



**KRANTI INDUSTRIES LIMITED**

Our Company was incorporated on December 5, 1995, as "Kranti Precision Tools Private Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Bombay, Maharashtra bearing Registration Number 095016. We subsequently changed the name of our Company from "Kranti Precision Tools Private Limited" to "Kranti Industries Private Limited" pursuant to shareholders resolutions passed at the Extra Ordinary General Meeting held on February 8, 2002. A fresh Certificate of Incorporation consequent upon name change was granted to our Company on March 11, 2002 by the Registrar of Companies, Pune, Maharashtra. Subsequently, our Company was converted into public limited company pursuant to shareholders resolution passed at the extra ordinary general meeting held on July 31, 2015 and the name of our Company was changed to "Kranti Industries Limited" vide a fresh Certificate of Incorporation dated August 17, 2015 issued by the Registrar of Companies, Pune. The Corporate Identification number of our Company is U29299PN1995PLC095016. For details of incorporation, change of name and registered office of our Company, please refer to the section titled "History and Certain Corporate Matters" on page no. 118 of this Prospectus.

**Registered Office:** Gat No.267/B/1, Post Pirangut, Tal. Mulshi, Pune- 412 115, Maharashtra, India. Tel: +91-20-6675 5676

**Contact Person:** Mr. Bhavesh Subhash Selarka, Company Secretary and Compliance Officer

**Email:** [investor@krantiindustries.com](mailto:investor@krantiindustries.com) **Website:** [www.krantiindustries.com](http://www.krantiindustries.com)

**PROMOTERS OF OUR COMPANY:**

**MR. SACHIN SUBHASH VORA, MR. SUMIT SUBHASH VORA AND MRS. INDUBALA SUBHASH VORA**

**INITIAL PUBLIC OFFERING OF 23,19,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN OFFER PRICE OF ₹37.00 PER EQUITY SHARE FOR CASH, AGGREGATING ₹858.03 LAKHS ("PUBLIC OFFER") COMPRISING OF A FRESH ISSUE OF 17,52,000 EQUITY SHARES AGGREGATING UP TO ₹648.24 LAKHS ("FRESH ISSUE") AND AN OFFER FOR SALE OF 5,67,000 EQUITY SHARES BY MRS. BASANTI VORA (THE "PROMOTER GROUP SELLING SHAREHOLDER") AGGREGATING TO ₹ 209.79 LAKHS ("OFFER FOR SALE") OUT OF WHICH 1,17,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN OFFER PRICE OF ₹ 37.00 PER EQUITY SHARE FOR CASH, AGGREGATING TO ₹ 43.29 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE OFFER (THE "MARKET MAKER RESERVATION PORTION"). THE OFFER LESS MARKET MAKER RESERVATION PORTION I.E. OFFER OF 22,02,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN OFFER PRICE OF ₹ 37.00 PER EQUITY SHARE FOR CASH, AGGREGATING TO ₹ 814.74 LAKHS IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE PUBLIC OFFER AND NET OFFER WILL CONSTITUTE 26.35 % AND 25.02 % RESPECTIVELY OF THE POST- OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE OFFER PRICE IS 3.7 TIMES THE FACE VALUE OF THE EQUITY SHARES**

**IN TERMS OF RULE 19(2)(B)(I) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED (THE "SCRR") THE OFFER IS BEING MADE FOR AT LEAST 25% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THIS OFFER IS BEING MADE IN TERMS OF CHAPTER IX OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED FROM TIME TO TIME ("SEBI (ICDR) REGULATIONS, 2018"). FOR FURTHER DETAILS, PLEASE REFER SECTION TITLED "OFFERING INFORMATION" BEGINNING ON PAGE NO. 204 OF THIS PROSPECTUS.**

All potential Investors shall participate in the Offer only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. In terms of SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, it should be noted that SEBI has introduced the use of Unified Payment Interface ("UPI") as a payment mechanism with Application Supported by Block Amount ("ASBA") in public issues by retail individual investors through intermediaries (Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants). For further details, please refer to section titled "Offering Information" beginning on page no. 204 of this Prospectus. A copy of Prospectus has been delivered for registration to the Registrar of Companies as required under Section 32 and 26 of the Companies Act, 2013.

**RISK IN RELATION TO THE FIRST OFFER**

This being the first public offer of the Equity Shares, there has been no formal market for the Equity Shares of our Company. The face value of our Equity Shares is ₹ 10 each and the Offer Price is 3.7 times of the face value of the Equity Shares, respectively. The Offer Price (as determined and justified by our Company and the Selling Shareholder in consultation with the Lead Manager, in accordance with the SEBI (ICDR) Regulations, 2018 and as stated in "Basis for Offer Price" on page 79 of this Prospectus, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the "Risk Factors" carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of the Issuer and the Issue including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does the SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page 23 of this Prospectus.

**ISSUER'S AND SELLING SHAREHOLDERS' 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 Offer, which is material in the context of the Offer, 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. Further, the Selling Shareholder accept responsibility for and confirm the statements made by selling shareholder in this offer document to the extent of information specifically pertaining to selling shareholder and her respective portion of the offered shares and assume responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

**LISTING**

The Equity Shares offered through this Prospectus are proposed to be listed on the SME Platform of BSE Limited ("BSE SME"). In terms of Chapter IX of SEBI (ICDR) Regulations, 2018 as amended, We have received an in-principle approval letter dated February 04, 2019 from BSE Limited for using its name in this Offer Document for listing our shares on the SME Platform of BSE. For purposes of this Offer, the Designated Stock Exchange will be the BSE Limited ("BSE").

**LEAD MANAGER**

**REGISTRAR TO THE OFFER**



**FAST TRACK FINSEC PRIVATE LIMITED**  
B-502, Statesman House, 148 Barakhamba Road,  
New Delhi – 110001  
**Telephone:** +91-11-43029809  
**Email:** [mb@ftfinsec.com](mailto:mb@ftfinsec.com)  
**Investor Grievance Email:** [investor@ftfinsec.com](mailto:investor@ftfinsec.com)  
**Website:** [www.ftfinsec.com](http://www.ftfinsec.com)  
**Contact Person:** Mr. Pawan Kumar Mahur  
**SEBI Reg. No:** INM000012500

**LINK INTIME INDIA PRIVATE LIMITED**  
C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg,  
Vikhroli (West), Mumbai 400 083  
**Telephone:** +91 22 49186200 Facsimile: +91 22 49186195  
**Email:** [kranti.ipo@linkintime.co.in](mailto:kranti.ipo@linkintime.co.in)  
**Investor grievance email:** [kranti.ipo@linkintime.co.in](mailto:kranti.ipo@linkintime.co.in)  
**Contact Person:** Mr. Shanti Gopalkrishnan  
**Website:** [www.linkintime.co.in](http://www.linkintime.co.in)  
**SEBI Registration Number:** INR000004058

**OFFER PROGRAMME**

**OFFER OPENS ON THURSDAY, FEBRUARY 14, 2019**

**OFFER CLOSES ON WEDNESDAY, FEBRUARY 20, 2019**

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**SECTION I: DEFINITIONS AND ABBREVIATIONS**

Unless the context otherwise indicates /requires /implies, the terms and abbreviations stated hereunder shall have the meanings as assigned therewith. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto. 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**

<b>Term</b>	<b>Description</b>
"Kranti Industries Limited", "KIL", "Kranti", "Kranti Industries", "We" or "us" or "our Company" or "the Issuer" or "the Company"	Unless the context otherwise requires, refers to Kranti Industries Limited, a Company incorporated under the Companies Act, 1956 vide a Certificate of Incorporation issued by the Registrar of Companies, Bombay, Maharashtra.
"Our Subsidiary" or "WPPL"	Wonder Precision Pvt Ltd, a subsidiary of our Company. For details of our Subsidiary, see section entitled "History and Certain Corporate Matters" on page 118 of this Prospectus.

**COMPANY AND SELLING SHAREHOLDER RELATED TERMS**

<b>Term</b>	<b>Description</b>
AOA/ Articles / Articles of Association	Articles of Association of Kranti Industries Limited, as amended from time to time.
Audit Committee	Audit committee of our Company as constituted vide the Board Meeting held on December 21, 2015 in accordance with Section 177 of the Companies Act, 2013.
Auditor/ Statutory Auditor	The statutory auditor of our Company, being M/s. A D V and Associates, Chartered Accountant.
Bankers/ Lenders to our Company	As disclosed in the chapter titled "General Information" on page 45 of this Prospectus.
Board of Directors/ the Board / our Board	The director(s) on our Board, unless otherwise specified. For further details of our Directors, please refer to section titled "Our Management" beginning on page 124 of this Prospectus.
Chief Financial Officer/ CFO	Chief Financial Officer of our Company being Mrs. Sheela Dhawale.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company Mr. Bhavesh Subhash Selarka.
Equity Shares	Equity Shares of our Company of Face Value of ₹10.00 each unless otherwise specified in the context thereof.
Group Companies	Group Company shall include such companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the board of the issuer. For further details, please refer to section titled "Information with respect to Group Companies" beginning on page 197 of this Prospectus.
Key Management Personnel	Key management personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013. For details, see section entitled "Our Management" on page 124 of this Prospectus.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on November 12, 2018, in accordance with the requirements of the SEBI (ICDR) Regulations.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Kranti Industries Limited, as amended till date.
Nomination and Remuneration Committee	Nomination and remuneration committee of our Company as constituted vide the Board Meeting held on December 21, 2015 in accordance and Section 178 of Companies Act, 2013.
Promoters	The promoters of our Company, being: <ol style="list-style-type: none"> <li>1. Mr. Sachin Subhash Vora</li> <li>2. Mr. Sumit Subhash Vora and</li> <li>3. Mrs. Indubala Subhash Vora</li> </ol>

<b>Term</b>	<b>Description</b>
	For further details, please refer to section titled "Our Promoters and Promoter Group" beginning on page 138 of this Prospectus.
Promoter Group	Includes such persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations and as disclosed under section titled "Our Promoters and Promoter Group" beginning on page 138 of this Prospectus.
Registered Office of our Company	The Registered Office of our Company is situated at Gat No. 267/B/1, Post: - Pirangut, Tal. Mulshi, Pune – 412 115, Maharashtra, India.
Registered Office of our Subsidiary Company	J-63, MIDC Bhosari, Pune 411026, Maharashtra, India.
RoC / Registrar of Companies, Pune	The Registrar of Companies, Pune, is situated at Registrar of Companies, PCNTDA Green Building, Block A, 1 <sup>st</sup> and 2 <sup>nd</sup> Floor, Near Akurdi Railway Station, Akurdi, Pune – 411004, Maharashtra, India.
Restated Consolidated Financial Information/ Restated Financial Statement	The restated consolidated financial information of the Company, along with its subsidiary, which comprises of the restated consolidated balance sheet, the restated consolidated profit and loss information and the restated consolidated cash flow information, as at and for the financial years ended March 31, 2016, 2017, 2018 and for the six month period ended September 30, 2018, together with the annexures and notes thereto
Selling Shareholder / Promoter Group Selling Shareholder	Mrs. Basanti Kundanmal Vora
Stakeholders' Relationship Committee	Stakeholder's relationship committee of our Company as constituted vide the Board Meeting held on December 21, 2015 in accordance Section 178 of Companies Act, 2013.
Unit I	Area admeasuring 4,100 Sq. mtr. At Gat No. 267/B/1, Post: - Pirangut, Tal. Mulshi, Pune – 412115, Maharashtra, India.
Unit II	Area admeasuring 2,730 Sq. mtr. Gat No.267/B/1, Post: - Pirangut, Tal. Mulshi, Pune – 412115, Maharashtra, India.

**OFFER RELATED TERMS**

<b>Term</b>	<b>Description</b>
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application
Allot/ Allotment/ Allotted of Equity Shares	Unless the context otherwise requires, issue/allotment of Equity Shares of our Company pursuant to the Offer of Equity Shares to the successful Applicants.
Allocation/ Allotment of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Offer of Equity Shares to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee (s)	A Successful applicant (s) to whom the Equity Shares are being/ have been issued /allotted.
Applicant / Investor	Any prospective investor who makes an application pursuant to the terms of this Prospectus.
Application Amount	The amount at which the prospective investors shall apply for Equity Shares of our Company in terms of this Prospectus
Application Form	The form, whether physical or electronic, used by an Applicant to make an application, which will be considered as the application for Allotment for purposes of this Prospectus.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by all applicants to make an application authorizing a SCSB to block the application amount in the ASBA Account maintained with the SCSB and will include amounts blocked by RIIs using the UPI mechanism.
ASBA Account	Account maintained by an ASBA applicant with a SCSB which will be blocked by such SCSB or account of the RIIs blocked upon acceptance of UPI mandate request by RIIs using the UPI mechanism to the extent of the Application Amount of the ASBA

<b>Term</b>	<b>Description</b>
	Applicant.
ASBA Applicant	Any Applicant who intends to apply through ASBA Process.
ASBA Application Location (s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, and Hyderabad
Basis of Allotment	The basis on which the Equity Shares will be allotted as described in the section titled "Offer Procedure - Basis of Allotment" beginning on page 212 of this Prospectus.
Broker Centres	<p>Broker centres notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker.</p> <p>The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of the BSE on the following link: <a href="http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3">http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3</a></p>
Banker to the Offer	Banks which are clearing members and registered with SEBI as bankers to an Offer and with whom the Public Offer Account has been opened, in this case being ICICI Bank Limited
BSE	BSE Limited (the Designated Stock Exchange).
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
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 issued by SEBI
Controlling Branches of SCSBs	Such branches of the SCSBs which co-ordinate Applications under this Offer made by the Applicants with the Lead Manager, the Registrar to the Offer and the Stock Exchanges, a list of which is provided on <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
Designated Intermediaries /Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Offer
Depository/ Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Depository Participant/DP	A depository participant as defined under the Depositories Act, 1966.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	<p>Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants.</p> <p>The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a></p>
Designated RTA Locations	<p>Such locations of the RTAs where Applicant can submit the Application Forms to RTAs.</p> <p>The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.bseindia.com">www.bseindia.com</a></p>
Designated Date	On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Offer Account with the Bankers to the Offer.
Draft Prospectus	The Draft Prospectus dated December 14, 2018 issued in accordance with Section 32 of the Companies Act, 2013.
Designated Market Maker	SMC Global Securities Limited

<b>Term</b>	<b>Description</b>
Designated Stock Exchange	BSE Limited
Eligible NRI(s)	NRI(s) from such jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation whom this Prospectus constitutes an invitation to subscribe for the Equity Shares offered herein on the basis of the terms thereof
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered to with SEBI under applicable laws in India.
First/Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Fresh Issue	The fresh issue of 17,52,000 Equity Shares aggregating up to ₹ 648.24 Lakhs by our Company.
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated November 01, 2018 notified by SEBI.
ISIN	International Securities Identification Number. In this case being INE911T01010
LM / Lead Manager	The Lead Manager for the Offer being Fast Track Finsec Private Limited.
Lot Size, Bid Lot	3,000 Equity Shares
Market Maker	Member Brokers of BSE who are specifically registered as Market Makers with the BSE SME Platform.
Market Making Agreement	The Market Making Agreement dated January 31, 2019 between our Company, Selling Shareholder, Lead Manager and Market Maker
Market Maker Reservation Portion	The reserved portion of 1,17,000 Equity Shares of face value of ₹ 10/- each fully paid for cash at a price of ₹ 37.00 per Equity Share aggregating to ₹ 43.29 Lakhs for the Market Maker in this Offer.
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.
Minimum Promoters' Contribution	Aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoters which shall be provided towards minimum promoters of 20% and locked-in for a period of three years from the date of Allotment
Mutual Fund(s)	Mutual fund(s) registered with SEBI pursuant to the SEBI (Mutual Funds) Regulations, 1996, as amended.
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 Investors or NIIs	All Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or Retail Individual Investors and who have applied for Equity Shares for an amount of more than ₹2,00,000/- (but not including NRIs other than Eligible NRIs)
Net Offer	The Offer (excluding the Market Maker Reservation Portion) of 22,02,000 equity shares of face value of ₹10/- each for cash at a price of ₹ 37.00 each, aggregating to ₹ 814.74 Lakhs
Net Proceeds	Proceeds of the Fresh Issue less our Company's share of the Offer expenses. For further information about use of the Offer Proceeds and the Offer expenses, please refer to the chapter titled "Objects of the Offer" beginning on page 73 of this Prospectus
Non-Resident	A person resident outside India, as defined under FEMA and includes FIIs and FPIs
Non-Resident Indian/ NRI	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended
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).
Offer / Offer Size/ Initial Public Offer / Initial Public Offering/ IPO	The initial public offer of 23,19,000 Equity Shares of face value of ₹10/- each for cash at a price of ₹ 37.00 each, aggregating to ₹ 858.03 Lakhs comprising the Fresh Issue of 17,52,000 Equity Shares of face value of ₹10/- each for cash at a price of ₹ 37.00 each, aggregating to ₹ 648.24 Lakhs and the Offer for Sale of 5,67,000 Equity Shares by Mrs. Basanti Kundanmal Vora aggregating to ₹ 209.79 Lakh.

<b>Term</b>	<b>Description</b>
Offer Agreement	The Agreement dated December 06, 2018, between our Company, Selling Shareholder and Lead Manager.
Offer Closing Date	Wednesday, February 20, 2019
Offer Opening Date	Thursday, February 14, 2019
Offer Period	The period between the Offer Opening Date and the Offer Closing Date inclusive of both days and during which prospective Applicants can submit their Applications.
Offer Price	The price at which Equity Shares has been issued and allotted by our Company being ₹ 37.00 per Equity Share of face value of ₹ 10/- each fully paid.
Offer Proceeds	Proceeds to be raised by our Company through this Offer, for further details please refer chapter title "Objects of the Offer" page no. 73 of this Prospectus
Offer for Sale / OFS	The offer for sale of 5,67,000 Equity Shares aggregating up to ₹ 209.79 Lakhs by the Selling Shareholder at the Offer Price in terms of this Prospectus. For further details in relation to Selling Shareholder, please refer to the chapter titled "The Offer" beginning on page 40 of this Prospectus.
Overseas Corporate Body / OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Offer.
Other Investors	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Payment through electronic means	Payment through NECS, NEFT, or Direct Credit, as applicable.
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust, or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	This Prospectus, to be filed with the RoC in accordance with the provisions of Section 32 of the Companies Act, 2013.
Public Offer Account	The Bank Account opened with the Banker(s) to the Offer under section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the ASBA Accounts of the ASBA Applicants on the Designated Date.
Public Offer Account Agreement/ Banker to the Offer Agreement	Agreement dated February 01, 2019, entered into between our Company, Selling Shareholder, Lead Manager, the Registrar to the Offer Public Offer Bank/Banker to the Offer and Sponsor Bank for collection of the Application Amount on the terms and conditions thereof.
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1) (ss) of the SEBI (ICDR) Regulations.  A Mutual Fund, Venture Capital Fund, Alternative Investment Fund and Foreign Venture Capital investor registered with the Board, a foreign portfolio investor other than Category III foreign portfolio investor, registered with the Board; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance Company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of ₹ 2500 Lakhs; a pension fund with minimum corpus of ₹ 2500 Lakhs rupees; National Investment Fund set up by resolution No. F. No. 2/3/2005 – DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India and Systemically important non- banking financial companies.
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the Members of the Syndicate.
Registrar and Share Transfer	Registrar and share transfer agents registered with SEBI and eligible to procure

<b>Term</b>	<b>Description</b>
Agents or RTAs	Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar to the Company	Registrar to the Company being Sharex Dynamic (India) Private Limited
Registrar/ Registrar to this Offer/RTI	Registrar to the Offer being Link Intime India Private Limited
Registrar Agreement	The agreement dated December 04, 2018 entered into amongst our Company, the Selling Shareholder and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Reservation Portion	The portion of the Offer reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s)
Retail Individual Investors/RIIs	Individual Applicants or minors applying through their natural guardians, (including HUFs in the name of Karta and Eligible NRIs) who have applied for an amount less than or equal to ₹ 2.00 Lakhs in this Offer.
Self Certified Syndicate Bank(s) or SCSB(s)	Banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html</a>
Share Escrow Agent	The share escrow agent appointed pursuant to the Share Escrow Agreement namely, Link Intime India Private Limited.
Share Escrow Agreement	Agreement dated January 08, 2019 entered into among the Selling Shareholder, our Company, and a share escrow agent in connection with the transfer of the Offered Shares by the Selling Shareholder in the Offer for Sale and credit of such Offered Shares to the DEMAT account of the Allottees in accordance with Basis of Allotment.
Specified Locations	Bidding centres where the Syndicate shall accept Application Forms, a list of which is included in the Application Form.
SME Exchange	SME Platform of the BSE Limited
SME Platform	The SME Platform of BSE for listing equity shares offered under Chapter IX of the SEBI (ICDR) Regulation which was approved by SEBI as an SME Exchange.
Stock Exchange	BSE Limited (SME Platform)
Sponsor Bank	Sponsor Bank means a Banker to the Offer 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.
Systemically Important Non-Banking Financial Company	A non-banking financial company registered with the Reserve Bank of India and having a net worth of ₹50,000 lakhs or more as per the last audited financial statement
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
Underwriters	The Lead Manager who has underwritten this Offer pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement dated January 23, 2019 entered into amongst the Underwriter, Selling Shareholder 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 and 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 PIN	Password to authenticate UPI transaction
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI (ICDR) Regulations, working days means, all days on which commercial banks in the city as specified in the Prospectus are open for business –  1. However, in respect of announcement of price band and bid/ Offer period, working day shall mean all days, excluding Saturdays, Sundays and public

Term	Description
	<p>holidays, on which commercial banks in the city as notified in the Prospectus are open for business.</p> <p>2. In respect to the time period between the bid/ Offer closing date and the listing of the specified securities on the stock exchanges, working day shall mean all trading days of the stock exchanges, excluding Sundays and bank holidays in accordance with circular issued by SEBI.</p>

**TECHNICAL AND INDUSTRY RELATED TERMS**

Term	Description
ACMA	Automotive Component Manufacturers Association
AMP	Automotive Mission Plan
ASEAN	Association of South East Asian Nation
BoP	balance of payments
CV	Commercial Vehicle
CAGR	Compound Annual Growth Rate
CAD	Current account deficit
CMM	Coordinate Measuring Machine
CNC	Computer Numerical Control
CPI	Consumer Price Index
CSO	Central Statistics Office
DG	Diesel Generator
DIPP	Department of Industrial Policy and Promotion
EU	European Union
EMDEs	Emerging market and developing economies
F.Y.	Financial Year
FDI	Foreign Direct Investment
FIPB	Foreign Investment Promotion Board
GDC	Gravity Die Casting
GDP	Gross Domestic Product
GVA	Gross Value of Added
GEP	Global Economic Prospects
HMC	Horizontal Machining Center
(I)	India
IMF	International Monetary Fund
INR	Indian Rupees
IT	Information Technology
Kg.	Kilogram
KVA	Kilo Volt Ampere
KWH	Kilo Watt Hours
Liters/ Hr.	Liters per Hour
LCV	Light Commercial Vehicles
LNG	Liquefied Natural Gas
MIDC	Maharashtra Industrial Development Corporation
MandA	Mergers and Acquisitions
MandHCV	Medium and Heavy Commercial Vehicles
Max	Maximum
Min	Minutes
Min	Minimum
MM	Milimeter
MIDC	Maharashtra Industrial Development Corporation
M/s	Messer's
MSEDCL	Maharashtra State Electricity Distribution Board Ltd
MSMEs	Micro, Small and Medium Enterprises

Term	Description
MUVs	Multi-Utility Vehicles
MW	Mega Watt
NATRIPs	National Automotive Testing and RandD Infrastructure Projects
OEMs	Original Equipment Manufacturers
Pcs	Pieces
PDC	Pressure Die Casting
PDI	Pre Dispatch inspection
PV	Passenger Vehicle
Q	Quarter
RandD	Research and Development
SG Iron	Spheroidal Graphite Iron
US	United States
USD	United States Dollar
VMC	Vertical Machining Centers
VTL	Vertical Lathe
WEO	World Economic Outlook
WPI	Wholesale Price Index
2W	Two Wheeler

#### CONVENTIONAL AND GENERAL TERMS

Term	Description
AIF(s)	The alternative investment funds, as defined in, and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
Air Act	The Air (Prevention and Control of Pollution) Act, 1981
Associate	A person who is an associate of the issuer and as defined under the Companies Act, 2013
Category I foreign portfolio investor(s)	FPIs who are registered as "Category I foreign portfolio investor" under the SEBI FPI Regulations.
Category II foreign portfolio investor(s)	FPIs who are registered as "Category II foreign portfolio investor" under the SEBI FPI Regulations.
Category III foreign portfolio investor(s)	FPIs who are registered as "Category III foreign portfolio investor" under the SEBI FPI Regulations.
Client ID	The client identification number maintained with one of the Depositories in relation to demat account.
Companies Act, 1956	Companies Act, 1956 ( <i>without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013</i> ) along with the relevant rules made thereunder.
Companies Act/ Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of sections of the Companies Act, 2013, along with the relevant rules made thereunder.
Competition Act	The Competition Act, 2002.
Consolidated FDI Policy	The current consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
Depositories Act	The Depositories Act, 1996.
Equity Listing Agreement/ Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our company and the BSE Limited (BSE).
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations thereunder.
FII(s)	Foreign Institutional Investors as defined under the SEBI FPI Regulations ( <i>defined later</i> ).
Financial Year/ Fiscal/ Fiscal Year/ F.Y.	Period of twelve (12) months ended March 31 of that particular year, unless otherwise stated.
Foreign Portfolio Investor or FPI	Foreign Portfolio Investors, as defined under the SEBI FPI Regulations ( <i>defined later</i> ) and registered with SEBI under applicable laws in India.
Fugitive economic offender	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investor, registered under the FVCI Regulations.

