09)	21.51	24.00	(9.58)	12.50	12.00	(9.08)
		Unsecured Loans	147.04	147.04	(0.22)	0.04	0.04	(0.22)	-	0.04	(0.26)	8.29	108.54	(100.50)	102.86	306.23	(303.87)	42.89	52.48	(313.47)

Name of the Party	Nature of Relation	Nature of Transaction	Amount of Transaction Debited in 2013-14	Amount of Transaction Credited in 2013-14	Amount Outstanding as on 31.03.14 (Payable) / Receivable	Amount of Transaction Debited in 2014-15	Amount of Transaction Credited in 2014-15	Amount Outstanding as on 31.03.15 (Payable)/ Receivable	Amount of Transaction Debited in 2015-16	Amount of Transaction Credited in 2015-16	Amount Outstanding as on 31.03.16 (Payable)/ Receivable	Amount of Transaction Debited upto 31.03.2017	Amount of Transaction Credited upto 31.03.2017	Amount Outstanding as on 31.03.17 (Payable)/ Receivable	Amount of Transaction Debited upto 31.03.2018	Amount of Transaction Credited upto 31.03.2018	Amount Outstanding as on 31.03.2018 (Payable)/ Receivable	Amount of Transaction Debited upto 30.09.2018	Amount of Transaction Credited upto 30.09.2018	Amount Outstanding as on 30.09.2018 (Payable)/ Receivable
DEEPIKASHYAPGAMBHIR	Director	salary/Directors Remuneration	18.00	18.00	-	10.93	18.00	(7.07)	20.61	18.00	(4.46)	15.55	18.00	(6.91)	10.07	18.00	(14.84)	6.80	9.00	(17.03)
		Unsecured Loans	2.93	2.93	(3.75)	0.79	1.85	(4.82)	4.82	-	-	7.58	170.84	(163.26)	29.80	28.30	(161.75)	16.03	35.46	(181.17)
ROUNITGAMBHIR	Relative of KMP	salary	0.78	0.93	(0.15)	2.90	1.90	0.85	3.35	4.20	(0.01)	4.62	5.75	(1.14)	7.74	6.60	-	2.75	3.30	(0.55)
		Unsecured Loans	-	-	-	-	-	-	-	-	-	-	-	-	16.91	40.33	(23.42)	23.42	-	-
SONIKKAGAMBHIR	Relative of KMP	salary	5.21	4.20	-	1.42	4.20	(2.78)	4.31	3.00	(1.48)	-	-	(1.48)	3.48	2.00	-	0.14	3.00	(2.86)
		Unsecured Loans	-	-	-	-	-	-	4.57	10.71	(6.14)	-	-	(6.14)	7.24	1.10	-	-	-	-

Name of the Party	Nature of Relation	Nature of Transaction	Amount of Transaction Debited in 2013-14	Amount of Transaction Credited in 2013-14	Amount Outstanding as on 31.03.14 (Payable) / Receivable	Amount of Transaction Debited in 2014-15	Amount of Transaction Credited in 2014-15	Amount Outstanding as on 31.03.15 (Payable)/ Receivable	Amount of Transaction Debited in 2015-16	Amount of Transaction Credited in 2015-16	Amount Outstanding as on 31.03.16 (Payable)/ Receivable	Amount of Transaction Debited upto 31.03.2017	Amount of Transaction Credited upto 31.03.2017	Amount Outstanding as on 31.03.17 (Payable)/ Receivable	Amount of Transaction Debited upto 31.03.2018	Amount of Transaction Credited upto 31.03.2018	Amount Outstanding as on 31.03.2018 (Payable)/ Receivable	Amount of Transaction Debited upto 30.09.2018	Amount of Transaction Credited upto 30.09.2018	Amount Outstanding as on 30.09.2018 (Payable)/ Receivable
RASHMIN SHAH	Relative of KMP	Director's remuneration/ Salary	11.99	12.00	-	14.44	15.00	(0.56)	16.43	15.00	0.87	14.14	15.00	0.01	17.99	18.00	-	12.00	12.00	-
GURDEEP KAUR GILL	Relative of KMP	salary	5.53	6.00	(0.47)	5.78	5.80	(0.50)	7.00	7.00	(0.49)	6.00	6.10	(0.60)	6.63	7.20	(1.16)	7.33	3.60	2.57
		Unsecured Loans	-	-	-	-	-	-	-	-	-	-	-	-	0.06	50.10	(50.04)	50.27	0.23	-
NARINDER SINGH GILL	Relative of KMP	salary	4.21	4.53	(0.32)	2.42	2.26	(0.16)	2.06	2.20	(0.30)	3.60	3.60	(0.30)	3.90	3.90	(0.30)	1.80	1.80	(0.30)
		Unsecured Loans	-	-	-	-	-	-	-	-	-	-	-	-	0.01	2.09	(2.08)	2.08	-	-
		Commission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
KAMALJE	Relative	salary	1.68	1.83	(0.15)	1.88	1.89	(0.16)	1.92	1.92	(0.16)	1.60	1.44	-	-	-	-	-	-	-

Name of the Party	Nature of Relation	Nature of Transaction	Amount of Transaction Debited in 2013-14	Amount of Transaction Credited in 2013-14	Amount Outstanding as on 31.03.14 (Payable) / Receivable	Amount of Transaction Debited in 2014-15	Amount of Transaction Credited in 2014-15	Amount Outstanding as on 31.03.15 (Payable)/ Receivable	Amount of Transaction Debited in 2015-16	Amount of Transaction Credited in 2015-16	Amount Outstanding as on 31.03.16 (Payable)/ Receivable	Amount of Transaction Debited upto 31.03.2017	Amount of Transaction Credited upto 31.03.2017	Amount Outstanding as on 31.03.17 (Payable)/ Receivable	Amount of Transaction Debited upto 31.03.2018	Amount of Transaction Credited upto 31.03.2018	Amount Outstanding as on 31.03.2018 (Payable)/ Receivable	Amount of Transaction Debited upto 30.09.2018	Amount of Transaction Credited upto 30.09.2018	Amount Outstanding as on 30.09.2018 (Payable)/ Receivable
ET KAU R GILL	of KMP	Unsecured Loans	0.75	0.75	(5.00)	0.60	0.60	(5.00)	0.47	0.60	(5.14)	0.60	0.60	(5.14)	0.20	0.60	(5.54)	5.54	-	-
GUR MIND ERPRETS INGH KOO NER	Relative of KMP	salary	2.73	3.00	(0.27)	3.27	3.25	(0.25)	3.60	3.10	0.25	4.00	4.31	(0.06)	3.37	3.54	(0.23)	1.73	1.68	(0.18)
		Commission	0.31	0.31	-	0.04	0.04	-	-	-	-	-	-	-	-	-	-	-	-	-
Kamla kar D ARWARI	Relative of KMP	Unsecured Loans	0.90	15.90	(15.00)	0.90	0.90	(15.00)	15.00	-	-	-	-	-	-	-	-	-	-	-
SUJATA ARWARI	Relative of KMP	Unsecured Loans	2.49	22.49	(20.00)	6.35	1.35	(15.00)	15.00	-	-	-	-	-	-	-	-	-	-	-
ARUN	Relative	salary	3.82	4.20	(0.38)	2.58	2.36	(0.16)	2.49	2.68	(0.35)	4.61	4.56	(0.30)	4.85	4.68	(0.13)	0.13	-	-

Name of the Party	Nature of Relation	Nature of Transaction	Amount of Transaction Debited in 2013-14	Amount of Transaction Credited in 2013-14	Amount Outstanding as on 31.03.14 (Payable) / Receivable	Amount of Transaction Debited in 2014-15	Amount of Transaction Credited in 2014-15	Amount Outstanding as on 31.03.15 (Payable)/ Receivable	Amount of Transaction Debited in 2015-16	Amount of Transaction Credited in 2015-16	Amount Outstanding as on 31.03.16 (Payable)/ Receivable	Amount of Transaction Debited upto 31.03.2017	Amount of Transaction Credited upto 31.03.2017	Amount Outstanding as on 31.03.17 (Payable)/ Receivable	Amount of Transaction Debited upto 31.03.2018	Amount of Transaction Credited upto 31.03.2018	Amount Outstanding as on 31.03.2018 (Payable)/ Receivable	Amount of Transaction Debited upto 30.09.2018	Amount of Transaction Credited upto 30.09.2018	Amount Outstanding as on 30.09.2018 (Payable)/ Receivable
ARWARI	of KMP	Unsecured Loans	0.27	15.27	(15.00)	1.96	1.96	(15.00)	5.38	1.26	(10.88)	2.04	1.17	(10.01)	0.26	-	(9.75)	9.75	-	-
		Commission	0.93	0.93	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
KASHYAP & VIKAS GAMBHIR	Relative of KMP	Rent	0.60	1.50	(0.89)	0.28	0.71	(1.32)	1.32	0.94	(0.94)	1.46	0.94	(0.42)	1.27	1.34	(0.49)	-	-	(0.49)
PRANAV SHAH	Relative of KMP	salary	9.00	9.00	-	11.40	12.00	(0.60)	14.19	13.50	0.10	6.90	7.00	-	-	-	-	1.00	1.00	-
		Commission	-	-	-	-	-	-	-	-	-	5.50	5.50	-	8.00	8.00	-	-	-	-
NEELAM SHAH	Relative of KMP	salary	9.00	9.00	-	8.95	9.66	(0.71)	9.85	9.00	0.14	5.11	5.25	-	-	-	-	-	-	-
		Commission	-	-	-	-	-	-	-	-	-	3.25	3.25	-	8.80	9.75	(0.95)	6.95	6.00	-

Name of the Party	Nature of Relation	Nature of Transaction	Amount of Transaction Debited in 2013-14	Amount of Transaction Credited in 2013-14	Amount Outstanding as on 31.03.14 (Payable) / Receivable	Amount of Transaction Debited in 2014-15	Amount of Transaction Credited in 2014-15	Amount Outstanding as on 31.03.15 (Payable)/ Receivable	Amount of Transaction Debited in 2015-16	Amount of Transaction Credited in 2015-16	Amount Outstanding as on 31.03.16 (Payable)/ Receivable	Amount of Transaction Debited upto 31.03.2017	Amount of Transaction Credited upto 31.03.2017	Amount Outstanding as on 31.03.17 (Payable)/ Receivable	Amount of Transaction Debited upto 31.03.2018	Amount of Transaction Credited upto 31.03.2018	Amount Outstanding as on 31.03.2018 (Payable)/ Receivable	Amount of Transaction Debited upto 30.09.2018	Amount of Transaction Credited upto 30.09.2018	Amount Outstanding as on 30.09.2018 (Payable)/ Receivable
CHETAN SHAH	Relative of KMP	Commission	4.63	5.88	(1.25)	1.75	0.50	-	-	-	-	-	-	-	-	-	-	-	-	-
NEHA SHAH	Relative of KMP	Commission	4.53	5.15	(0.63)	0.40	0.20	(0.43)	0.43	-	-	-	-	-	-	-	-	-	-	-
RAJNIKANT SHAH	Relative of KMP	Commission	3.81	5.07	(1.25)	1.25	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RAJNIKANT GOSAR	Relative of KMP	Commission	2.40	2.40	-	2.01	2.10	(0.09)	0.09	-	-	-	-	-	-	-	-	-	-	-
HIREN	Relative	Commission	2.40	2.40	-	2.75	2.75	-	-	-	-	-	-	-	-	-	-	-	-	-

Name of the Party	Nature of Relation	Nature of Transaction	Amount of Transaction Debited in 2013-14	Amount of Transaction Credited in 2013-14	Amount Outstanding as on 31.03.14 (Payable) / Receivable	Amount of Transaction Debited in 2014-15	Amount of Transaction Credited in 2014-15	Amount Outstanding as on 31.03.15 (Payable)/ Receivable	Amount of Transaction Debited in 2015-16	Amount of Transaction Credited in 2015-16	Amount Outstanding as on 31.03.16 (Payable)/ Receivable	Amount of Transaction Debited upto 31.03.2017	Amount of Transaction Credited upto 31.03.2017	Amount Outstanding as on 31.03.17 (Payable)/ Receivable	Amount of Transaction Debited upto 31.03.2018	Amount of Transaction Credited upto 31.03.2018	Amount Outstanding as on 31.03.2018 (Payable)/ Receivable	Amount of Transaction Debited upto 30.09.2018	Amount of Transaction Credited upto 30.09.2018	Amount Outstanding as on 30.09.2018 (Payable)/ Receivable
SHAH	of KMP	salary	-	-	-	-	-	-	3.03	3.25	(0.22)	2.72	2.75	(0.25)	3.25	3.25	(0.25)	1.50	1.50	(0.25)
MITEN FURIA	Relative of KMP	salary	7.21	7.80	(0.59)	5.90	7.80	(2.49)	12.13	10.24	(0.61)	11.11	11.30	(0.80)	11.85	12.00	(0.95)	5.95	5.88	(0.88)

RESTATED SUMMARY STATEMENT OF ACCOUNTING RATIOS**ANNEXURE XXX****(Amount in Lakhs)**

Ratio	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Restated PAT as per statement of profit & loss	254.25	351.85	178.87	(35.55)	(77.08)	(44.86)
Weighted average number of equity shares at the end of the year/ period	6,250,000	6,250,000	6,250,000	6,066,940	5,250,000	4,263,699
No. of Equity Shares at the end of the year / period	6,250,000	6,250,000	6,250,000	6,250,000	5,250,000	5,250,000
Net Worth , as Restated	1,084.42	830.17	478.32	299.45	235.00	312.30
Earnings Per Share						
Basic & Diluted (Rs)	4.07	5.63	2.86	(0.59)	(1.47)	(1.05)
Return on net worth (%)	23.45%	42.38%	37.40%	-11.87%	-32.80%	-14.37%
Net Asset value per Equity Share	17.35	13.28	7.65	4.79	4.48	5.95
Nominal value per equity share (Rs.)	10.00	10.00	10.00	10.00	10.00	10.00

Notes:**2. The ratios have been Computed as per the following formulas****(i) Basic Earnings per Share**

$$\frac{\text{Restated Profit after Tax available to equity shareholders}}{\text{Weighted average number of equity shares outstanding at the end of the year}}$$
(ii) Net Asset Value (NAV) per Equity Share

$$\frac{\text{Restated Net worth of Equity Share Holders}}{\text{Number of equity shares outstanding at the end of the year}}$$
(iii) Return on Net worth (%)

$$\frac{\text{Restated Profit after Tax available to equity shareholders}}{\text{Restated Net worth of Equity Share Holders}}$$

- Net Profit as restated, as appearing in the statement of profit and losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the restated financial information of the Company.
- Earnings per share calculations are done in accordance with Accounting Standard 20 "Earning Per Share", issued by the Institute of Chartered Accountants of India.
- Prior to September 30, 2018, the company has made the following changes in its capital structure, the effects of which have been considered in computing the above accounting ratios
 - During the FY 2014-15, the company has increased its authorized share capital from Rs.600.00 Lakhs to Rs.650.00 Lakhs wide a resolution passed at the EGM of the Company held at the registered office of the Company on February 18, 2015.
 - During the FY 2017-18, the Company has increased its authorized share capital from Rs.650.00 Lakhs to Rs.1250.00 Lakhs wide a resolution passed at the EGM of the Company held at the registered office of the company on September 05, 2017.

- During the FY 2013-14, the Company has issued & Allotted 25,00,000 Shares wide a resolution passed at the Board Meeting of the company held at the registered office of the company on August 23, 2013.
- During the FY 2015-16 Company has issued & Allotted 10,00,000 Shares Wide a resolution passed at Board Meeting of the company held at the registered office of the company on July 06, 2015..

CAPITALIZATION STATEMENT AS RESTATED AS AT SEPTEMBER 30, 2018

ANNEXURE XXXI (Amount in Lakhs)

Particulars	Pre Issue	Post Issue
Borrowings:		
Short-term Debt (A)	1,080.79	1,080.79
Long-term Debt (B)	981.44	981.44
Total debts (C)	2,062.23	2,062.23
Shareholders' funds		
Share capital	625.00	856.00
Reserve and surplus	459.42	1060.02
Total shareholders' funds (D)	1,084.42	1,916.02
Long term debt / shareholders' funds (B/D)	0.91	0.51
Total debt / shareholders' funds (C/D)	1.90	1.08

1. Short term debts represent debts which are due within 12 months from September 30, 2018.
2. Long term debts represent debts other than short term debts, as defined above but includes current maturities of long term debt.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at September 30, 2018

STATEMENT OF TAX SHELTERS AS RESTATED

ANNEXURE XXXII (Amount in Lakhs)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Profit & Gains from Business & Profession						
Tax calculations As Per Normal Calculations						
Profit Before Tax as per books of accounts	351.88	499.28	259.00	(51.65)	(113.09)	(64.79)
Add:						
<u>Expenses Disallowed</u>						
Depreciation as per books of accounts	47.12	111.57	131.17	148.74	136.64	89.98

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Expenses Disallowed u/s 43B	-	1.33	2.02	1.98	2.03	1.03
Other disallowed Expenses	0.22	5.94	0.31	0.37	0.66	0.31
Preliminary Expenses as per books	-	-	-	-	-	-
Total Expenses Disallowed	47.34	118.83	133.50	151.10	139.33	91.32
Less:						
Preliminary expenses allowed as per IT Act(1/5th up to 5 years)	-	-	-	-	-	-
Profit on sale of fixed asset	-	-	-	0.85	-	-
	-	-	-	0.85	-	-
<u>Income Considered under other heads of income</u>	-	-	-	-	-	-
Interest income	0.27	0.51	1.42	0.44	0.41	2.46
Total income under other heads	0.27	0.51	1.42	0.44	0.41	2.46
NTTI Before Depreciation	398.95	617.59	391.08	98.16	25.83	24.06
Less:	-	-	-	-	-	-
Depreciation as per income tax Act	45.82	105.76	120.84	136.14	143.20	100.24
	-	-	-	-	-	-
Taxable income from PGBP before Set off	353.13	511.83	270.24	-	-	-
Less:	-	-	-	-	-	-
Brought forward loss set off during the current year	-	-	-	-	-	-
	-	-	-	-	-	-
Unabsorbed depreciation	-	82.23	270.24	-	-	-
Brought forward loss set off	-	-	-	-	-	-
Total Loss set off during the year	-	82.23	270.24	-	-	-
Taxable income from PGBP	353.13	429.60	-	-	-	-
Income From Other sources	0.27	0.51	1.42	0.44	0.41	2.46

Particulars	As at Septembe r 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
Less: Unabsorbed depreciation	-	-	1.42	0.44	0.41	2.46
Taxable income from other sources	0.27	0.51	-	-	-	-
Gross total income	353.40	430.11	-	-	-	-
Less: Ch. Vi-A Deduction	-	-	-	-	-	-
Deduction u/s 80IC						
Net Taxable total income	353.40	430.11	-	-	-	-
Tax rate as per normal provisions	27.82	27.55	30.90	30.90	30.90	30.90
Tax as per normal provisions	98.31	118.51	-	-	-	-
Tax calculations As Per section 115JB of Income Tax Act, 1961						
PBT	351.88	499.28	259.00	(51.65)	(113.09)	(64.79)
Less:						
Brought Forward Loss/ unabsorbed depreciation as per books of accounts which ever is less	-	-	168.77	-	-	-
Book profit/loss as per MAT	351.88	499.28	90.23	(51.65)	(113.09)	(64.79)
Book profit for tax calculation	351.88	499.28	90.23	-	-	-
Tax rate as per MAT	20.59	20.39	19.06	19.06	19.06	19.06
Tax as per MAT	72.44	101.80	17.19	-	-	-
Tax to be paid	98.31	118.51	17.19	-	-	-
Provision	Normal Provision	Normal Provision	MAT Provision	Normal Provision	Normal Provision	Normal Provision

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion of our financial condition and results of operations together with our Restated Financial Statements which have been included in this Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Restated Financial Statements for the years ended March 31, 2018, 2017, 2016, and period ended September 30, 2018 including the related notes and reports, included in this Prospectus have been prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited financial statements for the respective years and period ended September 30, 2018. Accordingly, the degree to which our Restated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "Risk Factors" and "Forward Looking Statements" beginning on pages 21 and 20, respectively, and elsewhere in this Prospectus.

Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.

OVERVIEW

Our Company was originally incorporated as "Artedz Fabs Private Limited" at Mumbai, Maharashtra as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated August 08, 2006 bearing Corporate Identification Number U17299MH2006PTC163645 issued by Registrar of Companies, Mumbai, Maharashtra. Subsequently, our Company was converted into a Public Limited Company pursuant to special resolution passed by the members in Extra-ordinary General Meeting of our Company held on January 18, 2018 and the name of our Company was changed to "Artedz Fabs Limited." A fresh certificate of incorporation consequent upon Conversion of Private Company to Public Limited Company dated February 19, 2018 was issued by Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of our Company is U17299MH2006PLC163645.

Our Company is engaged in manufacturing and trading of textile fabrics for shirtings and suitings. We specialise in manufacturing of textile fabrics majorly from cotton yarn. We also use linen yarn as well as blended yarns as the raw material. We are primarily engaged in the manufacturing of grey fabrics with high-end and fashion forward designs, using the expertise of our in-house designing team. Our Company caters to orders from both domestic and international markets. With a manufacturing facility spread over a Land area of 15,789 sq. ft. in Bhiwandi, Maharashtra, our Company currently has an installed capacity of 21 Lakhs sq. metre per annum with 43 installed looms which can cater to the orders requiring any specific category of yarn.

Our Company initially started its commercial production in the year 2007 by setting up a manufacturing facility at Bhiwandi Nashik Road, Maharashtra by importing second hand machineries. In year 2011, the manufacturing facility of the Company collapsed due to incorrect and improper construction, subsequent to that, we reconstructed the manufacturing facility by installing the same machineries in the same facility. However, in order to retain our customer's trust during the dire time not only was our Company successful in reconstructing the facility but we also fulfilled the orders received from our customers through outsourcing our manufacturing activity, thereby reposing the value and brand of the Company.

Initially, our Company started the manufacturing of Cotton Fabric for shirtings and further started manufacturing Linen Fabric along with Blend of Cotton and Linen Fabrics. Our Company concentrates on Men's Casual Shirt and manufactures entirely for two collections viz., Summer & Winter. Our Company manufactures its products on the basis of orders received from the customers hence following the Just-in-

time concept for managing its inventory level curtailing cost. Ours is a complete made to order business model.

Our Company is promoted and managed by Kashyap Gambhir and Satbinder Singh Gill. Our Promoters have experience of more than 12 years in the textile industry. They are actively involved in the business operations, the outcome of which is reflected in the operational and financial performance of the Company.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL PERIOD

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factor*” beginning on page 21 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Changes in laws and regulations that apply to the industry:
- Intensified competition in industries/sector in which we operate:
- Failure to adapt to the changing technology in our textiles industry may adversely affect our business and financial condition:
- Our ability to attract, retain and manage job workers:
- Competition from existing and new entrants:
- General economic and business conditions.

SINGNIFICANT ACCOUNTING POLICIES

(A) Corporate Information:

The Company was originally incorporated as “Artedz Fabs Private Limited” at Mumbai, Maharashtra as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated August 08, 2006 bearing Corporate Identification Number U17299MH2006PTC163645 issued by Registrar of Companies, Mumbai, Maharashtra. Subsequently, the Company was converted into a Public Limited Company pursuant to special resolution passed by the members in Extra Ordinary General Meeting of the Company held on January 18, 2018 and the name of the Company was changed to “ArtedzFabs Limited” and a fresh certificate of incorporation consequent upon Conversion of Private Company to Public Limited Company dated February 19, 2018 was issued by Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of the Company is U17299MH2006PLC163645.

The Company is engaged in manufacturing and trading of textile fabrics for shirtings. The Company also specialise in manufacturing of textile fabrics majorly from cotton yarn apart from also using linen yarn, blended yarn as the input. The company is primarily engaged in manufacturing of grey fabrics and also designed fabrics, using the expertise of its in-house designing team. The Company caters to orders from both domestic and international markets.

(B) Basis of Preparation:

The Restated Summary Statements of Assets and Liabilities of the Company as at September 30, 2018, March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 and the related Restated Summary Statements of Profits and Losses and Cash Flows Statement for the period / years ended September 30, 2018, March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014, have been compiled by management from the financial statements of the company for the period ended on September 30, 2018, March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

"The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting

principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, 1956 (up to March 31, 2014), and notified sections, schedules and rules of the Companies Act 2013 (with effect from April 01, 2014), including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014).

The presentation of financial statements requires estimates and assumption to be made that affect the reported amount of assets & Liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which results are known/materialized."

(C) Significant Accounting Policies:

(a) Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reported period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the Carrying amounts of Assets or Liabilities in future periods.

(b) Fixed Assets:

Fixed assets are stated at cost of acquisition, including any attributable cost for bringing the asset to its working condition for its intended use, less accumulated depreciation. CENVAT credit availed but not adjusted against excise duty payment is treated as CENVAT credit receivable and shown under 'Loans and Advances'. Fixed assets on which CENVAT credit is not availed is shown at full value.

The Company was required to comply with AS-28 "Impairment of Assets", but due to non-availability of the data, the same have not been complied with.

(c) Depreciation:

Up to March 31, 2014 depreciation on fixed assets is provided on Written Down Value(WDV) Method. at the rate and manner prescribed in schedule XIV of the Companies Act, 1956 over their useful life. w.e.f April 1, 2014 depreciation is provided based on useful life of asset as prescribed in schedule II of Companies Act 2013 except non charging of 100% depreciation on assets costing below Rs. 5000/-. The carrying amount as on April 1, 2014 is depreciated over the balance useful life of asset.

Depreciation on additions to the assets and the assets sold or disposed off, during the year is provided on prorata basis, at their respective useful life or rate of depreciation as prescribed with reference to the date of acquisition / installation or date of sale / disposal.

(d) Revenue Recognition:

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue from sale of goods is recognized on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for price, significant risk and rewards of ownership are transferred to the customers and no effective ownership is retained. Sales comprises sale of goods and services, net of trade discounts and include exchange differences arising on sales transactions.

(D) Foreign Currency Transactions:

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Monetary foreign currency assets and liabilities are translated into Rupees at the exchange

rate prevailing at the Balance Sheet Date. All exchange differences are dealt with in Profit and Loss Account.

(E) Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of Investments.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(F) Inventories:

Inventories are valued at cost or net realizable value whichever is lower. Cost of Raw material includes value of goods & transport & any other incidental expense incurred to procure the inventory. Cost of finished goods includes cost of raw material consumed & any other direct expense incidental to manufacturing of goods

(G) Employee Benefits:

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when an employee renders the related services. The company has no obligations, other than the contribution payable to the provident fund.

(H) Taxation:

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the Tax Authorities in accordance with the Income Tax Act'1961 enacted or substantively enacted at the reporting date.