<b>Term</b>	<b>Description</b>
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
Income Tax Act or the I.T. Act	The Income Tax Act, 1961
Ind AS	New Indian Accounting Standards notified by Ministry of Corporate Affairs on February 16, 2015, applicable from Financial Year commencing April 1, 2016.
LLP Act	The Limited Liability Partnership Act, 2008
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the Government as having come into effect prior to the date of this Prospectus.
NRE Account	Non-resident external account
NRO Account	Non-resident ordinary account
RBI Act	Reserve Bank of India Act, 1934
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended.
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
SEBI Listing Regulations / SEBI (LODR) Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
SEBI VCF Regulations	The erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended.
Securities Act	U.S. Securities Act of 1933, as amended
State Government	The government of a state of the Union of India
Sub-account	Sub-accounts registered with SEBI under the SEBI FII Regulations other than sub-accounts which are foreign corporates or foreign individuals.
VCFs	Venture Capital Funds as defined and registered with SEBI under the SEBI VCF Regulations

**GENERAL TERMS/ ABBREVIATIONS**

<b>Term</b>	<b>Description</b>
₹ or Rs. or Rupees or INR	Indian Rupees
A/c	Account
AMT	Amount
AGM	Annual General Meeting
AS/Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India.
A.Y.	Assessment year
Approx.	Approximately
B. Eng	Bachelor in Engineering
B. Sc	Bachelor in Science
B. Com	Bachelor in Commerce
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BPLR	Bank Prime Lending Rate
BSE	The BSE Limited
CA	Chartered Accountant

Term	Description
CC	Cash Credit
Cr	Crore
CIT	Commissioner of Income Tax
CS	Company Secretary
CS and CO	Company Secretary and Compliance Officer
CFO	Chief Financial Officer
CARO	Companies (Auditor's Report) Order, 2003
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
CLB	Company Law Board
CrPC	Criminal Procedure Code, 1973, as amended
CSR	Corporate Social Responsibility
DIN	Director Identification Number
DP ID	Depository participant's identification
ECS	Electronic Clearing System
EBITDA	Earnings before Interest, Tax Depreciation and Amortisation
ESIC	Employee's State Insurance Corporation
EGM	Extraordinary General Meeting of the Shareholders of the Company
EPS	Earnings Per Share
ESOS	Employee Stock Option Scheme
EXIM/EXIM Policy	Export-Import Policy
FIPB	Foreign Investment Promotion Board
FBT	Fringe Benefit Tax
GAAR	General anti avoidance rules
GIR	General index register
GST	Goods and Services Tax
GoI/Government	Government of India
HNI	High Net worth Individual
HSC	Higher Secondary Certificate
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
IIP	Index of Industrial Production
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
ISO	International Organization for Standardization
IT Act	The Income Tax Act, 1961, as amended
IT Rules	The Income Tax Rules, 1962, as amended
IRDA	Insurance Regulatory and Development Authority
ICSI	The Institute of Company Secretaries of India
Ltd.	Limited
MoF	Ministry of Finance, Government of India
MCA	Ministry of Corporate Affairs, Government of India
MoU	Memorandum of understanding
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MVAT	Maharashtra Value Added Tax Act
N.A.	Not Applicable
NAV/ Net Asset Value	Net asset value being paid up equity share capital plus free reserves ( <i>excluding reserves created out of revaluation</i> ) less deferred expenditure not written off ( <i>including miscellaneous expenses not written off</i> ) and debit balance of profit and loss account, divided by number of issued Equity Shares.
Net worth	The aggregate of paid up Share Capital and Share Premium account and Reserves and Surplus (Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure (to the extent not written off) and debit balance of Profit and Loss Account.
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
NPV	Net Present Value

<b>Term</b>	<b>Description</b>
NoC	No Objection Certificate
No.	Number
NR	Non-resident
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited
NTA	Net Tangible Assets
p.a.	Per annum
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit before tax
PF	Provident Fund
PSU	Public Sector Undertaking(s)
P/E Ratio	Price per earnings ratio
Pvt.	Private
RBI	Reserve Bank of India
ROE	Return on Equity
RoC	Registrar of Companies
RONW	Return on Net Worth
RTGS	Real time gross settlement
SME	Small and Medium Enterprises
Sec.	Section
SICA	Sick Industrial Companies (Special Provisions) Act, 1985.
SSC	Secondary School Certificate
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
SCSB	Self-certified syndicate bank
UIN	Unique identification number
UPI	Unified Payments Interface
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value added tax
w.e.f.	With effect from
Willful Defaulter	A willful defaulter, as defined under Regulation 2(1)(III) of the SEBI (ICDR) Regulations, means a person who or which is categorized as a willful defaulter by any bank or financial institution (as defined under Companies Act, 2013) or consortium thereof, in accordance with the guideline on willful defaulter issued by the RBI.
-, ()	Represent Outflow

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the SEBI (ICDR) Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in the sections "Statement of Special Tax Benefits", "Financial Statements" and "Description of Equity Shares and terms of the articles of association" on pages 82, 144 and 240, respectively, shall have the meaning given to such terms in such sections.

## CURRENCY CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY PRESENTATION

### Certain Conventions

Unless otherwise specified or the context otherwise requires, all references to "India" in this Prospectus are to the Republic of India, all references to the "U.S.", the "USA" or the "United States" are to the United States of America, together with its territories and possessions.

Unless stated otherwise, all references to page numbers in this Prospectus are to the page numbers of this Prospectus.

### Financial Data

Unless stated otherwise, financial data included in this Prospectus is derived from the Restated Financial Information, prepared in accordance with the Companies Act and restated in accordance with SEBI (ICDR) Regulations.

In this Prospectus, any discrepancies in any table between the total and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal place and all percentage figures have been rounded off to two decimal places and accordingly there may be consequential changes in this Prospectus.

Our Company's Financial Year commences on April 1 and ends on March 31 of the next year; accordingly, all references to a particular Financial Year or Fiscal, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year. The Restated Financial Information for half year ended September 30, 2018 and Financial Years ended March 31, 2018; March 31, 2017; and March 31, 2016; are included in this Prospectus.

There are significant differences between Indian GAAP, U.S. GAAP and IFRS. The reconciliation of the financial information to IFRS or U.S. GAAP financial information has not been provided. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Prospectus, and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, Indian GAAP, Ind AS, the Companies Act and the SEBI (ICDR) Regulations. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, Ind AS, the Companies Act, the SEBI Regulations on the financial disclosures presented in this Prospectus should accordingly be limited.

Unless otherwise indicated, any percentage amounts, as set forth in this Prospectus, including in sections titled "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 23; 95; and 171 respectively, have been calculated on the basis of the Restated Financial Information prepared in accordance with the Companies Act and restated in accordance with the SEBI (ICDR) Regulations.

In this Prospectus, all figures in decimals have been rounded off to the second decimal place and all percentage figures have been rounded off to two decimal places.

### Currency and Units of Presentation

All references to: "Rupees", "Rs.", "INR" or "₹" are to Indian Rupees, the official currency of the Republic of India.

Our Company has presented certain numerical information in this Prospectus in "lakhs" units. One lakh represents 1,00,000. In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed therein are due to rounding-off.

### Exchange Rates

This Prospectus does contain conversion of any other currency amounts into Indian Rupees.

**Industry and Market Data**

Unless stated otherwise, industry and market data and various forecasts used throughout this Prospectus have been obtained from publicly available information, industry sources and government publications. Industry sources as well as government publications generally state that the information contained in those publications has been obtained from sources believed to be reliable, but their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although we believe that industry data used in this Prospectus is reliable, it has not been independently verified by the Lead Manager or our Company or any of their affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section "Risk Factors" on page 23 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.

Although, we believe that the industry and market data used in this Prospectus is reliable, neither we nor the LM nor any of their respective affiliates or advisors have prepared or verified it independently. The extent to which the market and industry data used in this Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.

In accordance with the SEBI (ICDR) Regulations, we have included in the section titled "Basis for Offer Price" beginning on page 79 of this Prospectus, information pertaining to the peer group companies of our Company. Such information has been derived from publicly available data of the peer group companies.

## FORWARD LOOKING STATEMENTS

This Prospectus contains certain "forward-looking statements". These forward looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "seek", "shall", "will", "will continue", "going forward", "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 statements regarding our expected financial condition and results of operations, business, plans, objectives, strategies, goals and prospects are 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.

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

Further, actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to, *inter alia*, regulatory changes pertaining to the pharmaceutical industry in India and abroad and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the auto- ancillary industry.

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

1. Our dependence on limited number of customers for a significant portion of our revenues;
2. Any failure to comply with the financial and restrictive covenants under our financing arrangements;
3. Our exposure to risks associated with fluctuations in foreign exchange rates;
4. Our ability to retain and hire key employees or maintain good relations with our workforce;
5. Impact of any reduction in sales of the products of our customers or defects in our customers' products;
6. Realization of Contingent Liabilities, if any;
7. Any disruption in labour industry or strikes by our workforce may affect the production capability;
8. Increased competition in industries/sector in which we operate;
9. General economic and business conditions in India and in the markets in which we operate and in the local, regional and national economies;
10. Changes in laws and regulations relating to the Sectors in which we operate;
11. Political instability or changes in the Government in India or in the government of the states where we operate could cause us significant adverse effects;
12. Any adverse outcome in the legal proceedings in which we are involved;
13. Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
14. Occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition and
15. Our inability to successfully diversify our product offerings may adversely affect our growth and negatively impact our profitability.

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 23 and 171 respectively of this 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.

There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements

and not to regard such statements to be a guarantee of our future performance.

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

## SECTION II: SUMMARY OF OFFER DOCUMENT

### PRIMARY BUSINESS OF THE COMPANY

Our Company was incorporated in the year 1995. Our Company is in the business of manufacturing and supplying of precision machined components. We are into machining activity since incorporation and cater primarily to the Automotive Component and Non-Automotive (off Highway) Industry. We manufacture various components varying from 100 MM to 1200 MM in size. We manufacture customized products for reputed Original Equipment Manufacturers (OEMs) of diverse industries such as passenger cars, electric cars, two wheelers, tractors, construction machineries, railways, light vehicles, off-highway, heavy trucks. Over the years our Company has diversified its product portfolio and presently caters to various sectors by developing components for construction, automobile, commercial vehicle, pneumatic tool, wind mill, medical industry, etc. For further information on our business activities, please refer to Chapter titled “Our Business” on page no. 95 of this Prospectus.

### SUMMARY OF INDUSTRY IN WHICH THE COMPANY IS OPERATING

The Indian auto-components industry has experienced healthy growth over the last few years. The auto-component industry of India has expanded by 18.3 per cent to reach at a level of US\$ 51.2 billion in FY 2017-18. The auto-components industry accounts for 2.3 per cent of India’s Gross Domestic Product (GDP) and employs as many as 1.5 million people directly and indirectly each. A stable government framework, increased purchasing power, large domestic market, and an ever increasing development in infrastructure have made India a favourable destination for investment. [Source: [www.ibef.org/industry/autocomponents-india.aspx](http://www.ibef.org/industry/autocomponents-india.aspx)]. For further information on our industry activities, please refer to Chapter titled “Industry Overview” on page no. 85 of this Prospectus.

### NAME OF PROMOTERS

The Promoters of our Company are Mr. Sachin Subhash Vora, Mr. Sumit Subhash Vora and Mrs. Indubala Subhash Vora. For detailed information on our Promoters and Promoters’ Group, please refer to Chapter titled “Our Promoters and Promoters’ Group” on page no. 138 of this Prospectus.

### SIZE OF THE ISSUE

Initial Public Offering of 23,19,000 equity shares of face value of ₹ 10 each, at an offer price of ₹37.00 per equity share for cash, aggregating to ₹858.03 lakhs ("**Public Offer**") comprising of a Fresh Issue of 17,52,000 equity shares aggregating to ₹648.24 lakhs ("**Fresh Issue**") and an Offer for Sale of 5,67,000 equity shares by Mrs. Basanti Vora (the "**Promoter Group Selling Shareholder**") aggregating to ₹ 209.79 lakhs ("**Offer for Sale**") out of which 1,17,000 equity shares of face value of ₹ 10 each, at an Offer Price of ₹ 37.00 per equity share for cash, aggregating to ₹ 43.29 lakhs has been reserved for subscription by the Market Maker to the Offer (the "**Market Maker Reservation Portion**"). The Offer less Market Maker Reservation Portion i.e. Offer of 22,02,000 equity shares of face value of ₹ 10 each, at an Offer Price of ₹ 37.00 per equity share for cash, aggregating to ₹ 814.74 lakhs is hereinafter referred to as the "**Net Offer**". The Public Offer and Net Offer will constitute 26.35 % and 25.02 % respectively of the post- offer paid-up equity share capital of our Company.

### OBJECT OF THE OFFER

#### Fresh Issue

Our Company intends to utilize the Net Proceeds of the Fresh Issue (offer proceeds of the Fresh Issue less Company’s part of the Offer Expenses) towards the following Objects:

(₹ in Lakhs)

Particulars	Amount to be financed by Net Proceeds	Percentage of Net Proceeds
Working capital requirements of our Company	430.00	75.68
General corporate purposes	138.16	24.32
<b>Total</b>	<b>568.16</b>	<b>100.00</b>

#### The Offer for Sale

The Selling Shareholder will be entitled to the proceeds from the Offer for Sale. Our Company will not receive any proceeds from the Offer for Sale. Except for the listing fees which shall be solely borne by our Company, all Offer expenses will be

shared, upon successful completion of the Offer, between our Company and the Selling Shareholder on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Issue and the Offered Shares sold by the Selling Shareholder in the Offer for Sale, as mutually agreed and in accordance with applicable laws.

## SHAREHOLDING

The table below presents the shareholding of our Promoters and Promoter Group, who hold Equity Shares as on the date of filing of this Prospectus:

Name	Pre Offer	
	No. of Equity Shares	% of Pre Offer paid up Equity Shares
<b>Promoters</b>		
Mrs. Indubala Subhash Vora	16,86,700	23.93
Mr. Sachin Subhash Vora	15,90,000	22.55
Mr. Sumit Subhash Vora	15,30,030	21.70
<b>Promoter Group</b>		
Mr. Vijay Kundanmal Vora	30	Negligible
Mrs. Sapna Sunil Gadiya	3,75,000	5.32
Mrs. Basanti Kundanmal Vora	7,50,000	10.64
Mrs. Rekha K. Lodha	1,65,000	2.34
Mrs. Kavita V. Jain	90,000	1.28
Mrs. Sarika Sachin Vora	1,80,000	2.55
Mrs. Lushita Sumit Vora	1,12,500	1.60
Mrs. Sangita H Mehta	40	0.00
Sachin Vora (HUF)	2,47,500	3.51
Sumit Vora (HUF)	2,47,500	3.51
Mr. Tejraj Rathod	30	Negligible
<b>Total</b>	<b>69,74,330</b>	<b>98.93</b>

## FINANCIAL DETAILS

Following are details as per the restated financial statements for the period ended September 30, 2018 and financial years ended on March 31, 2018, 2017 and 2016:

Particulars	Amount (₹ in Lakhs)			
	September 30, 2018	March 31, 2018	March 31, 2017	March 31, 2016
Share Capital	705.00	705.00	705.00	705.00
Net Worth	1,440.07	1,302.86	1,213.53	1,307.30
Total Revenue	<b>3,321.91</b>	<b>4,610.92</b>	<b>2,925.19</b>	<b>2,884.41</b>
Profit after tax	137.14	89.97	(92.85)	(21.02)
Earnings per share (in ₹)	1.95	1.28	(1.32)	(0.30)
NAV per share (In ₹)	<b>20.43</b>	<b>18.48</b>	<b>17.21</b>	<b>18.54</b>
Total borrowings (as per balance sheet)	2,221.28	1,914.44	2,017.62	2,121.41

## AUDITORS' QUALIFICATIONS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS.

There is no auditor qualification which has not been given effect to in the Restated Financial Statements.

## OUTSTANDING LITIGATIONS

Particulars	No. of Cases	Amount (₹ in Lakhs)
<b>A. Cases filed against our Company</b>		
Taxation	Income Tax Proceedings	2
	Tax Deduction at Source proceedings	Nil
		14.52
		Nil

<b>B. Cases filed by our Company</b>	Nil	Nil
<b>C. Cases filed against Promoters and Directors of our Company</b>	1	0.29
<b>D. Cases filed by Promoters and Directors of our Company</b>	Nil	Nil
<b>E. Cases filed against our Subsidiary Company</b>	Nil	Nil
<b>F. Cases filed by our Subsidiary Company</b>	Nil	Nil

For detailed information on the “Outstanding Litigations”, please refer to chapter titled “Outstanding Litigations and Material Developments” on page no. 185 of this Prospectus.

## RISK FACTORS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page no. 23 of this Prospectus.

## CONTINGENT LIABILITIES

The details of Restated Summary Statement of Contingent Liabilities is given hereunder.

Amount (₹ in Lakhs)

### Details of Consolidated Contingent Liabilities

Particulars	For the period ended	For financial year ended		
	September 30, 2018	March 31, 2018	March 31, 2017	March 31, 2016
Income tax Dues for A.Y. 2015-16 pending before Commissioner of Appeal Pune	14.42	Nil	Nil	Nil
<b>Total</b>	<b>14.42</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

For further details please refer the section titled “Financial Statements” and “Outstanding Litigation and Material Developments” on page 144 and 185 of this Prospectus.

RELATED PARTY TRANSACTIONS

CONSOLIDATED RELATED PARTY TRANSACTION

Annexure XXVII

Amount (₹ in Lakhs)

Name	Relationship	Nature of Transaction	Amount of Transaction Up to Stub Period April 1, 2018 to September 30, 2018	Amount Outstanding as on Stub Period, if applicable Payable/(Receivable)	Amount of Transaction in F.Y 2017-18	Amount Outstanding as on March 31, 2018 Payable/(Receivable)	Amount of Transaction in F.Y. 2016-17	Amount Outstanding as on March 31, 2017 Payable/(Receivable)	Amount of Transaction in F.Y 2015-16	Amount Outstanding as on March 31, 2016 Payable/(Receivable)
Sachin Subhash Vora	Managing Director	Interest Paid	6.95	158.00	12.60	167.50	14.66	185.00	11.13	1.41
		Salary Paid	11.57		23.86		21.57		21.90	
		Deposit Accepted	1.00		-		69.00		12.67	
		Deposit Repayment	10.50		17.50		25.50		3.04	
Sumit Subhash Vora	Whole time Director	Interest Paid	4.41	98.50	5.88	97.00	5.30	65.00	4.88	64.50
		Salary Paid	11.57		23.86		21.57		21.90	
		Deposit Accepted	1.50		37.00		20.00		11.10	
		Deposit Repayment	-		5.00		20.50		4.58	
Indubala Vora	Director	Interest Paid	4.06	3.17	6.94	312.15	28.30	3,12.45	25.67	294.25
		Salary Paid	-		-		-		-	
		Deposit Deposited	5.00		28.00		32.00		68.66	
		Deposit repayment			28.30		13.80		52.75	

Name	Relationship	Nature of Transaction	Amount of Transaction Up to Stub Period April 1, 2018 to September 30, 2018	Amount Outstanding as on Stub Period, if applicable Payable/(Receivable)	Amount of Transaction in F.Y 2017-18	Amount Outstanding as on March 31, 2018 Payable/(Receivable)	Amount of Transaction in F.Y. 2016-17	Amount Outstanding as on March 31, 2017 Payable/(Receivable)	Amount of Transaction in F.Y 2015-16	Amount Outstanding as on March 31, 2016 Payable/(Receivable)
Sheela Dhawale	CFO	Interest Paid	1.20	22.40	2.44	21.20	2.08	18.00	1.55	14.00
		Salary Paid	4.43		8.96		8.01		7.59	
		Deposit Accepted	1.20		3.20		4.00			
		Deposit Repayment			-		-		8.90	
Bhavesh Selarka	CS	Salary Paid	1.71	-	3.83		2.50			
Relative of Directors and KMP		Interest Paid	14.94	280.32	23.75	275.67	22.80	221.67	19.86	185.50
		Salary Paid	6.86		13.85		12.53		12.39	
		Deposit Accepted	18.15		80.25		39.10		40.94	
		Deposit Repayment	13.50		26.25		2.93		18.45	

For further details, please refer the Annexure – XXVII under Chapter titled “Financial Statements” beginning on page 144 of this Prospectus.

**FINANCING ARRANGEMENTS**

There are no financing arrangements whereby the Promoters, member of Promoter Group, the Directors of the Company which a Promoter of the Issuer, the Director of our company and 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 the financing entity during the period of six months immediately preceding the date of filing of this Prospectus.

**WEIGHTED AVERAGE PRICE OF THE SHARES ACQUIRED BY PROMOTERS AND SELLING SHAREHOLDERS**

Our Promoters and Selling Shareholder have not acquired any shares of the Company during last one (1) years from the date of filing of this Prospectus.

### AVERAGE COST OF ACQUISITION OF SHARES

The average cost of acquisition of Equity Shares by our Promoters and Selling Shareholders is set forth in the table below:

Particulars	No. of Pre IPO Shares held	Average cost of Acquisition (₹ Per share)
<b>Promoters</b>		
Mr. Sachin Subhash Vora	15,90,000	2.55
Mr. Sumit Subhash Vora	15,30,030	2.53
Mrs. Indubala Subhash Vora	16,86,700	2.36
<b>Selling Shareholder</b>		
Mrs. Basanti Kundanmal Vora	7,50,000	1.73

### PRE-IPO PLACEMENT

Our Company has not placed any Pre-IPO Placement.

### ISSUE OF SHARE FOR CONSIDERATION OTHER THAN CASH

Our Company has not issued shares for consideration other than cash during last one year.

### SPLIT / CONSOLIDATION

No Split or Consolidation was happened during the last one year.

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

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 95, “Industry Overview” beginning on page 85 and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on page 171 of this Prospectus as well as other financial information contained herein.

#### Materiality

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

- 1) *Some events may not be material individually but may be found material collectively.*
- 2) *Some events may have material impact qualitatively instead of quantitatively.*
- 3) *Some events may not be material at present but may be having material impacts 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, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “Definitions and Abbreviation” beginning on page 2 of this 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.

#### INTERNAL RISKS

1. *Our Company is involved in certain legal proceedings/ received few show cause notices, which may have financial implication on the business of our Company.*

Our Company is involved in a number of legal proceedings, which are classified under various legal heads, as under:

Particulars		No. of Cases	Amount (₹in Lakhs)
<b>A. Cases filed against our Company</b>			
Taxation	Income Tax Proceedings	2	14.52
	Tax Deduction at Source proceedings	Nil	Nil
<b>B. Cases filed by our Company</b>		Nil	Nil
<b>C. Cases filed against Promoters and Directors of our Company</b>		1	0.29
<b>D. Cases filed by Promoters and Directors of our Company</b>		Nil	Nil
<b>E. Cases filed against our Subsidiary Company</b>		Nil	Nil
<b>F. Cases filed by our Subsidiary Company</b>		Nil	Nil

For further details, please see the section titled “Outstanding Litigation and Material Developments” on page 185 of this Prospectus.

**2. *We have in the past experienced labour unrest and strikes in our factory. Any disruption in labour industry or strikes by our workforce may affect the production capability of our Company.***

Our factory is located in Pirangut Pune and our manufacturing activities are labour intensive and expose us to the risk of various labour related issues. In the year 2013, factory workers union in our factory went on strike for approximately 27 days and during such term, the operations at our factory were disturbed.

Further, our employees are part of trade unions. We have entered into memorandum of settlements with trade union, which is valid until June 30, 2019. The said agreements provides for the terms and conditions of employment including wages and allowance, increments and promotions, incentives, leave, bonus and discipline of the employees. The terms of settlement under this memorandum settlement impose certain obligations on us to provide benefits and perks to our employees, which exceed the statutory requirement imposed on us as employers. We cannot assure that such labour unrest, strikes or lock-outs may not occur in the future. Any stoppages in the operation of our factory in the future may have an adverse impact on the revenues and operations of our Company also we cannot assure you that the memorandum settlement would be renewed on such terms that are economically beneficial or favorable to our Company. Any such event, at our current facilities or at any new facilities that we may commission or acquire in the future, may adversely affect our ability to operate our business and serve our customers and impair our market reputation, which may adversely impact our business and financial condition.

**3. *Our products are being manufactured from our manufacturing facilities located in Pirangut, Pune Only.***

We manufacture our products from our manufacturing facilities in Pirangut, Pune, which substantially caters to our domestic demand. We have two manufacturing units adjacent to each other located at Gat No. 267/B/1, Post Pirangut, Pune, Maharashtra having a total area of approximately 4,100 square meters and 2,730 square meters respectively. Any disruption in the operations due to supply of power, fire outages or industrial accidents at these units could hamper or delay our ability to continue production and servicing. Any disruption or suspension in the production process in this facility can significantly impact our ability to service customer needs and relation with our customers and have a material adverse effect on our business, revenues, reputation, results of operation and financial condition.

**4. *Our Company does not have any formal long-term arrangements with the suppliers and customers. Any significant variation in the supply and demand may adversely affect the operations and profitability of our Company.***

We do not have any formal long-term arrangements with our suppliers and customers which obliges them to maintain their business with us. Our ability to maintain close and satisfactory relationships with our suppliers and customers and to consistently provide processing services that meets customer’s requirements is important to our business. However, we have entered into a long term purchase and supply agreement with one of our Customers namely CNH Industrial (India) Private Limited (formerly known New Holland (Fiat) India Pvt. Ltd.) which accounts for nearly 23.03% and 22.70 % of our sales for six (6) months period ended September 30, 2018 and Financial year ended 2018 respectively with respect to purchase of our products. This contract is valid up to December 31, 2021. At the end of the contract period, the same may be renewed for a further period of 3 years or as the parties may mutually decide. Although, till date our customer has not terminated the said agreement yet it cannot be assured that it will not be terminated. In the event, our customer terminates the existing contracts it may affect our Company’s business, results of operations and revenues. Also, there is no assurance that the customers and suppliers will continue to supply raw materials to us and these customers will continue to purchase products from us. This could impact the financial performance of our Company and affect our financial condition.

**5. *We are dependent upon few customers for our business. Any reduction or interruption in the business of a key customer or a substantial decrease in orders placed by a key customer may have an adverse impact on the revenues and operations of our Company.***

Presently, we supply machined components to few automobile companies and our business is largely dependent on such companies. Our 10 largest customers accounted for about 96.29 % and 94.58% of our total revenue for six (6) months period ended September 30, 2018 and financial year ended 2018 respectively. Our major customers include Graziano Transmission India Pvt. Ltd, John Deere India Pvt. Ltd, CNH Industrial (India) private limited formerly known (New Holland Fiat (I) Pvt. Ltd), Carraro India Pvt. Ltd, Jaya Hind Industries Limited, Endurance Technologies limited, Graziano Transmission India Pvt. Ltd Sanand, Neosym Industry Limited (Sanaswadi) and Meltwel Scrap Traders, etc. We do not

have any long term arrangements with all our customers (other than mentioned in Risk Factor No. 4) to purchase our products in the future, at the current prices or at all. The loss of a major customer and/or reduction in any of our key customers' sales, resulting in lower demand for our products and any material delay, cancellation or reduction of orders from any of our key customers would materially affect our business and financial condition. There is no assurance that we will be able to maintain historic levels of business from all the existing customers or to retain all the existing customers, or that we will be able to replace our customer base in a timely manner or at all. In the event our existing customers do not continue to purchase our products, it may affect our revenues and the financial condition of our Company.

**6. *Our financial condition could be affected if any of the customers of the Company does not honor the payment terms, makes any delay or default in the outstanding payments.***

Our Company derives a significant portion of income from a limited number of customers. The percentage of sales derived from our company's top 10 customers is ₹ 3,179.09 Lacs and ₹ 4,350.25 Lacs which are approximately 96.29% and 94.58% each respectively of our total sales for six (6) months period ended September 30, 2018 and financial year ended 2018 respectively. Thus, we are exposed to payment delays and/or defaults by our customers and our financial position and financial performance are dependent on the creditworthiness of our customers. There is no guarantee that all or any of our customers will honor their outstanding amounts in time and whether they will be able to fulfill their obligations, due to any financial difficulties, cash flow difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur from all or any of our major customer, our financial performance and our operating cash flows may be adversely affected.

**7. *We derive majority of our income from our customers within India. Therefore, factors that adversely affect the demand for our products in India may adversely affect our business.***

We have in the past derived and believe that we will continue to derive, a significant portion of our income from our customers within India. In addition, all of our employees are based in India. Consequently, factors that adversely affect the Indian economy or the demand for our products within India, may adversely affect our business and profitability.

**8. *Any shortage or non-availability of electricity may adversely affect our manufacturing processes and have an adverse impact on our results of operations and financial condition.***

Our manufacturing process requires a substantial amount of electricity and we depend mainly on state electricity supply for our power. While we have not been affected in the past by any major power interruptions, in the event there is disruption of power supply from the state electricity department, the same could result in an increase in the cost of power and disruption of our manufacturing process which may adversely affect our results of operations.

**9. *We are subject to strict quality requirements, customer inspections and audits, and any failure to comply with quality standards may lead to cancellation of existing and future orders and could negatively impact our reputation and our business and results of operations and prospects.***

We specialize in manufacturing precision machined components for automotive and its ancillary industries based on technical specifications and designs provided by our customers. Given the nature of our products and the sector in which we operate, we believe that our customers have high standards for product quality and delivery schedules. Adherence to quality standards is a critical factor as a defect in precision machined components manufactured by our Company or failure to comply with the design specifications of our customers may, in turn, lead to the manufacture of faulty products by our OEM and other customers. This may lead to cancellation of supply orders or non-renewal of contracts by our customers. The use of our components, often under extreme conditions, carries an inherent risk of product liability claims arising from personal injury, death or property damage due to equipment failure, work accidents, fire or explosion, if our components are defective or are used incorrectly by our customers (or by their customers, who are the end-users).

Further, any failure to make timely deliveries of products as per our customers' requirements could result in cancellation or non-renewal of purchase orders. While we have put in place strict quality control procedures, we cannot assure you that our products will always be able to satisfy our customers' quality standards. Our quality control procedures may fail to test for all possible conditions of use or identify all defects in the design, engineering or specifications of the components. Any such failure to identify defects could require us to undertake service actions or component recalls. Any defect in our Company's components could also result in customer claims for damages. Any negative publicity regarding our Company, or our products could adversely affect our reputation, our operations and our results from operations.

**10. Our inability to successfully diversify our product offerings may adversely affect our growth and negatively impact our profitability.**

Presently, we primarily manufacture precision machined components for the automotive and its ancillary industries. We intend to diversify and expand our business operations in accordance with the evolving needs of our customers and our industry. We cannot assure you that the transition of our manufacturing facilities and resources to fulfill production under new product programs will not impact production rates or other operational efficiency measures at our facilities. Further, we cannot assure you that we will succeed in effectively implementing the new technology required in manufacturing new products or that we will be able to recover our investments. Any failure in the development or implementation of our operations is likely to adversely affect our business, results of operations and cash flows.

Venturing into a new product line may require methods of operations and marketing and financial strategies, different from those currently employed in our Company. We cannot assure you that we will be able to successfully develop our new product lines. Further, we will be subject to the risks generally associated with new product introductions and applications, including unproven know-how, unreliable technology, inexperienced staff, delays in product development and possible defects in products.

**11. There have been some instances of delays /incorrect data filings with certain statutory authorities. If the authorities impose monetary penalties on us or take certain punitive actions against our Company in relation to the same, our business, financial condition and results of operations could be adversely affected.**

In the past, there have been some instances of delay filings or incorrect data filings or delays in filing statutory forms with the RoC, which have subsequently been filed along with the payment of additional fees, as specified under the Companies Act 1956 or 2013 as the case may be. Except as mentioned in this Prospectus, till date, there has been no penalty levied on our Company for such delays/default. However, it cannot be assured that even in future no such penalty will be levied. Therefore, if the authorities impose monetary penalties on us or take certain punitive actions against our Company or its Directors / Officers in relation to the same, our business, financial condition and results of operations could be adversely affected.

While our Company has paid the requisite late fees as prescribed under the applicable company law at the time of the delayed filing, there can be no assurance that the concerned authorities will not impose any penalties/fines on our Company in this regard.

**12. We have incurred losses in the previous financial years.**

We have incurred losses on consolidated basis in the previous financial years. For the Fiscal 2016, we have reported a loss after tax of ₹ (21.02) lakhs which was (0.72) % of our total revenue and for the Fiscal 2017, a loss after tax of ₹ (92.85) lakhs which was (3.21) % of our total revenue. Though our Company had earned operating profits during the said periods and has reported positive EBITDA, we could not cover our depreciation and finance expenses for the said periods primarily due to lower utilisation of our manufacturing capacity due to unfavorable market conditions. Sustained financial losses by us may not be perceived positively by external parties such as customers, bankers, suppliers etc., which may affect our credibility and business operations. Though going forward we aim to adopt such growth strategies which yield positive returns for the Company, there can be no assurance that we will be able to successfully implement such strategies or our strategies will not be affected by external factors adversely, the result of which could adversely affect our business, financial condition and results of operations.

**13. Our consolidated financial results are partly dependent on the performance of our Subsidiary and any negative impact on their performance could adversely affect our financial condition and results of operations.**

Our Company has Subsidiary viz. WPPL. For the period ended September 30, 2018, March 31, 2018, March 31, 2017 and March 31, 2016 WPPL contributed 4.59 %, 8.70 %, 15.69 % and 9.95 % of our total revenue from operations on consolidated basis. The performance of our Subsidiary is inter-alia governed by prevalent market conditions, various applicable laws, and is subject to various restrictions under borrowing arrangements. Any disruption in the business activities of our Subsidiary and consequent fall in their revenue will adversely impact our consolidated financial results.

**14. Our Subsidiary WPPL has incurred losses in the previous financial years.**

Sustained financial losses by our Subsidiary may not be perceived positively by external parties such as customers, bankers, suppliers etc., which may affect our credibility and business operations. Our subsidiary WPPL has incurred losses in previous financial years:

**Financial Performance of WPPL**

Amount (₹ in Lakhs)

Particulars	FY 2017-18	FY 2016-17	FY 2015-16
Paid Up Capital	1.00	1.00	1.00
Reserves and Surplus	(58.09)	(36.79)	(6.29)
Net Worth	(57.09)	(35.79)	(5.29)
Sales and other income	400.48	453.91	295.83
Profit/(loss) after tax	(21.29)	(30.49)	7.59
NAV (per share)	(2129.8)	(3049)	759

There can be no assurance that our Subsidiary Company will not incur losses in any future periods, or that there will not be an adverse effect on our reputation or business as a result of such losses.

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

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

**16. Our success depends upon our Directors and the Key Managerial Personnel. Disassociation of our Directors or any failure to retain such key managerial personnel could have an adverse impact on our business, financial conditions and results of operations.**

We depend heavily on our Directors and the Key Managerial Personnel to implement our business strategy and carry out our operations. If our Directors disassociate or any of our key managerial personnel resign or discontinue their services and are not adequately replaced, our business operations and the implementation of our business strategy could be materially and adversely affected.

**17. We are subject to risks arising from foreign exchange rate fluctuations, which could adversely affect our financial condition.**

We generally import machineries from foreign supplier. Since the cost of these machines is denominated in foreign currency, our inability to hedge foreign exchange risk could adversely affect our financial condition and operations. We currently have not entered into any hedging transactions and may not assure you that we will be able to enter into any such hedging contracts or other financial arrangements on commercially reasonable terms, or that any of such agreements will protect us fully against our foreign currency risk. Any fluctuation in values of foreign currency may have an adverse effect on our business, prospects, financial condition and results of operations.

**18. There can be a potential conflict of interest owing to common business objects between our Company and our Subsidiary Company.**

Our Subsidiary i.e. Wonder Precision Private Limited, have some of the objects similar to that of our Company's business. Some of our directors are on the board of directors of our Subsidiary company and have equity interest or investments in our Subsidiary that may offer services that are related to our business. As a result, a conflict of interest may arise in addressing business opportunities and strategies and implementing new plans. Presently we do not have any non-compete agreement/arrangement with our Subsidiary.

**19. Our operations will have significant raw material requirements, and we may not be able to ensure the availability of the raw materials at competitive prices, which may adversely affect results of our operations.**

The success of our operations will depend on, inter-alia, our ability to source raw materials at competitive prices. The principal raw materials used by us is ferrous as well as non-ferrous castings, in addition to this we also manufacture components from bars and forgings. We procure these castings from various suppliers in the industry and are approved by our customers. Change in cost and availability of such raw materials for any reason, including change in the approved suppliers, change in law or applicable governmental policies relating to imports, would adversely affect our business, financial condition, results of operations and prospects. Presently, we have not entered into any firm arrangement for purchase of our raw material. Historically, we have not encountered any problems in sourcing our raw materials. However, we cannot assure you about the same in future and that we may be unable to procure raw material in time or in the required quantities or may have to procure it at a higher price, which may adversely affect our results of operations and financial performance.

**20. Our Company procures its raw materials from a selected few suppliers for its raw material requirements. Any disruption in supply of raw materials from these suppliers will adversely affect our operations.**

We are dependent on a few suppliers for our raw materials. Our 10 largest suppliers accounted for about 79.26 % and 79.76% of our total purchase for six (6) months period ended September 30, 2018 and financial year ended 2018 respectively. Our major suppliers are Kores (India) Limited, Mahindra CIE Automotive Limited, Gokul Ferrocast Private Limited Kores (India) Limited- Pefco Foundry Division, Neosym Industries Limited, Endurance Technologies Limited (Casting Division) etc. We do not have long term arrangements with any of our suppliers to purchase our raw materials in the future, at the current prices or at all. While we believe that we can find additional vendors to supply raw materials, any failure of our existing supplier to deliver these raw materials in the desired quantities or to adhere to delivery schedules or specified quality standards and technical specifications would adversely affect our production schedule and our ability to deliver orders on time and at the desired level of quality. This may have negative impact on our reputation, profitability and results of operations.

**21. Any slowdown in the automotive and its ancillary industries can impact our business, results of operations, financial condition and cash flows.**

The products manufactured by our Company are majorly supplied to automotive and its ancillary industries. Thus, the performance of our Company is heavily dependent on the performance and market trends of automotive and its ancillary industries. For details of our Industry and products manufactured by us, please refer to the Section titled “Industry Overview” and “Our Business” on page 85 and 95 respectively of this Prospectus. There exist a strong relationship between machine tool industry and automotive and its ancillary industries. Performance of automotive and its ancillary industries will affect the performance of machine tool industry which may affect our operation and may prove detrimental to our growth. Also, any economic slowdown in the automotive manufacturing and sales, both globally and in regions, in which we operate, may significantly affect our revenues and our growth prospects.

**22. Our operational flexibility may be limited in certain respects on account of our obligations under some of our major customer and other agreements.**

Our pricing terms, production and payment cycles and permitted adjustments are generally set out in advance in our customer contracts or purchase orders and our customers are generally permitted a high level of discretion under the terms of such agreements. Due to committed delivery schedules at a pre-agreed price, we may, in certain events, incur additional costs that we are unable to pass through to our customers or be required to write off certain expenses.

Our customers reserve the right at any time to direct changes, or cause us to make changes, to drawings and specifications of the goods or to otherwise change the scope of the work covered by our contract. Price and time for performance resulting from such changes are equitably adjusted by our customers based on supply of documentation in such form and detail as required by them. Consequently, we are exposed to the risk that our submissions or requests as to price adjustments or delivery schedules or otherwise may not be agreed to by our customers or our customers may not accede to provide consents sought by us. Any such significant operational constraint may adversely affect our business, financial condition, results of operations and cash flows.

We are also bound by confidentiality obligations under non-disclosure agreements with our customers to protect their intellectual property, including in relation to technical data such as product designs and specifications that may have been

shared with us by our customers. While we believe that we have internal controls in place to ensure that there is no breach of confidentiality obligations and believe that there have not been any breaches of any such confidentiality obligations in the past, an inadvertent breach or any misuse of intellectual property or proprietary data in the future by any of our employees may expose us to onerous infringement claims and may diminish our goodwill and reputation among our customers, suppliers, lenders, investors and the public, making it difficult for us to operate our business and compete effectively.

Further we have also entered into solar power project agreement for fifteen (15) years periods vide which the parties propose to install rooftop solar system at the rooftop of our Company for its use. However, with respect to the agreement, the lock-in period in the said agreement is ten (10) years. Our company is bound to pay ₹ 5.50 per unit to SVM Green Power for fifteen (15) years even if the electricity rates go down below ₹ 5.50 per unit and also in the event if the company closes its operation due to any reason.

**23. *The success of the components manufactured by us depends on the success of the end product of our customer. Reduction in sales of the products of our customer, or defects in our customers' products which may be attributable to us, may adversely affect our business, financial condition, results of operations and prospects.***

The success of our business depends on the success of the products of our customers, and the demand for our products is directly related to the production and sales of automotive and other industrial products manufactured by our customers. The production and sales volumes of our customers may be affected by a number of factors such as change in economic or industry conditions, change in regulatory requirements, government initiatives, products becoming obsolete or being phased out. Any decline in the demand for our customers' products may adversely affect the sales of our components to our customers and in turn may adversely affect our business, financial condition, results of operations and prospects. Further, any defect in our customers' products, which may be attributable to us, directly or indirectly, may also adversely affect our financial condition and prospects.

**24. *Our revenues and profits are dependent on several factors. Any adverse change in these factors or in combination of these factors may affect our business operations and the financial condition and consequently, our ability to pay dividends.***

Our revenues and profits are dependent on several factors such as retaining our key managerial personnel, our complying with laws, managing costs and expenses, maintaining adequate inventory levels and general market conditions. Any adverse change in these factors or a combination of these factors may adversely affect our business operations and the financial condition. Further, our ability to pay dividends will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures, lender's approvals and other factors. Therefore, although, we have consistently maintained the profit levels and reserves, there can be no assurance that we shall have distributable funds or that we will declare dividends.

**25. *We are subject to various laws and regulations, including environmental and health and safety laws and regulations. Failure to obtain, renew or comply with necessary regulatory approvals and licenses may result in an adverse effect on our financial condition.***

Our business and operations are subject extensive government regulations, including in relation to the protection of the environment and occupational health and safety, and those governing the generation, transportation and disposal of, environmental pollutants or hazardous materials. For instance, we require approvals under the Water Act and the Air Act, in order to establish and operate our manufacturing facilities in India and industrial and manufacturing regulations of the Government of India. For more information, see "Key Regulations and Policies" and "Government and Other Approvals" on pages 109 and 191, respectively of this Prospectus.

In addition, we are subject to the terms and conditions stipulated under the approvals or licenses held by us, including the obligation to renew the approval or license at regular intervals. While we are not aware of any instances in the past where we have not complied with any such term or condition, we cannot assure you that we may not be subject to a non-compliance in the future which may lead to, amongst other things, suspension, cancellation, modification or revocation of our existing approvals or licenses. If we fail to obtain or comply with such laws and regulations, or the conditions of the licenses or approvals obtain by us, we could be subject to significant fines, penalties, costs, liabilities or restrictions on operations, which could negatively affect our financial condition. Environmental and occupational health and safety laws and regulations, and the interpretation and enforcement thereof, are subject to change and have tended to become stricter over time, in India and internationally. While we are not aware of any outstanding material claims or obligations, we may

incur substantial costs, as a result of any violation of environmental or health and safety laws or non-compliance with permits required for our facilities, which, as a result, may have an adverse effect on our business and financial condition.

***26. Our indebtedness and failure to comply with financial and other restrictive covenants imposed on us under our financing agreements may adversely affect our ability to conduct our business and operations.***

Our company's entire fund based and non-fund based financial assistance aggregating to ₹ 2716.88 Lacs inclusive the cash credit, bill discounting and term loan facilities respectively has been sanctioned from HDFC Bank Limited. The said loan has been secured, inter-alia, by way of mortgage of immovable property owned by our Company and personal guarantee of our Directors. In case we are not able to pay our dues in time, the same could adversely impact our operations. For more information regarding the unsecured loans, please refer the Section titled "Financials Statement" beginning on page 144 of this Prospectus. Further, in event of default on the debt obligations, the security or personal guarantees may be invoked thereby adversely affecting the ability of our Promoters and Directors to manage the affairs of our Company and consequently impact our business, prospects, financial condition and results of operations. Any failure to comply with any requirement or other condition or covenant under our financing agreements, may lead to a termination of our credit facilities, acceleration of all amounts due under the said credit facility and may adversely affect our ability to conduct our business and operations or implement our business plans. Further, the said credit facilities can be renewed/enhanced/cancelled/suspended/reduced and the terms and conditions of the same can be altered by the lender, at its discretion. In the event the lender refuses to renew/enhance the credit facilities and/or cancels/suspends/reduces the said credit facilities and/or alters the terms and conditions to the derogation of our Company, our existing operations as well as proposed expansion may be severely affected. Consequently, it would have a bearing on the financial condition of the Company.

***27. Excessive dependence on the HDFC Bank Limited in respect of obtaining financial facilities.***

Our major fund based and non-fund based financial assistance has been sanctioned by HDFC Bank Limited on the security of assets. The Company is dependent on HDFC Bank Limited for its working capital requirement and any default under such arrangement with such lender may create problem for operation of the Company, which may affect the financial stability of the Company. At the same time this may result into difficulty in arranging for funds for re-payment and may also adversely affect the financial position of the Company.

***28. We have entered into and may in the future enter into related party transactions.***

We have in the course of our business entered into, and will continue to enter into, transactions with related parties. Our Company has entered into several related party transactions with our related parties. For more information regarding our related party transactions, see "Consolidated Related Party Transaction" in Annexure XXVII under the Section titled "Financial Statements" beginning on page 144 of this Prospectus. We cannot assure you that we will receive similar terms in our related party transactions in the future. While we believe that all of our related party transactions are in compliance with applicable law, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. Further, the Companies Act, 2013 has brought into effect significant changes to the Indian company law framework including specific compliance requirements such as obtaining prior approval from audit committee, board of directors and shareholders for certain related party transactions. We cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on our reputation, cash flows, business, results of operations and financial condition.