Deferred Tax Assets or Deferred Tax Liability is recognized on timing difference being the difference between taxable incomes and accounting income. Deferred Tax Assets or Deferred Tax Liability is measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future.

(I) Borrowing Cost:

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

(J) Segment Reporting:

The Company is engaged in manufacturing and trading of textile fabrics for shirtings. Looking at the nature of business and financial reporting of the company, the Company is operating in only one Segment and hence segment reporting is not applicable.

(K) Provisions and Contingent Liabilities:

A provision is recognized when the company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

(Amount in Lakhs)

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
(c) Claim against company not acknowledge as debt.	69.77	69.77	69.77	69.77	69.77	69.77
(d) Duty saved against EPCG	23.66	23.66	23.66	23.66	23.66	23.66

- As we are unable to quantify amount for contravention of provision of subsection 1 of section 73 of Companies Act, 2013, no amount have been provided for the same in Contingent liability as we are unable to quantify the same, because the amount of penalty(ies) to be levied is on the discretion of the appropriate authority.

(L) Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS

Revenue and Expenses

Our revenue and expenses are reported in the following manner:

Total Revenue

Our Total Revenue comprises of revenue from operations and other income.

Revenue from operations

Our revenue from operations comprises of revenue from sale of products manufactured by us and products traded by us. Our products include cotton fabric, linen fabric, polyester fabric, nylon fabric and blended fabric for shirtings.

The following table sets forth breakdown of our revenue from operations for the period/year indicated:

Particulars	For the period ended September 30, 2018		For the Year ended March 31, 2018		For the Year ended March 31, 2017		For the Year ended March 31, 2016	
	Rs. in Lakhs	%	Rs. in Lakhs	%	Rs. in Lakhs	%	Rs. in Lakhs	%
Revenue from Sale of Manufactured fabric	2,804.88	76.58%	3,534.79	55.01%	3,387.19	63.84%	2,006.69	51.76%
Revenue from trading of fabric	857.87	23.42%	2,891.49	44.99%	1,918.44	36.16%	1,869.99	48.24%

Particulars	For the period ended September 30, 2018		For the Year ended March 31, 2018		For the Year ended March 31, 2017		For the Year ended March 31, 2016	
	Rs. in Lakhs	%	Rs. in Lakhs	%	Rs. in Lakhs	%	Rs. in Lakhs	%
Total Revenue from operations	3,662.75	100.00 %	6,426.28	100.00 %	5,305.63	100.00 %	3,876.68	100.00 %

Other Income

Our other income comprises recurring income like interest on term deposits and non-recurring income which is related to business activities like refund of VAT and income unrelated to business activities like profit on sale of machinery, interest on refund of income tax, excess provision for gratuity written off and other miscellaneous income.

Expenses

Our expenses comprise of cost of material consumed, purchase of stock-in-trade, changes in inventories of finished goods, stock-in-trade and work-in-progress, employee benefit expenses, finance costs, depreciation and amortisation expenses and other expenses.

Cost of material consumed

Our cost of material consumed consist of consumption of cotton yarn, cotton linen, cotton, cotton lycra, FALX, linen, nylons, slub and carded etc. to manufacture our finished goods.

Purchase of stock-in-trade

Our purchase of stock-in-trade comprises of cost on account of purchases of textile fabric for shirtings.

Change in inventory of finished goods, stock-in-trade and work-in-progress

Our change in inventory of finished goods, stock-in-trade and work-in-progress comprise change in inventory level of finished goods, stock-in-trade and work-in-progress during the period which is the difference of closing and opening balance.

Employee benefit expenses

Our employee benefit expenses include salary and wages, directors' remuneration, bonus, contribution to provident and other statutory fund, provision for gratuity and staff welfare expenses.

The following table sets forth breakdown of our employee benefit expenses for the period/year indicated:

Particulars	For the period ended September 30, 2018	For the Year ended March 31, 2018	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Salary and wages	97.12	186.72	162.19	128.65
Directors' remuneration	27.90	53.80	51.15	49.00
Contribution to provident and other funds	3.44	4.42	3.50	2.72
Bonus	-	7.33	5.06	4.39
Provision for gratuity	-	1.33	2.02	1.98
Staff welfare expenses	0.54	1.20	1.04	0.56
Total Employee Benefit Expenses	129.00	254.79	224.97	187.30

Finance costs

Our finance costs comprise of interest on secured working capital facility taken from banks and unsecured loan taken from banks and financial institutions, promoter and promoter group, persons other than promoter

and promoter group and inter corporate deposits. Our finance costs also include interest on security deposits, bank charges and loan processing fees.

Depreciation and amortisation expenses

Our depreciation and amortisation expenses comprise of depreciation on tangible fixed assets.

Other expenses

Our other expenses comprise of direct expenses and indirect expenses. Our Direct expenses primarily consist of labour charges, power and fuel expenses, stores and spares expenses, transportation expenses, repair and maintenance expenses, carriage inward charges, packing charges, electricity expenses and water expenses, among others. Our Indirect expenses comprised administrative expenses and selling and distribution expenses. Our administrative expenses primarily consist of professional and legal charges, rent, rate and taxes, vehicle running and maintenance expenses, stationary and printing expenses, insurance expenses, travelling expenses, telephone expenses, security charges, ROC filling fees, service tax expenses, courier expenses and refreshment expenses, among others. Our selling and distribution expenses primarily consist commission and brokerage expenses, sales promotion expenses and delivery charges, among others.

The following table sets forth bifurcation of our other expenses for the period/year indicated:

Particulars	For the period ended September 30, 2018	For the Year ended March 31, 2018	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Advertisement & Publicity Expenses/ Sales Promotion Expenses	14.60	9.59	4.98	9.07
Appeal Fees	-	-	0.03	0.16
Audit Fees	0.50	0.17	0.17	0.17
Commission & Brokerage	18.01	29.37	23.53	5.41
Courier Expenses	0.26	0.64	1.12	1.99
Delivery Charges	0.04	1.86	2.04	1.29
Donation	0.22	0.23	0.28	0.21
Insurance Expenses	2.44	3.78	3.81	3.84
Labour Charges	205.87	534.50	517.24	374.97
Loading & Unloading Charges	-	0.05	0.04	0.13
Packing Charges	2.46	5.90	8.24	5.39
Power & Fuel Expenses	45.42	86.31	63.18	130.80
Professional & Legal Charges	8.03	14.35	8.54	7.68
Professional Tax	0.01	0.03	0.03	0.03
Refreshment Expenses	0.77	1.72	1.16	1.15
Rent, Rates & Taxes	2.63	5.10	4.18	3.02
Repairs & Maintenance Expenses	8.39	25.32	18.20	18.88
ROC Charges for Increase of Authorised Capital	-	5.71	-	-
Security Charges	1.08	1.94	1.77	1.95
Service Tax Expenses	-	0.32	1.18	1.53
Stationery & Printing Expenses	1.33	3.36	4.13	3.51
Stores & Spares	15.16	45.06	46.25	30.67
Telephone Expenses	0.71	1.81	2.02	2.51
Transportation Expenses	14.48	23.99	26.23	27.68
Travelling Expenses	0.10	0.36	0.65	3.36

Particulars	For the period ended September 30, 2018	For the Year ended March 31, 2018	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Water Expenses	2.11	4.01	3.73	3.99
Miscellaneous Expenses	2.55	5.28	5.34	7.46
Total	347.14	810.76	748.07	646.86

Our Results of Operations

The following table sets forth select financial data from our restated financial statement of profit and loss for the financial years 2018, 2017, 2016 and for the period ended September 30, 2018 the components of which are also expressed as a percentage of total revenue for such periods:

Particulars	For the period ended September 30, 2018		For the Year ended March 31, 2018		For the Year ended March 31, 2017		For the Year ended March 31, 2016	
	Rs. in Lakhs	(%)*	Rs. in Lakhs	(%)*	Rs. in Lakhs	(%)*	Rs. in Lakhs	(%)*
Total Revenue:								
Revenue from operations	3,662.75	99.98%	6,426.28	99.88%	5,305.63	99.90%	3,876.68	99.97%
Other income	0.74	0.02%	7.62	0.12%	5.18	0.10%	1.29	0.03%
Total Revenue	3,663.49	100.00%	6,433.90	100.00%	5,310.81	100.00%	3,877.97	100.00%
Expenses:								
Cost of Material Consumed	2,071.81	56.55%	1,683.95	26.17%	1,316.40	24.79%	966.57	24.92%
Purchase of stock-in-trade	787.04	21.48%	2,811.89	43.70%	2,310.28	43.50%	1,770.29	45.65%
Change in inventories of finished goods, stock-in-trade and work-in-progress	(310.73)	(8.48%)	(133.04)	(2.07%)	(74.67)	(1.41%)	(185.51)	(4.78%)
Employee benefit expenses	129.00	3.52%	254.79	3.96%	224.97	4.24%	187.30	4.83%
Finance costs	240.23	6.56%	394.72	6.13%	395.58	7.45%	395.37	10.20%
Depreciation and amortization expense	47.12	1.29%	111.57	1.73%	131.17	2.47%	148.74	3.84%
Other expenses	347.14	9.48%	810.76	12.60%	748.07	14.09%	646.86	16.68%
Total Expenses	3,311.61	90.40%	5,934.62	92.24%	5,051.81	95.12%	3,929.62	101.33%
Profit before exceptional, extraordinary items and tax	351.88	9.61%	499.28	7.76%	259.00	4.88%	(51.65)	(1.33%)
Extraordinary and Exceptional items	-	-	-	-	-	-	-	-
Profit before tax	351.88	9.61%	499.28	7.76%	259.00	4.88%	(51.65)	(1.33%)
Tax expense :								
(i) Current tax	98.32	2.68%	118.51	1.84%	17.19	0.32%	-	-
(ii) MAT Credit	-	-	-	-	(17.19)	(0.32%)	-	-

Particulars	For the period ended September 30, 2018		For the Year ended March 31, 2018		For the Year ended March 31, 2017		For the Year ended March 31, 2016	
	Rs. in Lakhs	(%)*	Rs. in Lakhs	(%)*	Rs. in Lakhs	(%)*	Rs. in Lakhs	(%)*
(iii) Deferred tax	(0.68)	(0.02%)	28.92	0.45%	80.13	1.51%	(16.11)	(0.42%)
Total Tax Expense	97.63	2.66%	147.42	2.29%	80.13	1.51%	(16.11)	(0.42%)
Profit for the year/ period	254.25	6.94%	351.85	5.47%	178.87	3.37%	(35.55)	(0.92%)

* (%) column represents percentage of total revenue.

Review of Operation for the Period Ended September 30, 2018

Total Revenue

Revenue from operations

Revenue from operations for the period ended September 30, 2018 amounted to Rs. 3,662.75 lakhs which was primarily on account of revenue from sale of manufactured fabric and trading of finished fabric like cotton fabric, linen fabric, polyester fabric, nylon fabric and blended fabric for shirtings. Our revenue from the sale of manufactured fabrics was Rs. 2,804.88 lakhs, while the revenue from trading of finished fabric was Rs. 857.87 lakhs. Our revenue from operations was 99.98% of our total revenue.

Other income

Our other income was Rs. 0.74 lakh for the period ended September 30, 2018 comprises of interest on term deposits amounting to Rs. 0.27 lakh and excess provision for gratuity written off amounting to Rs. 0.47 lakh. Our other income was 0.02% of our total revenue.

Total Expenses

Our total expenses, excluding tax amounted to Rs. 3,311.61 lakhs for the period ended September 30, 2018 which was 90.39% of our total revenue.

Cost of material consumed

Our cost of material consumed for the period ended September 30, 2018 was Rs. 2,071.81 lakhs which comprised consumption of yarn – like cotton yarn, cotton linen, cotton, cotton lycra, FALX, linen, nylons, slub and carded etc. to manufacture the finished goods. Our cost of material consumed was 56.55% of our total revenue.

Purchase of Stock-in-trade

Our purchase of stock-in-trade for the period ended September 30, 2018 was Rs. 787.04 lakhs which comprised of cost on account of purchases of textile fabric for shirtings. Our purchase of stock-in-trade was 21.48% of our total revenue.

Employee Benefit Expenses

Our employee benefit expenses for the period ended September 30, 2018 were Rs. 129.00 lakhs which primarily comprised of salary & wages of Rs. 97.12 lakhs, directors' remuneration of Rs. 27.90 lakhs, contribution to provident and statutory funds of Rs. 3.44 lakhs and staff welfare expenses of Rs. 0.54 lakh. Our employee benefit expenses were 3.52% of our total revenue.

Finance Costs

Our finance costs for the period ended September 30, 2018 were Rs. 240.23 lakhs primarily consisting of interest on working capital facility from bank amounting to Rs. 60.41 lakhs, interest on unsecured loans from promoter & promoter group and interest on security deposits amounting to Rs. 117.27 lakhs,

interest on long term loans from banks and financial institutions amounting to Rs. 0.59 lakh and bank charges and processing fees of Rs. 61.96 lakhs. Our finance cost were 6.56% of our total revenue.

Depreciation and Amortization Expenses

Depreciation and amortization expenses were Rs. 47.12 lakhs for the period ended September 30, 2018 on account of depreciation on tangible fixed assets. Our depreciation and amortization expenses were 1.29% of our total revenue.

Other expenses

Our other expenses for the period ended September 30, 2018 were Rs. 347.14 lakhs primarily consisting of labour charges of Rs. 205.87 lakhs, power & fuel expenses of Rs. 45.42 lakhs, commission & brokerage of Rs. 18.01 lakhs, stores & spares of Rs. 15.16 lakhs, advertisement & publicity expenses/sales promotion expenses of Rs. 14.60 lakhs, transportation expenses of Rs. 14.48 lakhs, repairs & maintenance expenses of Rs. 8.39 lakhs, professional & legal charges of Rs. 8.03 lakhs, rent, rates & taxes of Rs. 2.63 lakhs, packing charges of Rs. 2.46 lakhs, insurance expenses of Rs. 2.44 lakhs, water expenses of Rs. 2.11 lakhs, stationery & printing expenses of Rs. 1.33 lakhs, security charges of Rs. 1.08 lakhs, refreshment expenses of Rs. 0.77 lakh, telephone expenses of Rs. 0.71 lakh, audit fees of Rs. 0.50 lakhs, courier expenses of Rs. 0.26 lakh, donation of Rs. 0.22 lakh, travelling expenses of Rs. 0.10 lakhs, delivery charges of Rs. 0.04 lakh, professional tax of Rs. 0.01 lakh and miscellaneous expenses of Rs. 2.55 lakhs. Our other expenses were 9.48% of our total revenue.

Profit before Tax

Our Profit before tax for the period ended September 30, 2018 was Rs. 351.88 lakhs which was 9.60% of our total revenue.

Tax Expenses

Our tax expenses for the period ended September 30, 2018 were Rs. 97.64 lakhs. Tax expenses comprised of current tax of Rs. 98.32 lakhs and deferred tax credit of Rs. 0.68 lakh. Our tax expenses were 2.67% of our total revenue.

Profit after Tax

Our profit after tax for the period ended September 30, 2018 was Rs. 254.25 lakhs forming 6.94% of our total revenue.

FINANCIAL YEAR 2017-18 COMPARED WITH FINANCIAL YEAR 2016-17

Total Revenue

Our total revenue significantly increase by 21.15% to Rs. 6,433.90 lakhs for the financial year 2017-18 from Rs. 5,310.81 lakhs for the financial year 2016-17 due to the factors described below:

Revenue from operations

Our revenue from operations increased by 21.12% to Rs. 6,426.28 lakhs for the financial year 2017-18 from Rs. 5,305.63 lakhs for the financial year 2016-17. The increase was mainly due to significant increase in revenue from sale of our trading goods by 50.72% to Rs. 2,891.49 lakhs for the financial year 2017-18 from Rs. 1,918.44 lakhs for the financial year 2016-17 and increase in revenue from manufactured goods by 4.36% to Rs. 3,534.79 lakhs for the financial year 2017-18 from Rs. 3,387.19 lakhs for the financial year 2016-17.

Other income

Our other income increased by 47.21% to Rs. 7.62 lakhs for the financial year 2017-18 from Rs. 5.18 lakhs for the financial year 2016-17 mainly due to increase in receipt of VAT refund income of Rs. 3.36 lakhs and increase in interest income on term deposits by Rs. 0.04 lakh. However, the increase was partially offset by decrease in other miscellaneous income by Rs. 0.95 lakh.

Total Expenses

Our total expenses, excluding tax increased by 17.48% to Rs. 5,934.62 lakhs for the financial year 2017-18 from Rs. 5,051.81 lakhs for the financial year 2016-17, due to the factors described below:

Cost of material consumed

Our cost of material consumed increase by 27.92% to Rs. 1,683.95 lakhs for the financial year 2017-18 from Rs. 1,316.40 lakhs for the financial year 2016-17 mainly due to increase in our cost of raw material and also increase in revenue from sale of manufactured goods in the financial year 2017-18. Our cost of material consumed as a percentage of revenue from manufactured goods was 47.64 % for the financial year 2017-18 which was 38.86% for the financial year 2016-17.

Purchase of stock-in-trade

Our purchase of stock-in-trade increased by 21.71% to Rs. 2,811.89 lakhs for the financial year 2017-18 from Rs. 2,310.28 lakhs for the financial year 2016-17 due to increase in revenue from trading of goods.

Employee benefits expenses

Our employee benefit expenses increased by 13.26% to Rs. 254.79 lakhs for the financial year 2017-18 from Rs. 224.97 lakhs for the financial year 2016-17. The increase was mainly due to decrease in salary & wages by Rs. 24.53 lakhs, director's remuneration by Rs. 2.65 lakhs, contribution to provident and other statutory fund by Rs. 0.92 lakh, bonus expenses by Rs. 2.26 lakhs and staff welfare expenses by Rs. 0.16 lakh. However, the increase was partially offset by decrease in provision for gratuity by Rs. 0.69 lakh.

Finance costs

Our finance costs slightly decreased by 0.22% to Rs. 394.72 lakhs for the financial year 2017-18 from Rs. 395.58 lakhs for the financial year 2016-17. The decrease was mainly on account of decrease in interest on long term loan from banks and financial institutions by Rs. 14.20 lakhs and interest on long term unsecured loan from promoter & promoter group, other persons and interest on security deposits by Rs. 1.31 lakhs in the financial year 2017-18. However, the decrease was offset by increase in interest on secured working capital facility from bank by Rs. 12.43 lakhs and bank charges and processing fees by Rs. 2.22 lakhs in the financial year 2017-18.

Depreciation and amortisation expense

Our depreciation and amortisation expenses decreased by 14.95% to Rs. 111.57 lakhs for the financial year 2017-18 from Rs. 131.17 lakhs for the financial year 2016-17.

Other expenses

Our other expenses increased by 8.38% to Rs. 810.76 lakhs for the financial year 2017-18 from Rs. 748.07 lakhs for the financial year 2016-17. The increase was mainly due to increase in power & fuel expenses by Rs. 23.13 lakhs, labour charges by Rs. 17.26 lakhs, repairs & maintenance expenses by Rs. 7.12 lakhs, commission & brokerage by Rs. 5.84 lakhs, professional & legal charges by Rs. 5.81 lakhs, ROC charges for increase of authorised capital by Rs. 5.71 lakhs, advertisement & publicity expenses by Rs. 4.60 lakhs, rent, rates & taxes by Rs. 0.92 lakh, refreshment expenses by Rs. 0.57 lakh, water expenses by Rs. 0.28 lakh, security charges by Rs. 0.17 lakh, loading & unloading charges by Rs. 0.01 lakh. However, the increase was partially offset by decrease in packing charges by Rs. 2.34 lakhs, transportation expenses by Rs. 2.24 lakhs, stores & spares by Rs. 1.18 lakhs, service tax expenses by Rs. 0.86 lakh, stationery & printing expenses by Rs. 0.77 lakh, courier expenses by Rs. 0.48 lakh, travelling expenses by Rs. 0.29 lakhs, telephone expenses by Rs. 0.21 lakhs, delivery charges by Rs. 0.17 lakhs, donation by Rs. 0.05 lakh, insurance expenses by Rs. 0.03 lakhs, appeal fees by Rs. 0.03 lakhs and other miscellaneous expenses by Rs. 0.07 lakhs.

Profit/Loss before tax

Our profit before tax significantly increased by 92.77% to Rs. 499.28 lakhs for the financial year 2017-18 from Rs. 259.00 lakhs for the financial year 2016-17 due to increase and improvement in our overall business activity.

Tax expenses

Our tax expense increased by 83.99% to Rs. 147.42 lakh for the financial year 2017-18 from Rs. 80.13 lakhs for the financial year 2016-17 mainly due to increase in our current tax expense by Rs. 101.31 lakh which was partially offset by decrease in deferred tax expense by Rs. 51.21 lakhs.

Profit after tax

Our profit after tax significantly increased by Rs. 96.71% to Rs. 351.85 lakhs for the financial year 2017-18 from Rs. 178.87 lakhs for the financial year 2016-17.

FINANCIAL YEAR 2016-17 COMPARED WITH FINANCIAL YEAR 2015-16

Total Revenue

Our total revenue significantly increase by 36.95% to Rs. 5,310.81 lakhs for the financial year 2016-17 from Rs. 3,877.97 lakhs for the financial year 2015-16 due to the factors described below:

Revenue from operations

Our revenue from operations increased by 36.86% to Rs. 5,305.63 lakhs for the financial year 2016-17 from Rs. 3,876.68 lakhs for the financial year 2015-16. The increase was mainly due to significant increase in revenue from sale of our manufactured goods by 68.79% to Rs. 3,387.19 lakhs for the financial year 2016-17 from Rs. 2,006.69 lakhs for the financial year 2015-16 and increase in revenue from trading of goods by 2.59% to Rs. 1,918.44 lakhs for the financial year 2016-17 from Rs. 1,869.99 lakhs for the financial year 2015-16.

Other income

Our other income increased by 301.50% to Rs. 5.18 lakhs for the financial year 2016-17 from Rs. 1.29 lakhs for the financial year 2015-16 mainly due receipt of VAT refund income of Rs. 3.75 lakhs, increase in interest income on term deposits by Rs. 0.03 lakh and other miscellaneous income by Rs. 0.95 lakh. However, the increase was partially offset by decrease in profit on sale of machine by Rs. 0.85 lakh

Total Expenses

Our total expenses, excluding tax increased by 28.56% to Rs. 5,051.81 lakhs for the financial year 2016-17 from Rs. 3,929.62 lakhs for the financial year 2015-16, due to the factors described below:

Cost of material consumed

Our cost of material consumed increase by 36.19% to Rs. 1,316.40 lakhs for the financial year 2016-17 from Rs. 966.57 lakhs for the financial year 2015-16 mainly due to increase in our revenue from sale of manufactured goods in the financial year 2016-17.

Purchase of stock-in-trade

Our purchase of stock-in-trade increased by 30.50% to Rs. 2,310.28 lakhs for the financial year 2016-17 from Rs. 1,770.29 lakhs for the financial year 2015-16 due to increase in revenue from trading of goods.

Employee benefits expenses

Our employee benefit expenses increased by 20.11% to Rs. 224.97 lakhs for the financial year 2016-17 from Rs. 187.30 lakhs for the financial year 2015-16. The increase was mainly due to decrease in salary & wages by Rs. 33.54 lakhs, director's remuneration by Rs. 2.15 lakhs, contribution to provident and other statutory fund by Rs. 0.78 lakh, bonus expenses by Rs. 0.67 lakh, staff welfare expenses by Rs. 0.48 lakh and provision for gratuity by Rs. 0.03 lakh.

Finance costs

Our finance costs slightly increased by 0.05% to Rs. 395.58 lakhs for the financial year 2016-17 from Rs. 395.37 lakhs for the financial year 2015-16. The increase was mainly on account of increase in interest on secured working capital facility from bank by Rs. 10.59 lakhs, interest on long term unsecured loan from promoter & promoter group, other persons and interest on security deposits by Rs. 8.54 lakhs and bank charges & processing fees by Rs. 2.71 lakhs in the financial year 2016-17. However, the increase was offset by decrease in interest on long term loan from banks and financial institutions by Rs. 21.62 Lakhs in the financial year 2016-17.

Depreciation and amortisation expense

Our depreciation and amortisation expenses decreased by 11.81% to Rs. 131.17 lakhs for the financial year 2016-17 from Rs. 148.74 lakhs for the financial year 2015-16.

Other expenses

Our other expenses increased by 15.65% to Rs. 748.07 lakhs for the financial year 2016-17 from Rs. 646.86 lakhs for the financial year 2015-16. The increase was mainly due to increase in labour charges by Rs. 142.28 lakhs on account of increase in revenue from manufacturing activity, commission and brokerage expenses by Rs. 18.12 lakhs, store and spares expenses by Rs. 15.58 lakhs, packing charges by Rs. 2.85 lakhs, rent, rate and taxes by Rs. 1.16 lakhs, profession & legal charges by Rs. 0.86 lakh, delivery charges by Rs. 0.74 lakh, stationery & printing expenses by Rs. 0.61 lakh and donation expenses by Rs. 0.07 lakh. However, the increase was partially offset by decrease in power and fuel expenses by Rs. 67.62 lakhs, sales promotion expenses by Rs. 4.09 lakhs, travelling expenses by Rs. 2.71 lakhs, transportation expenses by Rs. 1.45 lakhs and miscellaneous expenses by Rs. 2.11 lakhs, among others.

Profit/Loss before tax

Our profit before tax significantly increased by 601.42% to Rs. 259.00 lakhs for the financial year 2016-17 from loss of Rs. 51.65 lakhs for the financial year 2015-16 due to increase and improvement in our overall business activity.

Tax expenses

Our tax expenses significantly increased by 597.44% to Rs. 80.13 lakhs for the financial year 2016-17 from benefit of Rs. 16.11 lakhs for the financial year 2015-16 mainly due to increase in our profit before tax in the financial year 2016-17. The increase in tax expenses was mainly on account of increase in deferred tax to Rs. 80.13 lakhs from benefit of Rs. 16.11 lakhs.

Profit after tax

Our profit after tax significantly increased by Rs. 603.22% to Rs. 178.87 lakhs for the financial year 2016-17 from loss of Rs. 35.55 lakhs for the financial year 2015-16.

Other Key Ratios

The table below summaries key ratios in our Restated Financial Statements for the financial years ended March 31, 2018, 2017, 2016 and for the period ended September 30. 2018:

Particulars	For the period ended September 30, 2018	For the year ended March 31,		
		2018	2017	2016
Fixed Asset Turnover Ratio	6.77	10.93	7.67	4.79
Inventory Turnover Ratio	1.63	3.39	3.29	2.77
Debt Equity Ratio	1.90	2.32	3.80	7.64
Current Ratio	1.44	1.46	1.43	1.24

Fixed Asset Turnover Ratio: This is defined as revenue from operations divided by total fixed assets, based on Restated Financial Statements. Intangible Assets have been included in calculation of Total Fixed Assets, however, Capital Work-in-Progress has not been included.