***29. Our Company and Subsidiary Company has unsecured loans, which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our business operations and financial condition of our Company.***

As on September 30, 2018, our Company and Subsidiary Company has availed of unsecured loans aggregating to ₹ 884.47 Lacs from our Members and relatives of promoters which are repayable on demand. We do not have formal agreement with our lenders. For more information regarding the unsecured loans, please refer the Section titled "Financial Statements" beginning on page 144 of this Prospectus. Any demand from the lenders for repayment of such unsecured loans may adversely affect the financial condition and result of operations of our Company.

***30. We do not have certain supporting documents for the educational qualification and experience certificates included as part of the profile of promoters and directors included in the section "Our Management" and "Our Promoters and Promoter Group" of this Prospectus.***

We do not have certain documents supporting the educational qualification of our Promoter and Non- Executive Director, Mrs. Indubala Subhash Vora and experience certificates of our directors included as part of profile of the promoters and directors as disclosed in the sections “Our Management” and “Our Promoters and Promoter Group” beginning on page 124 and 138 of this Prospectus. Such information included in the Prospectus is based on the affidavit and declaration provided by the promoters and directors, certifying such information. Therefore, we cannot assure you that such information relating to the educational background and experience certificates of our Promoters and directors are complete, true and accurate.

***31. Our Promoters have provided personal guarantees for a significant portion of our borrowings to secure certain of our loans.***

Our Promoters have provided personal guarantees for a significant portion of our borrowings and borrowings made by our Subsidiary Company. If any of these guarantees are revoked or if such collateral is proved insufficient, lenders may require alternative guarantees or cancellation of such facilities, entailing repayment of amounts outstanding under such facilities. If we are unable to procure alternative guarantees satisfactory to lenders, we may need to seek alternative sources of capital which may not be available to us at commercially reasonable terms or at all or get compelled to agree to more onerous terms under such financing agreements, which may limit our operational flexibility. Accordingly, our business, financial condition, results of operations and prospects may be adversely affected.

***32. We face competition from large established players and niche players as well.***

Our Industry is fragmented consisting of large established players and small niche players. We compete with organized as well as unorganized sector on the basis of availability of product, product quality and product range. Further, there are no entry barriers in this industry and any expansion in capacity of existing manufacturers would further intensify competition.

***33. If we fail to maintain an effective system of internal controls, we may not be able to successfully manage or accurately report our financial risks.***

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. There can be no assurance that additional deficiencies in our internal controls will not arise in the future, or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies in our internal controls.

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

Upon completion of the Offer, our Promoters and Promoter Group will own 72.79 % of the post-Offer Equity Share capital of the Company. As a result, the Promoters and Promoter Group will have the ability to exercise significant influence over all matters requiring shareholders’ approval, including the election of directors and approval of significant corporate transactions. The Promoters and Promoter Group will also have an effective veto power with respect to any shareholder action or approval requiring a majority vote. Such concentration of ownership may also have the effect of delaying, preventing or deterring a change in control. For further details of Promoters’ shareholding, please see section titled “Capital Structure” on page no. 54 of this Prospectus.

***35. Our Promoter and Directors have interests in the Company which may result in a conflict of interest, which may have an adverse effect on our business.***

Our Promoters hold Equity Shares in our Company and are also directors of the Company and may be deemed to be interested to the extent of any remuneration, fees and dividend payable to them and other distributions in respect of the Equity Shares. Further, some of our Promoters have also given certain unsecured loans to the Company and is entitled to receive interest therefrom. For further details, please see the sections “Our Management”, and “Consolidated Related Party Transaction” in Annexure XXVII under the Section titled “Financial Statements” respectively on page 124 and 144 of this Prospectus.

***36. Our revenues and profits are difficult to predict and can vary significantly from year on year, which may impact our ability to pay dividend and which could cause the price of our Equity Shares to fluctuate.***

Our revenues are dependent on several factors such as, ability to attract fresh talent in the industry and general market conditions. For further details please see the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page no. 171 of this Prospectus. The combination of these factors may result in significant variations in revenues and profits and as a result of the same year on year results may not be comparable and should not be relied upon as indicative of future performance. Any significant shortfall in revenue may have an adverse effect on our business, operating results and financial condition.

**37. We may have certain Contingent Liabilities not provided for crystallization of any of these liabilities could affect our financials.**

Our contingent liabilities as per the Restated Financial Statement as on September 30, 2018 not provided for as disclosed in our financial statements are detailed in the following table.

*Amount (₹ In Lakhs)*

**Details of Consolidated Contingent Liabilities**

Particulars	For the period ended	For financial year ended		
	September 30, 2018	March 31, 2018	March 31, 2017	March 31, 2016
Income tax Dues for A.Y. 2015-16 pending before Commissioner of Appeal Pune	14.42	Nil	Nil	Nil
Total	14.42	Nil	Nil	Nil

For further details please refer the section titled “Financial Statements” and “Outstanding Litigation and Material Developments” on page 144 and 185 of this Prospectus.

**38. Trademark of our logo is not registered and we are in the process of seeking registration of trademark of our logo. There is no assurance that this application shall result in us being granted registration in a timely manner. Failure to protect our intellectual property may adversely affect our reputation, goodwill and business operations.**

Our corporate name and logo  has not been registered as a result of the same the use of the words “Kranti Industries Limited” in the corporate and trading names by any third parties may lead consumers to confuse them with our Company and if they experience any negative publicity, it could have an adverse effect on our business, results of operations and financial condition. This confusion might also lead to our Company losing business to such competitors and might adversely affect our goodwill. However, we have made an application dated January 27, 2016 for the registration of the trademark of our logo . Further, since it is not registered, we do not enjoy the statutory protections accorded to a registered trademark and are subject to the various risks arising out of the same, including but not limited to infringement or passing off our name and logo by a third party. Maintaining the reputation of our brands, corporate name, logo and the goodwill associated with these trademarks is critical to our success. Substantial erosion in the value of our brand names could have a material adverse effect on our business, financial condition, results of operations and prospects. For further details please refer to section titled “Government and Other Approvals” on page no.191 of this Prospectus.

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

Our business involves manufacturing processes that can be potentially dangerous to our employees. An accident may result in loss of life, destruction of property or equipment, manufacturing or delivery delays, or may lead to suspension of our operations and/or imposition of liabilities.

While we believe we may maintain adequate insurance, interruptions in production as a result of an accident may also increase our costs and reduce our revenue, and may require us to make substantial capital expenditures to remedy the situation or to defend litigation that we or our senior management may become involved in as a result, which may negatively affect our profitability, business, financial condition, results of operations and prospects. Any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations and prospects.

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

**41. Our insurance cover may be inadequate to fully protect us from all losses and may in turn adversely affect our financial condition**

We maintain such insurance coverage as we believe is adequate to cover the important assets of the Company. Our insurance policies, however, may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. Further, with respect to the insurances maintained by us, we cannot assure you that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time. To the extent that we suffer loss or damage that is not covered by insurance or which exceeds our insurance coverage, our results of operations or cash flows may be affected.

**42. We may not be able to sustain effective implementation of our business and growth strategy.**

The success of our business will largely depend on our ability to effectively implement our business and growth strategy. In the past we have generally been successful in execution of our business but there can be no assurance that we will be able to execute our strategy on time and within the estimated budget in the future. If we are unable to implement our business and growth strategy, this may have an adverse effect on our business, financial condition and results of operations.

**43. If more stringent labour laws or other industry standards in India become applicable to us, our profitability may be adversely affected.**

As a manufacturing company, we are subject to a number of stringent labour laws which protect the interests of workers, including in relation to dispute resolution, employee removal, pending payments and legislation that imposes financial obligations on employers upon retrenchment. We are also subject to state and local laws and regulations, governing our relationships with our employees, including those relating to minimum wage, bonus, gratuity, overtime, working conditions, recruitment and termination of employment, nondiscrimination, work permits and employee benefits.

Further, the Government has proposed various amendments to the labour law regime in India in the shape of the Factories (Amendment) Bill, 2014, the Child Labour (Prevention and Regulation) Amendment Bill, 2012, and the Small Factories (Regulation of Employment and Conditions of Services) Bill, 2014. The notification and subsequent implementation of these amendments may create uncertainty in the extant labour law regime in India and may have an adverse impact on our business operations.

Further, stringent labour laws will ensure difficulty in maintaining flexible human resource policies, and working environment, which could have an adverse effect on our business, financial condition, results of operations and cash flows.

**44. Breakdown of machinery and/or equipment used for the purpose of manufacturing process**

Any breakdown or defect in the machinery and/or the equipment used for the purpose of our manufacturing process may delay the production process as a whole and result in missing deadlines in delivery of product if we are able to repair the machines or replace it within relevant timelines. Any such delays may have an adverse effect on the business of the Company.

**45. Some of our corporate records including forms filed with the Registrar of Companies are not traceable.**

Certain of our Company's corporate records and regulatory filings with Registrar of Companies including (a) Form 2 for allotment of Equity Shares dated March 31, 2003; and (b) Annual filing forms (annual reports and annual returns) for the

years prior to year 2000 are not traceable by our Company. Despite having conducted an extensive search of our internal records, we have not been able to retrieve the aforementioned documents and therefore have placed reliance on the minutes of the meeting of the board of directors and shareholders for such matters. Further, such records are also not available in the records of RoC, as certified by the search report dated December 06, 2018 from H.J. Patel and Co., Company Secretary. Therefore, we cannot assure you that these records will be available in future and or that the same were made in timely manner or not.

***46. The failure of our joint venture partner to perform its obligations could impose additional financial and performance obligations resulting in reduced profits or, in some cases, significant losses from the joint venture.***

We have recently entered into joint venture arrangements as a part of our business and operations. The success of this joint venture depends significantly on the satisfactory performance by our joint venture partner and fulfilment of its obligations. If our joint venture partner fails to perform these obligations satisfactorily, the joint venture may be unable to perform adequately or deliver its contracted services. In such cases we may be required to make additional investments and/ or provide additional services to ensure the adequate performance and delivery of the contracted services as we are subject to joint and several liabilities as a member of the joint venture. Such additional obligations could result in reduced profits or, in some cases, significant losses for us. The inability of a joint venture partner to continue with a project due to financial or legal difficulties could mean that we would bear increased and possibly sole responsibility for the completion of the project and bear a correspondingly greater share of the financial risk of the project. Further, any disputes that may arise between us and our strategic partner may cause delays in completion or the suspension or abandonment of the project. In the event that a claim, arbitration award or judgment is awarded against the joint venture, we may be responsible for the entire claim. We cannot assure that our relationships with our joint venture partners in the future will be amicable or that we will have any control over their actions. The realization of any of these risks and other factors may have an adverse effect on our business, results of operations and financial condition.

***47. Third party industry and statistical data in this Prospectus may be incomplete, incorrect or unreliable.***

Neither Lead Manager nor we have independently verified the data obtained from the official and industry publications and other sources referred in this Prospectus and therefore, while we believe them to be true, there can be no assurance that they are complete or reliable. Such data may also be produced on different bases from those used in the industry publications we have referenced. The discussion of matters relating to India, its economy and our industry in this Prospectus are subject to the caveat that the statistical and other data upon which such discussions are based may be incomplete or unreliable. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. While industry sources take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data or report and do not take responsibility for any errors or omissions or for the results obtained from using their data or report. Accordingly, investors should not place undue reliance on, or base their investment decision on this information, see chapter titled "Industry Overview" beginning on page 85 of this Prospectus.

## **RISKS RELATING TO OBJECTS OF THE OFFER**

***48. The requirement of funds in relation to the objects of the Offer has not been appraised includes utilisation for general corporate purposes and is based on management estimates. We may have to revise our management estimates from time to time and which may affect our funding requirements.***

We intend to use the net proceeds of the Offer for the purposes described in the section titled "Objects of the Offer" on page 73 of this Prospectus. The objects of the Offer have not been appraised by any bank or financial institution. These estimates are based on current conditions and are subject to changes in external circumstances or costs, or in other financial condition, business or strategy, as discussed further below and are based on management estimates. Based on the competitive nature of the industry, we may have to revise our management estimates from time to time and consequently our funding requirements may also change.

***49. Our Company will not receive any proceeds from the Offer for Sale by the Selling Shareholder.***

The Offer consists of the Fresh Issue by our Company and an Offer for Sale by the Selling Shareholder. The entire proceeds of the Offer for Sale will be respectively transferred to the Selling Shareholder and will not result in any creation of value for us or in respect of your investment in our Company.

**50. *The deployment of funds to be raised from the present Offer of shares is at our discretion and no independent agency has been appointed to monitor its deployment.***

Deployment of funds proposed to be raised from the present Offer of shares towards the objects of the Offer is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. However, the deployment of funds towards the object of the Offer will be monitored by our audit committee and our Company shall inform about material deviations in the utilization of Offer proceeds, if any, to the stock exchange and provide the details in the balance sheet about the same.

**51. *Portion of our Offer Proceeds are proposed to be utilized for general corporate purposes which constitute 21.31 % of the Offer Proceed. As on date we have not identified the use of such funds.***

Portion of our Offer Proceeds are proposed to be utilized for general corporate purposes which constitute 21.31 % of the Offer Proceed. We have not identified the general corporate purposes for which these funds may be utilized. The deployment of such funds is entirely at the discretion of our management in accordance with policies established by our Board of Directors from time to time and subject to compliance with the necessary provisions of the Companies Act.

## **RISKS RELATING TO EQUITY SHARES**

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

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

**53. *There is no existing market for our Equity Shares and we cannot assure you that such a market will develop. The stock price may be volatile, and you may be unable to resell your shares at or above the Offer price or at all.***

Prior to this Offer, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained upon the completion of this Offer. The Offer Price of the Equity Shares offered hereby may not be indicative of the market price of the Equity Shares after this Offer. The market price of our Equity Shares after this Offer will be subject to significant fluctuations in response to among other factors:

1. Our dependence on limited number of customers for a significant portion of our revenues;
2. Any failure to comply with the financial and restrictive covenants under our financing arrangements;
3. Our exposure to risks associated with fluctuations in foreign exchange rates;
4. Our ability to retain and hire key employees or maintain good relations with our workforce;
5. Impact of any reduction in sales of the products of our customers or defects in our customers' products;
6. Realization of Contingent Liabilities, if any;
7. Any disruption in labour industry or strikes by our workforce may affect the production capability;
8. Increased competition in industries/sector in which we operate;
9. General economic and business conditions in India and in the markets in which we operate and in the local, regional and national economies;
10. Changes in laws and regulations relating to the Sectors in which we operate;
11. Political instability or changes in the Government in India or in the government of the states where we operate could cause us significant adverse effects;
12. Any adverse outcome in the legal proceedings in which we are involved;
13. Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
14. Occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition and
15. Our inability to successfully diversify our product offerings may adversely affect our growth and negatively impact our profitability.

Even though a Market Maker has been appointed for our stock, since there has been no public market for our Company's Equity Shares, an active trading market on the Indian Stock Exchanges may not develop or be sustained after the Offer. The Offer Price of the Equity Shares may bear no relationship to the market price of the Equity Shares after the Offer. The market price of the Equity Shares after the Offer may be subject to significant fluctuations in response to, among other factors, variations in our Company's operating results, market conditions specific to the packaging sector in India, developments relating to India and volatility in the Stock Exchanges and securities markets elsewhere in the world. The risk of loss associated with this characteristic may be greater for investors expecting to sell Equity Shares purchased in this Offer soon after the Offer.

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

The Offer Price of our Equity Shares has been determined by the management and the lead manager on numerous factors and may not be indicative of the market price of our Equity Shares after the Offer. For further information please refer the section titled "Basis for Offer Price" beginning on page 79 of this Prospectus. The market price of our Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Offer Price. Amongst the factors that could affect our share price are:

- Quarterly 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
- Changes in economic, legal and regulatory factors (both domestic and international) unrelated to our performance such as global recession, imposition of trade / non-trade barriers and sanctions etc.

**55. *There is no guarantee that the Equity Shares issued pursuant to the Offer will be listed on the SME Platform of BSE in a timely manner, or at all.***

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Offer will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the SME Platform of BSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

**56. *Any future issuance of Equity Shares may dilute the shareholding of the Investor and sales of our Equity Shares by our Promoter or other major shareholders and dilution in net tangible book value may adversely affect the trading price of Equity Shares.***

Any future issuance of our Equity Shares by our Company could dilute the shareholding of the investor. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may also adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through an offering of our securities. While the entire Post-Issue paid-up share capital held by our Promoters and other shareholders will be locked-in for a period of 1 (one) year and 20% of our post-Issue paid-up capital held by our Promoter will be locked-in for a period of 3 (three) years from the date of allotment of Equity Shares in the Offer, upon listing of our Equity Shares on the Stock Exchanges. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares. For further information relating to such Equity Shares that will be locked-in, please refer to the sub-section titled "Notes to the Capital Structure" under the section titled "Capital Structure" beginning on page 54 of this Prospectus.

## **EXTERNAL RISKS**

### **Industry Risks**

**57. *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.

**58. *Malpractices by some players in the industry affect overall performance of emerging Companies.***

The industry in which our Company operates is subject to risk associated with unethical business practices such as unethical marketing, dishonest advertising, questionable pricing practices, inaccurate claims with regards to safety and efficacy of the product etc. Consumers' attitude toward the industry today is dominated by a sense of mistrust, paving a way for regulators for stricter entry barriers and introduction of code of conducts; making the entire industry environment regulated and controlled. Malpractices by some players in the industry affects the overall performance of the emerging Companies like our as the industry norms are applicable to all at parity. Any unethical business practices by any industry player or intermediary may impact our business and results of operations.

**Other Risks**

**59. *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" beginning on page 144, the financial statements included in the 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.

**60. *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 ₹ 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 ₹ 1,00,000/- p.a. 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.

***61. 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 Regulations and Policies" on page 109 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.

***62. 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 Government of India 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.

***63. 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.

***64. 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.

***65. 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 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.

***66. 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.

***67. 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, tsunamis, 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.

***68. 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.

## SECTION IV: INTRODUCTION

## THE OFFER

Particulars	No. of Equity Shares
Public Offer of Equity Shares	23,19,000 Equity Shares of face value of ₹10/- each aggregating to ₹ 858.03 lakhs.
<b>of which</b>	
Fresh Issue <sup>(1)</sup>	17,52,000 Equity Shares of face value of ₹10/- each aggregating to ₹ 648.24 lakhs.
Offer for Sale <sup>(2)</sup>	5,67,000 Equity Shares of face value of ₹10/- each aggregating to ₹ 209.79 lakhs.
<b>of which</b>	
Market Maker Reservation Portion	1,17,000 Equity Shares of face value of ₹10/- each aggregating to ₹ 43.29 lakhs.
Net Offer to Public**	22,02,000 Equity Shares of face value of ₹10/- each aggregating to ₹ 814.74 lakhs.
<b>of which</b>	
<b>A) Retail Portion</b>	11,01,000 Equity Shares of face value of ₹10/- each aggregating to ₹ 407.37 lakhs.
<b>B) Non- Retail Portion</b>	11,01,000 Equity Shares of face value of ₹10/- each aggregating to ₹ 407.37 lakhs.
<b>Pre and post Offer Equity Shares</b>	
Equity Shares outstanding prior to the Offer	70,50,000 Equity Shares of face value of ₹10/- each
Equity Shares outstanding after the Offer	88,02,000 Equity Shares of face value of ₹10/- each
Use of Net Proceeds	Please refer to the section titled "Objects of the Offer" beginning on page 73 of this Prospectus for information about the use of the proceeds from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

\*\*Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253(2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

- a) Minimum of 50% to retail individual investors; and
- b) Remaining to:
  - (i) individual applicants other than individual investors; and
  - (ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

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

Explanation: If the retails individual investor category is entitled to more than fifty per cent of the issue size on a proportionate basis, the retails individual investors shall be allocated that higher percentage.

**Notes:** The Offer is being made for at least 25% of the post-Offer paid-up Equity Share capital of our Company in terms of Rule 19(2)(b)(i) of SCRR.

This Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations. For further details, please refer to section titled "Offering Information" beginning on page 204 of this Prospectus.

1. The present offer has been proposed and authorized by our Board by way of resolution passed at its meeting held on October 11, 2018 and by our Shareholders by way of a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the EGM held on November 05, 2018.
2. The Selling Shareholder i.e. Mrs. Basanti Kundanmal Vora has authorized to offer 5,67,000 Equity Shares in the Offer for Sale by way of letter dated October 20, 2018. She has confirmed that the Equity Shares proposed to be offered and sold in the Offer are eligible to be offered for sale in accordance with the SEBI (ICDR) Regulations.

## SUMMARY OF FINANCIAL INFORMATION

## CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

Annexure-I  
Amount (₹ In Lakhs)

Particulars	As at Sept 30, 2018	As at March 31,		
		2018	2017	2016
<b>I. EQUITY AND LIABILITIES</b>				
<b><u>(1) Shareholder's Funds</u></b>				
(a) Share Capital	705	705	705	705
(b) Reserves and Surplus	735.07	597.86	508.53	602.3
<b><u>(2) Share Application Money Pending Allotment</u></b>	-	-	-	-
<b><u>(3) Non-Current Liabilities</u></b>				
(a) Long-Term Borrowings	1443.6	1240.07	1341.95	1466.33
(b) Long term provision	-	-	-	-
(c) Other Long-Term Liabilities	-	-	-	-
(d) Deferred Tax Liability (Net)	96.09	77.84	107.17	124.86
<b><u>(4) Current Liabilities</u></b>				
(a) Short-Term Borrowings	777.68	674.37	675.67	655.08
(b) Trade Payables	870.21	629.07	549.73	224.85
(c) Other Current Liabilities	219.77	338.99	418.8	321.82
(d) Short-Term Provisions	167.73	114.87	94.31	35.26
<b>Total</b>	<b>5,015.13</b>	<b>4,378.06</b>	<b>4,401.16</b>	<b>4,135.49</b>
<b>II. ASSETS</b>				
<b><u>(1) Non-Current Assets</u></b>				
<b><u>(a) Fixed Assets</u></b>				
- Tangible Assets	2,376.62	2,155.66	2,362.75	2,572.42
- Intangible Assets	12.04	10.55	0.75	1.00
- Capital Work in Progress	48.67	6.22	-	0.70
Goodwill on Consolidation	320.43	320.43	320.43	320.43
(b) Non-Current Investments	8.30	8.30	8.10	8.10
(c) Deferred Tax Assets (Net)	-	-	-	-
(d) Long Term Loans and Advances	181.22	169.52	226.29	176.03
(e) Other Non-Current Assets	73.39	95.56	73.58	61.41
<b><u>(2) Current Assets</u></b>				
(a) Inventories	634.11	632.06	539.42	364.93
(b) Trade receivables	1,240.61	899.08	763.34	493.09
(c) Cash and Cash Equivalents	14.63	10.19	5.06	11.07
(d) Short-Term Loans and Advances	88.56	48.83	74.59	92.09
(e) Other Current Assets	16.55	21.64	26.85	34.21
<b>Total</b>	<b>5,015.13</b>	<b>4,378.06</b>	<b>4,401.16</b>	<b>4,135.49</b>

The above statements should be read with the Consolidate Restated Statement of Profit and Loss, Consolidate Statement of Cash Flow, Significant Accounting Policies and Notes to account appearing in II, III and IV respectively.

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS AS RESTATED

Annexure II  
Amount (₹ In Lakhs)

Sr. No.	Particulars	For the Period ended on September 30, 2018	For the year ended March 31,		
			2018	2017	2016
A	<b><u>Revenue:</u></b>				
	Revenue from Operations (Net of Taxes)	3,316.09	4,603.84	2,877.24	2,835.96
	Other Income	5.82	7.08	47.94	48.45
	<b>Total Revenue</b>	<b>3,321.91</b>	<b>4,610.92</b>	<b>2,925.19</b>	<b>2,884.41</b>
	<b><u>Expenses:</u></b>				
B	Cost of Material Consumed	1,907.82	2,360.15	1,291.18	1,210.88
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	(12.94)	(2.47)	(51.55)	(25.16)
	Employee benefit expenses	369.42	676.68	504.97	435.10
	Financial Cost	121.38	219.52	263.16	261.35
	Depreciation and amortization expenses	143.58	298.63	336.07	366.93
	Other Expenses	589.44	997.77	692.83	648.96
	<b>Total Expenses</b>	<b>3,118.70</b>	<b>4,550.29</b>	<b>3,036.65</b>	<b>2,898.07</b>
C	<b>Profit before exceptional, extraordinary items and tax</b>	<b>203.22</b>	<b>60.63</b>	<b>(111.46)</b>	<b>(13.66)</b>
	Less: Exceptional Items	-	-	-	-
	<b>Profit before extraordinary items and tax (A-B)</b>	<b>203.22</b>	<b>60.63</b>	<b>(111.46)</b>	<b>(13.66)</b>
	Prior Period Items	-	-	-	-
	Extra ordinary items	-	-	-	-
D	<b>Profit before tax</b>	<b>203.22</b>	<b>60.63</b>	<b>(111.46)</b>	<b>(13.66)</b>
	<b>Tax expense:</b>				
	Current tax	47.76	0.63	-	-
	MAT Credit	-	15.33	-	-
	MAT Credit Utilised	-	(15.33)	-	-
	Deferred Tax	18.25	(29.33)	(17.69)	7.13
	<b>Profit/(Loss) for the period After Tax- PAT</b>	<b>137.21</b>	<b>89.33</b>	<b>(93.77)</b>	<b>(20.80)</b>
	MINORITY INTEREST	0.07	(0.64)	(0.91)	0.23
	<b>PROFIT FOR THE YEAR</b>	<b>137.14</b>	<b>89.97</b>	<b>(92.85)</b>	<b>(21.02)</b>

The above statements should be read with the Consolidate Restated Statement of Assets and Liabilities, Consolidate Statement of Cash Flow, Significant Accounting Policies and Notes to account appearing in I, III and IV respectively.

**CONSOLIDATED 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	2017	2016
<b><u>Cash Flow from Operating Activities:</u></b>				
Net Profit before tax as per Profit and Loss A/c	203.22	60.63	(111.46)	(12.92)
<b>Adjustments for:</b>				
Depreciation and Amortisation Expense	143.58	298.63	336.07	366.93
Interest Income	(1.75)	(0.86)	(12.6)	(15.98)
Finance Cost	121.38	219.52	263.16	261.35
Dividend Received	(0.01)	(0.01)	(0.65)	(0.81)
Profit and Loss on sale of fixed assets	(4.05)	(2.70)	(8.06)	(9.45)
<b>Operating Profit Before Working Capital Changes</b>	<b>462.36</b>	<b>575.22</b>	<b>466.44</b>	<b>589.12</b>
Adjusted for (Increase)/ Decrease in:				
Short term provision	52.86	20.56	59.05	(119.27)
Trade Receivables	(341.53)	(135.74)	(270.26)	375.36
Loans and Advances	(39.73)	25.75	17.51	(10.64)
Inventories	(2.05)	(92.64)	(174.48)	(159.64)
Other current assets	5.09	5.22	7.35	6.10
Trade Payables	241.14	79.33	324.89	17.73
Other Current Liabilities	12.54	(11.11)	(2.49)	(53.52)
<b>Cash Generated from Operations</b>	<b>(71.67)</b>	<b>(108.62)</b>	<b>(38.43)</b>	<b>56.13</b>
Net Income Tax paid/ refunded	(47.76)	(0.63)	-	(0.73)
<b>Net Cash Flow from/ (used in) Operating Activities: (A)</b>	<b>342.93</b>	<b>465.96</b>	<b>428.01</b>	<b>644.52</b>
<b><u>Cash Flow from Investing Activities:</u></b>				
Net (Purchases)/Sales of Fixed Assets (including capital work in progress)	(404.42)	(104.87)	(117.38)	(227.7)
Interest Income	1.75	0.86	12.60	15.98
Dividend Received	0.01	0.01	0.65	0.81
Net (Increase)/Decrease in Long Term Loans and Advances	(11.70)	56.76	(50.26)	4.78
Net (Increase)/Decrease in other Non-current assets	22.17	(21.99)	(12.16)	(61.41)
Proceeds from Sale or Purchase of Investments	-	(0.20)	-	-
<b>Net Cash Flow from/ (used in) Investing Activities: (B)</b>	<b>(392.18)</b>	<b>(69.42)</b>	<b>(166.55)</b>	<b>(267.53)</b>
<b><u>Cash Flow from Financing Activities:</u></b>				
Net Increase/(Decrease) in Long Term Borrowings	71.76	(170.58)	(24.92)	(199.72)
Net Increase/(Decrease) in Short Term Borrowings	120.74	(31.94)	25.95	63.76
Interest on borrowings	(121.38)	(219.52)	(263.16)	(261.35)
<b>Net Cash Flow from/ (used in) Financing Activities (C)</b>	<b>53.69</b>	<b>(391.41)</b>	<b>(267.48)</b>	<b>(397.31)</b>

Net Increase/(Decrease) in Cash and Cash Equivalents	4.44	5.12	(6.01)	(20.32)
Cash and Cash Equivalents as At Beginning of the Year	10.19	5.06	11.07	31.40
Cash and Cash Equivalents as At End of the Year	<b>14.63</b>	<b>10.19</b>	<b>5.06</b>	<b>11.07</b>

- The Cash Flow statement has been prepared under Indirect method as per Accounting Standard-3
- Figures in negative represent outflow
- The above statements should be read with the Consolidated Restated Statement of Assets and Liabilities, Consolidate Statement of Profit and Loss, Significant Accounting Policies and Notes to account appearing in I, II and IV respectively.

## SECTION V: GENERAL INFORMATION

Our Company was incorporated on December 5, 1995, as "*Kranti Precision Tools Private Limited*" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Bombay bearing Registration Number 095016. We subsequently changed the name of our Company from "*Kranti Precision Tools Private Limited*" to "*Kranti Industries Private Limited*" pursuant to shareholders resolutions passed at the Extra Ordinary General Meeting held on February 8, 2002. A fresh Certificate of Incorporation consequent upon name change was granted to our Company on March 11, 2002 by the Registrar of Companies, Pune. Subsequently, our Company was converted into public limited company pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on July 31, 2015 and the name of our Company was changed to "*Kranti Industries Limited*" vide a fresh Certificate of Incorporation dated August 17, 2015 issued by the Registrar of Companies, Pune. For further details, please refer to the section titled "History and Certain Corporate Matters" on page no. 118 of this Prospectus.

### Registered Office of the Company

Gat No.267/B/1, Post: - Pirangut,  
Tal. Mulshi, Dist. Pune-412108  
Maharashtra, India  
**Telephone:** +91-20-6675 5676,  
**Website:** [www.krantiindustries.com](http://www.krantiindustries.com)  
**Email:** [investor@krantiindustries.com](mailto:investor@krantiindustries.com)  
**CIN:** U29299PN1995PLC095016

### Designated Stock Exchange

**SME Platform of BSE**  
P.J. Towers, Dalal Street, Fort,  
Mumbai, Maharashtra, 400001  
**Website:** [www.bseindia.com](http://www.bseindia.com)

### Registrar of Companies

**The Registrar of Companies, Pune**  
PCNTDA Green Building,  
BLOCK A, 1st and 2nd Floor,  
Near Akurdi Railway Station,  
Akurdi, Pune – 411044  
Telephone: +91-20- 27651375 /27651378;  
Email: [roc.pune@mca.gov.in](mailto:roc.pune@mca.gov.in)

### Board of Directors

Our Company's Board comprises of the following Directors:

Name, Designation, Occupation	Age	DIN	Residential Address
Mr. Sachin Subhash Vora <b>Designation:</b> Chairman and Managing Director <b>Occupation:</b> Business	38	02002468	Kumar Santosh -Flat No. I/601, Shankar Sheth Road, Behind Mira Society, Gulatekadi, Pune City Market Yard, Pune- 411037, Maharashtra, India
Mr. Sumit Subhash Vora <b>Designation:</b> Whole-Time Director <b>Occupation:</b> Business	35	02002416	Kumar Santosh -Flat No. I/601, Shankar Sheth Road, Behind Mira Society, Gulatekadi, Pune City Market Yard, Pune- 411037, Maharashtra, India
Mrs. Indubala Subhash Vora <b>Designation:</b> Non- Executive Director <b>Occupation:</b> Business	57	02018226	Kumar Santosh -Flat No. I/601, Shankar Sheth Road, Behind Mira Society, Gulatekadi, Pune City Market Yard, Pune- 411037, Maharashtra, India
Mr. Prakash Vasant Kamat <b>Designation:</b> Non-Executive Independent Director <b>Occupation:</b> Professional	68	07350643	503, Kalpana Appartments, Lane No.14 Off Prabhat Road, Pune- 411004 Maharashtra, India.

<b>Name, Designation, Occupation</b>	<b>Age</b>	<b>DIN</b>	<b>Residential Address</b>
Mr. Shashikant Vishnupant Bugde <b>Designation:</b> Non-Executive Independent Director <b>Occupation:</b> Business	68	01490772	56/2, Om Bungalow, Saisadan Society, Santnagar, Near Aranyeshwar Mandir, Aranyeshwar, Pune-411009, Maharashtra.
Mr. Pramod Vinayak Apshankar <b>Designation:</b> Non-Executive Independent Director <b>Occupation:</b> Business	66	00019869	D7/1003, Lake Town, Bibwewadi, Pune-411037, Maharashtra, India

For details of our Directors, see the chapter titled "Our Management" on page 124 of this Prospectus.

### **Chief Financial Officer of our Company**

Our Company has appointed Mrs. Sheela Kailash Dhawale, as the Chief Financial Officer (CFO). The contact details are set forth hereunder:

#### **Mrs. Sheela Kailash Dhawale**

##### **Kranti Industries Limited**

Gat No.267/B/1, Post: - Pirangut,

Tal. Mulshi, Dist. Pune-412108,

Maharashtra, India

**Telephone:** +91-20-6675 5676

**Email:** shiladhawale@krantiindustries.com

### **Company Secretary and Compliance Officer of our Company**

#### **Mr. Bhavesh Subhash Selarka**

Kranti Industries Limited

Gat No.267/B/1, Post: - Pirangut,

Tal. Mulshi, Dist. Pune-412108.

Maharashtra, India

**Telephone:** +91-20-6675 5676

**Email:** cs@krantiindustries.com

Investors can contact our Company Secretary and Compliance Officer and/ or Registrar to the Offer and/ or Lead Manager in case of any pre- Offer or post- Offer related matters such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account, etc.

All grievances relating to the ASBA process including UPI may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The applicant should give full details such as name of the sole or first applicant, ASBA Form number, details of UPI IDs, applicant DP ID, Client ID, PAN, date of the ASBA Form, address of the applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the applicant. Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

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

### **Designated Intermediaries**

#### **Lead Manager to the Offer**

##### **FAST TRACK FINSEC PRIVATE LIMITED**

B-502, Statesman House, 148,

Barakhamba Road, New Delhi- 110001

**Telephone:** +91-11-43029809  
**Website:** [www.ftfinsec.com](http://www.ftfinsec.com)  
**Email:** [mb@ftfinsec.com](mailto:mb@ftfinsec.com)  
**Investor mail:** [investor@ftfinsec.com](mailto:investor@ftfinsec.com)  
**Contact person:** Mr. Pawan Kumar Mahur  
**SEBI registration number:** INM000012500

**Legal Counsel to the Offer**

**MV KINI, Law Firm**

Kini House, 6/39, Jangpura-B,  
New Delhi-110 014, India.  
**Telephone:** + 91-11-24371038/39/40, +91-9899016169  
**Facsimile:** +91-11-24379484  
**Website:** [www.mvkini.com](http://www.mvkini.com)  
**Email:** [raj@mvkini.com](mailto:raj@mvkini.com)  
**Contact Person:** Mrs. Raj Rani Bhalla

**Registrar to the Offer**

**LINK INTIME INDIA PRIVATE LIMITED**

C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg,  
Vikhroli (West), Mumbai 400 083  
**Telephone:** +91 22 49186200  
**Facsimile:** +91 22 49186195  
**Email:** [kranti.ipo@linkintime.co.in](mailto:kranti.ipo@linkintime.co.in)  
**Investor grievance email:** [kranti.ipo@linkintime.co.in](mailto:kranti.ipo@linkintime.co.in)  
**Contact Person:** Mr. Shanti Gopalkrishnan  
**Website:** [www.linkintime.co.in](http://www.linkintime.co.in)  
**SEBI Registration Number:** INR000004058  
**CIN:** U67190MH1999PTC118368

**Registrar to the Company**

**SHAREX DYNAMIC (INDIA) PRIVATE LIMITED**

Unit-1, Luthra Industrial Premises, Safed Pool,  
Andheri Kurla Road, Andheri (East),  
Mumbai-400 072, Maharashtra, India  
**Telephone:** +91 -22 - 2851 5606/44  
**Facsimile:** +91 - 22 - 2851 2885  
**Website:** [www.sharexindia.com](http://www.sharexindia.com)  
**Email:** [sharexindia@vsnl.com](mailto:sharexindia@vsnl.com)  
**Investor Grievance Email:** [kil.ipo@sharexindia.com](mailto:kil.ipo@sharexindia.com)  
**Contact Person:** Mr. K.C. Ajitkumar  
**SEBI registration number:** INR000002102  
**CIN:** U67190MH1994PTC077176

**Statutory Auditors**

**M/s ADV and ASSOCIATES,**

Chartered Accountants  
801-Empress Nucleus, Gaothan Road,  
Andheri East- 400069  
**Telephone:** +91-22-23832313  
**Email:** [advassociates@gmail.com](mailto:advassociates@gmail.com)  
**Firm registration no:** 128045W  
**Peer review number:** 011269  
**Contact Person:** Mr. Prakash Mandhaniya

# M/s ADV and Associates holds a valid peer reviewed certificate dated July 30, 2018 issued by the Institute of Chartered Accountants of India.

**Banker to the Company****HDFC BANK LIMITED**

21/6, 2<sup>nd</sup> Floor, MIT Marathon,  
Bundgarden, Pune -411004, Maharashtra.  
**Telephone/Mobile No:** +91 91722 63059  
**Email:** [utsav.dubey@hdfcbank.com](mailto:utsav.dubey@hdfcbank.com)  
**Website:** [www.hdfcbank.com](http://www.hdfcbank.com)  
**Contact Person:** Mr. Utsav Dubey

**Advisor to the Offer****360 Financial Consultants LLP**

26A Chetak Marg, behind JK loan hospital,  
JLN Marg, Jaipur-302015, Rajasthan, India.  
**Telephone:** +91-97848 42020  
**Website:** [www.360financials.com](http://www.360financials.com)  
**Email:** [vaibhavtotuka.28@gmail.com](mailto:vaibhavtotuka.28@gmail.com)  
**Contact person:** Mr. Vaibhav Totuka

**Bankers to the Offer/ Sponsor Bank/ Public Offer Account Bank****ICICI Bank Limited**

Capital Market Division,  
1st Floor,122, Mistry Bhavan, Dinshaw Vachha Road,  
Backbay Reclamation, Churchgate,  
Mumbai – 400020  
**Telephone:** 022- 66818933/23/24  
**Website:** [www.icicibank.com](http://www.icicibank.com)  
**Email:** [meghana.avala@icicibank.com](mailto:meghana.avala@icicibank.com)  
**Contact person:** Ms. Meghana Avala  
SEBI Registration Number: INBI00000004

**Statement of inter se allocation of Responsibilities for the Offer**

Fast Track Finsec Private Limited is the sole Lead Manager to the Offer and all the responsibilities relating to co-ordination and other activities in relation to the Offer shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

**Designated Intermediaries****1. Self-Certified Syndicate Banks (SCSBs)**

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, see the above-mentioned link.

**2. 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=yesandintmId=40>. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above mentioned SEBI link.

### 3. Registered Brokers

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 SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time. For details on Registered Brokers, please refer <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

### 4. Registrar to Offer and Share Transfer Agents

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit Application Forms through Collecting RTAs who are registrars and transfer agents registered with SEBI and have furnished their details to Stock Exchange for acting in such capacity.

The list of the RTAs eligible to accept application forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the websites of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

### 5. Collecting Depository Participants

In terms of SEBI circular no. CIR/CFD/ POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit Application Forms through CDPs who are depository participants registered with SEBI and have furnished their details to Stock Exchanges for acting in such capacity.

The list of the CDPs eligible to accept application forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of Stock Exchange at [www.bseindia.com](http://www.bseindia.com), as updated from time to time.

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time and updated from time to time

### 6. Brokers to the Offer

All brokers registered with SEBI and members of the Recognised Stock Exchange can act as brokers to the Offer.

#### Experts

Except the report of the Statutory Auditors namely, M/s. ADV and Associates, Chartered Accountants on statement of possible tax benefits and report on Restated Financial Statements as included in this Prospectus, our Company has not obtained any expert opinion.

#### Credit Rating

As the Offer is of Equity Shares, credit rating is not required.

#### Debenture Trustees

As the Offer is of Equity Shares, the appointment of Debenture trustees is not required.

#### IPO Grading

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

#### Monitoring Agency

In terms of Regulation 262(1) of the SEBI (ICDR) Regulations, the requirement of Monitoring Agency is not mandatory if the Offer size, excluding the size of Offer For sale by selling shareholder, is below ₹ 10,000 Lakhs. Since the Offer size is

only of ₹ 648.24 lakhs (excluding the size of Offer for Sale by Selling Shareholder), our Company has not appointed any monitoring agency for this Offer. 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 Offer.

**Appraising Agency**

Our Company has not appointed any appraising agency for appraisal of the Project.

**Filing of Offer Document**

The Draft Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 246 of SEBI (ICDR) Regulations. However, pursuant to sub regulation (5) of regulation 246, the copy of Draft Prospectus has been furnished to the board in a soft copy. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Prospectus along with the documents required to be filed under Section 32 of the Companies Act, 2013 has been delivered to the Registrar of Company, Pune, situated at PCNTDA Green Building, Block A, 1st and 2nd Floor, Near Akurdi Railway Station, Akurdi, Pune – 411044.

**Underwriter**

Our Company and the Lead Manager to the Offer hereby confirm that the Offer is 100% Underwritten.

The Underwriting Agreement entered into by our Company with the Underwriter is dated January 23, 2019. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriter are subject to certain conditions specified therein. The Underwriter has indicated their intention to underwrite the following number of specified securities being offered through this Offer. The details of the Underwriting commitments are as under:

<b>Name, Address, Telephone, Fax, and Email of the Underwriters</b>	<b>Indicated number of Equity Shares to be Underwritten</b>	<b>Amount Underwritten</b>	<b>% of the total Offer size Underwritten</b>
<b>FAST TRACK FINSEC PRIVATE LIMITED</b> B-502, Statesman House, 148 Barakhamba Road, New Delhi – 110001 <b>Telephone:</b> +91-11-43029809 <b>Email:</b> mb@ftfinsec.com <b>Investor Grievance Email:</b> investor@ftfinsec.com <b>Website:</b> www.ftfinsec.com <b>Contact Person:</b> Mr. Pawan Kumar Mahur <b>SEBI Reg. No:</b> INM000012500	23,19,000*	858.03	100%

*\*Includes 1,17,000 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 261 of the SEBI (ICDR) Regulations, 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.

**Changes in Auditors during Last Three Financial Years**

Except as mentioned below, there have been no changes in the Auditors in last three financial years preceding the date of this Prospectus.

<b>Particulars of previous Auditor</b>	<b>Effective Date</b>	<b>Reason</b>
<b>M/S. RAJASATYEN and ASSOCIATES,</b> Chartered Accountants 5, Rajani Gandha Apartments, Behind Congress House,	September 29, 2017	Term expire

Particulars of previous Auditor	Effective Date	Reason
Shivaji Nagar, Pune-411005. Tel No: +91-20-2552 0357 Email: <a href="mailto:raj@rsaglobal.in">raj@rsaglobal.in</a> Firm registration no: 115851W Contact Person: Mr. Rajasatyen Paradeshi		
M/S. SIDDHARTH BOGAWAT and ASSOCIATES, Chartered Accountants Office no. 44/17, Velankar Shopping Centre, Opp. Samartha Hospital, Mitramandal Chowk, Pune- 411009, Maharashtra Telephone: +91-20-24420840 Email: <a href="mailto:siddharthbogawat@gmail.com">siddharthbogawat@gmail.com</a> Firm registration no: 131626W Peer review No.: NA Contact Person: Mr. Siddharth Bogawat	September 29, 2017	Appointment
	October 05, 2018	Resignation (Casual Vacancy)
M/s ADV and ASSOCIATES, Chartered Accountants 801-Empress Nucleus, Gaothan Road, Andheri East- 400069 Telephone: +91-22-26832313 Email: <a href="mailto:advassociates@gmail.com">advassociates@gmail.com</a> Firm registration no: 128045W Peer review number: 011269 Contact Person: Mr. Prakash Mandhaniya	November 05, 2018	Appointment

\*Form ADT – 1 for the appointment of new auditor and ADT -3 for the resigning auditor has been filed by Company.

#### Details of Market Making Arrangement for the Offer

Our Company, Selling Shareholder and Lead Manager have entered into Market Making Agreement dated January 31, 2019 with the following Market Maker registered with BSE Limited in order to fulfil the obligations of Market Making.

#### Market Maker

Name	SMC Global Securities Limited
Address (Registered)	11/6B, Shanti Chambers, Pusa Road, New Delhi-110005, India
Address (Correspondence)	A-401/402, Lotus Corporate Park, Near Jai Coach, Off Western Express Highway, Goregaon (East), Mumbai-400063.
Tel No.	91-22-67341600
E-mail	<a href="mailto:vipulsharma@smcindiaonline.com">vipulsharma@smcindiaonline.com</a>
Contact Person	Mr. Vipul Sharma
Website	<a href="http://www.smcindiaonline.com">www.smcindiaonline.com</a>
SEBI Registration No.	INZ000199438

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

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

- 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).
- The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the BSE and SEBI from time to time.
- The minimum depth of the quote shall be ₹1,00,000. However, the investors with holdings of value less than

₹1,00,000 shall be allowed to offer their holding to the Market Maker(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.

4. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the BSE SME Platform (in this case currently the minimum trading lot size is 3,000 equity shares; however the same may be changed by the SME Platform of BSE from time to time).
5. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Offer Size. Any Equity Shares allotted to Market Maker under this Offer over and above 25% Equity Shares would not be taken in to consideration of computing the threshold of 25% of Offer Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Offer Size, the Market Maker will resume providing two (2) way quotes.
6. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
7. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
8. There would not be more than five (5) Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
9. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
10. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on SME Platform of BSE Limited and market maker will remain present as per the guidelines mentioned under BSE Limited and SEBI circulars.
11. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
12. 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.
13. The Market Maker(s) shall have the right to terminate said arrangement by giving a three (3) months notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s). In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations. Further our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five (5) 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. **Risk containment measures and monitoring for Market Makers:**

BSE SME Exchange will have all margins, which are applicable on the BSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
15. **Punitive Action in case of default by Market Makers:**

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

16. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Offer size up to ₹ 250 crores, the applicable price bands for the first day shall be:
- i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Offer price.

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.