Inventory Turnover Ratio: This is defined as revenue from operations divided by average inventory. Average inventory is computed by dividing the sum of opening inventory and closing inventory by two, based on Restated Financial Information.

Debt Equity Ratio: This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings and current maturity of long term debt, based on Restated Financial Statements.

Current Ratio: This is defined as current assets divided by current liabilities, based on Restated Financial Statements.

Cash Flow

The table below summaries our cash flows from our Restated Financial Information for the financial years 2018, 2017, 2016 and for the period ended September 30, 2018:

(Rs. in lakhs)

Particulars	For the period ended September 30, 2018	For the year ended March 31,		
		2018	2017	2016
Net cash (used in)/ generated from operating activities	148.09	245.14	896.68	163.20
Net cash (used in)/ generated from investing activities	(22.14)	0.08	(20.38)	(85.45)
Net cash (used in)/ generated from financing activities	(124.39)	(247.90)	(874.25)	(80.95)
Net increase/ (decrease) in cash and cash equivalents	1.56	(2.68)	2.06	(3.21)
Cash and Cash Equivalents at the beginning of the period	2.38	5.06	3.00	6.21
Cash and Cash Equivalents at the end of the period	3.95	2.38	5.06	3.00

Operating Activities

Period Ended September 30, 2018

Our net cash generated from operating activities was Rs. 148.09 lakhs for period ended September 30, 2018. Our operating profit before working capital changes was Rs. 638.96 lakhs for the period ended September 30, 2018 which was adjusted by payment of income tax of Rs. 98.32 lakhs, increase in trade receivables by Rs. 945.59 lakhs, increase in trade payables by Rs. 857.62 lakhs, increase in inventories of finished goods, stock-in-trade and work-in-progress by Rs. 337.35 lakhs, decrease in other current liabilities by Rs. 51.48 lakhs, increase in short term provisions by Rs. 102.46 lakhs, decrease in other non-current liabilities by Rs. 17.76 lakhs and decrease in other non-current provisions by Rs. 0.46 lakh.

Financial year 2017-18

Our net cash generated from operating activities was Rs. 245.14 lakhs for the financial year 2017-18. Our operating profit before working capital changes was Rs. 1,005.05 lakhs for the financial year 2017-18 which was primarily adjusted by payment of income tax of Rs. 118.51 lakhs, increase in trade receivables by Rs. 1,495.90 lakhs, increase in trade payables by Rs. 930.65 lakhs, increase in other current liabilities by Rs. 267.14 lakhs, increase in inventories of finished goods, stock-in-trade and work-in-progress by Rs. 369.76 lakhs, increase in short term provisions by Rs. 31.32 lakhs, decrease in other non-current liabilities by Rs. 6.16 lakhs and increase in other non-current provisions by Rs. 1.30 lakhs.

Financial year 2016-17

Our net cash generated from operating activities was Rs. 896.68 lakhs for the financial year 2016-17. Our operating profit before working capital changes was Rs. 785.28 lakhs for the financial year 2016-17 which was primarily adjusted by increase in trade receivables by Rs. 769.68 lakhs, increase in trade payables by Rs. 618.63 lakhs, decrease in other current liabilities by Rs. 227.20 lakhs, increase in inventories of finished goods, stock-in-trade and work-in-progress by Rs. 198.60 lakhs, increase in short term provisions by Rs. 5.75 lakhs, increase in other non-current liabilities by Rs. 680.62 lakhs and increase in other non-current provisions by Rs. 1.89 lakhs.

Financial year 2015-16

Our net cash generated from operating activities was Rs. 163.20 lakhs for the financial year 2015-16. Our operating profit before working capital changes was Rs. 491.16 lakhs for the financial year 2015-16, which was primarily adjusted by decrease in trade payables by Rs. 471.69 lakhs, decrease in trade receivables by Rs. 446.95 lakhs, increase in inventories of finished goods, stock-in-trade and work-in-progress by Rs. 229.71 lakhs, decrease in other current liabilities by Rs. 109.79 lakhs, increase in other non-current liabilities by Rs. 50.00 lakhs decrease in short term provisions by Rs. 15.67 lakhs and increase in other non-current provisions by Rs. 1.95 lakhs.

Investing Activities

Period Ended September 30, 2018

Net cash used in investing activities was Rs. 22.14 lakhs for the period ended September 30, 2018. This was primarily on account of increase in short term loan and advances by Rs. 22.17 lakhs and increase in non-current investments by Rs. 0.24 lakh which was partially offset by receipt of interest income of Rs. 0.27 lakh.

Financial year 2017-18

Net cash generated from investing activities was Rs. 0.08 lakh for the financial year 2017-18. This was primarily on account of decrease in short term loan and advances by Rs. 7.76 lakhs and receipt of interest income of Rs. 0.51 lakh which was offset by purchase of fixed assets amounting to Rs. 7.51 lakhs, increase in non-current investments by Rs. 0.46 lakh and increase in long term loan and advances by Rs. 0.22 lakh.

Financial year 2016-17

Net cash used in investing activities was Rs. 20.38 lakhs for the financial year 2016-17. This was primarily on account of purchase of fixed assets amounting to Rs. 13.12 lakhs, increase in short term loan and advances by Rs. 11.46 lakhs and increase in non-current investments by Rs. 0.44 lakh which was partially offset by decrease in long term loan and advances by Rs. 4.16 lakhs and receipt of interest income of Rs. 0.47 lakh.

Financial year 2015-16

Net cash used in investing activities was Rs. 85.45 lakhs for the financial year 2015-16. This was primarily on account of purchase of fixed assets amounting to Rs. 86.74 lakhs, increase in short term loan and advances by Rs. 5.70 lakhs and increase in non-current investments by Rs. 0.40 lakh which was partially offset by decrease in long term loan and advances by Rs. 6.10 lakhs, receipt of interest income of Rs. 0.44 lakh and profit on sale of fixed assets of Rs. 0.85 lakh.

Financing Activities

Period Ended September 30, 2018

Net cash used in financing activities for the period ended September 30, 2018 was Rs. 124.39 lakhs consisting of payment of interest and finance charges amounting to Rs. 240.23 lakh which was partially offset by increase in long term borrowings by Rs. 81.94 lakhs and increase in short term borrowings by Rs. 33.90 lakhs.

Financial year 2017-18

Net cash used in financing activities for the financial year 2017-18 was Rs. 247.90 lakhs primarily consisting of payment of interest and finance charges amounting to Rs. 394.72 lakhs which was partially offset by increase in long term borrowings by Rs. 145.86 lakhs and increase in short term borrowings by Rs. 0.96 lakh.

Financial year 2016-17

Net cash used in financing activities for the financial year 2016-17 was Rs. 874.25 lakhs primarily consisting of payment of interest and finance charges amounting to Rs. 395.58 lakhs and decrease in short term borrowings by Rs. 1.83 lakhs and decrease in long term borrowings by Rs. 476.83 lakhs.

Financial year 2015-16

Net cash used in financing activities for the financial year 2015-16 was Rs. 80.95 lakhs primarily consisting of payment of interest and finance charges amounting to Rs. 395.37 lakhs which was partially offset by increase in short term borrowings by Rs. 143.34 lakhs, proceeds from issue of equity shares by Rs. 100.00 lakhs and increase in long term borrowings by Rs. 71.07 lakhs.

Financial Indebtedness

As on September 30, 2018, the total outstanding borrowings of our Company was Rs. 2,062.23 lakhs comprising of long-term borrowings amounting to Rs. 792.26 lakhs, short-term borrowings amounting to Rs. 1,080.79 lakhs and current maturities of long term debt of Rs. 189.18 lakhs. For further details, refer chapter titled “*Financial Indebtedness*” beginning on page 229 of this Prospectus.

(Rs. in lakhs)

Particulars	As at September 30, 2018
Long Term Borrowings	
<i>Unsecured Loans</i>	
- Term Loans from Banks	67.20
- Term Loans from NBFC	126.42
- Loans from Promoter & Promoter Group	494.64
- Inter Corporate Deposits	104.00
Sub Total (A)	792.26
Short Term Borrowings	
<i>Secured Loan</i>	
-Working Capital Facility from Bank	1,080.79
Sub Total (B)	1,080.79
Current Maturities of Long Term Borrowings (C)	189.18
Total (A)+(B)+(C)	2,062.23

In the event, any of our lenders declare an event of default, such current and any future defaults could lead to acceleration of our repayment obligations, termination of one or more of our financing agreements or force us to sell our assets, any of which could adversely affect our business, results of operations and financial condition.

Related Party Transactions

Related party transactions with certain of our promoters, directors and their entities and relatives primarily relates to remuneration payable, rent, loans & advances given and taken and Issue of Equity Shares. For further details of such related parties under AS18, refer chapter titled “*Financial Statements*” beginning on page 209 of this Prospectus.

Contingent Liabilities

Our Company had following Contingent Liabilities as of September 30, 2018 and March 31, 2018:

(Rs. In lakhs)

Particulars	As of September 30, 2018	As of March 31, 2018
Claim against company not acknowledge as debt.	69.77	69.77
Other Commitment – EPCG Duty saved against Export Obligation	23.66	23.66
Total	93.43	93.43

Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

Qualitative Disclosure about Market Risk

Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

Interest Rate Risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

Effect of Inflation

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

Credit Risk

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

Reservations, Qualifications and Adverse Remarks

Except as disclosed in chapter titled “*Financial Statements*” beginning on page 209 of this Prospectus, there have been no reservations, qualifications and adverse remarks.

Details of Default, if any, Including Therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution

Except as disclosed in chapter titled “*Financial Statements*” beginning on page 209 of this Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company during the period April 01, 2015 up to September 30, 2018.

Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last five Fiscals.

Unusual or Infrequent Events or Transactions

In the year 2011, our manufacturing facility and all the machineries installed inside the premises at Bhiwandi, Maharashtra was collapsed due to improper construction of premises and weakening of soil beneath the foundation.

Except this, as on date, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations

Indian rules and regulations as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company's operations or are likely to affect income from continuing operations except as described in chapter titled "*Risk Factors*" beginning on page 21 of this Prospectus.

Known Trends or Uncertainties that have had or are expected to have a Material Adverse Impact on Sales, Revenue or Income from Continuing Operations

Other than as described in the section titled "*Risk Factors*" beginning on page 21 of this Prospectus and in this chapter, to our knowledge there are no known trends or uncertainties that are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Future Changes in Relationship between Costs and Revenues, in Case of Events Such as Future Increase in Labour or Material Costs or Prices that will Cause a Material Change are known

Other than as described in chapter titled "*Risk Factors*" beginning on page 21 of this Prospectus and in this section, to our knowledge there are no known factors that might affect the future relationship between cost and revenue.

Extent to which Material Increases in Net Sales or Revenue are due to Increased Sales Volume, Introduction of New Products or Services or Increased Sales Prices

Changes in revenue in the last three financial years are as explained in the part "*Financial Year 2017-18 compared with financial year 2016-17 and Financial Year 2016-17 Compared With Financial Year 2015-16*" above.

Total Turnover of Each Major Industry Segment in Which the Issuer Operates

Our business is limited to a single reportable segment.

Competitive Conditions

We have competition with Indian and international manufacturers, traders and service providers and our results of operations could be affected by competition in the textile industry in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies / entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled "*Risk Factors*" beginning on page 21 of this Prospectus.

Increase in income

Increases in our income are due to the factors described above in this chapter under "*Significant Factors Affecting Our Results of Operations*" and chapter titled "*Risk Factors*" beginning on page 21 of this Prospectus.

Status of any Publicly Announced New Products or Business Segments

Except as disclosed elsewhere in the Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

Significant Dependence on a Single or Few Suppliers or Customers

Significant proportion of our revenues have historically been derived from a limited number of customers. The % of Contribution of our Company's customer and supplier vis a vis the total revenue from operations and total purchase of goods respectively as of September 30, 2018 and March 31, 2018 are as follows:

Particulars	Customers	Suppliers
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	September 30, 2018	Mar 31, 2018	September 30, 2018	Mar 31, 2018
Top 5 (%)	41.80	41.05	64.15	29.00
Top 10 (%)	63.01	63.78	79.25	47.00

Seasonality of Business

The nature of business is not seasonal.

FINANCIAL INDEBTEDNESS

Our Company utilizes various credit facilities from banks and others for conducting its business. Set forth is a brief summary of our Company's secured and unsecured borrowings together with a brief description of certain significant terms of such financial arrangements.

SECURED BORROWINGS

Loan of Rs. 1050.00 Lakhs from Bank of Baroda as per Sanction letter dated October 13, 2017 and renewal letter dated August 27, 2018.

(Rs. in Lakhs)

Particulars					
Nature of facility	Sanctioned Amount	Rate Of Interest	Tenor	Primary Security	Outstanding as on September 30, 2018
Cash Credit limit	1050.00	MCLR+SP+5.45% p.a. i.e. 14.05% Subject to change as per bank's Internal credit rating/bank's policy / RBI/ Gov. of india guidelines	Repayment on demand	<ul style="list-style-type: none"> - DP Note under the common seal of the company. - Board Resolution - Hypothecation of stock and book debts - General undertakings - Letter of Guarantee. - Letter of continuing Security. - Power of attorney to collect book debts. - Undertaking not to withdraw unsecured loans. 	Rs. 1080.79

All the credit facilities are to be secured by the following

- a. Hypothecation of existing and proposed Plant and Machinery.
- b. Hypothecation of stock and book debts.
- c. Equitable Mortgage of :

Collateral Security**Equitable Mortgage over :**

- A) Equitable mortgage of Residential Flat No. C/402, Shanti Complex, Saki-Vihar Road, Tunga, Andheri (East), Mumbai -400072 standing in the name of Mr. Satbinder Singh Gill (as per valuation report dated 13-08-2013 by Asmita Consultants, banks empanelled valuer) of Rs. 115.00 lacs and as per valuation report dated 27.03.2017 by Sajag Valuers Private Limited fair market value is Rs. 147.00 Lacs and realizable value is Rs. 132.20 Lacs.
- B) Equitable Mortgage of Flat No. D/1002, Vikas Park, Link Road, Malad (W) Mumbai - 400064, standing in the name of Mr. K.P. Gambhir and Mrs. Deepika Gambhir (as per valuation report dated 13.08.2013 by Asmita Consultants, banks empanelled valuer) of Rs. 281.00 Lacs) and as per valuation report dated 27.03.2017 by Sajag Consultants Private Limited fair market value is Rs. 236.00 Lacs and realizable value is Rs. 212.40 Lacs.
- C) Equitable mortgage of Factory land located at Unit No. T -1, Shree Rajlaxmi Complex, Bhiwandi, Nashik Bypass Road, village –Sonale, Bhiwandi Dist. –Thane, in the name of Mr. Kashyap P Gambhir (As per valuation report dated 08.08.2016 by Sunil Deshpande & Associates, banks empanelled valuer, Fair market value is Rs. 478.50 lacs & realizable value is Rs. 430.65 Lacs)

Other terms and conditions–

- To exclusively deal with us and not avail credit facilities from any other bank/ Institution without our prior concurrence.
- Not to pay dividend / not to allow remuneration to directors / directors / not to allow withdrawal to the directors in case the instalments of loans remain unpaid as per the repayment schedule.
- To raise capital & / or unsecured loan up to a level as envisaged in CMA & retain the same in the business till continuance of bank's credit facilities.
- Not to undertake any modernization / up gradation / diversification / amalgamation / reconstruction / expansion of the existing business without prior written consent of the bank. (Other than those approved by the bank while appraising CMA)

UNSECURED BORROWING FROM NBFC/ FINANCIAL INSTITUTIONS**1. Loan of Rs. 35.35 Lakhs from Capital First Limited as per sanction letter dated April 12, 2017.**

Nature of Facility	Business Loan
Loan Amount	Rs. 35.35 Lakhs
Rate of Interest	18.20% p.a
EMI Amount	Rs. 1,76,824
Tenor	24 Months
Amount Outstanding as on September 30, 2018	Rs. 11.02 Lakhs

2. Loan of Rs. 50.00 Lakhs from Tata Capital Financial Services Limited as per sanction letter dated March 28, 2018.

Nature of Facility	Business Loan
Loan Amount	Rs. 50.00 Lakhs
Rate of Interest	17.25% p.a
EMI Amount	Rs. 2,47,812
Tenor	24 Months
Amount Outstanding as on September 30, 2018	Rs. 40.60 Lakhs

3. **Loan of Rs. 40.78 Lakhs from Magma Fincorp Limited as per sanction letter dated April 27, 2018.**

Nature of Facility	SME Loan
Loan Amount	Rs. 40.78 Lakhs
Rate of Interest	19.50% p.a
EMI Amount	Rs.2,06,558
Tenor	24 Months
Amount Outstanding as on September 30, 2018	Rs. 33.73 Lakhs

4. **Loan of Rs. 15.00 Lakhs from Magma Fincorp Limited as per sanction letter dated April 27, 2017.**

Nature of Facility	Business Loan
Loan Amount	Rs. 15.00 Lakhs
Rate of Interest	19.50% p.a
EMI Amount	Rs. 55,364
Tenor	36 Months
Amount Outstanding as on September 30, 2018	Rs.8.65 Lakhs

5. **Loan of Rs. 30.00 Lakhs from Capital Float as per sanction letter dated April 24, 2018.**

Nature of Facility	Business Loan
Loan Amount	Rs. 30.00 Lakhs
Rate of Interest	20.00% p.a
EMI Amount	Rs. 1,11,603
Tenor	36 Months
Amount Outstanding as on September 30, 2018	Rs. 27.29 Lakhs

6. **Loan of Rs. 35.00 Lakhs from Clix Capital Services Private Limited**

Nature of Facility	Business Loan
Loan Amount	Rs. 35.00 Lakhs
Rate of Interest	18.00% p.a
EMI Amount	Rs. 1,26,533
Tenor	36 Months
Amount Outstanding as on September 30, 2018	Rs. 31.97 Lakhs

7. **Loan of Rs. 35.00 Lakhs from Edelweiss Retail Finance Limited as per sanction letter dated May 26, 2018.**

Nature of Facility	Business Loan
Loan Amount	Rs. 35.00 Lakhs
Rate of Interest	18.50% p.a
EMI Amount	Rs. 1,75,582
Tenor	24 Months
Amount Outstanding as on September 30, 2018	Rs. 29.80 Lakhs

8. **Loan of Rs. 30.00 Lakhs from RBL Bank Limited as per sanction letter dated May 10, 2018.**

Nature of Facility	Business Loan
Loan Amount	Rs. 30.00 Lakhs
Rate of Interest	17.00% p.a
EMI Amount	Rs.1,48,327/-
Tenure	24 Months
Amount Outstanding as on September 30, 2018	Rs. 24.57 Lakhs

9. **Loan of Rs. 45.00 Lakhs from Deutsche Bank as per sanction letter dated April 26, 2018.**

Nature of Facility	Business Loan
Loan Amount	Rs. 45.00 Lakhs
Rate of Interest	18.00% p.a
EMI Amount	Rs.1,62,686
Tenure	36 Months
Amount Outstanding as on September 30, 2018	Rs. 39.76 Lakhs

10. Loan of Rs. 13.00 Lakhs from Kotak Mahindra Bank Limited as per sanction letter dated April 13, 2017.

Nature of Facility	Business Loan
Loan Amount	Rs. 13.00 Lakhs
Rate of Interest	17.00% p.a
EMI Amount	Rs.64,275
Tenure	24 Months
Amount Outstanding as on September 30, 2018	Rs. 4.10 Lakhs

11. Loan of Rs. 50.00 Lakhs from Indusind Bank as per sanction letter dated April 05, 2018.

Nature of Facility	Business Loan
Loan Amount	Rs. 50.00 Lakhs
Rate of Interest	16.00% p.a
EMI Amount	Rs.2,44,816
Tenor	24 Months
Amount Outstanding as on September 30, 2018	Rs.40.87 Lakhs

12. Loan of Rs. 20.00 Lakhs from HDFC Bank as per sanction letter dated April 24, 2018.

Nature of Facility	Business Loan
Loan Amount	Rs. 20.00 Lakhs
Rate of Interest	17.15 % p.a
EMI Amount	Rs.57,866
Tenor	48 Months
Amount Outstanding as on September 30, 2018	Rs. 18.80 Lakhs

13. Loan of Rs. 25.40 Lakhs from Bajaj Finserv Limited

Nature of Facility	Business Loan
Loan Amount	Rs. 25.40 Lakhs
Rate of Interest	18.88% p.a
EMI Amount	Rs. 74,612
Tenor	48 Months
Amount Outstanding as on September 30, 2018	Rs. 11.49 Lakhs

14. Loan of Rs. 35.00 Lakhs from Shriram City Union Finance Limited As per Sanction letter Dated March 31, 2018.

Nature of Facility	Business Loan
Loan Amount	Rs. 35.00 Lakhs
Rate of Interest	19.00% p.a.
EMI Amount	Rs. 1,28,296
Tenor	36 Months
Amount Outstanding as on September 30, 2018	Rs. 30.98 Lakhs

15. Loan of Rs. 25.25 Lakhs from IVL Finance Limited as per sanction letter dated April 12, 2018.

Nature of Facility	Business Loan
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Loan Amount	Rs. 25.25 Lakhs
Rate of Interest	19.00% p.a.
EMI Amount	Rs. 92,557
Tenor	36 Months
Amount Outstanding as on September 30, 2018	Rs. 22.34 Lakhs

16. Loan of Rs. 15.00 Lakhs from HDB Financial Services Limited as per Communication letter dated October 13, 2017.

Nature of Facility	Personal Loan
Loan Amount	Rs. 15.00 Lakhs
Rate of Interest	18.00% p.a.
EMI Amount	Rs. 74,886
Tenor	24 Months
Amount Outstanding as on September 30, 2018	Rs. 6.82 Lakhs

UNSECURED BORROWINGS FROM OTHERS

A. From Directors and relatives:

(Rs. in Lakhs)

Sr.No.	Name of Lenders	Amount outstanding as on September 30, 2018
1.	Deepika Gambhir	181.17
2.	Kashyap Gambhir	313.47
Total		494.64

A. From Body Corporates (Inter-corporate deposits):

(Rs. in Lakhs)

Sr.No.	Name of Lenders	Amount outstanding as on September 30, 2018
1.	Kanoria Chembond Private Ltd.	46.00
2.	Olympia Industries Ltd.	58.00
Total		104.00

Tenor/ Repayment: The unsecured loans availed from the Directors and body corporates are repayable on demand.

Interest Rate: Interest rate for loans availed from Directors and their relatives, body corporates and others ranges from 12.00% p.a. to 15.00% p.a.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except, as stated in this section and mentioned elsewhere in this Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters 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 including fines imposed or compounding of offences done in those five years; or (vi) material frauds committed against our Company in the last five years.

Except as stated below there are no Outstanding Material Dues (as defined below) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on March 1, 2019 determined that outstanding dues to creditors in excess of Rs. 25.00 lakhs as per last audited financial statements shall be considered as material dues (“**Material Dues**”).

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies, would be considered ‘material’ for the purposes of disclosure if the monetary amount of claim by or against the entity or person in any such pending matter exceeds Rs. 5.00 lakhs as determined by our Board, in its meeting held on March 1, 2019.

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered ‘material’ only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company.

Unless otherwise stated to the contrary, the information provided is as of the date of this Prospectus.

LITIGATIONS INVOLVING OUR COMPANY

LITIGATIONS AGAINST OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

ARTEDZ FABS PRIVATE LIMITED V. COMMISSIONER OF CUSTOMS

Our Company has imported machinery on March 17, 2011. Our Company also applied for concessional rate of import duty at the rate of 3% per annum for the import of said machinery. Our Company has to provide installation certificate within 8 years from the date of import of machinery in order to enjoy concession on stamp duty. Bank of Baroda (“Banker of Our Company”) had provided bank guarantee

of Rs. 3,70,000/- in favour of custom department. Commissioner of Custom issued notice to our Company on September 01, 2016 and informed that our Company has not submitted installation certificate within specified period and levied a penalty of Rs. **3,70,000/-** along with future interest there on at the rate of 18% per annum. Commissioner also issued notice to our Bank for the invoking of a guarantee provided by banker for the import of said machinery. Our Company filed reply dated September 16, 2016 and informed a Commissioner that our Company had already submitted installation certificate on November 16, 2013. Our Company also sent a letter dated November 21, 2016 to Bank of Baroda and informed them to not to honour the bank guarantee. Currently the matter is pending.

Taxation Matters

INCOME TAX PROCEEDINGS

Artedz Fabs Private Limited

AY 2009-10

The Income Tax Department's website under the head '*Response to Outstanding Tax Demand*' displays an outstanding demand raised on March 27, 2015 under Section 143(3) and Section 245 of the Income Tax Act, 1961 against Artedz Fabs Private Limited ("**Company**") for an outstanding demand amounting to Rs. 18,38,650/-. Our Company filed appeal dated June 12, 2017 bearing no. IT-312/15-16 with the Commissioner of Income Tax. The matter is currently pending.

AY 2011-12

The Income Tax Department's website under the head '*Response to Outstanding Tax Demand*' displays an outstanding demand raised on March 23, 2016 under Section 143(3) and Section 245 of the Income Tax Act, 1961 against Artedz Fabs Private Limited ("**Company**") for an outstanding demand amounting to Rs. 1,71,610/-. The amount is currently outstanding.

AY 2012-13

The Income Tax Department issued demand notice on March 26, 2015 under Section 143(3) and Section 245 of the Income Tax Act, 1961 against Artedz Fabs Private Limited ("**Company**") for an outstanding demand amounting to Rs. 6,60,370/-. Our Company filed appeal bearing no. IT-315/15-16 against the demand notice. The matter is currently pending.

AY 2013-14

The Income Tax Department's website under the head '*Response to Outstanding Tax Demand*' displays an outstanding demand raised on April 20, 2018 under Section 154 and Section 245 of the Income Tax Act, 1961 against Artedz Fabs Private Limited ("**Company**") for an outstanding demand amounting to Rs. 39,36,770/-. The amount is currently outstanding.

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Proceedings against Our Company for economic offences/securities laws/ or any other law

Nil

Penalties in Last Five Years

Nil

Pending Notices against our Company

Nil

Past Notices to our Company

Nil

Disciplinary Actions taken by SEBI or stock exchanges against Our Company

Nil

Defaults including non-payment or statutory dues to banks or financial institutions

Nil

Details of material frauds against the Company in last five years and action taken by the Companies.

Nil

LITIGATIONS FILED BY OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

1. APPLICATION FOR CONDONATION OF DELAY IN APPOINTMENT OF COMPANY SECRETARY UNDER SECTION 203 OF THE COMPANIES ACT, 2013

Our Company has filed an Application before the Regional Director, Western Region, Mumbai dated March 7, 2019 for condonation of delay in appointment of company secretary under Section 203 of the Companies Act, 2013. Our Company raised a share capital of INR 6.25 crores in the year 2013. Section 203 read with Rules 8 and 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 lays a mandate on a company with paid-up capital of more than five crore rupees to appoint a whole-time company secretary. Therefore, in the year 2013 our Company triggered the mandate of appointment of a company secretary. However, our Company submitted that the delay of 1675 days in the said appointment is attributed to non-availability of a company secretary and not any malicious or fraudulent intentions. Our Company appointed a Company Secretary on November 1, 2017 and admitted that the said appointment was not done within the statutory limit of 30 days'. Our Company, has therefore, prayed before the Hon'ble Regional Director to condone the delay attributable to the abovementioned reason. The matter is currently pending.

2. COMPOUNDING APPLICATION TO COMPUND THE OFFENCE UNDER SECTION 42(6) OF THE COMPANIES ACT, 2013

Our Company has filed a Compounding Application before the Regional Director, Western Region, Mumbai dated March 10, 2019 for compounding of non-compliance of the Section 42(6) of the Companies Act, 2013. Our Company on July 6, 2015 i.e. during Financial Year 2015-16, issued securities through private placement in compliance with Part II, Chapter III of the Companies Act, 2013 (the "Act"). The proviso to Section 42(6) of the Act prescribes that the monies received towards application for private placement shall be kept in a separate bank account in a scheduled bank. Our Company complied with all the requisite statutory compliances under all the applicable laws including filing of a complete list of all the allottees with their full names, addresses, number of securities allotted etc. However, our Company inadvertently did not open a separate bank account but adjusted the monies towards allotment of securities. Our Company, has therefore, prayed before the Hon'ble Regional Director to compound the non-compliance under Section 42(6) in the terms of Section 441 of the Companies Act, 2013. The matter is currently pending.

3. CONDONATION OF DELAY IN TAKING PRIOR APPROVAL OF CENTRAL GOVERNMENT UNDER SECTION 297 OF THE COMPANIES ACT, 1956

Our Company has filed a Company Application before the Regional Director, Western Region, Mumbai dated March 10, 2019 for condonation of delay in taking prior approval of Central Government under section 297 of the Companies Act, 1956 (now Section 188 of the Companies Act, 2013). Section 297 requires a company with a share capital of above INR 1 crore to seek prior approval of Central Government if its directors, relatives etc. enters into a contract with such company. However, our Company admitted to entering into a verbal agreement with our Directors' relatives for the purposes of its business. Our Company also admitted to not seeking the said approval within the statutory limit of 30 days' from the date of entering into such contract. Our Company further admitted to a delay of 3080 days in seeking the said approval from the Central Government. Our Company submitted that this delay was attributed to urgency of ensuring the smooth working of our Company and maintaining the profitability and growth of our Company. The said delay was not made with a malicious or fraudulent intention. Our Company, has therefore, prayed before the Hon'ble Regional Director to condone the delay attributable to the abovementioned reason. The matter is currently pending.

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Details of any enquiry, inspection or investigation initiated under Companies Act, 2013 or any previous Company Law

Nil

LITIGATIONS INVOLVING DIRECTOR/S OF OUR COMPANY

LITIGATIONS AGAINST DIRECTOR/S OF OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Past Penalties imposed on our Directors

Nil

Proceedings initiated against our directors for Economic Offences/securities laws/ or any other law

Nil

Directors on list of wilful defaulters of RBI

Nil

LITIGATIONS FILED BY DIRECTOR/S OF OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

LITIGATIONS INVOLVING PROMOTER/S OF OUR COMPANY

LITIGATIONS AGAINST OUR PROMOTER/S

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Past Penalties imposed on our Promoters

Nil

Proceedings initiated against our Promoters for Economic Offences/securities laws/ or any other law

Nil

Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Promoter in last five years

Nil

Penalties in Last Five Years

Nil

Litigation /defaults in respect of the companies/Firms/ventures/ with which our promoter was associated in the past.

Nil

Adverse finding against Promoter for violation of Securities laws or any other laws

Nil

LITIGATIONS FILED BY OUR PROMOTER/S

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

LITIGATIONS INVOLVING OUR GROUP COMPANIES

LITIGATIONS AGAINST OUR GROUP COMPANIES

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Toron Fabs Private Limited

AY 2006-07

The Income Tax Department's website under the head '*Response to Outstanding Tax Demand*' displays an outstanding demand raised on March 21, 2007 under Section 143(3) and Section 245 of the Income Tax Act, 1961 against Toron Fabs Private Limited (hereinafter referred to as the "Assessee") for an outstanding demand amounting to Rs. 19,450/-. The amount is currently outstanding.

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Past Penalties imposed on our Group Companies

Nil

Proceedings initiated against our Group Companies for Economic Offences/securities laws/ or any other law

Nil

Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Group Companies

Nil

Adverse finding against Group Companies for violation of Securities laws or any other laws

Nil

LITIGATIONS FILED BY OUR GROUP COMPANIES

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

LITIGATIONS INVOLVING OUR SUBSIDIARY COMPANIES

As on date of this prospectus, our company does not have any subsidiary Company

OTHER MATTERS

Nil

DETAILS OF ANY INQUIRY, INSPECTION OR INVESTIGATION INITIATED UNDER PRESENT OR PREVIOUS COMPANIES LAWS IN LAST FIVE YEARS AGAINST THE COMPANY OR ITS SUBSIDIARIES

Nil

OUTSTANDING LITIGATION AGAINST OTHER COMPANIES OR ANY OTHER PERSON WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY

Nil

MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET

Except as mentioned under the chapter — "*Management Discussion and Analysis of Financial Condition and Result of Operation*" on page 210 of this Prospectus, there have been no material developments, since the date of the last audited balance sheet.

OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

Our Company, in its ordinary course of business, has consolidated outstanding dues aggregating to Rs. 3256.23 lakhs as of September 30, 2018. The following table sets forth details of consolidated outstanding dues to micro and small enterprises and other outstanding dues to creditors as of September 30, 2018.

Particulars	No. of cases	As of September 30, 2018
Dues to Micro and small enterprises	11	95.90
Dues to other creditors	103	3160.33

As per the requirements of SEBI Regulations, our Company, pursuant to a resolution of our Board dated March 1, 2019, considered creditors to whom the amount due exceeds Rs. 25.00 lakhs as per our Company's restated financials for the purpose of identification of material creditors. Based on the above, the following are the material creditors of our Company.

Creditors	Amount (Rs. in Lakhs)
Pearl Polymers	512.70
Seema Synthetics	233.82
Sonale Fabrics P Ltd	225.06
Riddhi Siddhi Textiles	181.00
Starwing Plastic and Chemical Private Limited	162.30
Shreeji Synthetics	146.84
Jakharia Synthetics Pvt Ltd.	128.25
Purab Associates	106.83
Poonam Enterprises	101.39
Nitesh Enterprises	98.65
Jakharia Fabric Limited	81.58
Fortune Kottex LLP	79.30
Chetana Traders	76.27
Rama Krishna Enterprises	73.65
Chitrakoot Synthetics	61.42
Sunny Textile	55.55
Shamsunder Kundandas Raheja	50.13
M Sushil Kumar	43.56
Sagar Silk Mills	42.19
Winsome Yarns Limited	37.26
The Ichalkaranji Co-Op. Spinning Mills Ltd.	32.16
Mehruli Textiles	29.65
Shah Bhagaji & Sons	27.95
Threadlink	25.15
Total	2612.66

For complete details about outstanding dues to micro and small enterprises and other creditors of our Company, please see the website of our Company www.artedzfabs.com. Information provided on the website of our Company is not a part of this Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, www.artedzfabs.com, would be doing so at their own risk.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government/ RBI, various Government agencies and other statutory and/ or regulatory authorities required for carrying on our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. In order to operate our business of manufacturing of cotton and blended fabrics for men's wear, women's wear as well as made ups, we require various approvals and/ or licenses under various laws, rules and regulations. For further details in connection with the applicable regulatory and legal framework, please refer to the chapter titled "*Key Industry Regulations and Policies*" on page 169 of this Prospectus.

The Company has its business located at:

Registered Office: 206, Gambhir Industrial Estate, Off Aarey Road, Opp. Paramount Print, Goregaon (East), Mumbai – 400063, Maharashtra, India.

Manufacturing Unit: Unit No. T-1, Shree Rajlaxmi Hi Tech Textile Park, Sonale Village, Bhiwandi Nashik Bypass Road, Near Satyam Petrol Pump, Bhiwandi, Thane – 421302, Maharashtra, India.

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

APPROVALS FOR THE ISSUE

Corporate Approvals:

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on April 06, 2018, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra-Ordinary General Meeting held on May 02, 2018 authorized the Issue.

In- principle approval from the Stock Exchange:

We have received in-principle approvals from the stock exchange for the listing of our Equity Shares pursuant to letter dated July 19, 2018 bearing reference no. NSE/LIST/128.

Agreements with NSDL and CDSL:

1. The Company has entered into an agreement dated April 16, 2018 with the Central Depository Services (India) Limited ("CDSL") and the Registrar and Transfer Agent, who in this case is, Bigshare Services Private Limited for the dematerialization of its shares.
2. Similarly, the Company has also entered into an agreement dated April 20, 2018 with the National Securities Depository Limited ("NSDL") and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
3. The Company's International Securities Identification Number ("ISIN") is INE00CO01016.

INCORPORATION AND OTHER DETAILS

1. The Certificate of Incorporation dated August 08, 2006 issued by the Registrar of Companies, Mumbai, Maharashtra, in the name of "ARTEDZ FABS PRIVATE LIMITED".
2. Fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company issued on February 19, 2018 by the Registrar of Companies, Mumbai in the name of "ARTEDZ FABS LIMITED".
3. The Corporate Identification Number (CIN) of the Company is U17299MH2006PLC163645.

APPROVALS/LICENSES RELATED TO OUR BUSINESS ACTIVITIES

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

Sr. No.	Description	Authority	Registration No./ Reference No./ License No.	Date of Issue	Date of Expiry
1.	Certificate of Importer-Exporter Code (IEC)	Foreign Trade Development Officer, Office of Jt. Director General of Foreign Trade, Ministry of Commerce, Government of India	0306085526	March 02, 2007	In case of change in name/address or constitution of IEC holder, the IEC holder shall cease to be eligible to Import or Export against the IEC after the expiry of 90 days from the date of such a change unless in the meantime, the consequential changes are effected in the IEC by the concerned licensing authority.
2.	Registration Certificate of Establishment (under Maharashtra Shops and Establishments Act, 1948)	Office of Inspector, Bombay Municipal Corporation, Government of Maharashtra	760364470/ Commercial II Ward PS	January 15, 2019	NA
3.	Udyog Aadhaar Memorandum	Ministry of Micro, Small and Medium Enterprises, Government of India	MH18C0014018	August 08, 2006	NA
4.	Entrepreneurs Memorandum for setting micro, small and medium Enterprises Unit	Office of District Industries Centre, Ministry of Small Scale Industries, Government of India	EM Number 27-021-12-02329 Part II	September 28, 2010	NA
5.	License to work a factory (under Factories Act, 1948 and Rules made thereunder)	Directorate of Industrial Safety and Health, Government of Maharashtra	12170131210000 00 202/4053/14 Industrial Classification: 13121	July 02, 2018	December 31, 2023

6.	Licence to set up textile manufacturing business.	Group Gram Panchayat, Sonale	1125-T/9	June 30, 2009	June 30, 2010 (one year)
7.	NOC to set up factory for textile manufacturing business	Group Gram Panchayat, Sonale	Outward No. - 34	February 15, 2012	NOC obtained from 2009-10 onwards
8.	RT/ Export License for EPCG Concessional Duty 03%	Foreign Trade Development Officer, Directorate General of Foreign Trade, Government of India	0330028987/3/11/00 2A 145312	March 17, 2011	9 years

TAX RELATED APPROVALS/LICENSES/REGISTRATIONS

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
1.	Permanent Account Number (PAN)	Income Tax Department, Government of India	AAFCA8264N	August 08, 2006	Valid until cancelled
2.	Tax Deduction Account Number (TAN)	Income Tax Department through National Securities Depository Limited (NSDL), Ministry of Finance, Government of India	MUMA28517G	August 29, 2006	Valid until cancelled
3.	Certificate of Provisional Registration for Goods and Service Tax Identification Number (GSTIN)	Government of Maharashtra and Government of India	27AAFCA8264N1Z4	June 28, 2017	Valid until cancelled
4.	Certificate of Registration (under Section 16 of Maharashtra Value Added Tax Act, 2002 read with Rule 9 of the Maharashtra Value Added Tax Rules, 2005)	Assistant Commercial Tax Officer, Commercial Tax Department, Government of Maharashtra.	27510602571V	April 13, 2007	Valid until Cancelled

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
5.	Certificate of Registration of Service Tax (under Chapter V of the Finance Act, 1994 read with the Service Tax Rules, 1994)	Central Board of Excise and Customs, Ministry of Finance, Department of Revenue, Government of India	AAFCA8264NSD001	Date of issue of Original ST-2: November 19, 2013	Valid until cancelled
6.	Certificate of Registration Central Sales Tax (under Section 7(1)/7(2) of the Central Sales Tax Act, 1956 read with Rule 5(1) of Central Sales Tax (Registration and Turnover) Rules, 1957)	Assistant Commercial Tax Officer, Commercial Tax Department, Government of Maharashtra.	27510602571C	April 13, 2007	Until Cancelled
7.	Professional Tax Enrolment Certificate (PTEC) (under sub-section (2) or sub-section (2A) or sub-section (3) of section 5 of the Maharashtra State States Tax on Professions, Trades, Callings and Employment Act, 1975)	Profession Tax Officer, Department of Sales Tax, Government of Maharashtra	99911467470P	November 17, 2017	NA
8.	Professional Tax Registration Certificate (PTRC) (under sub-section (1) of section 5 of the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975)	Profession Tax Officer, Department of Sales Tax, Government of Maharashtra	27510602571P	January 01, 2010	NA

LABOUR RELATED APPROVALS/REGISTRATIONS

Sr. No.	Description	Authority	Registration No./Reference No./License No.	Date of Issue
1.	Employees Provident Fund Registration (under Employees' Provident Funds and Miscellaneous Provisions Act, 1952)	Office of Regional Provident Fund Commissioner, Ministry of Labour, Government of India	MH/THN/203319	June 17, 2010 and December 10, 2010
2	Registration for Employees State Insurance (under Employees State Insurance Act, 1948).	Sub Regional Office, Thane, Employees State Insurance Corporation, Ministry of Labour, Government of India	Employer's Code: 34-00-004356-000-0199	October 26, 2010


ENVIRONMENT RELATED LICENSES /APPROVALS/ REGISTRATIONS

Sr No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1.	Consent to Operate issued by Maharashtra Pollution Control Board for Stitching (only weaving activity) of 60,000 mtrs maximum quantity under Section 26 of the Water (Prevention & Control of Pollution) Act, 1974 & under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Authorisation / Renewal of Authorisation under Rule 5 of the Hazardous Wastes (Management, handling & Transboundary movement) Rules 2008	Sub-Regional Officer, Bhiwandi, Maharashtra Pollution Control Board	MPCB/SRO B/G/CO/25/1 703002064	March 31, 2017	March 31, 2023

OTHER BUSINESS-RELATED APPROVALS

Sr No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1.	Test Warranty Certificate (for Fire Extinguisher refill)	Perfect Fire and Safety Service	NA	April 04, 2018	April 02, 2019
2.	Certificate for construction of Building	Gram Panchayat, Sonale	NA	September 23, 2005	NA

INTELLECTUAL PROPERTY RELATED APPROVALS/REGISTRATIONS**TRADEMARKS**

Sr. No.	Trademark	Trade mark Type	Class	Applicant	Applicati on No.	Date of Applica tion	Validity/ Renewal	Registration status
1.		Devic e	24	Artedz Fabs Limited	3906007	August 02, 2018	August 02, 2028	Registered

PENDING APPROVALS:

Renewal of Licence to set up textile manufacturing business given by Group Gram Panchayat, Sonale.

MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY

1. Application for change of name of all the above-mentioned approvals in not made by the Company pursuant to its name change except Factory license, Pan Card, Udhyog Aadhar Memorandum, Employees Provident Fund Registration, Registration Certificate of Establishment (under Maharashtra Shops and Establishments Act, 1948) and Registration for Employees State Insurance.
2. Company has not obtained the following certificates/ licenses/ Consents:
 - i) NOC from Directorate of Industries/DIC-Thane/JSI-MMR for setting up industrial unit in MMR Zone I and II area.
 - ii) Consent to Establish the Unit for a product at a particular production capacity issued by State Pollution Control Board.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution passed by our Board of Directors at its meeting held on April 06, 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 Extraordinary General Meeting of our Company held on May 02, 2018 at Registered Office of the Company.

PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Neither Company, nor our Directors, our Promoters or the relatives (as defined under the Companies Act) of Promoters, our Promoter Group, and our Group Company have been declared as wilful defaulter(s) by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoters, Promoter Group, Directors or Group Company have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

Neither our Promoters, nor any of our Directors or persons in control of our Company are / were associated as promoter, directors or persons in control of any other company which is debarred from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.

None of our Directors are in any manner associated with the securities market. There has been no action taken by SEBI against any of our Directors or any entity our Directors are associated with as directors.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in accordance with Regulation 106(M)(1) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an Issuer whose post-issue face value capital is not more than Rs. 1000.00 Lakhs. Our Company also complies with the eligibility criteria laid by the EMERGE Platform of the National Stock Exchange of India Limited for listing of our shares.

We confirm that:

1. In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this Issue is hundred per cent underwritten and that the Book Running Lead Manager to the Issue will underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled “General Information” beginning on page 91 of this Prospectus.
2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight working days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable laws. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Book Running Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
4. In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we have entered into an agreement with the Book Running Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this

Issue. For further details of the arrangement of market making please refer to the chapter titled “General Information” beginning on page 91 of this Prospectus.

5. The Company has track record of 3 Years and positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application.
6. Net-worth of the company is positive.
7. The Company has not been referred to Board for Industrial and Financial Reconstruction.
8. No petition for winding up is admitted by a court of competent jurisdiction against the Company.
9. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
10. The Company has a website which can be accessed at www.artedzfabs.com.
11. There is no material regulatory or disciplinary action taken by a Stock Exchange or regulatory authority in the past one year in respect of promoters/ promoting companies, group companies, companies promoted by the promoters/ promoting companies of the Company.
12. “There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years.”

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub-regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS FOR THE TIME BEING IN FORCE. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, SHALL BE FURNISHED TO STOCK EXCHANGE/SEBI A DUE DILIGENCE CERTIFICATE IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992 AFTER FILING OF PROSPECTUS WITH ROC AND BEFORE OPENING OF ISSUE.

“WE, THE UNDER NOTED BOOK RUNNING LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, CIVIL LITIGATIONS, DISPUTES WITH COLLABORATORS, CRIMINAL LITIGATIONS ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, 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 RED HERRING PROSPECTUS FILED WITH THE EXCHANGE / BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
 - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - C. THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF COMPANIES ACT, 1956, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.- NOTED FOR COMPLIANCE**
- 5. WE CERTIFY THAT WRITTEN CONSENTS FROM PROMOTERS HAVE BEEN OBTAINED FOR INCLUSION OF HIS SPECIFIED SECURITIES AS PART OF PROMOTERS’ CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS’ CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.**
- 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS’ CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS.**
- 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE**

- (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE
8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. – COMPLIED TO THE EXTENT APPLICABLE
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKER TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE- NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013 EQUITY SHARES IN THE ISSUE WILL BE ISSUED IN DEMATERIALISED FORM ONLY.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:
- A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
- B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE. – NOTED FOR COMPLIANCE
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE

THAT HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.

15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.

16. WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR – DETAILS ARE ENCLOSED IN “ANNEXURE A”

17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTION HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.”- COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT RED HERRING PROSPECTUS

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

- (1) “WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING 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 RED HERRING PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**
- (3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. – NOTED FOR COMPLIANCE**
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.**
- (5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION 4 OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT RED HERRING PROSPECTUS.**
- (6) WE CONFIRM THAT UNDERWRITING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.**
- (7) WE CONFIRM THAT MARKET MAKING ARRANGEMENTS AS PER**

REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.

Note:

The filing of this Prospectus does not, however, absolve our Company from any liabilities under section 34, 35 and 36(1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Book Running Lead Manager any irregularities or lapses in the Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Mumbai, in terms of Section 26, 30, 32 and 33 of the Companies Act, 2013.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER

Our Company, our Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website www.artedzfabs.com would be doing so at his or her own risk.

Caution

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the Book Running Lead Manager and our Company dated April 23, 2018, the Underwriting Agreement dated April 23, 2018, entered into among the Underwriter and our Company and the Market Making Agreement dated April 23, 2018, entered into among the Market Maker, Book Running Lead Manager and our Company.

Our Company and the Book Running Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres, etc.

The Book Running Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Pantomath Capital Advisors Private Limited is not an 'associate' of the Company and is eligible to Book Running Lead Manager this Issue, under the SEBI (Merchant Bankers) Regulations, 1992.

Investors who apply in this Issue were required to confirm and are 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 BOOK RUNNING LEAD MANAGER

For details regarding the price information and track record of the past issue handled by M/s. Pantomath Capital Advisors Private Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer "Annexure A" to this Prospectus and the website of the Book Running Lead Manager at www.pantomathgroup.com

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue has been made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Red Herring Prospectus or this 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 the Red Herring Prospectus and this Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus had been filed with EMERGE Platform of the National Stock Exchange of India Limited for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Red Herring Prospectus or this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). National Stock Exchange of India has given vide its letter NSE/LIST/128 dated July 19, 2018 permission to the Issuer to use the Exchange’s name in this Offer Document as one of the stock exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by National Stock Exchange of India Limited should not in any way be deemed or construed that the offer document has been cleared or approved by National Stock Exchange of India Limited; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other

soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

FILING

The Draft Red Herring Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 106(M) (3). However, a copy of the Red Herring Prospectus and this Prospectus has been filed with SEBI. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Red Herring Prospectus and this Prospectus has been filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>

A copy of the Red Herring Prospectus and this Prospectus has been delivered along with the documents required to be filed under Section 26 and 32 of the Companies Act, 2013 will be delivered to the Registrar of Companies, Mumbai situated at 100, Everest, Marine Drive, Mumbai- 400002, Maharashtra, India.

LISTING

In terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of obtaining in principle approval from EMERGE Platform of the National Stock Exchange of India Limited. However application will be made to the EMERGE Platform of the National Stock Exchange of India Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. EMERGE Platform of the National Stock Exchange of India Limited will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The EMERGE Platform of the National Stock Exchange of India Limited has given its in-principle approval for using its name in the Red Herring Prospectus and Prospectus vide its letter dated July 19, 2018.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the EMERGE Platform of the National Stock Exchange of India Limited, our Company will forthwith repay, without interest, all moneys received from the bidders in pursuance of the Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 working days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the EMERGE Platform of the National Stock Exchange of India Limited mentioned above are taken within six Working Days from the Issue Closing Date

CONSENTS

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, the Statutory Auditor, the Peer Reviewed Auditor, the Banker(s) to the Company; and (b) Book Running Lead Manager, Underwriter, Market Maker, Registrar to the Issue, Public Issue Banker/ Refund Banker, Sponsor Bank, Legal Advisor to the Issue and Syndicate Member to act in their respective capacities have been obtained and to be filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC. Our Peer Reviewed Auditor has given its written consent to the inclusion of their report in the form and context in which it appears in this Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the RoC.

EXPERT TO THE ISSUE

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

- Report of the Peer Review Auditor on Statement of Tax Benefits
- Report of the Peer Review Auditor on Restated Financial Statements

EXPENSES OF THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter “*Objects of the Issue*” beginning on page 120 of this Prospectus.

DETAILS OF FEES PAYABLE

Fees Payable to the Book Running Lead Manager

The total fees payable to the Book Running Lead Manager will be as per the Mandate Letter issued by our Company to the Book Running Lead Manager, the copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated April 23, 2018 a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post/ speed post/ under certificate of posting.

Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters if any.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and selling commission for this Issue is as set out in the Underwriting Agreement entered into between our Company and the Book Running Lead Manager. Payment of underwriting commission, brokerage and selling commission would be in accordance with Section 40 of Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2014

PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION

We have not made any previous rights and/or public issues since incorporation, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled “*Capital Structure*” beginning on page 103 of this Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the initial public Issue of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370 (1B) OF THE COMPANIES ACT, 1956 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS

Our Company is not having any listed Group Company.

PROMISE VERSUS PERFORMANCE FOR OUR COMPANY

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of this Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and Our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on April 20, 2018. For further details, please refer to the chapter titled “*Our Management*” beginning on page 185 of this Prospectus.

Our Company has appointed Vidhi Joshi as Company Secretary and Compliance Officer and she may be contacted at the following address:

Vidhi Joshi

Artedz Fabs Limited

206, Gambhir Industrial Estate,

Opp. Paramount Print, Off Aarey Road,

Goregaon (East), Mumbai - 400063, Maharashtra, India

Tel: 022 29276278

Fax: NA

Email: cs@artedzfabs.com

Website: www.artedzfabs.com

Corporate Identification Number: U17299MH2006PLC163645

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, *etc.*

CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS

Except as stated below, there have been no changes in auditors of our company during the last three financial years preceeding the date of this Prospectus:

M/s. B.T. Bhomatwat & Co., Chartered Accountants resigned as the statutory auditors of our company due to pre-occupancy. Subsequently M/s. Keyur Shah & Co., Chartered Accountants were appointed as the statutory auditors of our company pursuant to Shareholders resolution passed at the Annual General Meeting held on August 24, 2018.

CAPITALISATION OF RESERVES OR PROFITS

Save and except as stated in the chapter titled “*Capital Structure*” beginning on page 103 of this Prospectus, our Company has not capitalized its reserves or profits since incorporation.

REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation.

PURCHASE OF PROPERTY

Other than as disclosed in this Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Prospectus.

Except as stated elsewhere in this Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made there under.

SERVICING BEHAVIOR

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

SECTION VII – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued and transferred 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 Prospectus and the Prospectus, Application Form, ASBA 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.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application in terms of SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018.

Further vide SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Registrar to the Offer and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Offer 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 number 330 of this Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, SEBI Listing Regulations and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. Our Company 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 208 of this Prospectus.

FACE VALUE AND ISSUE PRICE PER SHARE

The face value of the Equity Shares is Rs. 10 each and the Issue Price is Rs. 36 per Equity Share.