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

17. 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 Offer size and as follows:

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

18. All the above mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

## SECTION VI: CAPITAL STRUCTURE

Our Company's share capital, as of the date of filing this Prospectus, before and after the proposed Offer, is set forth below:

Amount (₹ in Lakhs except share data)

No.	Particulars	Aggregate Value at Face Value	Aggregate value at Offer Price
<b>A.</b>	<b>Authorised Share Capital</b>		
	1,00,00,000 Equity Shares of ₹10 each	1000.00	--
<b>B.</b>	<b>Issued, Subscribed and Paid Up Capital before the Offer</b>		
	70,50,000 Equity Shares of ₹10 each	705.00	--
<b>C.</b>	<b>Present Offer in terms of this Prospectus</b>		
	Offer of 23,19,000 Equity Shares of face value ₹10.00 each at a price of ₹ 37.00 per Equity Share	231.90	858.03
	<b>Comprising</b>		
	Fresh Issue of 17,52,000 Equity Shares of face value ₹10.00 each at a price of ₹ 37.00 per Equity Share	175.20	648.24
	Offer for Sale of 5,67,000 Equity Shares of face value ₹10.00 each at a price of ₹37.00 per Equity Share	56.70	209.79
	<b>of which</b>		
	Market Maker Reservation Portion- 1,17,000 Equity Shares of face value of ₹ 10.00 each at a price of ₹ 37.00 per Equity Share	11.70	43.29
	Net Offer to Public* 22,02,000 Equity Shares of face value of ₹ 10.00 each at a price of ₹ 37.00 per Equity Share	220.20	814.74
	<b>of which</b>		
	Minimum 50% to retail individual investors aggregating to 11,01,000 Equity Shares of ₹ 10.00each at an Offer Price of ₹ 37.00 per Equity Share	110.10	407.37
	Balance 50% to Non -Retail investors aggregating to 11,01,000 Equity Shares of ₹ 10.00 each at an Offer Price of ₹ 37.00 per Equity Share	110.10	407.37
<b>D.</b>	<b>Issued, Subscribed and Paid-up Capital after the Offer</b>		
	88,02,000 Equity Shares of face value of ₹10.00 each	880.20	
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Offer	--	
	After the Offer	473.04	

\* For detailed information on the Net Issue and its allocation various categories, please refer chapter titled "The Offer" beginning on page no. 40 of this Prospectus.

<sup>(1)</sup>The Offer has been proposed and authorized by our Board pursuant to a resolution passed at its meeting held on October 11, 2018 and by our Equity Shareholders pursuant to a resolution passed at the EGM held on November 05, 2018.

<sup>(2)</sup> The Selling Shareholder i.e. Mrs. Basanti Kundanmal Vora has authorized to offer of 5,67,000 Equity Shares in the Offer for Sale by way of letter dated October 20, 2018. She has confirmed that the Equity Shares proposed to be offered and sold in the Offer are eligible to be offered for sale in accordance with the SEBI (ICDR) Regulations

The Company has only one class of share capital i.e. Equity Shares of face value of ₹ 10.00each only. All Equity Shares issued are fully paid-up.

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

### 1. Changes in the Authorized Share Capital of the Company since incorporation:

The Authorized Share Capital of our Company at the time of incorporation was ₹ 4.50 Lacs divided into 4,500 Equity Shares of ₹100.00 each. The following table gives the changes in the Authorized Capital post Incorporation of our Company:

Sr. No.	Particulars of Increase	Type of meeting	Date of shareholders' approval
1.	Increase in authorized capital from ₹4.50 Lacs to ₹ 9.50 Lacs comprising of 9,500 Equity shares of ₹100.00 each.	EGM	July 15, 1996
2.	Increase in authorized capital from ₹9.50 Lacs to ₹ 100.00 Lacs comprising of 1,00,000 Equity shares of ₹100.00 each.	EGM	February 08, 2002
3.	Increase in authorized capital from ₹ 100.00 Lacs to ₹ 200.00 Lacs comprising of 2,00,000 Equity shares of ₹100.00 each.	EGM	February 18, 2006
4.	Increase in authorized capital from ₹ 200.00 Lacs to ₹ 500.00 Lacs comprising of 5,00,000 Equity shares of ₹ 100.00 each.	EGM	September 22, 2008
5.	Increase in authorized capital from ₹ 500.00 Lacs to ₹1000.00 Lacs comprising of 10,00,000 Equity shares of ₹100.00 each.	EGM	March 11, 2011
6.	10,00,000 equity shares of ₹ 100.00 each sub-divided into 1,00,00,000 equity shares of ₹ 10.00 each	AGM	September 30, 2015

### Notes on Capital Structure:

#### 2. Equity Share capital history of our Company

The following is the history of the Equity Share capital of our Company:

Date of Allotment	Number of Equity Shares	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of allotment	Cumulative Number of Equity Shares	Cumulative Share Capital (₹)
On Incorporation	20	100.00	100.00	Cash	Subscription to the MoA <sup>(1)</sup>	20	2,000
March 31, 2003	41,996**	100.00	100.00	Cash	Further Allotment <sup>(2)</sup>	42,016	42,01,600
June 20, 2003	46,997	100.00	100.00	Cash	Further Allotment <sup>(3)</sup>	89,013	89,01,300
September 30, 2008	21,974	100.00	100.00	Cash	Further Allotment <sup>(4)</sup>	1,78,026	1,78,02,600
September 30, 2008	89,013	100.00	-	Other than Cash	#Bonus Issue <sup>(5)</sup>	2,00,000	2,00,00,000
March 11, 2011	2,00,000	100.00	-	Other than Cash	#Bonus Issue <sup>(6)</sup>	4,00,000	4,00,00,000
March 25, 2015	70,000	100.00	300.00	Other than Cash (Conversion of loan into Equity)	Right Issue <sup>(7)</sup>	4,70,000	4,70,00,000
September 06, 2015	2,35,000	100.00	-	Other than Cash	#Bonus Issue <sup>(8)</sup>	7,05,000	7,05,00,000
Sub-division of Nominal Value of 7,05,000 Equity shares of our Company from face value of ₹ 100.00 per Equity Share into 70,50,000 Equity Share of face value of ₹10.00 per Equity Share pursuant to resolution passed in Annual General Meeting dated September 30, 2015.							

<sup>#</sup>Bonus Issues dated September 30, 2008 have been made out of capitalization of Free Reserves (Profit and Loss Account).

<sup>#</sup>Bonus Issues dated March 11, 2011 have been made out of capitalization of Free Reserves (Profit and Loss Account).

<sup>#</sup>Bonus Issues dated September 06, 2015 have been made out of capitalization of Free Reserves (Securities Premium + Profit and Loss Account).

**\*\*We have placed reliance on the disclosures made in the Board minutes, to ascertain the details of the issue of Equity Shares, the nature of allotment and the nature of consideration since Form 2 for the relevant allotment is not present in the records of the Company and is not found in the records of the RoC, as certified by M/s. H. J Patel and Co., Company**

Secretary, under their search report dated December 06, 2018. For further information, please refer to risk factor no. 45 under chapter titled “Risk Factors” beginning on page 23 of the Prospectus.

**Notes:**

**1. The Initial Subscribers to the Memorandum of Association of our Company were:**

<b>Names of Allottees</b>	<b>Number of Equity Shares</b>
Mr. Subhash Kundanmal Vora	10
Mr. Shiv Prasad Kelkar	10
<b>Total</b>	<b>20</b>

**2. Further Allotment of 41,996 Equity Shares to:**

<b>Names of Allottees</b>	<b>Number of Equity Shares</b>
Mr. Subhash Kundanmal Vora	14,000
Mr. Vijay Kundanmal Vora	4,000
Mrs. Lata Vijay Vora	4,000
Mrs. Indubala Subhash Vora	4,999
Mrs. Basanti Kundanmal Vora	4,999
S.K. Vora HUF	4,999
V.K. Vora HUF	4,999
<b>Total</b>	<b>41,996</b>

**3. Further Allotment of 46,997 Equity Shares to:**

<b>Names of Allottees</b>	<b>Number of Equity Shares</b>
Mr. Subhash Kundanmal Vora	15,999
Mr. Vijay Kundanmal Vora	7,999
Mrs. Lata Vijay Vora	5,999
Mrs. Indubala Subhash Vora	4,000
Mrs. Basanti Kundanmal Vora	7,000
S.K. Vora HUF	1,500
Mrs. Sapna Sunil Gadiya	1,800
Mr. Sachin Subhash Vora	750
Mrs. Gunwanti Vora	650
Mrs. Rekha Oswal	1,300
<b>Total</b>	<b>46,997</b>

**4. Further Allotment of 21,974 Equity Shares:**

<b>Names of Allottees</b>	<b>Number of Equity Shares</b>
Mr. Subhash Kundanmal Vora	21,974
<b>Total</b>	<b>21,974</b>

**5. Bonus Issue of 89,013 Equity Shares to in the ratio of 1 equity shares for every 1 equity share held (1:1 Ratio):**

<b>Names of Allottees</b>	<b>Number of Equity Shares</b>
Mr. Subhash Kundanmal Vora	30,002
Mr. Vijay Kundanmal Vora	12,001
Mrs. Lata Vijay Vora	10,000
Mrs. Indubala Subhash Vora	8,999
Mrs. Basanti Kundanmal Vora	11,999
S.K. Vora HUF	6,498
V.K. Vora HUF	4,999
Mrs. Sapna Sunil Gadiya	1,800
Mrs. Sachin Subhash Vora	750
Mr. Sumit Subhash Vora	651
Mrs. Rekha Oswal	1,300
Mrs. Gunwanti Vora	1
Mrs. Sheela Dhawale	1
Mrs. Sarika Sachin Vora	1

<b>Names of Allottees</b>	<b>Number of Equity Shares</b>
Mrs. Chandanbala Oswal	1
Mr. Madanraj Jain	1
Mrs. Pistaben Madanraj Jain	1
Mrs. Lushita Sumit Vora	1
Mr. Rambhau Kawade	1
Mr. Dinesh Oswal	1
Mr. Kunal Vora	1
Mrs. Kavita Jain	1
Mr. Ramesh Oswal	1
Mr. Paresh Mehta	1
Mrs. Sangita Mehta	1
<b>Total</b>	<b>89,013</b>

**6. Bonus Issue of 2,00,000 Equity Shares to in the ratio of 1 equity shares for every 1 equity share held (1:1 Ratio):**

<b>Names of Allottees</b>	<b>Number of Equity Shares</b>
Mr. Subhash Kundanmal Vora	1,03,098
Mr. Vijay Kundanmal Vora	1
Mrs. Lata Vijay Vora	1
Mrs. Indubala Subhash Vora	20,002
Mrs. Basanti Kundanmal Vora	25,000
S.K. Vora HUF	13,000
V.K. Vora HUF	1
Mrs. Sapna Sunil Gadiya	9,000
Mr. Sachin Subhash Vora	13,000
Mr. Sumit Subhash Vora	11,000
Mrs. Rekha Oswal	2,600
Mrs. Gunwanti Vora	2
Mrs. Sheela Dhawale	10
Mrs. Sarika Sachin Vora	250
Mrs. Chandanbala Oswal	1
Mrs. Pistaben Madanraj Jain	2
Mrs. Lushita Sumit Vora	498
Mr. Dinesh Oswal	1
Mr. Kunal Vora	1
Mrs. Kavita Jain	10
Mr. Ramesh Oswal	2
Mr. Paresh Mehta	2507
Mrs. Sangeeta Mehta	2
Mr. Girish Mehta	2
Mrs. Ruchira Dharmadhikari	1
Mr. Dilip Deshpande	1
Mrs. Kiran Kitawat	1
Sachin Vora HUF	1
Sumit Vora HUF	1
Mrs. Jayashree Oswal	1
Mr. Akshay Vora	1
Mr. Tejraj Rathod	1
Mrs. Lilabai Rathod	1
<b>Total</b>	<b>2,00,000</b>

**7. Rights Issue of 70,000 Equity shares :**

Rights issue in the ratio of 1:2 (One Equity Share for every Two Equity Shares held on the record date i.e. March 06, 2015) was offered to all the existing shareholders.

Out of Equity Shareholders as on record date, 15 Shareholders did not make any application pursuant to the offer namely Mr. Vijay K. Vora, Mrs. Lata Vijay Vora, Mrs. Sheela Kailas Dhawale, Pistaben Madanraj Jain, Smt. Basanti Kundanmal Vora, Mr. Sachin Subhash Vora, Mr. Sumit Subhash Vora, Sangeeta Mehta, Paresh Mehta, Ruchira Dharmadhikari, Akshay Vora, Mr. Tejraj Rathod, Mr. Kailash Dhawale, Aman Vinod Jain, Hastimal Mehta.

The offered but unsubscribed rights were then distributed/allotted to such shareholders as mentioned below

<b>Names of Allottees</b>	<b>Number of Equity Shares</b>
Mrs. Indubala Subhash Vora	2,220
Mrs. Sapna Sunil Gadiya	5,000
Mrs. Sarika Sachin Vora	11,500
Mrs. Lushita Sumit Vora	6,504
Mrs. Rekha Oswal	5,800
Mrs. Kavita Jain	5,980
Sachin Vora HUF	16,498
Sumit Vora HUF	16,498
<b>Total</b>	<b>70,000</b>

**8. Bonus Issue of 2,35,000 Equity Shares in the ratio of 1 equity shares for every 2 equity share held (1:2 Ratio):**

<b>Names of Allottees</b>	<b>Number of Equity Shares</b>
Mrs. Indubala Subhash Vora	56,223
Mrs. Basanti Kundanmal Vora	25,003
Mr. Vijay Kundanmal Vora	1
Mrs. Lata Vijay Vora	1
Mrs. Sapna Sunil Gadiya	12,500
Mr. Sachin Subhash Vora	53,000
Mr. Sumit Subhash Vora	51,000
Mrs. Rekha Lodha	5,500
Mrs. Sheela Dhawale	9
Mrs. Sarika Sachin Vora	6,000
Mrs. Pistaben Madanraj Jain	2
Mrs. Lushita Sumit Vora	3,750
Mrs. Kavita Jain	3,000
Mr. Paresh Mehta	2,507
Mrs. Sangita Mehta	1
Mrs. R Dharmadhikari	1
Sachin Vora HUF	8,250
Sumit Vora HUF	8,250
Mr. Akshay Vora	1
Mr. Tejraj Rathod	1
<b>Total</b>	<b>2,35,000</b>

**9. Preference Share capital history of our Company**

Our Company does not have any preference share capital as on the date of this Prospectus.

**10. Details of Allotment made in the last two (2) years preceding the date of this Prospectus**

Our Company has not made any allotment in last 2 (two) years preceding the date of this Prospectus.

**11. Equity Shares issued for consideration other than cash**

As on date of this Prospectus, our Company has not issued and allotted any Equity Shares for consideration other than cash except for Bonus shares issued and allotted on September 30, 2008, March 11, 2011 and September 06, 2015 as mentioned in Note No. 2. Brief details of the same are mentioned as under:

Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Issue Price (₹)	Reasons for allotment	Benefit accrued to our Company	Allottees	No. of Shares allotted
September 30, 2008	89,013	100.00	-	Bonus Shares	Capitalization of Reserves	Please refer note (i)	Please refer note (i)
March 11, 2011	2,00,000	100.00	-	Bonus Shares	Capitalization of Reserves	Please refer note (ii)	Please refer note (ii)
September 06, 2015	2,35,000	100.00	-	Bonus Shares	Capitalization of Reserves	Please refer note (iii)	Please refer note (iii)

(i) **Bonus Issue dated September 30, 2008 of 89,013 Equity Shares to in the ratio of 1 equity shares for every 1 equity share held**

Names of Allottees	Number of Equity Shares
Mr. Subhash Kundanmal Vora	30,002
Mr. Vijay Kundanmal Vora	12,001
Mrs. Lata Vijay Vora	10,000
Mrs. Indubala Subhash Vora	8,999
Mrs. Basanti Kundanmal Vora	11,999
S.K. Vora HUF	6,498
V.K. Vora HUF	4,999
Mrs. Sapna Sunil Gadiya	1,800
Mrs. Sachin Subhash Vora	750
Mr. Sumit Subhash Vora	651
Mrs. Rekha Oswal	1,300
Mrs. Gunwanti Vora	1
Mrs. Sheela Dhawale	1
Mrs. Sarika Sachin Vora	1
Mrs. Chandanbala Oswal	1
Mr. Madanraj Jain	1
Mrs. Pistaben Madanraj Jain	1
Mrs. Lushita Sumit Vora	1
Mr. Rambhau Kawade	1
Mr. Dinesh Oswal	1
Mr. Kunal Vora	1
Mrs. Kavita Jain	1
Mr. Ramesh Oswal	1
Mr. Paresh Mehta	1
Mrs. Sangeeta Mehta	1
<b>Total</b>	<b>89,013</b>

(ii) **Bonus Issue dated March 11, 2011 of 2,00,000 Equity Shares to in the ratio of 1 equity shares for every 1 equity share held**

Names of Allottees	Number of Equity Shares
Mr. Subhash Kundanmal Vora	1,03,098
Mr. Vijay Kundanmal Vora	1
Mrs. Lata Vijay Vora	1
Mrs. Indubala Subhash Vora	20,002
Mrs. Basanti Kundanmal Vora	25,000
S.K. Vora HUF	13,000
V.K. Vora HUF	1
Mrs. Sapna Sunil Gadiya	9,000
Mr. Sachin Subhash Vora	13,000
Mr. Sumit Subhash Vora	11,000
Mrs. Rekha Oswal	2,600
Mrs. Gunwanti Vora	2

<b>Names of Allottees</b>	<b>Number of Equity Shares</b>
Mrs. Sheela Dhawale	10
Mrs. Sarika Sachin Vora	250
Mrs. Chandanbala Oswal	1
Mrs. Pistaben Madanraj Jain	2
Mrs. Lushita Sumit Vora	498
Mr. Dinesh Oswal	1
Mr. Kunal Vora	1
Mrs. Kavita Jain	10
Mr. Ramesh Oswal	2
Mr. Paresh Mehta	2507
Mrs. Sangita Mehta	2
Mr. Girish Mehta	2
Mrs. Ruchira Dharmadhikari	1
Mr. Dilip Deshpande	1
Mrs. Kiran Kitawat	1
Sachin Vora HUF	1
Sumit Vora HUF	1
Mrs. Jayashree Oswal	1
Mr. Akshay Vora	1
Mr. Tejraj Rathod	1
Mrs. Lilabai Rathod	1
<b>Total</b>	<b>2,00,000</b>

(iii) **Bonus Issue dated September 06, 2015 of 2,35,000 Equity Shares in the ratio of 1 equity shares for every 2 equity share held**

<b>Names of Allottees</b>	<b>Number of Equity Shares</b>
Mrs. Indubala Subhash Vora	56,223
Mrs. Basanti Kundanmal Vora	25,003
Mr. Vijay Kundanmal Vora	1
Mrs. Lata Vijay Vora	1
Mrs. Sapna Sunil Gadiya	12,500
Mr. Sachin Subhash Vora	53,000
Mr. Sumit Subhash Vora	51,000
Mrs. Rekha Lodha	5,500
Mrs. Sheela Dhawale	9
Mrs. Sarika Sachin Vora	6,000
Mrs. Pistaben Madanraj Jain	2
Mrs. Lushita Sumit Vora	3,750
Mrs. Kavita Jain	3,000
Mr. Paresh Mehta	2,507
Mrs. Sangita Mehta	1
Mrs. Ruchira Dharmadhikari	1
Sachin Vora HUF	8,250
Sumit Vora HUF	8,250
Mr. Akshay Vijay Vora	1
Mr. Tejraj Rathod	1
<b>Total</b>	<b>2,35,000</b>

**12.** As on the date of this Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under sections 391-394 of the Companies Act, 1956 or sections 230- 240 of the Companies Act, 2013.

**13.** Our Company has not issued any shares pursuant to an Employee Stock Option Scheme.

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

**15. Issue of Equity Shares at a price lower than the Offer Price in the last one (1) year:**

Our Company has not made any issue of specified securities at a price lower than the Offer Price during the preceding one (1) year from the date of filing of this Prospectus.

**16. Shareholding Pattern of our company**

The table below presents the shareholding pattern of our Company as per SEBI (LODR) Regulations, 2015.

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares under Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								Equity shares	Class	Total			No. (a)	As a % of total Shares held (b)	No(a)	As a % of total Shares held (b)		
																		Total as a % of (A+B+C)
(A)	Promoters and Promoter Group	14	69,74,330	Nil	Nil	69,74,330	98.93	69,74,330	Nil	69,74,330	98.93	Nil	98.93	Nil	Nil	Nil	Nil	69,74,330
(B)	Public	9	75,670	Nil	Nil	75,670	1.07	75,670	Nil	75,670	1.07	Nil	1.07	Nil	Nil	Nil	Nil	75,670
(C)	Non-Promoter- Non Public	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(C1)	Shares underlying DRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(C2)	Shares held by Employee Trusts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	<b>Total</b>	<b>23</b>	<b>70,50,000</b>	<b>Nil</b>	<b>Nil</b>	<b>70,50,000</b>	<b>100.00</b>	<b>70,50,000</b>	<b>Nil</b>	<b>70,50,000</b>	<b>100.00</b>	<b>Nil</b>	<b>100.00</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>70,50,000</b>

**Notes:**

- We have already entered tripartite agreement with NSDL and CDSL dated January 27, 2016 and December 22, 2015 and have received the ISIN – INE911T01010.
- In terms of SEBI Circulars bearing nos. Cir/ISD/3/2011 and SEBI/Cir/ISD/05/2011 dated June 17, 2011 and September 30, 2011 respectively, the Equity Shares held by our Promoters and Promoter Group are in dematerialized form as on date of filing of this Prospectus;
- Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one (1) day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the website of BSE before commencement of trading of such Equity Shares.

**17. The list of the shareholders of the company holding 1% or more of the paid up share capital aggregating to 80% or more of the paid up share capital of the company:**

i. As on the date of this Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Pre Offer paid up Equity Shares
1.	Mrs. Indubala Subhash Vora	16,86,700	23.93
2.	Mr. Sachin Subhash Vora	15,90,000	22.55
3.	Mr. Sumit Subhash Vora	15,30,030	21.70
4.	Mrs. Basanti Kundanmal Vora	7,50,000	10.64
5.	Mrs. Sapna Sunil Gadiya	3,75,000	5.32
	<b>Total</b>	<b>59,31,730</b>	<b>84.13</b>

ii. Ten days prior to the date of this Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Pre Offer paid up Equity Shares
1.	Mrs. Indubala Subhash Vora	16,86,700	23.93
2.	Mr. Sachin Subhash Vora	15,90,000	22.55
3.	Mr. Sumit Subhash Vora	15,30,030	21.70
4.	Mrs. Basanti Kundanmal Vora	7,50,000	10.64
5.	Mrs. Sapna Sunil Gadiya	3,75,000	5.32
	<b>Total</b>	<b>59,31,730</b>	<b>84.13</b>

iii. One year prior to the date of this Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Pre Offer paid up Equity Shares
1.	Mrs. Indubala Subhash Vora	16,86,700	23.93
2.	Mr. Sachin Subhash Vora	15,90,000	22.55
3.	Mr. Sumit Subhash Vora	15,30,030	21.70
4.	Mrs. Basanti Kundanmal Vora	7,50,000	10.64
5.	Mrs. Sapna Sunil Gadiya	3,75,000	5.32
	<b>Total</b>	<b>59,31,730</b>	<b>84.13</b>

iv. Two years prior to the date of this Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Pre Offer paid up Equity Shares
1.	Mrs. Indubala Subhash Vora	16,86,700	23.93
2.	Mr. Sachin Subhash Vora	15,90,000	22.55
3.	Mr. Sumit Subhash Vora	15,30,030	21.70
4.	Mrs. Basanti Kundanmal Vora	7,50,000	10.64
5.	Mrs. Sapna Sunil Gadiya	3,75,000	5.32
	<b>Total</b>	<b>59,31,730</b>	<b>84.13</b>

18. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of this 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 offer, 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.

19. Except Mr. Paresh Mehta who is holding 75,210 equity shares, none of our public shareholders are holding more than 1% of the pre- Offer share capital of our Company.

## 20. Build-up of our Promoter's Shareholding, Promoter's Contribution and Lock-in

### i. Build-up of our Promoter's shareholding in our Company

The current Promoters of our Company are Mrs. Indubala Subhash Vora, Mr. Sachin Subhash Vora and Mr. Sumit Subhash Vora. As on the date of this Prospectus, our Promoters collectively hold 48,06,730 Equity Shares, which constitutes approximately 68.18% of the issued, subscribed and paid-up Equity Share capital of our Company.