The Issue Price is determined by our Company in consultation with the Book Running Lead Manager and is justified under the chapter titled “*Basis for Issue Price*” beginning on page 126 of this Prospectus. At any given point of time there shall be only one denomination for the Equity Shares.

COMPLIANCE WITH SEBI ICDR REGULATIONS

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations. Our Company shall

comply with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation / splitting, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page number 330 of this Prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialized form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated April 20, 2018 amongst NSDL, our Company and the Registrar to the Issue; and
- Agreement dated April 16, 2018 amongst CDSL, our Company and the Registrar to the Issue.

Since trading of the Equity Shares is in dematerialized form, the tradable lot is 3,000 Equity Share. Allotment in this Issue will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of 3,000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 3,000 Equity Share subject to a minimum allotment of 3,000 Equity Shares to the successful applicants.

MINIMUM NUMBER OF ALLOTTEES

Further in accordance with the Regulation 106R of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs or the Sponsor Bank as the case may be, shall be unblocked within 4 working days of closure of issue.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be 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 HOLDER

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint - tenants with benefits of survivorship.

NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013 the sole applicant, or the 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 Applicant, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or with the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- a. to register himself or herself as the holder of the Equity Shares; or
- b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager through, the Registrar to the Issue, shall notify the SCSBs or the Sponsor Bank to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after

the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange.

BID/ ISSUE PROGRAMME

Event	Indicative Date
Bid/Issue Opening Date	Monday, March 18, 2019
Bid/Issue Closing Date	Wednesday, March 20, 2019
Finalization of Basis of Allotment with the Designated Stock Exchange	Tuesday, March 26, 2019
Initiation of Refunds	on or before Wednesday, March 27, 2019
Credit of Equity Shares to Demat Accounts of Allottees	on or before Thursday, March 28, 2019
Commencement of trading of the Equity Shares on the Stock Exchange	on or before Friday, March 29, 2019

The above timetable is indicative and does not constitute any obligation on our Company, and the BRLM. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bids and any revision to the same were allowed to be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Bid/Issue Period. On the Bid/Issue Closing Date, the Bids and any revision to the same were to be accepted between **10.00 a.m. and 5.00 p.m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of Bids received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids were accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Bid/Issue Closing Date. All times mentioned in this Prospectus are Indian Standard Times. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public issue, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids were to be accepted only on Business Days. Neither our Company nor the Book Running Lead Manager shall be liable for any failure in (i) uploading or downloading the Bids due to faults in any software/hardware system or otherwise; and (ii) the blocking of application amount by RIBs bank on receipt of instruction from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism. Any time mentioned in this Prospectus is Indian Standard Time.

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

In case of revision of the Price Band, the Bid/Issue Period would have been extended for at least three additional working days after revision of Price Band subject to the Bid/ Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, would have been widely disseminated by notification to the Stock Exchange, by issuing

a press release and also by indicating the changes on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Member.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask for rectified data.

MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. 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 Issue 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(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be 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 National Stock Exchange of India Limited from EMERGE platform of National Stock Exchange of India Limited on a later date subject to the following:

- *If the Paid up Capital of our Company is likely to increase above Rs. 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to NSE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- *If the Paid up Capital of our company is more than Rs. 1,000 lakhs but below Rs. 2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

MARKET MAKING

The shares offered through this Issue are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (SME Exchange) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing of shares offered through the

Prospectus. For further details of the market making arrangement please refer to chapter titled “*General Information*” beginning on page 91 of this Prospectus.

ARRANGEMENT FOR DISPOSAL OF ODD LOT

The trading of the equity shares will happen in the minimum contract size of 3,000 shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the EMERGE Platform of National Stock Exchange of India Limited.

AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBs CANNOT PARTICIPATE IN THIS ISSUE.

Reserve Bank of India vide notification no. FEMA20(R)/2017-RB dated November 07, 2017 issued the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017. The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. Reserve Bank of India also inserted new definition of Capital Instruments.

OPTION TO RECEIVE SECURITIES IN DEMATERIALISED FORM

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

NEW FINANCIAL INSTRUMENTS

The Issuer Company is not issuing any new financial instruments through this Issue.

APPLICATION BY ELIGIBLE NRIs, FPI'S REGISTERED WITH SEBI, VCF'S, AIF'S REGISTERED WITH SEBI AND QFI

It is to be understood that there is no reservation for Eligible NRIs or FPIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for lock-in of the pre issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter “*Capital Structure*” beginning on page 103 of this Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled “Main Provisions of the Articles of Association” beginning on page 330 of this Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

ISSUE STRUCTURE

This Issue has been made in terms of Regulation 106(M)(1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer, whose post issue face value capital is up to ten crores rupees, shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("NSE EMERGE", in this case being the EMERGE Platform of National Stock Exchange of India Limited). For further details regarding the salient features and terms of such an issue please refer chapter titled "Terms of the Issue" and "Issue Procedure" on page 258 and 267 of this Prospectus.

Following is the issue structure:

Public Issue aggregating 23,10,000 Equity Shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs. 36/- per Equity Share (including a premium of Rs. 26 per Equity Share) aggregating Rs. 831.60 lakhs ('the Issue') by our Company. The Issue comprises a Net Issue to Public of 21,90,000 Equity Shares ('the Net Issue'). The Issue and Net Issue will constitute 26.99 % and 25.58 % of the Post Issue paid-up Equity Share capital of our Company.

The Issue comprises a reservation of 1,20,000 Equity Shares for subscription by the designated Market Maker ('the Market Maker Reservation Portion')

Particulars	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares	21,90,000 Equity Shares	1,20,000 Equity Shares
Percentage of Issue Size available for allocation	94.81% of the Issue Size	5.19% of the Issue Size
Basis of Allotment / Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of 3,000 equity shares and further allotment in multiples of 3,000 equity shares each. For further details please refer to the chapter titled " <i>Issue Procedure–Basis of Allotment</i> " on page 267 of this Prospectus.	Firm allotment
Mode of Application	<u>For QIBs and NIIs:</u> Through ASBA process only <u>For RIIs:</u> Through ASBA Process only or by using UPI ID for payment	Through ASBA process only
Minimum Application	<u>For QIB and NII:</u> Such number of Equity Shares in multiples of 3,000 Equity Shares such that the Application Value exceeds Rs. 2,00,000/- <u>For Retail Individuals</u> 3,000 Equity shares	1,20,000 Equity Shares of Face Value of Rs. 10/- each
Maximum Application Size	<u>For Other than Retail Individual Investors</u> For all other investors the maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations as applicable. <u>For Retail Individuals:</u> 3,000 Equity Shares	1,20,000 Equity Shares of Face Value of Rs. 10/- each

Particulars	Net Issue to Public*	Market Maker Reservation Portion
Mode of Allotment	Compulsorily in dematerialized mode.	Compulsorily in dematerialized mode.
Trading Lot	3,000 Equity Shares	3,000 Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations
Terms of payment	In case of ASBA, The entire Bid Amount shall be blocked at the time of submission of Bid cum Application Form to the members of the Syndicate and in case of UPI as an alternate mechanism, Bid amount shall be blocked at the time of confirmation of mandate collection request by applicant	

The allocation in the net Issue to the public category shall be made as follows:

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

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

In case of joint Bids, the Bid cum Application Form should contain only the name of the first bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form such first Bidder would be deemed to have signed on behalf of the joint holders.

WITHDRAWAL OF THE ISSUE

In accordance with the SEBI ICDR Regulations, our Company, in consultation with Book Running 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 Book Running 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, the retail individual investors may either withdraw or revise their bids until closure of the issue and investors other than retail individual investors shall not be allowed to withdraw nor lower the size of their Application after the Issue Closing Date.

ISSUE PROGRAMME

Event	Indicative Date
Bid/Issue Opening Date	Monday, March 18, 2019
Bid/Issue Closing Date	Wednesday, March 20, 2019

Event	Indicative Date
Finalization of Basis of Allotment with the Designated Stock Exchange	Tuesday, March 26, 2019
Initiation of Refunds	on or before Wednesday, March 27, 2019
Credit of Equity Shares to Demat Accounts of Allottees	on or before Thursday, March 28, 2019
Commencement of trading of the Equity Shares on the Stock Exchange	on or before Friday, March 29, 2019

Applications and any revisions to the same were to be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications were accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications were accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

(i) in case of Bids by Non-Institutional Bidders, the Bids and the revisions in Bids were allowed to be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 4.00 p.m. on the Bid Closing Date; and

(ii) in case of Bids by Retail Individual Bidders, the Bids and the revisions in Bids were allowed to be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. on the Bid Closing Date, which may be extended upto such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received upto the closure of timings and reported by Book Running Lead Manager to the Stock Exchanges.

ISSUE PROCEDURE

All Bidders should review the General Information Document for Investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("General Information Document"), and including SEBI circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 included below under "Part B – General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and is not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Prospectus.

Please note that all the Bidders can participate in the Issue only through the ASBA process. All Bidders shall ensure that the ASBA Account has sufficient credit balance such that the full Bid Amount can be blocked by the SCSB or sponsor bank at the time of submitting the Bid. Please note that all Bidders are required to make payment of the full Bid Amount along with the Bid cum Application Form.

Bidders are required to submit Bids to the Selected Branches / Offices of the RTAs, DPs, Designated Bank Branches of SCSBs or to the Syndicate Members. The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Bid cum Application Form, please refer the above mentioned SEBI link. The list of Stock Brokers, Depository Participants ("DP"), Registrar to an Issue and Share Transfer Agent ("RTA") that have been notified by National Stock Exchange of India Limited to act as intermediaries for submitting Bid cum Application Forms are provided on www.nseindia.com. For details on their designated branches for submitting Bid cum Application Forms, please see the above mentioned National Stock Exchange of India Limited website.

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept Bid cum Application Forms.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

BOOK BUILDING PROCEDURE

The Issue has been made under Regulation 106(M)(1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via book building process wherein at least 50% of the Net

Issue to Public is being issued to the Retail Individual Bidders and the balance shall be issued to QIBs and Non-Institutional Bidders. Further 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. However, if the aggregate demand from the Retail Individual Bidders is less than 50%, then the balance Equity Shares in that portion will be added to the non retail portion issued to the remaining investors including QIBs and NIIs and vice-versa subject to valid bids being received from them at or above the Issue Price.

Subject to the valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Bidders shall not be less than the minimum Bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Stock Exchange.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Bidders will only be in the dematerialised form. The Bid cum Application Forms which do not have the details of the Bidder's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Bid cum Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the bid is liable to be rejected. Bidders will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

BID CUM APPLICATION FORM

Copies of the Bid cum Application Form and the abridged prospectus were being made available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the National Stock Exchange of India Limited (www.nseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Bid/Issue Opening Date.

All the investors (except Retail Individual Investors) applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for application or UPI payment mechanism for making application.

The bid cum application form submitted by Retail Individual Investors (without using UPI), NIIs and QIBs must provide bidder's bank account details and authorization to block funds in the relevant space provided in the Bid cum Application Form. Further, Retail Individual Investors submitting bid cum application form using UPI shall mention the UPI ID of his/her own Bank account in the bid cum application form in the relevant space and the Bid cum Application Forms that do not contain such details are liable to be rejected.

Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign	Blue

Category	Colour of Bid cum Application Form*
corporates or foreign individuals bidding under the QIB Portion), applying on a repatriation basis	

**excluding electronic Bid cum Application Form*

Designated Intermediaries (other than SCSBs) after accepting application form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid cum Application Forms to respective SCSBs where the Bidder has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant bid details, including UPI ID, in the electronic bidding system of stock exchange(s).

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. ASBA Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Bid.

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries

- i) an SCSB, with whom the bank account to be blocked, is maintained
- ii) a syndicate member (or sub-syndicate member)
- iii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
- iv) a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- v) a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retail investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as 'Intermediaries'), and intending to use UPI, shall also enter their UPI ID in the bid-cum-application form.

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 uploading of the details in the electronic bidding system of stock exchange was required to 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 without use of UPI for payment	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.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment	<p>After accepting the application form, respective intermediary shall capture and upload the relevant bid details, including UPI ID, in the electronic bidding system of stock exchange(s).</p> <p>Stock Exchange shall share bid details including the UPI ID with Sponsor Bank on a continuous basis, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds.</p> <p>Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.</p>

Stock exchange(s) shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange(s) shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

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.

WHO CAN BID?

In addition to the category of Bidders 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.

MAXIMUM AND MINIMUM APPLICATION SIZE

a) For Retail Individual Bidders:

The Bid must be for a minimum of 3,000 Equity Shares and in multiples of 3,000 Equity Shares thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed Rs 2,00,000. In case of revision of Bid, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs. 2,00,000.

b) For Other Bidders (Non-Institutional Bidders and QIBs):

The Bid cum Application must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs. 2,00,000 and in multiples of 3,000 Equity Shares thereafter. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Bidder cannot withdraw or lower the size of their Bid at any stage and are required to pay the entire Bid Amount upon submission of the Bid.** The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Bid, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than Rs 2,00,000 for being considered for allocation in the Non-Institutional Portion.

METHOD OF BIDDING

- a) Our Company in consultation with the BRLM has decided the Price Band and the minimum Bid lot size for the Issue and the same was advertised in all editions of English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Mumbai edition of Marathi newspaper Mumbai Lakhsadeep, [Marathi being the local language of Mumbai, where our registered office is situated] each with wide circulation at least two Working Days* prior to the Bid/ Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid/ Issue Period.
- b) The Bid/ Issue Period was for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, was to be published in all editions of English national newspaper Business Standard, all editions of Hindi national newspaper Business Standard and Mumbai edition of Marathi newspaper Mumbai Lakshadeep, [Marathi being the local language of Mumbai, where our registered office is situated] each with wide circulation and also by indicating the change on the websites of the BRLM.
- c) During the Bid/ Issue Period, Retail Individual Bidders, should approach the BRLM or their authorised agents to register their Bids. The BRLM shall accept Bids from all non-ASBA Bidders and from the ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.
- d) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- e) The Bidder/Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Build-up of the Book and Revision of Bids”.
- f) The BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.

**as per SEBI (ICDR) Regulations, 2018*

INDICATIVE PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE

Channels of submission of bid cum application forms –

1. Pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, with the introduction of UPI as a payment mechanism, there are four channels of making application

in public issue in Phase I (i.e. for a period of 3 months from January 01, 2018 or floating of 5 main board public issues, whichever is later) would be as below:

Category of Investor	Channel I	Channel II	Channel III	Channel IV
Retail Individual Investor (RII)	RIIs may submit the Bid cum Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online.	RIIs may submit the Bid cum Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.	RIIs may submit the Bid cum Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds. For such applications the Designated Intermediary will upload the bid in the stock exchange bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds.	RIIs may submit the Bid cum Application Form with any of the Designated Intermediaries and use his/her UPI ID for the purpose of blocking of funds.
Non-Institutional Investor (NII)	For such applications the existing process of uploading the bid and blocking of funds in the RIIs account by the SCSB would continue.			Not Applicable

- Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum 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 SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders 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.

Process for RII application submitted with intermediary with UPI as mode of payment –

In addition to existing channels of making application, with effect from January 01, 2019, a RII would also have the option to submit bid-cum-application form with any of the intermediary and use his / her bank account linked UPI ID for the purpose of blocking of funds. The detailed process in this regard is as detailed hereunder:

Bidding and validation process –

- a) submission of the application with the intermediary, the RII would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).
- b) RII will fill in the bid details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediary.
- c) The intermediary upon receipt of form will upload the bid details along with UPI ID in the stock exchange bidding platform.
- d) Once the bid has been entered in the bidding platform, the exchange will undertake validation of the PAN and Demat Account details of RII with the depository.
- e) Depository will validate the aforesaid bid details on a real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.
- f) SMS from exchange to RII for bidding: Once the bid details are uploaded on the stock exchange platform, the stock exchange shall send an SMS to the RII regarding submission of his / her application, daily at the end of day basis, during bidding period. For the last day of bidding, the SMS may be sent out the next working day.

The Block Process –

- a) Post undertaking validation with depository, the stock exchange will, on a continuous basis, electronically share the bid details along with RIIs UPI ID, with the Sponsor Bank appointed by the issue.
- b) The Sponsor Bank will initiate a mandate request on the RII i.e. request the RII to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment.
- c) The request raised by the Sponsor Bank, would be electronically received by the RII as a SMS / intimation on his / her mobile no. / Mobile app, associated with UPI ID linked bank account.
- d) The RII would be able to view the amount to be blocked as per his / her bid in such intimation. The RII would also be able to view an attachment wherein the IPO bid details submitted by RII will be visible. After reviewing the details properly, RII would be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a one-time mandate for each application in the IPO.
- e) Upon successful validation of block request by the RII, as above, the said information would be electronically received by the RIIs' bank, where the funds, equivalent to application amount, would get blocked in RIIs account. Intimation regarding confirmation of such block of funds in RIIs account would also be received by the RII.
- f) The information containing status of block request (e.g. – accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with stock exchange. The block request status would also be displayed on stock exchange platform for information of the intermediary.

- g) The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation.
- h) RIIs would continue to have the option to modify or withdraw the bid till the closure of the bidding period. For each such modification of bid, RII will submit a revised bid and shall receive a mandate request from sponsor bank to be validated as per the process indicated above.

Post closure of the Issue, the stock exchange will share the Bid details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

NUMBER OF APPLICATIONS PER BANK ACCOUNT IN CASE OF UPI

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

INFORMATION FOR THE BIDDERS

- a. Our Company shall has filed the Red Herring Prospectus with the RoC at least three working days before the Bid / Issue Opening Date.
- b. Our Company had, after registering the Red Herring Prospectus with the RoC, made a pre-Issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre-Issue advertisement, our Company and the Book Running Lead Manager shall advertise the Issue Opening Date, the Issue Closing Date.
- c. The Price Band as decided by our Company in consultation with the Book Running Lead Manager is Rs. 34 to Rs. 36 per Equity Share. The Floor Price of Equity Shares is Rs. 34 per Equity Share and the Cap Price is Rs. 36 per Equity Share and the minimum bid lot is of 3,000 Equity Shares. Our Company shall also announce the Price Band at least two* Working Days before the Issue Opening Date in English and Hindi national newspapers and one regional newspaper with wide circulation. This advertisement, subject to the provisions of the Companies Act, was in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations*.
- d. This announcement shall contain relevant financial ratios computed for both upper and lower end of the Price Band. Further, this announcement was also disclosed on the websites of the Stock Exchanges where the Equity Shares are proposed to be listed and shall also be pre-filled in the Bid cum Application Forms available on the websites of the stock exchanges.
- e. The Issue Period was open for a minimum of three Working Days. In case the Price Band is revised, the Issue Period shall be extended, by an additional three Working Days, subject to the total Issue Period not exceeding ten Working Days. The revised Price Band and Issue Period, if applicable, would have been widely disseminated by notification to the SCSBs and Stock Exchanges, and by publishing in English and Hindi national newspapers and one regional newspaper with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the members of the Syndicate.

The Bidders should note that in case the PAN, the DP ID and Client ID mentioned in the Bid cum Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Member does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Bid cum Application Form is liable to be rejected.

**as per the SEBI (ICDR) Regulations, 2018*

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 the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him / her / it under the relevant regulations / statutory guidelines and applicable law.

AVAILABILITY OF RED HERRING PROSPECTUS AND BID CUM APPLICATION FORM

Copies of the Bid cum Application Form and the abridged prospectus were being made available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and National Stock Exchange of India Limited (www.nseindia.com) at least one day prior to the Bid/Issue Opening Date.

PARTICIPATION BY ASSOCIATED / AFFILIATES OF BOOK RUNNING LEAD MANAGER AND SYNDICATE MEMBERS

The Book Running Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Book Running Lead Manager and the Syndicate Members, if any, may purchase the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

APPLICATIONS BY ELIGIBLE NRI'S

NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour)

BIDS BY FPI INCLUDING FIIs

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10.00% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents (blue in colour).

BIDS BY SEBI REGISTERED VCFs, AIFs and FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

BIDS 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 Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum 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 Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids 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.

BIDS BY LIMITED LIABILITY PARTNERSHIPS

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

BIDS BY INSURANCE COMPANIES

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies 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:

- 1) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10.00% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- 2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS BY INSURANCE COMPANIES

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) equity shares of a company: the least of 10.00% of the investee company's subscribed capital (face value) or 10.00% of the respective fund in case of life insurer or 10.00% of investment assets in case of general insurer or reinsurer;
- 2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS UNDER POWER OF ATTORNEY

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a 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 Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a 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 a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
- d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form
- e) Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable 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.

BIDS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Bids 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 Bid Cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

BIDS BY BANKING COMPANY

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserve the right to reject any Bid by a banking company without assigning any reason.

Bid cum Application Form, failing which our Company reserve the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a) (v) (c) (i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

BIDS BY SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

TERMS OF PAYMENT

Terms of Payment

The entire Issue Price of Rs. 36 per share is payable on Bid cum application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar to the issue shall instruct the SCSBs or Sponsor Bank to unblock the excess amount blocked.

SCSBs or Sponsor Bank will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account, post finalisation of basis of Allotment. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs or Sponsor Bank.

The Bidders should note that the arrangement with Bankers to the issue or the Registrar or Sponsor Bank is not prescribed by SEBI and has been established as an arrangement between our Company, the

Bankers to the Issue, Sponsor Bank and the Registrar to the Issue to facilitate collections from the Bidders.

Payment mechanism for Bidders

The Bidders must specify the Bank Account number or the UPI ID, as applicable, in the Bid cum Application Form. The Bid cum Application Form submitted by a Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted. The SCSB or Sponsor bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the bid cum application or receipt of instructions from the Registrar to unblock the Application Amount.

However, Non Retail Bidders shall neither withdraw nor lower the size of their bid cum applications at any stage. In the event of withdrawal or rejection of the Bid cum 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 bid cum application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the Investors are applying in a Public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility.

BUILD UP OF THE BOOK

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid/ Issue Period.

WITHDRAWAL OF BIDS

- a) RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB or Sponsor Bank in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

PRICE DISCOVERY AND ALLOCATION

- a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalise the Issue Price.
- b) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP / Prospectus.

- c) Under-subscription in any category is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer, in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations.
- d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP / Prospectus.
- e) 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.

Illustration of the Book Building and Price Discovery Process

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue.

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20 to ₹ 24 per share, Offer size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100%
2,000	21	5,000	166.67%
2,500	20	7,500	250%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Offer the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer in consultation with the BRLM, may finalize the Offer Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Offer Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC

- a) Our Company has entered into an Underwriting agreement dated April 23, 2018
- b) A copy of the Red Herring Prospectus and this Prospectus has been filed with the RoC in terms of Section 26 and Section 32 of the Companies Act, 2013.

PRE- ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company, after registering the Red Herring Prospectus with the RoC, published a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: (i) English National Newspaper; (ii) Hindi National Newspaper; and (iii) Regional Newspaper, each with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, was in the format prescribed in Part A of Schedule X of the SEBI Regulations*.

**as per the SEBI (ICDR) Regulations, 2018*

ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

ISSUANCE OF CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE

- a) Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs or Sponsor Bank a list of their Bidders who have been allocated Equity Shares in the Issue.

- b) The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- a) **Designated Date:** On the Designated Date, the Registrar to the Issue shall instruct the SCSBs or Sponsor Bank to unblock funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.
- b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. **Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders 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 Bidders 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 Bidder depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

GENERAL INSTRUCTIONS

Do's:

1. Check if you are eligible to apply as per the terms of the Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID and Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RIIs may submit their bid by using UPI mechanism for payment.
9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
16. Ensure that the category and the investor status is indicated;
17. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
18. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
19. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
20. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Prospectus;
21. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
22. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
23. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
24. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

25. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
26. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Dont's:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceeding Rs. 200,000 (for Bids by Retail Individual Bidders and Eligible Employees);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. If you are a Non-Institutional Investor, Retail Individual Investor or Eligible Employee do not submit your Bid after 3.00 pm on the Bid/ Issue Closing Date;
14. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
15. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
16. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
17. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS

a) Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price is less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e.

the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be based on the price band in which the higher price falls into.

b) Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders

c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.

d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

COMMUNICATIONS

All future communications in connection with Bids made in this Issue should be addressed to the Registrar quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the Application Collecting Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Bidders can contact the Compliance Officer or the Registrar 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.

IMPERSONATION

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who—

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447.”

UNDERTAKINGS BY THE COMPANY

Our Company undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at EMERGE Platform of National Stock Exchange of India Limited where the Equity Shares are proposed to be listed within six working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of

electronic credit of refund;

5. That our Promoter's contribution in full has already been brought in;
6. That no further issue of Equity Shares shall be made till the Equity Shares issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.; and
7. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.
8. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
9. If our Company withdraw the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
10. Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period

UTILIZATION OF THE ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

1. all monies received out of the Issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the Fresh issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the Fresh issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of the SEBI Listing Regulations in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.
6. The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactory.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has entered into the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. Agreement dated April 20, 2018 among NSDL, the Company and the Registrar to the Issue;
- b. Agreement dated April 16, 2018 among CDSL, the Company and the Registrar to the Issue;

The Company's shares bear ISIN no INE00CO01016.

PART B

GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders should rely on their own examination of the Issue and the Issuer, and should carefully read the 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 the Book-Building Process as well as to the Fixed Price Issue. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Bidders in IPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations, 2009”).

Bidders should note that investment in equity and equity related securities involves risk and Bidder should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring Prospectus (“RHP”)/Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Bidders should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM 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 Bidders 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, Bidders/Applicants may refer to the DRHP.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer. For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

The Issuer may also undertake IPO under of chapter XB of the SEBI (ICDR) Regulations, wherein as per,

- Regulation 106M (1): An issuer whose post- issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer, whose post issue face value capital, is more than ten crore rupees and up to twenty five crore rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation.

2.3 OTHER ELIGIBILITY REQUIREMENTS

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 and 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 (2) 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 BRLM 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 40 of the Companies Act, 2013.
- (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 issue any observations on the Offer Document. The Book Running 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 BRLM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the issue.
- (e) The company should have track record of at least 3 years
- (f) The company should have positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net-worth should be positive
- (g) The post issue paid up capital of the company (face value) shall not be more than Rs. 25 crore.
- (h) The issuer shall mandatorily facilitate trading in demat securities.
- (i) The issuer should not been referred to Board for Industrial and Financial Reconstruction.
- (j) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company
- (k) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the issuer
- (l) The Company should have a website. Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter XB of SEBI (ICDR) Regulations and subsequent

circulars and guidelines issued by SEBI and the 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 is upto Rs. 1,000 Lakhs. Company also complies with the eligibility conditions laid by the EMERGE Platform of National Stock Exchange of India Limited for listing of our Equity Shares.

2.4 TYPES OF PUBLIC ISSUES – FIXED PRICE ISSUES AND BOOK BUILT ISSUES

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (“**Book Built issues**”) or undertake a Fixed Price Issue (“**Fixed Price Issues**”). An issuer may mention Price or Price Band in the Red Herring Prospectus (in case of a fixed price Issue) and Floor price or price band in the Red Herring Prospectus (in case of a book built issue) and determine the price at a later date before registering the prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/ Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Bidders should refer to the RHP/ Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM and the advertisement in the newspaper(s) issued in this regard

2.6 MIGRATION TO MAIN BOARD

Our company may migrate to the Main board of National Stock Exchange of India Limited from EMERGE Platform of National Stock Exchange of India Limited on a later date subject to the following:

- a. *If the Paid up Capital of our Company is likely to increase above Rs. 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to NSE for listing of its shares on its Main Board subject to*

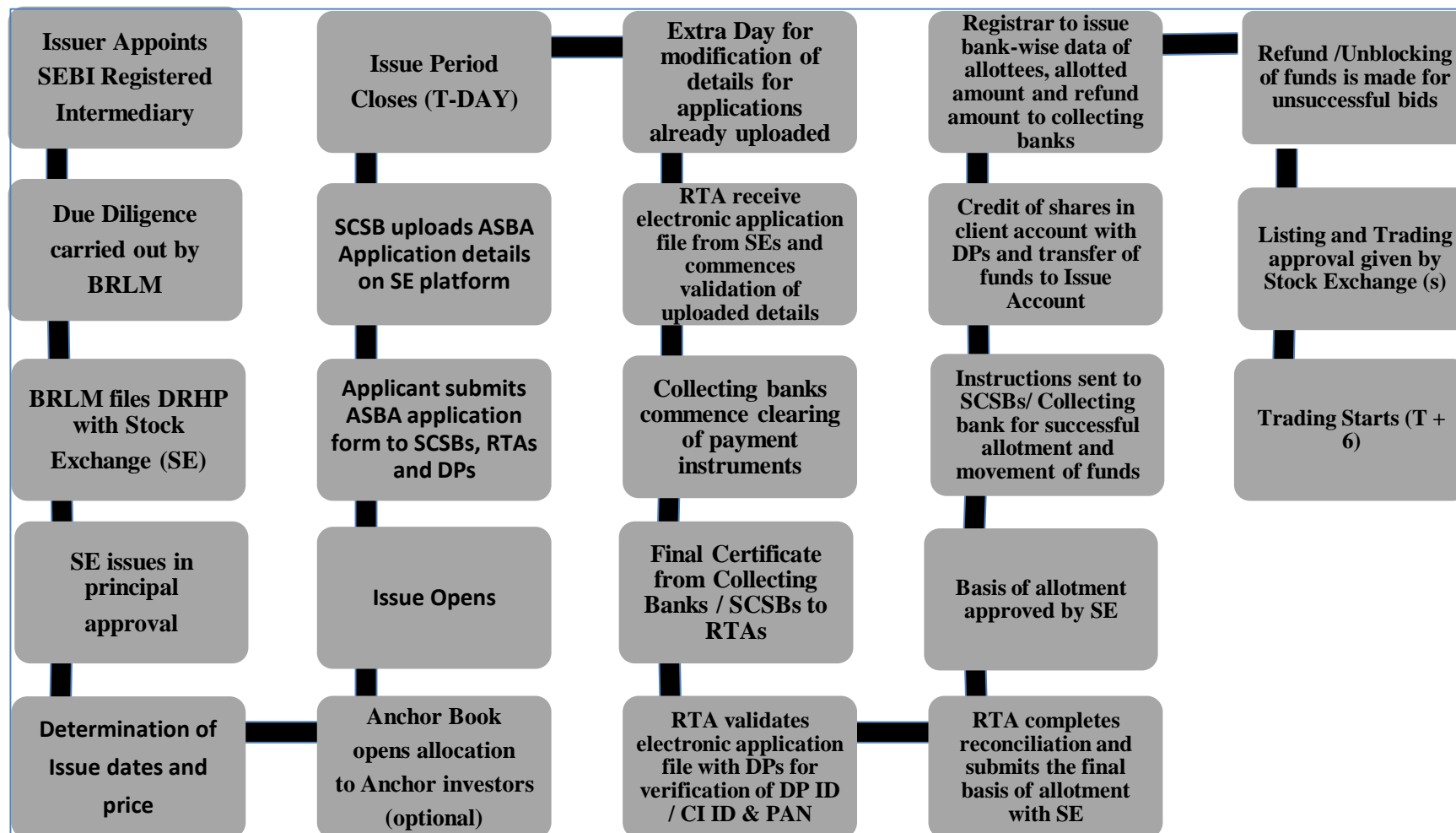
the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- b. If the Paid up Capital of our company is more than Rs. 1,000 lakhs but below Rs. 2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal*

2.7 FLOWCHART OF TIMELINES

A flow chart of process flow in Book Built Issues is as follows



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders, 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. Bidders are requested to refer to the RHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

1. Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors through natural/legal guardian;
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidders should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Bids by HUFs would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. State Industrial Development Corporations;
10. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
11. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
12. Insurance Companies registered with IRDA;
13. Provident Funds and Pension Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
14. Multilateral and Bilateral Development Financial Institutions;
15. National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
16. Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
17. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified Bid cum Application Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing the stamp of a member of the Syndicate or any other Designated Intermediary, bearing a stamp of the Registered Broker or stamp of SCSBs as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the book running lead manager, members of the Syndicate, Registered Brokers, Designated Intermediaries at Branches of the Bidding Centres, SCSBs and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/ Issue Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the RHP.

Fixed Price Issue: Applicants should only use the specified Bid cum Application Form bearing the stamp of an SCSB as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the Registered Office of the Issuer. For further details, regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the Bid cum Application Form (Excluding downloaded forms from SE website)
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying 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. Bidders will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.

4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM/ ASBA FORM

Bidders may note that forms not filled completely or correctly as per instructions provided in this GUID, the RHP and the Bid cum Application Form/ Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non- resident Bidders are reproduced below:

R Bid Cum Application Form

COMMON BID REVISION FORM	XYZ LIMITED - INITIAL PUBLIC OFFER - R <small>Registered Office: XX Tel: XXXXXXXXXXXXXXXXXX Fax: XXXXXXXXXXXXXXXXXXXXXXXXXX Corporate Office: XX Tel: XXXXXXXXXXXXXXXXXX Fax: XXXXXXXXXXXXXXXXXXXXXXXXXX Contact Person: XXXXXXXXXXXXXXXXXXXXXXXXXX E-mail: XXXXXXXXXXXXXXXXXX Website: XXXXXXXXXXXXXXXXXXXXXXXXXX Corporate Identity Number: XXXXXXXXXXXXXXXXXX</small>	FOR RESIDENT INDIAN INVESTORS, INCLUDING RESIDENT QIBs, NON-INSTITUTIONAL BIDDERS, RETAIL INDIVIDUAL BIDDERS AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS																																																																																
 To, The Board of Directors XYZ LIMITED	100% BOOK BUILT OFFER ISIN : XXXXXXXXXX	Bid cum Application Form No. 																																																																																
SYNDICATE MEMBER'S STAMP & CODE	REGISTERED BROKER/SCSB/CDP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER Mr./Ms./M/s. Address Email Tel. No. (with STD code) / Mobile 																																																																																
SUB-BROKER'S / SUB-AGENTS STAMP & CODE	SCSB BRANCH STAMP & CODE	2. PAN OF SOLE / FIRST BIDDER 																																																																																
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID																																																																																
PLEASE CHANGE MY BID																																																																																		
4. FROM (AS PER LAST BID OR REVISION) <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th rowspan="3">Bid Options</th> <th colspan="10">No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)</th> <th colspan="4">Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)</th> </tr> <tr> <th colspan="10">(In Figures)</th> <th colspan="4">(In Figures Only)</th> </tr> <tr> <th>8</th><th>7</th><th>6</th><th>5</th><th>4</th><th>3</th><th>2</th><th>1</th> <th>Bid Price</th> <th>Retail Discount</th> <th>Net Price</th> <th>"Cut-off" (Please ✓ tick)</th> </tr> <tr> <td>Option 1</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> <td></td><td></td><td></td><td></td> </tr> <tr> <td>(OR) Option 2</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> <td></td><td></td><td></td><td></td> </tr> <tr> <td>(OR) Option 3</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> <td></td><td></td><td></td><td></td> </tr> </table>			Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised)										Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)				(In Figures)										(In Figures Only)				8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)	Option 1													(OR) Option 2													(OR) Option 3												
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6. PAYMENT DETAILS [IN CAPITAL LETTERS] Additional Amount Blocked (₹ in figures) (₹ in words) _____ ASBA Bank A/c No. Bank Name & Branch _____ OR UPI Id (Maximum 45 characters) <small>I/WE (ON BEHALF OF JOINT BIDDERS IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED AMENDED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE BIDDERS UNDERTAKING AS GIVEN OVERLEAF (ON BEHALF OF JOINT BIDDERS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILING UP THE BID REVISION FORM GIVEN OVERLEAF.</small>																																																																																		
7A. SIGNATURE OF SOLE / FIRST BIDDER _____ Date : _____, 2018	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorise the SCSB to do all acts as are necessary to make the application in the Offer: 1) _____ 2) _____ 3) _____																																																																																	
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 XYZ LIMITED BID REVISION FORM - INITIAL PUBLIC OFFER - R	Acknowledgement Slip for Syndicate Member/ Registered Broker/SCSB/CDP/RTA	Bid cum Application Form No. 																																																																																
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XYZ LIMITED- BID REVISION FORM - INITIAL PUBLIC OFFER - R	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th></th> <th>Option 1</th> <th>Option 2</th> <th>Option 3</th> </tr> <tr> <td>No. of Equity Shares</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Bid Price</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Additional Amount Blocked (₹)</td> <td></td> <td></td> <td></td> </tr> <tr> <td>ASBA Bank A/c No./UPI Id</td> <td colspan="3"></td> </tr> <tr> <td>Bank Name & Branch</td> <td colspan="3"></td> </tr> </table>		Option 1	Option 2	Option 3	No. of Equity Shares				Bid Price				Additional Amount Blocked (₹)				ASBA Bank A/c No./UPI Id				Bank Name & Branch				Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA <div style="border: 1px solid black; height: 100px; width: 150px;"></div>																																																								
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Important Note : Application made using third party UPI Id Or ASBA Bank A/c are liable to be rejected. XYZ LIMITED		Name of Sole / First Bidder _____ Acknowledgement Slip for Bidder Bid cum Application Form No. 																																																																																

[illegible]

4.1.1 : NAME AND CONTACT DETAILS OF THE SOLE/ FIRST BIDDER

Bidders 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:** Bidders should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Bidders should note that the contact details mentioned in the Bid cum Application Form/ Application Form may be used to dispatch communications) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the 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 Bids:** In the case of Joint Bids, the Bids should be made in the name of the Bidder whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder would be required in the Bid cum Application Form/ Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form/ Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (c) **Impersonation:** Attention of the Bidders is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who:

- *makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or*
- *makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- *otherwise induces directly or indirectly a Company to allot, or register any transfer of securities to him, or to any other person in a fictitious name,*

Shall be liable for action under section 447 of the said Act.

- (d) **Nomination Facility to Bidder:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

4.1.2 PAN NUMBER OF SOLE /FIRST BIDDER

- a) PAN (of the sole/first Bidder) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person in whose sole or first name the relevant beneficiary account is held as per the Depositories' records.
- b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids on behalf of the Central or State Government, Bids by officials appointed by the courts and Bids by Bidders residing in Sikkim ("PAN Exempted Bidders"). Consequently, all Bidders, other than the PAN Exempted Bidders, are required to disclose their PAN in the Bid cum Application Form, irrespective of the Bid Amount. Bids by the Bidders whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.
- c) The exemption for the PAN Exempted Bidders is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary

owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

- d) Bid cum Application Forms which provide the GIR Number instead of PAN may be rejected.
- e) Bids by Bidders whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and Demographic Details are not provided by depositories.

4.1.3 BIDDERS DEPOSITORY ACCOUNT DETAILS

- a) Bidder should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form. The DP ID and Client ID provided in the Bid cum Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the **Bid cum Application Form is liable to be rejected.**
- b) Bidder should ensure that the beneficiary account provided in the Bid cum Application Form is active.
- c) Bidder should note that on the basis of DP ID and Client ID as provided in the Bid cum Application Form, the Bidder may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the 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 the Issue.
- d) Bidders are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders’ sole risk.

4.1.4 : BID OPTIONS

- a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least two Working Days* before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.
- b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs undertaken through the Book Building Process. Cut-Off Price: Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- c) **Cut-Off Price:** Retail Individual Investors or Eligible Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- d) **Minimum Bid Value and Bid Lot:** The Issuer in consultation with the BRLM may decide the minimum number of Equity Shares for each Bid to ensure that the minimum Bid value is within the range of above Rs.1,00,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum Bid value.

- e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may refer to the RHP or the advertisement regarding the Price Band published by the Issuer.

**as per SEBI (ICDR) Regulations, 2018*

4.1.4.1 Maximum and Minimum Bid Size

The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Bidders and Retail Individual Shareholders must be for such number of shares, so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 200,000. Bids by Eligible Employees must be for such number of Equity Shares, so as to ensure that the Bid Amount less Discount (as applicable) does not exceed ₹ 500,000. However, Allotment to Eligible Employees in the Employee Reservation Portion may exceed ₹ 200,000 only in the event of an under subscription in the Employee Reservation Portion and such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion for a value in excess of ₹ 200,000, subject to the total Allotment to Eligible Employee not exceeding ₹ 500,000.

In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category (with it not being eligible for Discount), then such Bid may be rejected if it is at the Cut-off Price.

- (a) For NRIs, a Bid Amount of up to Rs. 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding Rs. 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.
- (b) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds Rs. 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cut off Price.
- (c) RII may revise or withdraw their bids until Bid/ Issue Closing Date. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after Bidding and are required to pay the Bid Amount upon submission of the Bid.
- (d) In case the Bid Amount reduces to Rs. 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- (e) For Anchor Investors, if applicable, the Bid Amount shall be least Rs 2 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/ Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- (f) A Bid cannot be submitted for more than the issue size.
- (g) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

- (h) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the issue Price, the number of Equity Shares Bid for by a Bidder at or above the issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process.

4.1.4.2 Multiple Bids

(a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:

i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

ii. For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(c) The following Bids may not be treated as multiple Bids:

i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Issue portion in public category.

ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

iii. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion.

4.1.5 CATEGORY OF BIDDERS

- a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, NIIs and QIBs.
- b) An Issuer can make reservation for certain categories of Bidders as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders may refer to the RHP.
- c) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder may refer to the RHP.

4.1.6 INVESTOR STATUS

- i) Each Bidder 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.
- ii) Certain categories of Bidder, such as NRIs, FPIs and FVCIs may not be allowed to

Bid/apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders are requested to refer to the Prospectus for more details.

iii) Bidders should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

iv) Bidders should ensure that their investor status is updated in the Depository records.

4.1.7 PAYMENT DETAILS

- a) Bidders are required to enter either the ASBA Bank account details or the UPI ID in this field. In case the Bidder doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Bidder providing both the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing of the application
- b) The full Bid Amount (net of any Discount, as applicable) shall be blocked based on the authorization provided in the Bid cum Application Form. If the Discount is applicable in the Issue, the RIIs and Retail Individual Shareholders and Employees Bidding in the Employee Reservation Portion (if any) should indicate the full Bid Amount in the Bid cum Application Form and the payment shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.
- c) RIIs who Bid at Cut-off price shall be blocked on the Cap Price.
- d) All Bidders (other than Anchor Investors) can participate in the Issue only through the ASBA mechanism.
- e) RIIs submitting their applications through Designated Intermediaries can participate in the Issue through the UPI mechanism, through their UPI ID linked with their bank account.
- f) Bid Amount cannot be paid in cash, cheque, and demand draft, through money order or through postal order.

4.1.7.1. Payment instructions for Bidders

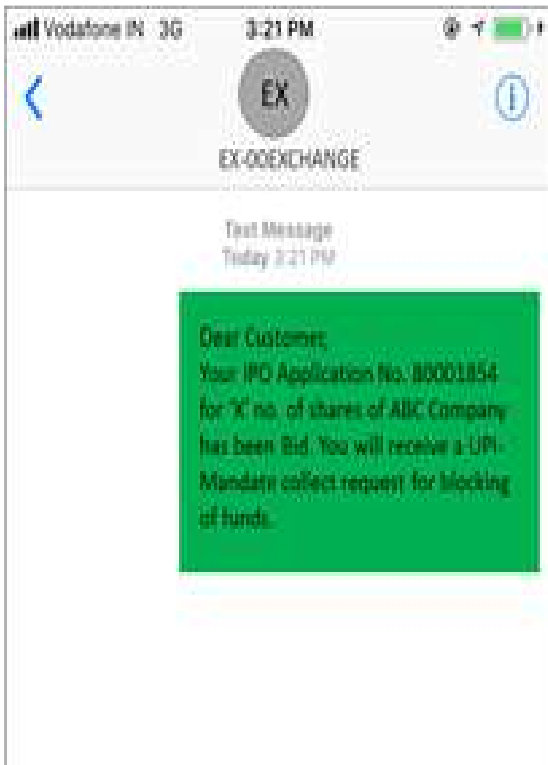

- (a) **RIIs bidding through Designated Intermediaries** should note that with the introduction of UPI as a payment mechanism, there are four channels of making applications in public issues available to them in Phase I (i.e. from January 1, 2019 for a period of three months or floating of five main board public issues, whichever is later). The four channels for making applications in public issues available to RIIs bidding through Designated Intermediaries are as follows:

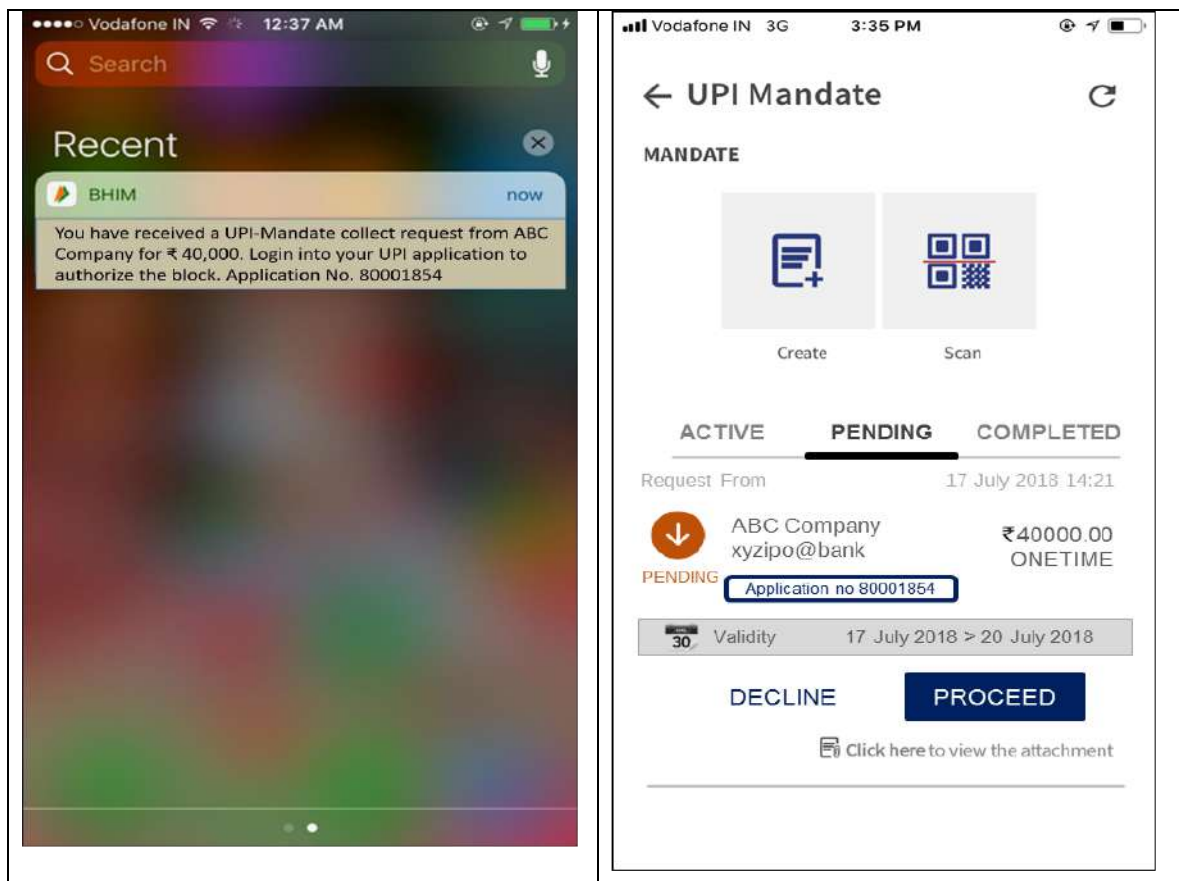
Channel I	Channel II	Channel III	Channel IV
RIIs may submit the Bid cum Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online. For such applications the existing process of uploading the bid	RIIs may submit the Bid cum Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.	RIIs may submit the Bid cum Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds. For such applications the Designated Intermediary will upload	RIIs may submit the Bid cum Application Form with any of the Designated Intermediaries and use his/her UPI ID for the purpose of blocking of funds.

Channel I	Channel II	Channel III	Channel IV
and blocking of funds in the RIIs account by the SCSB would continue.		the bid in the stock exchange bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds.	

For Phase II and Phase III, RIIs will have the option to use only Channel I, Channel II and Channel IV (as described above) for making applications in a public issue.

Please see below a graphical illustrative process of the investor receiving and approving the UPI mandate request:

<p>Illustrative SMS</p>  <p>The screenshot shows a text message from 'EX-00EXCHANGE' received at 3:21 PM. The message content is: 'Dear Customer, Your IPO Application No. 80001854 for 'X' no. of shares of ABC Company has been Bid. You will receive a UPI-Mandate collect request for blocking of funds.'</p>	<p>Block request SMS to investor</p>  <p>The screenshot shows a text message from 'PP-00PAYERPSP' received at 3:21 PM. The message content is: 'You have received a UPI-Mandate collect request from ABC Company for ₹ 40,000. Login into your UPI application to authorize the block. Application No. 80001854'</p>
<p>Block request intimation through UPI application</p>	<p>Investor UPI application screen</p>



Sample of IPO details in attachment

Secure | https://

1 Enter Details

Investor Details

Dispository Name	DP ID	Client ID
NSDL	IN300513	14871456
Beneficiary No.	PAN Card	Investor's Name
-	AAMPF7581P	SHYAM SHARAN

IPO Details

Company Name	IPO Symbol	Bid Lot
PO	SUPREMEENG	40000
Face Value	Maximum Price	Minimum Price
10.00	₹ 32.00	₹ 27.00
Cut Off Price	IPO Start Date	IPO End Date
₹ 32.00	20 July 2018	27 July 2018
Discount Amount	Discount Category	
NA	-	

Post verification of details above

Vodafone IN 3G 5:43 PM

← Create Mandate

TO

ABC Company

✓ xyzipo@bank Verified Merchant

Mandate Amount

₹ 40000.00

The Amount entered will be blocked immediately & debited from payer account as per your Mandate inputs

Frequency

ONETIME

Validity

Start Date 20 JULY 2018 > End Date 27 JULY 2018

Users account will be debited within validity period.

REMARKS

Application no 80001834

Click here to view the attachment

PROCEED

Pre-confirmation page

Vodafone IN 3G 3:48 PM

Please check the below details as the amount will be **blocked** for the validity period and will be debited as per the mandate inputs. In case of non-execution of the Mandate, the amount will be unblocked

Mandate Details

To

ABC Company

✓ xyzipo@bank

AMOUNT

₹ 0000.00

FREQUENCY

ONETIME

VALIDITY

20 JULY 2018 to 27 JULY 2018

REMARKS

Application no 80001854

CANCEL CONFIRM

Entering of UPI PIN

Vodafone IN 3G 1:39 AM

CANCEL

STATE BANK OF INDIA

UPI

ABC Company ₹ 40000

ENTER UPI PIN

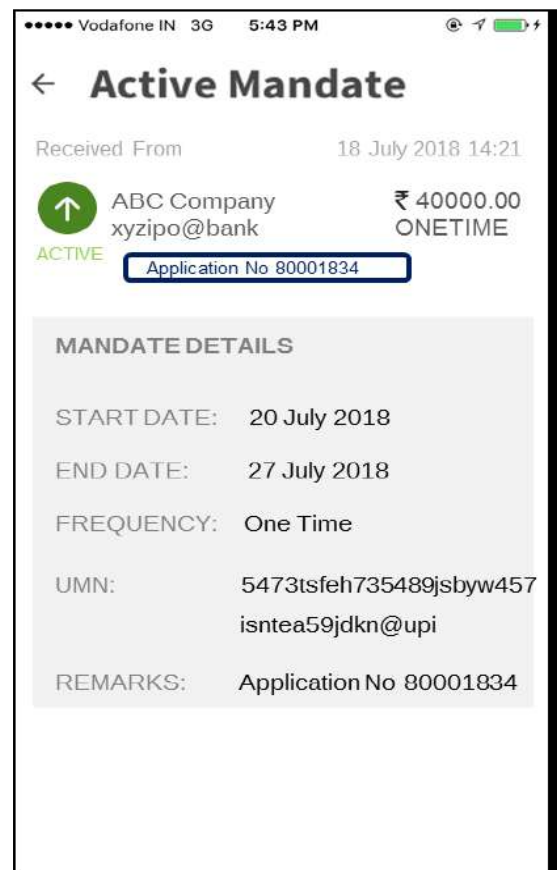
— — — —

1	2	3
4	5	6
7	8	9
✕	0	SUBMIT

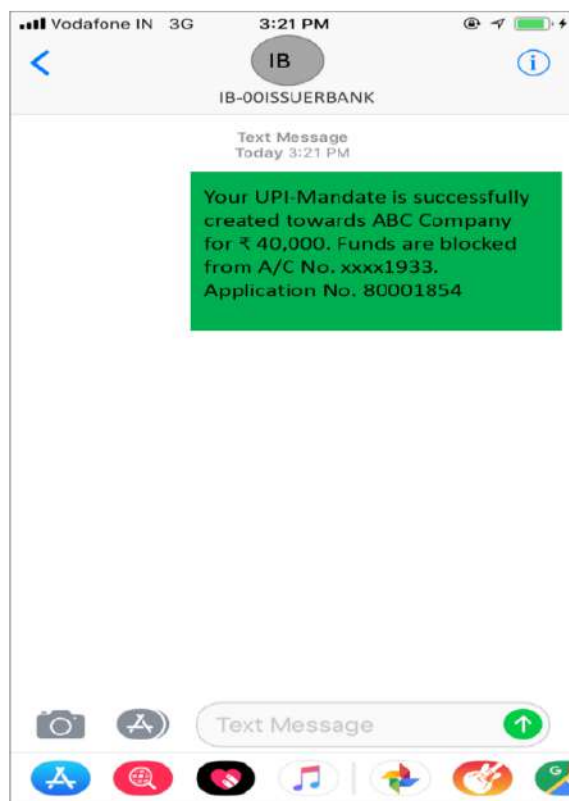
Confirmation page



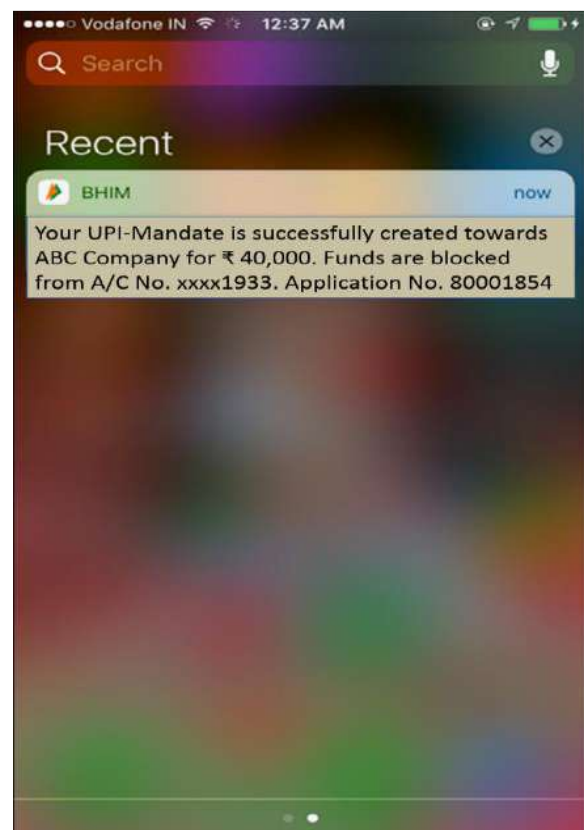
Approved mandates visible in UPI application



Block confirmation SMS to investor



Block confirmation application intimation



- (b) QIB and NII Bidders may submit the Bid cum Application Form either
 - (i) to SCSB in physical or electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
 - (ii) in physical mode to any Designated Intermediary.
- (c) Bidders must specify the Bank Account number, or the UPI ID, as applicable, in the Bid cum Application Form. The Bid cum Application Form submitted by a Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted.
- (d) Bidders should note that application made using third party UPI ID or ASBA Bank account are liable to be rejected.
- (e) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the ASBA Account.
- (f) Bidders should submit the Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated CRTA Locations or CDP at the Designated CDP Locations.
- (g) **Bidders bidding through Designated Intermediaries** other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.
- (h) **Bidders bidding directly through the SCSBs** should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.
- (j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
- (k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.
- (l) Upon submission of a completed Bid cum Application Form each Bidder (not being a RII who has opted for the UPI payment mechanism and provided a UPI ID with the Application Form) may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs. For details regarding blocking of Application Amount for RIIs who have provided a UPI ID with the Application Form please refer to paragraph 4.1.7.3.
- (m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.
- (n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.8. 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 or the Sponsor Bank as the case may be, along with instructions to unblock the relevant bank accounts and for successful Bids transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, if any, to enable the SCSBs or the Sponsor Bank as the case may be to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs or the Sponsor Bank may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Issue Closing Date.
- (d) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bidders, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within 6 Working Days of the Bid/Issue Closing Date.