None of the Equity Shares held by our Promoters are subject to any pledge.

Set forth below is the build-up of the equity shareholding of our Promoters, since the incorporation of our Company.

### Mr. Sachin Subhash Vora

Date of Allotment/ Acquisition / Sale	Number of Equity Shares	Face Value per Equity Share (₹)	Issue/ Acquisition / Sale Price per Equity Share (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	% of Pre Offer paid up Equity Shares	% of post Offer paid up Equity Share	Pledge
January 31, 2002	1	100.00	100.00	Cash	Transfer from Mr. Subhash Kundanmal Vora	Negligible	Negligible	No
February 20, 2002	(1)	100.00	100.00	Cash	Transfer to Mr. Subhash Kundanmal Vora	Negligible	Negligible	No

Date of Allotment/ Acquisition / Sale	Number of Equity Shares	Face Value per Equity Share (₹)	Issue/ Acquisition / Sale Price per Equity Share (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	% of Pre Offer paid up Equity Shares	% of post Offer paid up Equity Share	Pledge	
June 20, 2003	750	100.00	100.00	Cash	Further Allotment	0.11	0.09	No	
September 30, 2008	750	100.00	Nil	Other than Cash	Bonus Issue	0.11	0.09	No	
July 20, 2009	500	100.00	100.00	Cash	Transfer from Mr. Subhash Kundanmal Vora	0.07	0.06	No	
October 13, 2009	11,000	100.00	100.00	Cash	Transfer from Mrs. Lata Vora	1.56	1.25	No	
March 11, 2011	13,000	100.00	Nil	Other than Cash	Bonus Issue	1.84	1.48	No	
September 01, 2011	80,000	100.00	Nil	Nil###	Transmission of shares from Subhash Vora##	11.35	9.09	No	
September 06, 2015	53,000	100.00	-	Other Than Cash	Bonus Issue	7.52	6.02	No	
<b>Total</b>	<b>1,59,000</b>					<b>22.55</b>	<b>18.06</b>		
	<b>15,90,000</b>	<b>Total No. of share after Subdivision of equity shares of ₹100.00 each to ₹10.00 each</b>					<b>22.55</b>	<b>18.06</b>	

**Mr. Sumit Subhash Vora**

Date of Allotment/ Acquisition / Sale	Number of Equity Shares	Face Value per Equity Share (₹)	Issue/ Acquisition / Sale Price per Equity Share (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	% of Pre Offer paid up Equity Shares	% of post Offer paid up Equity Share	Pledge
December 15, 2006	1	100.00	100.00	Cash	Transfer from Mr. Subhash Kundanmal Vora HUF	Negligible	Negligible	No
July 18, 2008	650	100.00	100.00	Cash	Transfer from Mrs. Gunwanti Vora	0.09	0.07	No
September 30, 2008	651	100.00	Nil	Other than Cash	Bonus Issue	0.09	0.07	No
July 20, 2009	698	100.00	100.00	Cash	Transfer from Mr. Subhash Kundanmal Vora	0.10	0.08	No
October 13, 2009	9,000	100.00	100.00	Cash	Transfer from Mrs. Lata Vora	1.28	1.02	No
March 11,	11,000	100.00	Nil	Other than	Bonus Issue	1.56	1.25	No

Date of Allotment/ Acquisition / Sale	Number of Equity Shares	Face Value per Equity Share (₹)	Issue/ Acquisition / Sale Price per Equity Share (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	% of Pre Offer paid up Equity Shares	% of post Offer paid up Equity Share	Pledge	
2011				Cash					
September 01, 2011	80,000	100.00	Nil	Nil###	Transmission of shares from Subhash Vora##	11.35	9.09	No	
September 06, 2015	51,000	100.00	-	Other Than Cash	Bonus Issue	7.23	5.79	No	
September 10, 2015	3	100.00	150.00	Cash	Transfer from Mrs. Basanti Kundanmal Vora	Negligible	Negligible	No	
<b>Total</b>	<b>1,53,003</b>					<b>21.70</b>	<b>17.38</b>	<b>-</b>	
	<b>15,30,030</b>	<b>Total No. of share after Subdivision of equity shares of ₹100.00 each to ₹10.00 each</b>					<b>21.70</b>	<b>17.38</b>	<b>-</b>

**Mrs. Indubala Subhash Vora**

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value per Equity Share (₹)	Issue/ Acquisition / Sale Price per Equity Share (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	% of Pre Offer paid up Equity Shares	% of post Offer paid up Equity Share	Pledge
January 31, 2002	1	100.00	100.00	Cash	Transfer from Mr. Subhash Kundanmal Vora	Negligible	Negligible	No
February 20, 2002	(1)	100.00	100.00	Cash	Transfer to Mr. Subhash Kundanmal Vora	Negligible	Negligible	No
March, 31, 2003	4,999	100.00	100.00	Cash	Further Allotment	0.71	0.57	No
June 20, 2003	4,000	100.00	100.00	Cash	Further Allotment	0.57	0.45	No
September 30, 2008	8,999	100.00	Nil	Bonus Issue	Bonus Issue (Ratio 1:1)	1.28	1.02	No
July 20, 2009	2,004	100.00	100.00	Cash	Transfer from Mr. Subhash Kundanmal Vora	0.28	0.23	No
March 11, 2011	20,002	100.00	Nil	Other than Cash	Bonus Issue	2.84	2.27	No
September 01, 2011	26,000	100.00	Nil	Nil###	Transmission of shares from S. K. Vora	3.69	2.95	No

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value per Equity Share (₹)	Issue/ Acquisition/ Sale Price per Equity Share (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	% of Pre Offer paid up Equity Shares	% of post Offer paid up Equity Share	Pledge
					(HUF)##			
September 01, 2011	44,196	100.00	Nil	Nil###	Transmission of shares from Mr. Subhash Kundanmal Vora##	6.27	5.02	No
December 30, 2014	2	100.00	100.00	Cash	Transfer from Mrs. Lilabai Rathod	Negligible	Negligible	No
	2				Transfer from Mrs. Jayshree Oswal	Negligible	Negligible	
	2				Transfer from V.K. Vora HUF	Negligible	Negligible	
	4				Transfer from Mrs. Gunwanti Vora	Negligible	Negligible	
	1				Transfer from Mr. Dinesh Oswal	Negligible	Negligible	
	1				Transfer from Mrs. Chandanbala Oswal	Negligible	Negligible	
	2				Transfer from Mr. Kunal Vora	Negligible	Negligible	
	4				Transfer from Mr. Ramesh Oswal	Negligible	Negligible	
	4				Transfer from Mr. Girish Jain	Negligible	Negligible	
	2				Transfer from Mr. Dilip Deshpande	Negligible	Negligible	
	2				Transfer from Mrs. Kiran Kitawat	Negligible	Negligible	
	1				Transfer from Mrs. Chandanbala Chopra	Negligible	Negligible	
	March 25, 2015				2,220	100.00	300.00	
September 06, 2015	56,223	100.00	-	Other Than Cash	Bonus Issue	7.97	6.39	No
<b>Total</b>	<b>1,68,670</b>					<b>23.93</b>	<b>19.16</b>	

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value per Equity Share (₹)	Issue/ Acquisition/ Sale Price per Equity Share (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	% of Pre Offer paid up Equity Shares	% of post Offer paid up Equity Share	Pledge
	16,86,700	Total No. of share after Subdivision of equity shares of ₹100.00 each to ₹10.00 each				23.93	19.16	

#Allotment of Equity Shares has been made at a face value of ₹100.00 each. However, pre- Offer and post- Offer percentages have been calculated on the basis of face value of ₹10.00 each.

## **For transmission of shares from Late Shri Subhash Vora:** Shares transferred pursuant to a Family Settlement Deed dated August 16, 2011 made between Indubala Subhash Vora, Sachin Subhash Vora, Sumit Subhash Vora, Basanti Kundanmal Vora and Sapna Sunil Gadiya (formerly known as Sapna Subhash Vora) all legal heirs of Late Subhash Vora, whereby all the assets and liabilities of Late Subhash Vora were distributed among the aforesaid legal heirs.

## **For transmission of shares from Subhash Vora HUF:** (As per Family Settlement Deed all assets and liabilities of Subhash Vora HUF would devolve upon Indubala Subhash Vora only) :- Shares transferred to Indubala Subhash Vora pursuant to a Family Settlement Deed dated August 16, 2011 made between Indubala Subhash Vora, Sachin Subhash Vora, Sumit Subhash Vora, Basanti Kundanmal Vora and Sapna Sunil Gadiya (formerly known as Sapna Subhash Vora) all legal heirs of Late Subhash Vora, whereby all the assets and liabilities of Late Subhash Vora were distributed among the aforesaid legal heirs.

### For calculation of Cost of acquisition of promoters in case of share transmission, cost of deceased shareholder (Late Mr. Subhash Vora) has been considered.

All the Equity Shares held by our Promoters were fully paid up as on the respective dates of acquisition of such Equity Shares. Our Promoters have confirmed to our Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed of by them for such purpose.

As on the date of this Prospectus, none of the Equity Shares held by our Promoters are subject to any pledge. Our Company has not issued any preference shares to our Promoters as on the date of this Prospectus.

## ii. Details of Promoters' Contribution Locked-in for Three (3) Years

Pursuant to Regulations 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20% of the fully diluted post- Offer equity share capital of our Company held by our Promoters shall be considered as the minimum Promoter's contribution ("**Promoters Contribution**") and shall be locked- in for a period of three (3) years from the date of Allotment of equity shares issued pursuant to this offer. 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.

As on the date of this Prospectus, our Promoters collectively hold 48,06,730 Equity Shares constituting 54.61 % of the Post-offer issued, subscribed and paid-up Equity Share capital of our Company, which are eligible for the Promoters' Contribution.

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 49.83 % of the post offer 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 offer.

Name of Promoter	Date of Allotment/ transfer / made fully paid up	No. of Equity shares locked-in*#	Face Value	Issue Price	Nature of transaction	% of Post Offer shareholding	Lock in Period
Mr. Sachin Subhash	March 11, 2011	13,000	100.00	-	Bonus Issue	1.48	3 Years

Vora	September 01, 2011	80,000	100.00	-	Transmission of shares from Mr. Subhash Kundanmal Vora	9.09
	September 06, 2015	53,000	100.00	-	Bonus Issue	6.02
Mr. Sumit Subhash Vora	March 11, 2011	11,000	100.00	-	Bonus Issue	1.25
	September 01, 2011	80,000	100.00	-	Transmission of shares from Mr. Subhash Kundanmal Vora	9.09
	September 06, 2015	51,000	100.00	-	Bonus Issue	5.79
Mrs. Indubala Subhash Vora	July 20, 2009	2004	100.00	100.00	Transfer from Mr. Subhash Kundanmal Vora	0.23
	March 11, 2011	20,002	100.00	-	Bonus Issue	2.27
	September 01, 2011	26,000	100.00	-	Transmission of shares from Mr. Subhash Kundanmal Vora(HUF)	2.95
	September 01, 2011	44,196	100.00	-	Transmission of shares from Mr. Subhash Kundanmal Vora	5.02
	March 25, 2015	2,220	100.00	300	Right Issue	0.25
	September 06, 2015	56,223	100.00	-	Bonus Issue	6.39
<b>Total</b>		<b>4,38,645</b>				<b>49.83</b>

\*Assuming full subscription to the Offer.

#Allotment of Equity Shares has been made at a face value of ₹100.00 each. However, post- Offer percentages have been calculated on the basis of face value of ₹10.00 each.

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 237 of the SEBI (ICDR) Regulations. In connection, we confirm the following:

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

- d) The Equity Shares held by the Promoters and offered for minimum Promoters' contribution are not subject to any pledge;
- e) All the Equity Shares of our Company held by the Promoters are in the dematerialized; 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**

Pursuant to regulation 238(b) and 239 of the SEBI (ICDR) Regulations, other than the above Equity Shares that are locked in for three years, the entire pre-offer Equity Share capital of our Company shall be locked-in for a period of one year from the date of allotment in the Public offer.

iv. **Other requirements in respect of lock-in:**

Pursuant to Regulation 242 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 242(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 Offer.

Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the specified securities till the lock-in period stipulated in these regulations has expired.

The Equity Shares held by our Promoters which are locked-in may be transferred to and amongst the Promoter Group entities or to any new promoter or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Regulations, as applicable.

Further, pursuant to Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters prior to the offer may be transferred to any other person holding the equity shares which are locked-in as per Regulation 239 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 and in compliance with the Takeover Code, as applicable.

We further confirm that our Promoters' Contribution of 49.83 % of the post offer Equity Share capital does not include any contribution from Alternative Investment Fund, foreign venture capital investors, scheduled commercial banks, public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India.

21. As on date of this Prospectus, our Company has Twenty Three (23) shareholders.
22. None of the Promoters, Promoter Group, Directors of our Company and their relatives have purchased or sold any Equity Shares of our Company, during a period of 6 (six) months preceding the date of this Prospectus..
23. There are no financing arrangements wherein the Promoters, Promoter Group, the Directors of our Company and 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 the financing entity during the period of 6 (six) months immediately preceding the date of filing of the Prospectus.
24. There were no shares purchased/sold by the Promoters and Promoter Group, directors and their relatives during last six months.
25. **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:**

The table below presents the shareholding of our Promoters and Promoter Group, who hold Equity Shares as on the date of filing of this Prospectus:

Name	Pre Offer		Post Offer	
	No. of Equity Shares	% of Pre Offer paid up Equity Shares	No. of Shares	% of Post Offer paid up Equity Shares
<b>Promoters</b>				
Mr. Sachin Subhash Vora	15,90,000	22.55	15,90,000	18.06
Mr. Sumit Subhash Vora	15,30,030	21.70	15,30,030	17.38
Mrs. Indubala Subhash Vora	16,86,700	23.93	16,86,700	19.16
<b>Promoter Group</b>				
Mr. Vijay Kundanmal Vora	30	Negligible	30	Negligible
Ms. Sapna Sunil Gadiya	3,75,000	5.32	3,75,000	4.26
Mrs. Basanti Kundanmal Vora	7,50,000	10.64	1,83,000	2.08
Mrs. Rekha K. Lodha	1,65,000	2.34	1,65,000	1.87
Mrs. Kavita V. Jain	90,000	1.28	90,000	1.02
Mrs. Sarika Sachin Vora	1,80,000	2.55	1,80,000	2.04
Mrs. Lushita Sumit Vora	1,12,500	1.60	1,12,500	1.28
Mrs. Sangita H Mehta	40	Negligible	40	Negligible
Sachin Vora (HUF)	2,47,500	3.51	2,47,500	2.81
Sumit Vora (HUF)	2,47,500	3.51	2,47,500	2.81
Mr. Tejraj Rathod	30	Negligible	30	Negligible
<b>Total</b>	<b>69,74,330</b>	<b>98.93</b>	<b>64,07,330</b>	<b>72.79</b>

26. The average cost of acquisition of or subscription of shares by our Promoter is set forth in the table below:

Name of the Promoter	No. of Shares held	Average cost of Acquisition (₹ Per share)
Mr. Sachin Subhash Vora	15,90,000	2.55
Mr. Sumit Subhash Vora	15,30,030	2.53
Mrs. Indubala Subhash Vora	16,86,700	2.36

27. The Lead Manager and their respective associates do not hold any Equity Shares as on the date of this Prospectus.

28. The Lead Manager and their respective affiliates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company, for which they may in the future receive customary compensation.

29. Except as mentioned below, none of the Directors and KMP's hold Equity Shares in our Company as on the date of this Prospectus:

Name	Designation	No. of Equity Shares held
Mr. Sachin Subhash Vora	Chairman and Managing Director	15,90,000
Mr. Sumit Subhash Vora	Whole time Director	15,30,030
Mrs. Indubala Subhash Vora	Non- Executive Director	16,86,700
Mrs. Sheela Dhawale	CFO	280
<b>Total</b>		<b>48,07,010</b>

30. We have not granted any options or issued any shares under any employee stock option or employees stock purchase scheme and we do not intend to allot any Equity Shares to our Employees under ESOS/ESOP scheme from Proposed Offer.

31. Neither the Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of this Prospectus.

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

33. We shall ensure that transactions in Equity Shares by the Promoter and members of the Promoter Group, if any, between the date of filing the Draft Prospectus and the Offer Closing Date shall be reported to the Stock Exchanges within 24 hours of such transactions being completed. The Selling Shareholders shall not transfer their Equity Shares during the period commencing from submission of the Draft Prospectus with Stock Exchange until the final approval on Basis of Allotment has been obtained from the Stock Exchange for the Equity Shares Allotted/ to be Allotted pursuant to the Offer except for transfer the Equity Shares held by them to demat escrow account as mutually agreed between our Company, Selling Shareholder and the Lead Manager.
34. Our Company, our Promoters, members of our Promoter Group, our Directors and the Lead Manager has not entered into any buy-back and/or standby arrangements for the purchase of Equity Shares being offered through this Offer from any person.
35. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Prospectus. There are no outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Prospectus.
36. As per RBI regulations, OCBs are not allowed to participate in this Offer.
37. Our Company has not raised any bridge loans against the proceeds of the Offer.
38. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
39. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
40. An applicant cannot make an application for more than the number of Equity Shares being issued through this Offer, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
41. 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 offer.
42. Except for the equity shares offered by our promoter(s) group, our Promoters and the members of our Promoter Group will not participate in this Offer.
43. Our Company has not made any public issue since its incorporation.
44. For the details of transactions by our Company with our Promoter Group, Group Companies during the financial years ended March 31, 2018, 2017 and 2016 and for the period ended September 30, 2018, please refer to paragraph titled Details of Related Parties Transactions as restated in the chapter titled “Financial Statements” on page 144of this Prospectus.
45. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled “Our Management” beginning on page 124 of this Prospectus.

## SECTION VII: PARTICULAR OF THE OFFER

### OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue of 17,52,000 Equity Shares, aggregating to ₹ 648.24 Lakhs by our Company and an Offer for Sale of 5,67,000 Equity Shares, aggregating to ₹ 209.79 Lakhs by the Selling Shareholder.

#### The Offer for Sale

The Selling Shareholder will be entitled to the proceeds from the Offer for Sale. Our Company will not receive any proceeds from the Offer for Sale. Except for the listing fees which shall be solely borne by our Company, all Offer expenses will be shared, upon successful completion of the Offer, between our Company and the Selling Shareholder on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Issue and the Offered Shares sold by the Selling Shareholder in the Offer for Sale, as mutually agreed and in accordance with applicable laws.

#### The Fresh Issue

The Issue includes a Fresh Issue up to 17,52,000 Equity Shares, aggregating to ₹ 648.24 Lakhs by our Company. We intend to utilize the proceeds of the Fresh Issue to meet the following objects:

- To meet working capital requirement
- General corporate expenses, and
- To meet the Offer expenses

(together, the “**Objects of the Fresh Issue**”)

Further, our company expects that the listing of the Equity Shares will enhance our visibility and our brand image. The listing of our share will also provide a public market for the Equity Shares in India

The main objects clause of our Memorandum of Association enables us to undertake the activities for which the funds are being raised by us in the Fresh Issue. Further, the activities we have been carrying out until now are in accordance with the main objects clause of our Memorandum of Association.

#### Requirements of funds:

The following table summarizes the requirement of funds:

**Amount (In ₹ Lakhs)**

Particulars	Amount
To Meet Working Capital Requirement	430.00
General corporate purposes	138.16
Offer Expenses	80.08
<b>Gross Offer Proceeds</b>	<b>648.24</b>
<b>Less: Offer Expenses</b>	<b>80.08</b>
<b>Net Offer Proceeds (“Net Proceeds”)</b>	<b>568.16</b>

Our fund requirements and deployment thereof are based on internal management estimates of our current business plans and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs or in other financial conditions, business strategy, as discussed further below.

### Utilization of Net Proceeds:

The Net Proceeds are currently expected to be utilized in accordance with the schedule as set forth below:

Particulars	Amount (In ₹ Lakhs)		
	Estimated Amount	Percentage of Gross Offer Proceeds	Percentage of Net Offer Proceeds
To Meet Working Capital Requirement	430.00	66.33	75.68
General corporate purposes	138.16	21.31	24.32
<b>Total</b>	<b>568.16</b>	<b>87.65</b>	<b>100.00</b>

### Schedule of implementation and deployment of Funds

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

Particulars	Amount (In ₹ Lakhs)		
	Amount to be funded from the Net Proceeds	Estimated Utilization of Net Proceeds* (In FY 2019)	Amount deployed till date^
To Meet Working Capital Requirement	430.00	430.00	Nil
General corporate purposes	138.16	138.16	Nil

\*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.

^Up to February 04, 2019, Our Company has deployed/incurred expense of ₹ Nil towards Working Capital Requirement and General corporate purposes, as per duly certified by Statutory Auditor M/s ADV and ASSOCIATES, Chartered Accountants vide its certificate dated February 04, 2019.

### Means of Finance

We intend to completely finance the Objects from the Net Proceeds, share capital, internal accruals and financing from banks and financial institutions including non-banking financial institutions. Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 230(1)(e) 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 Offer Proceeds and existing identifiable internal accruals.

Our fund requirements and deployment of the Net Proceeds are based on internal management estimates as per our business plan approved by our Board based on current market conditions, and have not been appraised by any bank, financial institution or other independent agency. In view of the competitive environment of the industry in which we operate, we may have to revise our business plan from time to time and consequently our capital and operational expenditure requirements may also change. Our Company's historical capital and operational expenditure may not be reflective of our future expenditure plans. We may have to revise our estimated costs, fund allocation and fund requirements owing to factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management.

In case of any increase in the actual utilization of funds earmarked for the Objects of the Fresh Issue, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals and any additional equity and/or debt arrangements. If the actual utilization towards any of the Objects of the Fresh Issue is lower than

the proposed deployment such balance will be used for future growth opportunities including funding existing Objects of the Fresh Issue, if required and general corporate purposes. In the event that estimated utilization out of the Net Proceeds in a fiscal is not completely met, the same shall be utilized in the next fiscal. Any such change in our plans may require rescheduling of our expenditure programs and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds.

## Details of the Objects

### 1. Funding working capital requirements

Our business is working capital intensive. The Company will meet the requirement to the extent ₹ 430.00 Lakhs from the Net Proceeds of the Offer and balance portion will be met through internal accruals.

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

On the basis of our existing working capital requirements our Board pursuant to their resolution dated December 14, 2018 has approved the business plan for Fiscal 2019. Details of estimation of working capital requirement are as follows:

*(₹ in Lakhs)*

Sr. No	Particulars	Fiscal 2017	Fiscal 2018	Fiscal 2019 (Estimated)
<b>I</b>	<b>Current Assets</b>			
	Inventories (Stock-in-trade)	475.18	576.20	427.06
	Sundry Debtors	603.23	860.30	1166.75
	Other Current Assets	67.61	63.05	55.00
	Short Term Loan and Advances	29.53	0.50	0.50
	Cash and Cash equivalents	4.45	9.48	189.58
	<b>Total Current Assets (A)</b>	<b>1180.00</b>	<b>1509.60</b>	<b>1838.88</b>
<b>II</b>	<b>Current Liabilities</b>			
	Trade Creditors	413.95	624.67	262.02
	Other Current Liabilities	15.04	3.94	5.00
	Short Term Provisions	92.86	142.87	125.00
	<b>Total Current Liabilities (B)</b>	<b>521.85</b>	<b>771.48</b>	<b>392.02</b>
	<b>Net Working Capital requirements (A)-(B)</b>	<b>658.95</b>	<b>738.12</b>	<b>1446.86</b>
	<i>Existing Funding Pattern</i>			
	Working capital funding from banks	555.01	540.68	825.00
	Internal Accruals	103.14	197.44	191.87
	<b>IPO Proceeds</b>			<b>430.00</b>

### Assumption for working capital requirements

Assumptions for Holding Levels

*(In days)*

Particulars	Holding level for Fiscal 2017	Holding level for Fiscal 2018	Holding level for Fiscal 2019
<b>Current Assets</b>			
Inventories (Stock-in-trade)	106	63	29
Trade Receivables	89	74	68

Particulars	Holding level for Fiscal 2017	Holding level for Fiscal 2018	Holding level for Fiscal 2019
<b>Current Liabilities</b>			
Trade Payables	102	81	23

### *Justification for “Holding Period” levels*

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

Particulars	Details
Trade Receivables	Trade receivables are based on the average standard payment terms across our customers. Our general credit terms vary across geographies and type of customer and our assumptions are based on past trends. Our trade receivables turnover ratio based on the Audited Financial Statements (calculated as closing trade receivables divided by revenues from operations over the period/fiscal) was 89 days and 74 days for Fiscal 2017, 2018 respectively. Our Company has assumed trade receivables turnover ratio as 68 days for Fiscal 2019.
Trade Payables	This is based on the average standard payment terms of our vendors. Our trade payables predominantly comprise of payables towards purchase of our products. The days of outstanding for trade payables are based on the Audited Financial Statements (calculated as trade payables divided by Purchase over the period/fiscal) was 102 days and 81 days for Fiscal 2017, 2018 respectively. Our Company has assumed trade payables as 23 days for Fiscal 2019.
Inventories	Inventories are expected to grow along with the growth in our business, on an absolute value basis. The days of Inventory are based on the Audited Financial Statements (calculated as closing Inventory divided by revenues from operations over the period/fiscal) was 106 days and 63 days for Fiscal 2017, 2018 respectively. Our Company has assumed inventory turnover as 29 days for Fiscal 2019.