4.1.8.1. Additional Payment Instructions for RIIs bidding through Designated Intermediaries using the UPI mechanism

- (a) Before submission of the application form with the Designated Intermediary, an RII shall download the mobile app for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank and link it to his/ her bank account where the funds equivalent to the application amount is available.
- (b) RIIs shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount is available for blocking has been notified as Issuer Banks for UPI. A list of such banks is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>
- (c) RIIs shall mention his / her UPI ID along with the bid details in the Bid cum Application Form in capital letters and submit the Bid cum Application Form to any of the Designated Intermediaries.
- (d) The Designated Intermediary upon receipt of the Bid cum Application Form will upload the bid details along with UPI ID in the stock exchange bidding platform.
- (e) Once the bid has been entered into the Stock Exchange bidding platform, the stock exchange will validate the PAN and Demat Account details of the RII with the Depository. The Depository will validate the aforesaid details on a real time basis and send a response to the stock exchange which will be shared by the stock exchange with the Designated Intermediary through its bidding platform, for corrections, if any.
- (f) Once the bid details have been validated by the Depository, the stock exchange will, on a continuous basis, electronically share the bid details along with the UPI ID of the concerned RII with the Sponsor Bank appointed by the Issuer.
- (g) The Sponsor Bank will validate the UPI ID of the RII before initiating the Mandate request.
- (h) The Sponsor Bank after validating the UPI ID will initiate a UPI Mandate Request for valid UPI

ID on the RII which will be electronically received by the RII as an SMS / intimation on his / her mobile number / mobile app associated with the UPI ID linked account. The RII shall ensure that the details of the Bid are correct by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RII may be deemed to have verified the attachment containing the application details of the RII in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form and subsequent debit in case of allotment

- (i) Upon successful validation of the block request by the RII, the said information would be electronically received by the RII's bank, where the funds, equivalent to the application amount would get blocked in the ASBA Account of the RII. Intimation regarding confirmation of such blocking of funds in the ASBA Account of the RII would also be received by the RII. Information on the block status request would be shared with the Sponsor Bank which in turn would share it with the stock exchange which in turn would share it with the Registrar in the form of a file for the purpose of reconciliation and display it on the stock exchange bidding platform for the information of the Designated Intermediary.
- (j) RIIs may continue to modify or withdraw the Bid till the closure of the Bidding Period. For each modification of the Bid, the RII will submit a revised Bid and will receive a new UPI Mandate Request from the Sponsor Bank to be validated as per the process indicated above.
- (k) RIIs to check the correctness of the details on the mandate received before approving the Mandate Request.
- (l) Post closure of the Issue , the stock exchange will share the Bid details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

4.1.8.2. Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) Bidders applying under RII category, Retail Individual Shareholder and eligible employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.
- (c) The Bidders entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net payment (post Discount) is more than two lakh Rupees, the bidding system automatically considers such Bids for allocation under Non-Institutional Category. These Bids are neither eligible for Discount nor fall under RII category.

4.1.8.3. Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to block funds through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.9. SIGNATURES AND OTHER AUTHORISATIONS

- (a) Only the First Bidder is required to sign the Bid cum Application Form. Bidders should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the Bidder, then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the Bids, signature has to be correctly affixed in the authorization/undertaking

box in the Bid cum Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid/ amount mentioned in the Bid cum Application Form.

- (d) Bidders must note that Bid cum Application Form without signature of Bidder and/or ASBA Account holder is liable to be rejected.

4.1.10. ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

- (a) Bidders should ensure that they receive the acknowledgment duly signed and stamped by Bid Collecting Intermediary or SCSB, as applicable, for submission of the Bid cum Application Form.
- (b) All communications in connection with Bid made in the Issue should be addressed as under:
- i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Bidders should contact the Registrar to the Issue.
 - ii. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders should contact the relevant Designated Branch of the SCSB.
 - iii. Bidders may contact the Company Secretary and Compliance Officer or BRLM in case of any other complaints in relation to the Issue.
 - iv. In case of queries relating to uploading of Bids by a Syndicate Member, the Bidders should contact the relevant Syndicate Member.
 - v. In case of queries relating to uploading of Bids by a Registered Broker, the Bidders should contact the relevant Registered Broker
 - vi. In case of Bids submitted to the RTA, the Bidders should contact the relevant RTA.
 - vii. In case of Bids submitted to the DP, the Bidders should contact the relevant DP.
 - viii. In case of queries relating to uploading of Bids through the UPI Mechanism, the Bidders should contact the Sponsor Bank;
- (c) The following details (as applicable) should be quoted while making any queries -
- i. Full name of the sole or First Bidder, Bid cum Application Form number, Bidder' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on Bid.
 - ii. name and address of the Designated Intermediary, where the Bid was submitted; or
 - iii. Bids, ASBA Account number or the UPI ID (for RIIs who make the payment of Bid Amount through the UPI mechanism) linked to the ASBA Account where the Bid Amount was blocked in which the amount equivalent to the Bid Amount was blocked.

For further details, Bidder may refer to the Prospectus and the Bid cum Application Form.

4.2. INSTRUCTIONS FOR FILING THE REVISION FORM

- (a) During the Bid/ Issue Period, any Bidder (other than QIBs and NIIs, who can only revise their Bid amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- (b) RII may revise / withdraw their Bid till closure of the Bid/ Issue period.
- (c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- (d) The Bidder can make this revision any number of times during the Bid/ Issue Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the SCSB through which such Bidder had placed the original Bid. It is clarified that RIIs whose original Bid is made using the UPI mechanism, can make revision(s) to their Bid using the

UPI mechanism only, whereby each time the Sponsor Bank will initiate a new UPI Mandate Request. Bidders are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample Revision form is reproduced below:

COMMON BID
REVISION FORM

XYZ LIMITED - INITIAL PUBLIC OFFER - R

FOR RESIDENT INDIAN INVESTORS, INCLUDING RESIDENT QIBs, NON-INSTITUTIONAL BIDDERS, RETAIL INDIVIDUAL BIDDERS AND ELIGIBLE NRI APPLYING ON A NON-REPATRIATION BASIS

LOGO

To,
The Board of Directors
XYZ LIMITED

100% BOOK BUILT OFFER
ISIN : XXXXXXXXXX

Bid cum
Application
Form No.

SYNDICATE MEMBER'S STAMP & CODE

REGISTERED BROKER / SCBS / CDP / RTA STAMP & CODE

SUB-BROKER'S / SUB-AGENT'S STAMP & CODE

SCSB BRANCH STAMP & CODE

BANK BRANCH SERIAL NO.

SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr./Ms./M/s. _____
Address _____
Tel. No. (with STD code) / Mobile _____ Email _____

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. FROM (AS PER LAST BID OR REVISION)

Bid Options

No. of Equity Shares Bid
(Bids must be in multiples of Bid Lot as advertised)

(In Figures)

87654321

Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)

(In Figures Only)

Bid Price

Retail Discount

Net Price

"Cut-off" (Please ✓ tick)

Option 1

(OR) Option 2

(OR) Option 3

5. TO (REVISED BID) (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options

No. of Equity Shares Bid
(Bids must be in multiples of Bid Lot as advertised)

(In Figures)

87654321

Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)

(In Figures Only)

Bid Price

Retail Discount

Net Price

"Cut-off" (Please ✓ tick)

Option 1

(OR) Option 2

(OR) Option 3

6. PAYMENT DETAILS [IN CAPITAL LETTERS]

Additional Amount Blocked (₹ in figures) _____ (₹ in words) _____

ASBA _____

Bank A/c No. _____

Bank Name & Branch _____

OR

UPI Id (Maximum 45 characters) _____

7A. SIGNATURE OF SOLE/ FIRST BIDDER

7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S)
(AS PER BANK RECORDS)

SYNDICATE MEMBER / REGISTERED BROKER / SCBS / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

LOGO

XYZ LIMITED

Acknowledgement Slip for Syndicate Member/ Registered Broker/SCBS/CDP/RTA

Bid cum Application Form No.

DPID

CLID

PAN of Sole / First Bidder

Additional Amount Blocked (₹)

ASBA Bank A/c No./UPI Id

Stamp & Signature of SCBS Branch

Received from Mr./Ms./M/s.

Telephone / Mobile

Email

Stamp & Signature of Syndicate Member / Registered Broker / SCBS / CDP / RTA

Name of Sole / First Bidder

ASBA Bank A/c No./UPI Id

Bank Name & Branch

Bid cum Application Form No.

Important Note: Application made using third party UPI Id Or ASBA Bank A/c are liable to be rejected.

XYZ LIMITED

Acknowledgement Slip for Bidder

4.2.1. NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER, PAN OF SOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER

Bidders should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2. BID OPTIONS REVISION ‘FROM’ AND ‘TO’

- (a) Apart from mentioning the revised number of shares in the Revision Form, the Bidder must also mention the details of shares applied/bid for given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and such Bidder is changing only one of the options in the Revision Form, the Bidder must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Form.
- (b) In case of revision, Bid options should be provided by Bidders in the same order as provided in the Bid cum Application Form.
- (c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders should ensure that the Bid Amount, subsequent to revision, does not exceed Rs. 200,000. In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.
- (d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds Rs. 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- (e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked in case of Bidders.

4.2.3. PAYMENT DETAILS

- a) All Bidders are required to make payment of the full Bid Amount (less Discount, if applicable) along with the Bid Revision Form. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.
- b) Bidder may Issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account or the UPI linked bank account to the same Designated Intermediary through whom such Bidder had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds Rs. 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder is deemed to have approved such revised Bid at the Cut-off Price.
- d) In case of a downward revision in the Price Band, RIIs, Eligible Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

4.2 SIGNATURES AND ACKNOWLEDGEMENTS

Bidders may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3. SUBMISSION OF REVISION FORM/ BID CUM APPLICATION FORM /APPLICATION FORM

4.3.1. Bidders may submit completed Bid cum Application form / Revision Form in the following manner:-

Mode of Bid	Submission of Bid cum Application Form
All investors Bids	To the Bid cum Application Collecting Intermediaries as mentioned in the Prospectus/ Bid cum Application Form

Bidders should submit the Revision Form to the same Designated Intermediary through which such Bidders had placed the original Bid.

SECTION 5: INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

This being book built issue procedure for fixed price issue is not applicable.

SECTION 6- ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XIII* of SEBI ICDR Regulations. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

**as per SEBI(ICDR) Regulations, 2018*

6.1 SUBMISSION OF BIDS

- a. During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.
- b. In case of Bidders (excluding NIIs and QIBs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).

- c. For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders are requested to refer to the RHP.

6.2 ELECTRONIC REGISTRATION OF BIDS

- a. The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- b. On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.
- c. Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

6.3 BUILD UP OF THE BOOK

- a. Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/Issue Period.
- b. Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/Issue Period.

6.4 WITHDRAWAL OF BIDS

- a) RIIs can withdraw their Bids until Bid/Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

6.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

- a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:
 - 1) the Bids accepted by the Designated Intermediaries,
 - 2) the Bids uploaded by the Designated Intermediaries, and
 - 3) the Bid cum Application Forms accepted but not uploaded by the Designated Intermediaries.

- b) The BRLM and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.
- c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLM and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

GROUND OF REJECTIONS

Bidders are advised to note that Bids 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;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs; Submission of more than five Bid cum Application Forms/Application Form as through a single ASBA Account
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the RHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the RHP and as per the instructions in the RHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;

- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges; and
- Where no confirmation is received from SCSB for blocking of funds
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Details of ASBA Account not provided in the Bid cum Application Form
- Bids uploaded by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid Closing Date, and Bids by Retail Individual Bidders and Eligible Employees uploaded after 5.00 p.m. on the Bid Closing Date, unless extended by the Stock Exchanges.
- ASBA Account number or UPI ID not mentioned or incorrectly mentioned in the Bid cum Application Form/Application Form;
- Submission of Bid cum Application Forms/Application Form using third party ASBA Bank Account;
- Submission of more than one Bid cum Application Form per UPI ID by RIIs bidding through Designated Intermediaries;
- In case of Bids by RIIs (applying through the UPI mechanism), the UPI ID mentioned in the Bid cum Application Form is linked to a third party bank account;
- The UPI Mandate is not approved by Retail Individual Investor; and
- The original Bid/Application is made using the UPI mechanism and revision(s) to the Bid/Application is made using ASBA either physically or online through the SCSB, and vice-versa.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

BASIS OF ALLOCATION

- a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.
- d) **Illustration of the Book Building and Price Discovery Process**

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of Rs.20 to Rs 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

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

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Offer the desired number of Equity Shares is the price at which the book cuts off, i.e., Rs. 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below Rs. 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

This being Book Built Issue, this section is not applicable for this Issue.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP. No Retail Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The underwriting obligations shall be for the entire 100% of the Offer through the Offer Document and shall not be restricted to the minimum subscription level.

7.1 BASIS OF ALLOTMENT

a. FOR RETAIL INDIVIDUAL BIDDERS

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to 10,95,000 Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than 10,95,000 Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of 3,000 Equity Shares and in multiples of 3,000 Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

b. FOR NON-INSTITUTIONAL BIDDERS

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non-Institutional Bidders will be made at the Issue Price. The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to 10,95,000 Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand. In case the aggregate demand in this category is greater than 10,95,000 Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of 3,000 Equity Shares and in multiples of 3,000 Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

c. FOR QIBS (IF APPLICABLE)

For the Basis of Allotment to Anchor Investors, Applicants may refer to the SEBI ICDR Regulations 2009 or RHP/Prospectus. Bids received from the QIB Category (net of Anchor Portion) at or above the Issue Price shall be grouped together to determine the total demand under this portion. The Issue size less Allotment to Non Institutional Bidders and Retail shall be available for Allotment to Non- QIB Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.

The Allotment to all the QIB Bidders will be made at the Issue Price. The QIB Portion shall be available for Allotment to QIB Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.

Allotment shall be undertaken in the following manner:

(a) In the first instance allocation to Mutual Funds for 5% of the QIB Portion shall be determined as follows:

- In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for 5% of the QIB Portion.
- In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
- Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;

(b) In the second instance Allotment to all QIBs shall be determined as follows:

- In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis for upto 95% of the QIB portion;

- Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and
- Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis.

7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the SCSBs or the Sponsor Bank 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. **Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders 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 Bidders 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 Bidder depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Bid/Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6 Working Days of the Bid/Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to 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 Red Herring Prospectus/ Prospectus. The Designated Stock Exchange may be as disclosed in the Red Herring Prospectus/ 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 Bidders in pursuance of the RHP/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, 2013 and as disclosed in the RHP.

8.2.2 NON RECEIPT OF 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 73 of the Companies Act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013).

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

8.3 MODE OF REFUND

In case of ASBA Bids: Within six Working Days of the Bid/ Offer Closing Date, the Registrar to the Offer may give instructions to SCSBs or in case of Bids by RIIs applying through the UPI mechanism to the Sponsor Bank, to revoke the mandate and for unblocking the amount in ASBA Accounts of unsuccessful Bidders and also for any excess amount blocked on Bidding/Application.

The Registrar to the Offer may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Bids or in the event of withdrawal or failure of the Issue.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum /or demat credits are not made to Bidders or instructions for unblocking of funds in the ASBA Account are not dispatched within the 4 Working days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 days from the Bid/Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid.
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allotment/ Allot/ Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue to the successful Bidders
Allottee(s)	Successful Bidders(s) to whom Equity Shares have been allotted/transferred.
Application Supported by Blocked Amount Form/ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
ASBA / Application Supported by Blocked Amount	An application, whether physical or electronic, used by Bidders, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account
ASBA Account	An account maintained with an SCSB and specified in the Bid cum Application Form submitted by Bidders for blocking the Bid Amount mentioned in the Bid cum Application Form
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata.
ASBA form	An application form, whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus and Prospectus
Banker(s) to the Issue	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account has been opened and in this case being ICICI Bank Limited
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Bidders under the Issue and which is described under chapter titled “ <i>Issue Procedure</i> ” beginning on page 267 of this Prospectus.
Bid	An indication to make an Issue during the Bid/ Issue Period by a Bidder pursuant to submission of the Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue
Bid cum Application Form	An application form, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Bid/ Issue Opening Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which had been notified in all editions of the English national newspaper Business Standard, all editions of the Hindi national newspaper Business Standard, and Mumbai edition of the Marathi

Term	Description
	newspaper Mumbai Lakshadeep, each with wide circulation, and in case of any revision, the extended Bid/ Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Period	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which had been notified in all editions of the English national newspaper Business Standard, all editions of the Hindi national newspaper Business Standard, and Mumbai edition of the Marathi newspaper Mumbai Lakshadeep, each with wide circulation, and in case of any revision, the extended Bid/Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof.
Bidder	Any prospective investor who makes a Bid/Application pursuant to the terms of the RHP/RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicants should be construed to mean an Applicant
Book Building Process	Book building process, as provided in Schedule XIII* of the SEBI ICDR Regulations, in terms of which the Issue is being made
Book Running Lead Manager or BRLM	The Book Running Lead Manager to the Issue namely Pantomath capital Advisors Private Limited
Broker Centres	Broker centres notified by the Stock Exchanges, where the Bidders can submit the Bid cum application forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of National Stock Exchange of India Limited.
Business Day	Monday to Saturday (except 2nd & 4th Saturday of a month and public holidays)
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Bidder indicating the Equity Shares which will be Allotted/transferred, after approval of Basis of Allotment by the Designated Stock Exchange.
Cap Price	The higher end of the Price Band, above which the Issue Price will not be finalised and above which no Bids will be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branch/Designated Branch	Such branch of the SCSBs which coordinate Bid cum Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Cut-off Price	Issue Price of ₹ 36 per Equity Share. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the Bidders such as their address, PAN, occupation and bank account details
Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL

Term	Description
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (exc Anchor Investor) and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated Locations	CDP Such locations of the CDPs where Bidders can submit the Bid cum Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Locations	CDP Such centres of the CDPs where Bidders can submit the Bid Cum Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange (www.nseindia.com) and updated from time to time
Designated Date	The date on which the Collection Banks transfer funds from the public issue Accounts, and the SCSBs issue instructions for transfer of funds from the ASBA Accounts, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Prospectus following which the Board of Directors may Allot Equity Shares to successful Bidders in the Fresh Issue.
Designated Intermediary(ies)	Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the Bidders, in relation to the Issue
Designated Locations	RTA Such centres of the RTAs where Bidder can submit the Bud cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchange (www.nseindia.com) and updated from time to time
Designated Exchange	Stock The designated stock exchange as disclosed in the Red Herring Prospectus/ Prospectus of the issuer
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Draft Red Herring Prospectus or DRHP	The Draft Red Herring Prospectus dated May 23, 2018 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details, Bidder/Applicant may refer to the RHP
Equity Shares	Equity Shares of the Issuer
FCNR Account	Foreign Currency Non-Resident Account
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
First/sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price has been finalised and below which no Bids will be accepted

Term	Description
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
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Issue	The initial public Issue of 23,10,000 Equity Shares of face value of Rs.10 each for cash at a price of Rs. 36 each, aggregating Rs. 831.60
Issue Price	The final price at which Equity Shares will be Allotted in terms of the Prospectus. The Issue Price has been decided by our Company in consultation with the BRLM on the Pricing Date in accordance with the Book-Building Process.
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NEFT	National Electronic Fund Transfer
Net Issue	The Issue less reservation portion
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Resident	A person resident outside India, as defined under FEMA and includes FIIs and FPIs
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
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
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price band of a minimum price of Rs. 34 per Equity Share (Floor Price) and the maximum price of Rs. 36 per Equity Share (Cap Price) including revisions thereof. The Price Band and the minimum Bid Lot size for the Issue has been decided by our Company in consultation with the BRLM and was advertised at least

Term	Description
	two Working Days prior to the Bid/ Issue Opening Date, in all editions of the English national newspaper Business Standard, all editions of the Hindi national newspaper Business Standard and Mumbai edition of the Marathi newspaper Mumbai Lakshadeep, each with wide circulation
Pricing date	The date on which our Company in consultation with the BRLM, will finalise the Issue Price
Prospectus	The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 32 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price, the size of the Issue and certain other information
Public Issue Account	Account opened with the Banker to the Issue i.e. ICICI Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the bidders on the Designated Date.
Qualified Institutional Buyers or QIBs	Qualified Institutional Buyers as defined under Regulation 2(1) (zd) of the SEBI (ICDR) Regulations, 2009.
Red Herring Prospectus or RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares have been offered and the size of the Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus has been registered with the RoC at least three days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to Bidders) shall be made.
Refund Bank(s) / Refund Banker(s)	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account is required to be opened.
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on http://www.nseindia.com/membership/dynaContent/find_a_broker.htm
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Bigshare Services Private Limited having registered office at 1st Floor, Bharat Tin Works Building, Opp.Vasant Oasis, Makwana Road, Marol,Andheri (East), Mumbai – 400059, Maharashtra, India.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bid cum Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Reservation Portion	The portion of the Issue reserved for category of eligible Bidders as provided under the SEBI (ICDR) Regulations, 2009
Reserved Category / Categories	Categories of persons eligible for making Bids under reservation portion.
Revision Form	Form used by the Bidders, to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
RTGS	Real Time Gross Settlement

Term	Description
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Bids/Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/RecognisedIntermediaries or at such other website as may be prescribed by SEBI from time to time
SEBI	The Securities and Exchange Board of India constituted under the 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
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
Stock Exchanges / SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate Agreement	Agreement dated April 23, 2018 entered into amongst the BRLM, the Syndicate Members, our Company in relation to the procurement of Bid cum Application Forms by Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, Pantomath Stock Brokers Private Limited
Syndicate or Members of the Syndicate	The BRLM and the Syndicate Members
Underwriter	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The agreement dated April 23, 2018 entered into between the Underwriter and our Company
Working Day	1. Till Application / Issue closing date: All days other than a Saturday Sunday or a public holiday 2. Post Application / Issue closing date and till the Listing of Equity Shares: All trading days, of stock exchanges excluding Sundays and public holidays, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 India

**as per SEBI (ICDR) Regulations, 2018*

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“**FEMA**”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“**RBI**”) and Department for Promotion of Industry and Internal Trade Ministry of Commerce and Industry, Government of India (“**DPIIT**”).

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“**FDI**”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), has issued consolidated FDI Policy Circular of 2017 (“**FDI Policy 2017**”), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India (“**RBI**”) also issues Master Directions Foreign Investment in India and updates at the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present our company is in the business of manufacturing cotton fabrics. These activities are listed in section 5.2.5 under the head “Manufacturing” of the FDI Policy 2017 which allows 100% foreign direct investment through automatic route subject to the provisions of FDI Policy.

In case of investment in sectors through Government Route approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained by the company.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include:

(i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that:

a) the requisite approval of the Government has been obtained, and

b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.;

(ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence to the pricing guidelines and documentation requirements as specified by Reserve Bank of India from time to time.;

(iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that:

a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, etc.), reporting requirements, documentation etc.;

b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank and

iv) where the investee company is in the financial sector provided that:

a) Any 'fit and proper/due diligence' requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and

b) The FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/restrictions for overseas entities

Under the current FDI Policy 2017, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017. Any equity holding by a person resident outside India resulting from the conversion of any debt instrument under any arrangement shall be reckoned as a foreign investment under the composite cap.

Portfolio Investment to aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in the transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance with sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity, will not exceed the sectoral/statutory cap.

Subject to the provisions of the FDI policy, foreign investment in 'manufacturing' sector is under the automatic route. Further, a manufacturer is permitted to sell its products manufactured in India through wholesale and/or retail, including through e-commerce, without Government approval.

i. Investment by FPIs under Portfolio Investment Scheme (PIS):

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10 % of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24 % of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased

up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

ii. Investment by NRI or OCI on repatriation basis:

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as “Capital Instruments”) of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 that is: The total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

iii. Investment by NRI or OCI on non-repatriation basis

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Prospectus.

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

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent

investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

SECTION VIII – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Pursuant to Schedule II to the Companies Act and the SEBI Regulations, the main provisions of our Articles relating, inter alia, to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles and capitalized/defined terms herein have the same meaning given to them in our Articles

Sr. No	Particulars	
1.	No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	Table F Applicable.
	Interpretation Clause	
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	Act
	(b) “These Articles” means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	Articles
	(c) “Auditors” means and includes those persons appointed as such for the time being of the Company.	Auditors
	(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	Capital
	(e) *“The Company” shall mean Artedz Fabs Limited	
	(f) “Executor” or “Administrator” means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	Executor or Administrator
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	Legal Representative
	(h) Words importing the masculine gender also include the feminine gender.	Gender
	(i) "In Writing" and “Written” includes printing lithography and other modes of representing or reproducing words in a visible form.	In Writing and Written
	(j) The marginal notes hereto shall not affect the construction thereof.	Marginal notes

Sr. No	Particulars	
	(k) "Meeting" or "General Meeting" means a meeting of members.	Meeting or General Meeting
	(l) "Month" means a calendar month.	Month
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	Annual General Meeting
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	Extra-Ordinary General Meeting
	(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.	National Holiday
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	Non-retiring Directors
	(q) "Office" means the registered Office for the time being of the Company.	Office
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	Ordinary and Special Resolution
	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	Person
	(t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	Proxy
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.	Register of Members
	(v) "Seal" means the common seal for the time being of the Company.	Seal
	(w) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	Singular number
	(x) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	Statutes
	(y) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	These presents
	(z) "Variation" shall include abrogation; and "vary" shall include abrogate.	Variation
	(aa) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	Year and Financial Year
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	Expressions in the Act to bear the same meaning in Articles
	CAPITAL	
3.	The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	Authorized Capital.
4.	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the	Increase of capital by the Company how carried into effect

Sr. No	Particulars	
	time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.	
5.	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	New Capital same as existing capital
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	Non Voting Shares
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	Redeemable Preference Shares
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	Voting rights of preference shares
9.	On the issue of redeemable preference shares under the provisions of Article 7 hereof , the following provisions-shall take effect: (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption; (b) No such Shares shall be redeemed unless they are fully paid; (c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed; (d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the	Provisions to apply on issue of Redeemable Preference Shares

Sr. No	Particulars	
	<p>provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p>	
10.	<p>The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>	Reduction of capital
11.	<p>Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.</p>	Debentures
12.	<p>The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.</p>	Issue of Sweat Equity Shares
13.	<p>The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.</p>	ESOP
14.	<p>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.</p>	Buy Back of shares
15.	<p>Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any</p>	Consolidation, Sub-Division And Cancellation

Sr. No	Particulars	
	of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.	
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	Issue of Depository Receipts
17.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	Issue of Securities
	MODIFICATION OF CLASS RIGHTS	
18.	<p>(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.</p> <p>Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.</p>	Modification of rights
	(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking <i>pari passu</i> therewith.	New Issue of Shares not to affect rights attached to existing shares of that class.
19.	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the	Shares at the disposal of the Directors.

Sr. No	Particulars	
	conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.	
20.	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	Power to issue shares on preferential basis.
21.	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	Shares should be Numbered progressively and no share to be subdivided.
22.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	Acceptance of Shares.
23.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	Directors may allot shares as full paid-up
24.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	Deposit and call etc.to be a debt payable immediately.
25.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	Liability of Members.
26.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	Registration of Shares.
	RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT	
27.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	
	CERTIFICATES	

Sr. No	Particulars	
28.	<p>(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody</p>	Share Certificates.

Sr. No	Particulars	
	of such machine, equipment or other material used for the purpose.	
29.	<p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>	Issue of new certificates in place of those defaced, lost or destroyed.
30.	(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.	The first named joint holder deemed Sole holder.
	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.	Maximum number of joint holders.
31.	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.	Company not bound to recognise any interest in share other than that of registered holders.
32.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	Installment on shares to be duly paid.

Sr. No	Particulars	
	UNDERWRITING AND BROKERAGE	
33.	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	Commission
34.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	Brokerage
	CALLS	
35.	(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by installments.	Directors may make calls
36.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	Notice of Calls
37.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.	Calls to date from resolution.
38.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	Calls on uniform basis.
39.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	Directors may extend time.
40.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article	Calls to carry interest.

Sr. No	Particulars	
	shall render it obligatory for the Board to demand or recover any interest from any such member.	
41.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	Sums deemed to be calls.
42.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	Proof on trial of suit for money due on shares.
43.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	Judgment, decree, partial payment motto proceed for forfeiture.

Sr. No	Particulars	
44.	<p>(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p>	Payments in Anticipation of calls may carry interest
	LIEN	
45.	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.	Company to have Lien on shares.
46.	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors	As to enforcing lien by sale.

Sr. No	Particulars	
	shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.	
47.	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.	Application of proceeds of sale.
	FORFEITURE AND SURRENDER OF SHARES	
48.	If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.	If call or installment not paid, notice may be given.
49.	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.	Terms of notice.
50.	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.	On default of payment, shares to be forfeited.
51.	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.	Notice of forfeiture to a Member

Sr. No	Particulars	
52.	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.	Forfeited shares to be property of the Company and may be sold etc.
53.	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	Members still liable to pay money owing at time of forfeiture and interest.
54.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	Effect of forfeiture.
55.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	Evidence of Forfeiture.
56.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	Title of purchaser and allottee of Forfeited shares.
57.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	Cancellation of share certificate in respect of forfeited shares.
58.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	Forfeiture may be remitted.

Sr. No	Particulars	
59.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	Validity of sale
60.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	Surrender of shares.
	TRANSFER AND TRANSMISSION OF SHARES	
61.	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	Execution of the instrument of shares.
62.	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. The instrument of transfer shall be in a common form approved by the Exchange;	Transfer Form.
63.	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.	Transfer not to be registered except on production of instrument of transfer.
64.	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register—	Directors may refuse to register transfer.

Sr. No	Particulars	
	(a) any transfer of shares on which the company has a lien. That registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;	
65.	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.	Notice of refusal to be given to transferor and transferee.
66.	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	No fee on transfer.
67.	The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	Closure of Register of Members or debentureholder or other security holders..
68.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	Custody of transfer Deeds.
69.	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	Application for transfer of partly paid shares.
70.	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	Notice to transferee.
71.	(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares. (b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.	Recognition of legal representative.

Sr. No	Particulars	
	<p>Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	
72.	<p>The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.</p>	Titles of Shares of deceased Member
73.	<p>Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.</p>	Notice of application when to be given
74.	<p>Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.</p>	Registration of persons entitled to share otherwise than by transfer. (transmission clause).
75.	<p>Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his</p>	Refusal to register nominee.

Sr. No	Particulars	
	nominee as if he were the transferee named in an ordinary transfer presented for registration.	
76.	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	Board may require evidence of transmission.
77.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	Company not liable for disregard of a notice prohibiting registration of transfer.
78.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	Form of transfer Outside India.
79.	No transfer shall be made to any minor, insolvent or person of unsound mind.	No transfer to insolvent etc.
	NOMINATION	
80.	<p>i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.</p> <p>ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</p> <p>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p>	Nomination

Sr. No	Particulars	
	iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.	
81.	<p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <ul style="list-style-type: none"> (i) to be registered himself as holder of the security, as the case may be; or (ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made; (iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be; (iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company. <p>Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>	Transmission of Securities by nominee
	DEMATERIALIZATION OF SHARES	
82.	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.	Dematerialisation of Securities
	JOINT HOLDER	
83.	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	Joint Holders
84.	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	Joint and several liabilities for all payments in respect of shares.
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	Title of survivors.

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	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	Receipts of one sufficient.
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.	Delivery of certificate and giving of notices to first named holders.
SHARE WARRANTS		
85.	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.	Power to issue share warrants
86.	<p>(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.</p> <p>(b) Not more than one person shall be recognized as depositor of the Share warrant.</p> <p>(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.</p>	Deposit of share warrants
87.	<p>(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.</p>	Privileges and disabilities of the holders of share warrant
88.	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	Issue of new share warrant coupons
CONVERSION OF SHARES INTO STOCK		
89.	<p>The Company may, by ordinary resolution in General Meeting.</p> <p>a) convert any fully paid-up shares into stock; and</p> <p>b) re-convert any stock into fully paid-up shares of any denomination.</p>	Conversion of shares into stock or reconversion.

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90.	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.	Transfer of stock.
91.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.	Rights of stock holders.
92.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words “share” and “shareholders” in those regulations shall include “stock” and “stockholders” respectively.	Regulations.
	BORROWING POWERS	
93.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.	Power to borrow.
94.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	Issue of discount etc. or with special privileges.
95.	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its	Securing payment or repayment of Moneys borrowed.

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	uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	
96.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	Bonds, Debentures etc. to be under the control of the Directors.
97.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	Mortgage of uncalled Capital.
98.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	Indemnity may be given.
	MEETINGS OF MEMBERS	
99.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	Distinction between AGM & EGM.
100.	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	Extra-Ordinary General Meeting by Board and by requisition
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	When a Director or any two Members may call an Extra Ordinary General Meeting
101.	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	Meeting not to transact business not mentioned in notice.

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102.	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	Chairman of General Meeting
103.	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	Business confined to election of Chairman whilst chair is vacant.
104.	a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	Chairman with consent may adjourn meeting.
105.	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	Chairman's casting vote.
106.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	In what case poll taken without adjournment.
107.	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	Demand for poll not to prevent transaction of other business.
VOTES OF MEMBERS		
108.	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.	Members in arrears not to vote.
109.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote	Number of votes each member entitled.

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	and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	
110.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	Casting of votes by a member entitled to more than one vote.
111.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	Vote of member of unsound mind and of minor
112.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	Postal Ballot
113.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	E-Voting
114.	<p>a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joint holders thereof.</p> <p>b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>	Votes of joint members.
115.	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles	Votes may be given by proxy or by representative
116.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an	Representation of a body corporate.

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	individual member, creditor or holder of debentures of the Company.	
117.	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	Members paying money in advance.
	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	Members not prohibited if share not held for any specified period.
118.	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	Votes in respect of shares of deceased or insolvent members.
119.	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	No votes by proxy on show of hands.
120.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before 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.	Appointment of a Proxy.
121.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	Form of proxy.
122.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	Validity of votes given by proxy notwithstanding death of a member.

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123.	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.	Time for objections to votes.
124.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	Chairperson of the Meeting to be the judge of validity of any vote.
DIRECTORS		
125.	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution	Number of Directors
126.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	Qualification shares.
127.	<p>(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement</p> <p>(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</p> <p>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p>	Nominee Directors.
128.	The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of	Appointment of alternate Director.

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	retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	
129.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.	Additional Director
130.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.	Directors power to fill casual vacancies.
131.	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.	Sitting Fees.
132.	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	Travelling expenses Incurred by Director on Company's business.
PROCEEDING OF THE BOARD OF DIRECTORS		
133.	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	Meetings of Directors.
134.	a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting. b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.	Chairperson
135.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	Questions at Board meeting how decided.
136.	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum,	Continuing directors may act notwithstanding any vacancy in the Board

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	or of summoning a general meeting of the company, but for no other purpose.	
137.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	Directors may appoint committee.
138.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	Committee Meetings how to be governed.
139.	a) A committee may elect a Chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	Chairperson of Committee Meetings
140.	a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	Meetings of the Committee
141.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	Acts of Board or Committee shall be valid notwithstanding defect in appointment.
	RETIREMENT AND ROTATION OF DIRECTORS	
142.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	Power to fill casual vacancy
	POWERS OF THE BOARD	

Sr. No	Particulars	
143.	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	Powers of the Board
144.	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	Certain powers of the Board
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	To acquire any property , rights etc.
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	To take on Lease.
	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	To erect & construct.
	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.	To pay for property.
	(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they	To insure properties of the Company.

Sr. No	Particulars	
	may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	
(6)	To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	To open Bank accounts.
(7)	To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	To secure contracts by way of mortgage.
(8)	To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	To accept surrender of shares.
(9)	To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	To appoint trustees for the Company.
(10)	To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	To conduct legal proceedings.
(11)	To act on behalf of the Company in all matters relating to bankruptcy insolvency.	Bankruptcy & Insolvency
(12)	To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	To issue receipts & give discharge.
(13)	Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	To invest and deal with money of the Company.
(14)	To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or	To give Security by way of indemnity.

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	future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	To determine signing powers.
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	Commission or share in profits.
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	Bonus etc. to employees.
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion	Transfer to Reserve Funds.

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	to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.	
	(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.	To appoint and remove officers and other employees.
	(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.	To appoint Attorneys.
	(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.	To enter into contracts.
	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.	To make rules.

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	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	To effect contracts etc.
	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	To apply & obtain concessions licenses etc.
	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.	To pay commissions or interest.
	(26) To redeem preference shares.	To redeem preference shares.
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	To assist charitable or benevolent institutions.
	(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	
	(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.	

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	<p>(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <p>(32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p>	
	MANAGING AND WHOLE-TIME DIRECTORS	
145.	a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss	Powers to appoint Managing/ Wholetime Directors.

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	<p>him or them from office and appoint another or others in his or their place or places.</p> <p>b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>	
146.	<p>The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.</p>	<p>Remuneration of Managing or Wholetime Director.</p>
147.	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p>	<p>Powers and duties of Managing Director or Whole-time Director.</p>

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	(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.	
	Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer	
148.	<p>a) Subject to the provisions of the Act,—</p> <p>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;</p> <p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.</p>	Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer
	THE SEAL	
149.	<p>(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p>	The seal, its custody and use.
150.	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.	Deeds how executed.
	Dividend and Reserves	
151.	(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon	Division of profits.

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	<p>any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>	
152.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	The company in General Meeting may declare Dividends.
153.	<p>a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for 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.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	Transfer to reserves
154.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	Interim Dividend.
155.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	Debts may be deducted.
156.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	Capital paid up in advance not to earn dividend.
157.	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	Dividends in proportion to amount paid-up.
158.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a	Retention of dividends until completion of transfer under Articles .

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	member, in respect of such shares or shall duly transfer the same.	
159.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.
160.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	Effect of transfer of shares.
161.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	Dividend to joint holders.
162.	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	Dividends how remitted.
163.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	Notice of dividend.
164.	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	No interest on Dividends.
	CAPITALIZATION	
165.	(1) The Company in General Meeting may, upon the recommendation of the Board, resolve: (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. (2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards: (i) paying up any amounts for the time being unpaid on any shares held by such members respectively; (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or	Capitalization.

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	<ul style="list-style-type: none"> (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii). (3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares. (4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation. 	
166.	<ul style="list-style-type: none"> (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall — <ul style="list-style-type: none"> (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and (b) generally to do all acts and things required to give effect thereto. (2) The Board shall have full power - <ul style="list-style-type: none"> (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares. (3) Any agreement made under such authority shall be effective and binding on all such members. (4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit. 	Fractional Certificates.
167.	<ul style="list-style-type: none"> 1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges. 2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof. 	Inspection of Minutes Books of General Meetings.

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168.	<p>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.</p> <p>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.</p>	Inspection of Accounts
	FOREIGN REGISTER	
169.	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	Foreign Register.
	DOCUMENTS AND SERVICE OF NOTICES	
170.	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.	Signing of documents & notices to be served or given.
171.	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.	Authentication of documents and proceedings.
	WINDING UP	
172.	<p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(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.</p> <p>(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.</p> <p>(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.</p>	
	INDEMNITY	
173.	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by	Directors' and others right to indemnity.

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	him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.	
174.	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.	Not responsible for acts of others
	SECRECY	
175.	(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.	Secrecy

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of the Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus, will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, were provided for inspection at the Registered Office of our Company located at 206, Gambhir Industrial Estate, Off Aarey Road, Opp. Paramount Print, Goregaon (East), Mumbai – 400063, Maharashtra, India. from date of filing the Red Herring Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

Material Contracts

1. Issue Agreement dated April 23, 2018 between our Company and the Book Running Lead Manager.
2. Registrar to the issue agreement dated April 23, 2018 between our Company and Bigshare Services Private Limited, Registrar to the Issue.
3. Underwriting Agreement dated April 23, 2018 between our Company and Underwriter viz. Book Running Lead Manager.
4. Market Making Agreement dated April 23, 2018 between our Company, Market Maker and the Book Running Lead Manager.
5. Banker to the Issue Agreement dated April 23, 2018 amongst our Company, the Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue read alongwith the Addendum dated February 26, 2019 entered amongst our Company, the Book Running Lead Manager, Banker to the Issue, Sponsor Bank and Registrar to the Issue
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated April 20, 2018
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated April 16, 2018
8. Syndicate agreement dated April 23, 2018 entered between our Company, Syndicate Member i.e. Pantomath Stock Brokers Private and Book Running Lead Manager

Material Documents

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Resolution of the Board of Directors dated April 06, 2018 in relation to the Issue
3. Special Resolution of the shareholders passed at the Extra-ordinary General Meeting dated May 02, 2018 authorizing the Issue.
4. Statement of Tax Benefits dated March 1, 2019 issued by Peer Review Auditor, M/s N. K. Aswani & Co., Chartered Accountants.
5. Report of the Peer Review Auditor, M/s N. K. Aswani & Co., Chartered Accountants dated March 1, 2019 on the Restated Financial Statements for the period ended September 30, 2018 and financial years ended on March 31, 2018, 2017, 2016, 2015 and 2014 of our Company.
6. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Reviewed Auditor, Legal Advisor to the Issue, the Book Running Lead Manager, Registrar to the Issue, Underwriter, Syndicate Member, Banker to the Issue/ Public Issue Bank and Refund Bank, Sponsor Bank, Banker to the Company and Market Maker to act in their respective capacities.

7. Copy of approval from National Stock Exchange of India Limited *vide* letter dated July 19, 2018, to use the name of National Stock Exchange of India Limited in this offer document for listing of Equity Shares on EMERGE Platform of National Stock Exchange of India Limited.

None of the contracts or documents mentioned in this Prospectus may be amended or modified at any time without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, as the case may be, have been complied with and no statement made in the Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Prospectus are true and correct.

Signed by all the Directors and Promoters of our Company

Name and designation	Signature
Kashyap Gambhir <i>Promoter, Chairman and Managing Director</i>	Sd/-
Satbinder Singh Gill <i>Promoter and Whole Time Director</i>	Sd/-
Deepika Gambhir <i>Executive Director</i>	Sd/-
Amita Nyaynit <i>Non Executive Director</i>	Sd/-
Mrugank Gohil <i>Independent Director</i>	Sd/-
Shirish Rampure <i>Independent Director</i>	Sd/-

Signed by

Sd/-
Vidhi Joshi
Company Secretary & Compliance Officer

Sd/-
Amit Kalekar
Chief Financial Officer

Place: Mumbai
Date: March 22, 2019

Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED

Sr. No	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Accuracy Shipping Limited	35.76	84.00	June 22, 2018	88.00	24.40% (1.74%)	2.98% (3.81%)	-22.74% (0.80%)
2.	Ganga Forging Limited	5.00	21.00	July 11, 2018	21.10	0.00% (4.77%)	-4.76% (-5.48%)	15.48% (-2.02%)
3.	Ushanti Colour Chem Limited	11.56	60.00	August 02, 2018	64.20	17.58% (3.88%)	1.67% (-9.30%)	-23.33% (-5.19%)
4.	Manorama Industries Limited	64.00	188.00	October 04, 2018	190.20	-2.26% (-0.45%)	5.69% (3.09%)	Not Applicable
5.	Innovative Ideals and Services (India) Limited	12.26	40.00	October 05, 2018	43.00	215.00% (1.85%)	320.25% (4.41%)	Not Applicable
6.	Vinny Overseas Limited	10.37	40.00	October 11, 2018	40.50	11.25% (3.43%)	12.25% (5.54%)	Not Applicable
7.	Shubhlaxmi Jewel Art Limited	6.51	26.00	December 04, 2018	27.10	33.85% (-0.71%)	111.54% (-0.06%)	Not Applicable
8.	Deccan Health Care Limited	42.12	100.00	December 31, 2018	108.00	28.40% (-1.32%)	Not Applicable	Not Applicable
9.	Surani Steel Tubes Limited	12.92	52.00	February 06, 2019	53.10	-4.81% (-0.04%)	Not Applicable	Not Applicable
10.	Ritco Logistics Limited	48.18	73.00	February 07, 2019	77.40	-5.00% (-0.81%)	Not Applicable	Not Applicable

Sources: All share price data is from www.bseindia.com and www.nseindia.com

Note:-

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case the 30th/90th/180th day is a holiday, closing price on BSE/NSE of the previous trading day has been considered.
4. In case 30th/90th/180th days, scrips are not traded then closing price on BSE/NSE of the previous trading day has been considered.

SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO	Total funds raised (Rs. Cr)	Nos of IPOs trading at discount on 30th Calendar day from listing date			Nos of IPOs trading at premium on 30th Calendar day from listing date			Nos of IPOs trading at discount on 180th Calendar day from listing date			Nos of IPOs trading at premium on 180th Calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
16-17	*23\$	195.13	-	-	5	4	4	8	-	1	5	10	1	6
17-18	**30	610.90	-	-	4	10	7	9	-	2	6	12	3	7
18-19	***24\$\$#	468.66	-	-	6	2	4	11	1	2	7	1	1	5

*The scripts Ruby Cables Limited, Sysco Industries Limited, Lancer Containers Lines Limited, Yash Chemex Limited, Titaanium Ten Enterprise Limited, Commercial Syn Bags Limited, Shiva Granito Export Limited, Sprayking Agro Equipment Limited, Narayani Steels Limited, Nandani Creation Limited, DRA Consultant Limited, Gretex Industries Limited, Sakar Health Care Limited, Bindal Exports Limited, Mewar Hi-Tech Engineering Limited, Shashijit Infraprojects Limited, Agro Phos (India) Limited, Majestic Research Services and Solutions Limited, Maheshwari Logistics Limited, Madhav Copper Limited, Chemcrux Enterprises Limited, Manomay Tex India Limited, Oceanic Foods Limited and Euro India Fresh Foods Limited were listed on April 13, 2016, April 13, 2016, April 13, 2016, June 20, 2016, July 14, 2016, July 14, 2016, September 06, 2016, September 14, 2016, September 14, 2016, October 10, 2016, October 13, 2016, October 14, 2016, October 14, 2016, October 17, 2016, October 17, 2016, October 17, 2016, November 16, 2016 December 14, 2016, January 16, 2017, February 06, 2017, March 28, 2017, March 28, 2017, March 31, 2017 and March 31, 2017 respectively.

**The scripts Bohra Industries Limited, Creative Peripherals and Distribution Limited, Panache Digilife Limited, Zota Health Care Limited, Gautam Exim Limited, Bansal Multiflex Limited, Shrenik Limited, Jigar Cables Limited, Vaishali Pharma Limited, Lexus Granito (India) Limited, Worth Peripherals Limited, R M Drip and Sprinklers Systems Limited, Shree Tirupati Balajee FIBC Limited, Innovative Tyres and Tubes Limited, Poojawestern Metaliks Limited, Airo Lam Limited, Goldstar Power Limited, IRIS Business Services Limited, Tirupati Forge Limited, Beta Drugs Limited, One Point One Solutions Limited, Astron Paper & Board Mill Limited, Shree Ram Proteins Limited and Gujarat Hy – Spin Limited, Focus Suites Solutions & Services Limited, A and M Jumbo Bags Limited, Sintercom India Limited, Mohini Health & Hygiene Limited, South West Pinnacle Exploration Limited and Macpower CNC Machines Limited were listed on April 05, 2017, April 12, 2017, April 25, 2017, May 10, 2017 July 11, 2017, July 12, 2017, July 18, 2017, July 28, 2017, August 22, 2017, August 23, 2017, September 27, 2017, October 04, 2017, October 05, 2017, October 05, 2017, October 05, 2017, October 06, 2017, October 10, 2017, October 11, 2017, October 12, 2017, October 12, 2017, December 26, 2017, December 29, 2017, February 05, 2018, February 08, 2018, February 09, 2018, February 12, 2018, February 15, 2018, February 16, 2018, February 19, 2018 and March 22, 2018 respectively.

***The scripts of Benara Bearings and Pistons Limited, Soni Soya Products Limited, Vera Synthetic Limited, S.S. Infrastructure Development Consultants Limited, Mahickra Chemicals Limited, Akshar Spintex Limited, Softtech Engineers Limited, Innovators Façade Systems Limited, Shree Vasu Logistics Limited, Affordable Robotic & Automation Limited, Latteys Industries Limited, Nakoda Group of Industries Limited, ShreeOswal Seeds and Chemicals Limited, Priti International Limited, Accuracy Shipping Limited, Ganga Forging Limited, Ushanti Colour Chem Limited, Manorama

Industries Limited, Innovative Ideals and Services (India) Limited, Vinny Overseas Limited, Shubhlaxmi Jewel Art Limited, Deccan Health Care Limited, Surani Steel Tubes Limited and Ritco Logistics Limited were listed on April 3, 2018, April 12, 2018, April 12, 2018, April 12, 2018, April 26, 2018, May 11, 2018, May 11, 2018, May 24, 2018, June 4, 2018, June 4, 2018, June 5, 2018, June 6, 2018, June 20, 2018, June 21, 2018, June 22, 2018, July 11, 2018, August 02, 2018, October 04, 2018, October 05, 2018, October 11, 2018, December 04, 2018, December 31, 2018, February 06, 2019 and February 07, 2019 respectively.

\$. As on 30th trading day the closing price of the scripts Ruby Cables Limited and Shashijit Infraprojects Limited were at par with the issue price. Hence, they are not considered for counting the number of IPOs trading at discount and premium.

\$\$ The scripts of Manorama Industries Limited, Innovative Ideals and Services (India) Limited, Vinny Overseas Limited, Shubhlaxmi Jewel Art Limited Deccan Health Care Limited, Surani Steel Tubes Limited and Ritco Logistics Limited have not completed 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days and 180 Days respectively from the date of listing.

As on 30th trading day the closing price of the script Ganga Forging Limited was at par with the issue price. Hence it is not considered for counting the numbers of IPOs trading at discount and premium.

Note: *Majestic Research Services and Solutions Limited and Ambition Mica Limited are Further Public Offerings lead managed by Pantomath Capital Advisors Private Limited in the Financial Years 2016-17 and 2017-18 respectively and the same have not been included in the above mentioned Summary Statement of Disclosure as the disclosure is limited to IPOs only.*