## **2. General corporate purpose:**

The Net Proceeds will be first utilized towards the Object of the Fresh Issue mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the Gross Offer Proceeds, in compliance with the SEBI (ICDR) Regulations.

Our Board will have flexibility in utilizing the balance Net Proceeds towards general corporate purposes, including but not limited to the following as may be approved by our Management in accordance with applicable laws:

- (i) strategic initiatives;
- (ii) funding growth opportunities;
- (iii) repayment/ prepayment of short-term/long term debt;
- (iv) strengthening marketing capabilities and brand building exercises;
- (v) meeting ongoing general corporate exigencies; and
- (vi) any other purpose as may be approved by the Board.

The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the permissible amount actually available under this head and the business requirements of our Company, from time to time.

### **Offer Related Expenses:**

The total expenses of the Offer are estimated to be approximately ₹ 106.00 Lakhs. The Offer related expenses include fees payable to the LM and legal counsel, fees payable to the auditors, brokerage and selling commission, commission payable to Registered Brokers, SCSBs' fees, Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. The fees and expenses relating to the Offer shall be borne by each of our Company and the Selling Shareholder in the manner agreed to among our

Company and the Selling Shareholder and in proportion to the number of Equity Shares offered and/or transferred by each of the Company and the Selling Shareholder in the Offer, respectively. Further, the Selling Shareholder shall reimburse our Company for all expenses, other than the listing fee (which shall be solely borne by our Company), incurred by our Company in relation to the Offer for Sale on each of their behalf in proportion to their respective Offered Shares, and in accordance with applicable law.

The estimated Offer expenses are as follows:

**(₹ in Lakhs)**

<b>Activity</b>	<b>Estimated Amount</b>	<b>As a % of Total Estimated Expenses*</b>	<b>As a % of Offer Size*</b>
Lead Manager fee including underwriting commission	59.68	56.30	6.96
Fees payable to Advisor to the Offer	25.00	23.58	2.91
Fees payable to Registrar to the Offer	0.50	0.47	0.06
Fees payable to Legal Advisor to the Offer	1.25	1.18	0.15
Fees payable to Advertising Expenses	0.95	0.90	0.11
Fees payable to Regulators including Stock Exchange	1.80	1.70	0.21
Selling commission and processing fees for SCSBs*	1.00	0.94	0.12
Payment for Printing and Distribution of Issue Stationary	1.25	1.18	0.15
Others (Fees Payable to Peer Review Auditor, Marketing Expenses, Brokerage, Processing Fees for Application and Miscellaneous Expenses)	14.57	13.75	1.70
<b>Total Estimated Offer Expenses</b>	<b>106.00</b>	<b>100.00</b>	<b>12.35</b>

\*Selling commission payable to the Registered Brokers, CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be 0.05% on the Amount Allotted (Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price).

Registered Brokers, will be entitled to a commission of ₹ 10 (plus GST) per Bid cum Application Form, on valid Bids, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the bid has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.

SCSBs would be entitled to a processing fee of ₹ 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 SCSBs.

Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 8 (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.

### **Bridge Financing Facilities**

Our Company has not raised any bridge loans from any banks or financial institution as on the date of this Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending upon business requirements, our Company may consider raising bridge financing facilities including by way of any other overdraft arrangement / cash credit facility with our lenders, short-term instrument like non-convertible debentures, commercial papers, etc., pending receipt of the Net Proceeds. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance the objects of the offer will be repaid from the Net Proceeds.

### **Interim Use of Net Proceeds**

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

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

### **Monitoring of Utilization of Funds**

We have not appointed a monitoring agency to monitor the utilisation of the proceeds of the Fresh Issue since the Fresh Issue size is less than ₹10,000 Lakhs. Our Board will monitor the utilization of the proceeds of the Fresh Issue and will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32(5) of the SEBI Listing Regulations, our Company shall disclose to the Audit Committee the uses and applications of the Net Proceeds. Our Company shall prepare an annual statement of funds utilized for purposes other than those stated in this Prospectus, certified by the statutory auditors of our Company and place it before the Audit Committee, as required under applicable laws. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. Furthermore, in accordance with the Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating (i) deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Prospectus.

### **Variation in Objects of the Fresh Issue**

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

### **Appraising Agency**

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

### **Other Confirmations**

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

## BASIS FOR OFFER PRICE

The Offer Price has been determined by our Company and the Selling Shareholder in consultation with the Lead Manager on the basis of an assessment of market demand for the Equity Shares through the Fixed Price Process and on the basis of qualitative and quantitative factors as described below. The face value of the Equity Shares of our Company is ₹10/- each and the Offer Price is ₹ 37.00 which is 3.7 times of the face value. Investors should also refer “Our Business”, “Risk Factors” and “Financial Statements” beginning on pages 95, 23 and 144 respectively, of this Prospectus, to have an informed view before making an investment decision.

### QUALITATIVE FACTORS

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

- Quality standards and ISO certified organisation
- Experienced and professional management team
- Stable customer base
- Wide product range and product segments
- Well established manufacturing facility
- Use of green energy

For further details, refer chapter titled “Our Business” beginning on page 95 of this Prospectus.

### QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated financial statements of the Company for the period ended September 30, 2018 and financial years ended March 31, 2018, 2017 and 2016 prepared in accordance with Indian GAAP, the Companies Act and Restated in accordance with SEBI (ICDR) Regulations. For details, refer chapter titled “Financial Statements” and “Other Financial Information” beginning on pages 144 and 170 of this Prospectus. Some of the quantitative factors, which may form the basis for computing the Offer Price, are as follows:

#### 1. Basic and Diluted Earnings per Share (EPS):

Year/Period Ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2016	(0.30)	(0.35)	1
March 31, 2017	(1.32)	(1.32)	2
March 31, 2018	1.28	1.28	3
Weighted Average		0.15	
For the period ended September 30, 2018*		1.95	

\*Not Annualized

Notes:

1. 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 the period/ 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.
2. The face value of each Equity Share is ₹ 10.
3. 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.
4. Basic Earnings per share = Net profit/ (loss) after tax, as restated attributable to equity shareholders / Number of shares outstanding during the year/ period.
5. Diluted Earnings per share = Net profit after tax, as restated / Weighted average number of diluted equity shares outstanding during the year/ period.

6. *Weighted average = Aggregate of year-wise weighted Basic EPS divided by the aggregate of weights i.e. [Basic (EPS x Weight) for each fiscal] / [Total of weights].*
7. *The figures disclosed above are based on the Restated Consolidated Financial Information of our Company.*
2. **Price to Earnings (P/E) ratio in relation to Offer Price of ₹ 37.00 per share.**

Particulars	P/E
P/E ratio based on Basic and Diluted EPS for FY 2017-18	28.91
P/E ratio based on Weighted Average Basic and Diluted EPS	246.67
Highest (Endurance Technologies Limited)	41.49
Lowest (MM Forgings Limited)	12.60
Average	27.05

*\*Industry composite comprises of Endurance Technologies Limited and MM Forgings Limited*

3. **Average Return on Net worth (RoNW):**

Year/Period Ended	RoNW (%)	Weight
March 31, 2016	(1.61)%	1
March 31, 2017	(7.65)%	2
March 31, 2018	6.91%	3
Weighted Average	0.63%	
For the period ended September 30, 2018*	9.52%	

*\*Not Annualized*

*Notes:*

- The RONW has been computed by dividing net profit after tax (excluding exceptional income, if any) as restated by net worth (excluding revaluation reserve, if any) as restated as at year/period end.*
- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. [(RoNW x Weight) for each fiscal] / [Total of weights].*
- The figures disclosed above are based on the Restated Consolidated Financial Information of our Company.*

4. **Net Asset Value (NAV) per share:**

Particulars	Amount Per Share
March 31, 2018	18.48
September 30, 2018*	20.43
NAV per Equity Share after the Offer	23.73
Offer Price per equity share	37.00

*\*Not Annualized*

*Note: Net Asset Value per Equity Share has been computed as Net Worth divided by closing number of equity shares.*

4. **Comparison with listed industry peers:**

Companies	CMP*	Basic and Diluted EPS	PE Ratio	RONW (%)	NAV (per share)	Face Value (per share)	Total Income (₹in Lakhs)
Kranti Industries Limited	37.00	1.28	28.91	6.91%	18.48	10.00	4,610.92
<b>Peer Group**</b>							
Endurance Technologies	1131.00	27.78	40.70	20.00%	154.47	10.00	6,68,958.70

Companies	CMP*	Basic and Diluted EPS	PE Ratio	RONW (%)	NAV (per share)	Face Value (per share)	Total Income (₹in Lakhs)
Limited							
MM Forgings Limited	495.70	50.20	9.87	16.71%	300.41	10.00	65,080.28
Bharat Forge Limited	494.80	16.38	30.21	17.7%	100.50	2.00	8,55,667.90
Rico Auto Industries Limited	65.40	4.30	15.21	10.7%	41.88	1.00	12,45,790

\* CMP for our Company is considered as Offer Price

\*\*Source: [www.bseindia.com](http://www.bseindia.com) (for CMP of companies) and audit reports of the respective companies.

Notes:

1. Considering the nature and size of business of the Company, the peer is not strictly comparable. However the same has been included for broad comparison.
2. The figures for our Company are based on the restated financial statements for the year ended March 31, 2018.
3. The figures for the peer are based on the consolidated audited results for the year ended March 31, 2018.
4. Current Market Price (CMP) is the closing prices of respective scripts as on February 01, 2019. The face value of our shares is ₹10.00 per share and the Offer Price is of ₹37.00 per share which is 3.7 times of the face value.
5. NAV per share 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 less miscellaneous expenditure not written off).
6. RoNW has been 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 less miscellaneous expenditure not written off).
7. RoNW has been reported as per respective peer companies annual report as calculated on average net worth. For MM Forgings Limited the same has been calculated on closing net worth.

The Offer Price of ₹ 37.00 has been determined by our Company and the Selling Shareholder, in consultation with the Lead Manager on the basis of the demand from investors for the Equity Shares through the Fixed Price Process and is justified in view of the above qualitative and quantitative factors. Investors should read the above mentioned information along with “Our Business” “Risk Factors” and “Financial Statements” beginning on pages 95, 23 and 144 of this Prospectus, respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in “Risk Factors” or any other factors that may arise in the future and you may lose all or part of your investments.

**STATEMENT OF POSSIBLE TAX BENEFITS**

The Board of Directors

**Kranti Industries Limited**

Gat No.267/B/1, Post: - Pirangut,

Tal. Mulshi, Dist. Pune-412108.

Maharashtra, India

Dear Sirs,

**Sub: Statement of possible Special tax benefit ('the Statement') available to Kranti Industries Limited and its shareholders prepared in accordance with the requirements under Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the 'Regulations')**

We hereby confirm that the enclosed annexure, prepared by Kranti Industries Limited ('the Company') provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income Tax Act, 1961 (the "Act") and Income tax Rules, 1962 including amendments made by Finance Act 2018 (i.e. applicable to Financial Year 2018-19 relevant to Assessment Year 2019-20) (together "the Tax Laws"), presently in force in India as on the signing date. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company and / or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, these benefits are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company comprising an offer for sale of equity shares by certain shareholders (the "Offer") particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.

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, where applicable have been/would be met.

The contents of the enclosed statement are based on the information, explanation and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

We hereby give consent to include this Statement in the prospectus and the prospectus and in any other material used in connection with the Proposed Offer, and it is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For A D V and Associates**

**Chartered Accountants**

Firm Registration No.: 128045W

**Prakash Mandhaniya**  
Partner  
**Membership No.:** 421679  
**Place:** Mumbai  
**Date:** December 03, 2018

**Annexure to the statement of possible Tax Benefits**

Outlined below are the possible special tax benefits available to the Company and its shareholders under the Income Tax Act, 1961 ('the Act')

**A. *Special Tax Benefits available to the Company under the Act:***

There are no special Tax benefits available to the Company under the Act.

**B. *Special Tax Benefits available to the shareholders of the Company under the Act:***

There are no special Tax Benefits available to the shareholders of the Company.

**Notes:**

1. The above is as per the current Act as amended by the Finance Act, 2018.
2. This Statement does not discuss any tax consequences in any country outside India of an investment in the shares. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.

## SECTION VIII: ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the Offer has independently verified the information provided in this section. Industry sources and publications, referred to in this section, generally state that the information contained therein has been obtained from sources generally believed to be reliable but 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.*

### GLOBAL OUTLOOK

Global growth remains robust but has softened in recent months, as manufacturing activity and trade have shown signs of moderation (Figure 1.1). The ongoing withdrawal of monetary policy accommodation in advanced economies has led to some tightening of global financing conditions, while oil prices are substantially higher than previously expected. Global inflation is trending up, but only gradually and from low levels. In advanced economies, activity continues to grow above potential, notwithstanding some recent moderation, while additional fiscal stimulus measures are expected to provide a further lift to near-term growth in the United States. Labor markets have improved steadily. With output gaps nearly or already closed, inflation expectations have crept up and monetary policy is becoming less expansionary. Inflation, however, remains below central bank targets in many advanced economies. Among emerging market and developing economies (EMDEs), the recovery in commodity exporters has continued, as consumption and investment firm. The upturn in many energy exporters is still lagging that of exporters of other commodities, reflecting ongoing adjustments to the 2014-16 collapse in oil prices and production cuts in key oil exporters. Across commodity exporters, inflation is generally moderating as the impact of past currency depreciations wanes.

Activity in commodity importers continues to be robust. Growth in China is gradually slowing, but remains resilient, while constraints to growth are dissipating in other large commodity importers— notably India and Mexico, where investment is recovering. Inflation remains broadly stable so far, despite higher commodity prices and limited remaining slack. Notwithstanding the ongoing global expansion, only 45 percent of countries are expected to experience a further acceleration of growth this year, down from 56 percent in 2017. Moreover, global activity is still lagging previous expansions despite a decade-long recovery from the global financial crisis. Accordingly, after reaching 3.1 percent in 2018, global growth is projected to moderate in 2019-20, edging down to 2.9 percent by the end of the forecast period.

Global growth projections are above estimates of potential, suggesting that capacity constraints will become more binding and inflation will continue to rise during the forecast horizon. Growth in advanced economies is expected to decelerate toward potential rates over the forecast period, as monetary policy stimulus is pared down, higher energy prices weigh on consumption, and the effect of U.S. fiscal expansion wanes. A projected deceleration of capital spending in these economies, combined with that in China, will contribute to more moderate global trade growth in 2019 and 2020. Shifts in the policy mix of advanced economies—most notably, monetary policy tightening and fiscal policy loosening in the United States—are expected to result in a faster-than-previously-anticipated increase in global interest rates, and hence in EMDE borrowing costs.

As international trade and financial conditions become less supportive, and the cyclical upturn in commodity exporters matures, overall EMDE growth is projected to plateau, reaching 4.7 percent in 2019 and 2020. Over this period, only about half of commodity exporters, and less than half of commodity importers, are expected to grow above their pre-crisis long-term averages. In the longer term, absent policy reforms, potential growth in EMDEs is expected to weaken, reflecting softening productivity and demographic headwinds. Progress in per capita income growth will be uneven. Per capita growth in Sub-Saharan Africa, where nearly half of the extreme poor live, is projected to remain below or around 1 percent, while it is expected to reach 6 percent in South Asia, a region that includes the second largest number of people in extreme poverty.

Uncertainty around global growth projections has risen, partly driven by the possibility of policy shocks from major economies. While a synchronous upturn in large economies could lead to further growth upgrades in the near term, risks remain tilted to the downside, with some becoming more acute. [Source: *Global Economic Prospects- June 2018- www.worldbank.org*]

**TABLE 1.1 Real GDP<sup>1</sup>**  
(Percent change from previous year)

Percentage point differences  
from January 2018 projections

	2015	2016	2017e	2018f	2019f	2020f	2018f	2019f	2020f
<b>World</b>	2.8	2.4	3.1	3.1	3.0	2.9	0.0	0.0	0.0
<b>Advanced economies</b>	2.3	1.7	2.3	2.2	2.0	1.7	0.0	0.1	0.0
United States	2.9	1.5	2.3	2.7	2.5	2.0	0.2	0.3	0.0
Euro Area	2.1	1.8	2.4	2.1	1.7	1.5	0.0	0.0	0.0
Japan	1.4	1.0	1.7	1.0	0.8	0.5	-0.3	0.0	0.0
<b>Emerging market and developing economies (EMDEs)</b>	3.7	3.7	4.3	4.5	4.7	4.7	0.0	0.0	0.0
Commodity-exporting EMDEs	0.5	0.8	1.8	2.5	3.0	3.0	-0.2	-0.1	-0.1
Other EMDEs	6.1	5.9	6.2	5.8	5.8	5.7	0.1	0.1	0.0
Other EMDEs excluding China	5.2	4.9	5.3	5.1	5.1	5.1	0.3	0.0	0.0
East Asia and Pacific	6.5	6.3	6.6	6.3	6.1	6.0	0.1	0.0	0.0
China	6.9	6.7	6.9	6.5	6.3	6.2	0.1	0.0	0.0
Indonesia	4.9	5.0	5.1	5.2	5.3	5.4	-0.1	0.0	0.1
Thailand	3.0	3.3	3.9	4.1	3.8	3.8	0.5	0.3	0.4
Europe and Central Asia	1.1	1.7	4.0	3.2	3.1	3.0	0.3	0.1	0.0
Russia	-2.5	-0.2	1.5	1.5	1.8	1.8	-0.2	0.0	0.0
Turkey	6.1	3.2	7.4	4.5	4.0	4.0	1.0	0.0	0.0
Poland	3.8	2.9	4.6	4.2	3.7	3.5	0.2	0.2	0.4
Latin America and the Caribbean	-0.4	-1.5	0.8	1.7	2.3	2.5	-0.3	-0.3	-0.2
Brazil	-3.5	-3.5	1.0	2.4	2.5	2.4	0.4	0.2	-0.1
Mexico	3.3	2.9	2.0	2.3	2.5	2.7	0.2	-0.1	0.1
Argentina	2.7	-1.8	2.9	1.7	1.8	2.8	-1.3	-1.2	-0.4
Middle East and North Africa	2.8	5.0	1.6	3.0	3.3	3.2	0.0	0.1	0.0
Saudi Arabia	4.1	1.7	-0.7	1.8	2.1	2.3	0.6	0.0	0.1
Iran	-1.3	13.4	4.3	4.1	4.1	4.2	0.1	-0.2	-0.1
Egypt <sup>2</sup>	4.4	4.3	4.2	5.0	5.5	5.8	0.5	0.2	0.0
South Asia	7.1	7.5	6.6	6.9	7.1	7.2	0.0	-0.1	0.0
India <sup>3</sup>	8.2	7.1	6.7	7.3	7.5	7.5	0.0	0.0	0.0
Pakistan <sup>2</sup>	4.1	4.6	5.4	5.8	5.0	5.4	0.3	-0.8	-0.6
Bangladesh <sup>2</sup>	6.6	7.1	7.3	6.5	6.7	7.0	0.1	0.0	0.3
Sub-Saharan Africa	3.1	1.5	2.6	3.1	3.5	3.7	-0.1	0.0	0.1
Nigeria	2.7	-1.6	0.8	2.1	2.2	2.4	-0.4	-0.6	-0.4
South Africa	1.3	0.6	1.3	1.4	1.8	1.9	0.3	0.1	0.2
Angola	3.0	0.0	1.2	1.7	2.2	2.4	0.1	0.7	0.9
<b>Memorandum items:</b>									
<b>Real GDP<sup>1</sup></b>									
High-income countries	2.3	1.7	2.2	2.2	2.0	1.8	0.0	0.1	0.0
Developing countries	3.7	3.8	4.6	4.7	4.8	4.8	0.0	0.0	-0.1
Low-income countries	4.9	4.8	5.5	5.7	5.9	6.3	0.3	0.4	0.6
BRICS	4.0	4.4	5.3	5.4	5.4	5.4	0.1	0.0	0.0
World (2010 PPP weights)	3.4	3.2	3.7	3.8	3.8	3.7	0.1	0.1	0.0
<b>World trade volume<sup>4</sup></b>	2.7	2.8	4.8	4.3	4.2	4.0	0.3	0.3	0.2
<b>Commodity prices</b>									
Oil price <sup>5</sup>	-47.3	-15.6	23.3	32.6	-1.4	0.1	23.2	-3.1	-1.6
Non-energy commodity price index	-15.8	-2.6	5.5	5.1	0.2	0.5	4.5	-0.6	-0.7

Source: World Bank.

Notes: PPP = purchasing power parity; e = estimate; f = forecast. World Bank forecasts are frequently updated based on new information. Consequently, projections presented here may differ from those contained in other World Bank documents, even if basic assessments of countries' prospects do not differ at any given moment in time. Country classifications and lists of emerging market and developing economies (EMDEs) are presented in Table 1.2. BRICS include: Brazil, Russia, India, China, and South Africa.

1. Aggregate growth rates calculated using constant 2010 U.S. dollar GDP weights.

2. GDP growth values are on a fiscal year basis. Aggregates that include these countries are calculated using data compiled on a calendar year basis. Pakistan's growth rates are based on GDP at factor cost. The column labeled 2017 refers to FY2016/17.

3. The column labeled 2016 refers to FY2016/17.

4. World trade volume of goods and non-factor services.

5. Simple average of Dubai, Brent, and West Texas Intermediate.

For additional information, please see [www.worldbank.org/gep](http://www.worldbank.org/gep).

[Source: Global Economic Prospects- June 2018-[www.worldbank.org](http://www.worldbank.org)]

## EMDE outlook

### Growth outlook

EMDE growth is expected to accelerate from 4.3 percent in 2017 to 4.5 percent in 2018 and stabilize at 4.7 percent in both 2019 and 2020, reflecting a continued, but maturing, cyclical recovery in commodity exporters. In the near term, the positive spillovers of U.S. fiscal stimulus on EMDE activity are assumed to be offset by a faster pace of U.S. monetary policy normalization, which contributes to higher borrowing costs and a moderation in EMDE capital flows. Toward the end of the forecast horizon, the projected slowdown in advanced economy growth toward potential rates is expected to put a lid on further acceleration in EMDE growth. As global financing conditions continue to tighten, the cyclical rebound in investment in EMDEs, especially among commodity exporters, is projected to moderate in 2019-20. Moreover, the ongoing monetary policy easing in commodity exporters is expected to gradually end, while fiscal consolidation will continue, particularly in many oil-exporting economies. Policies in commodity importers are expected to tighten, as capacity constraints become more binding and price pressures accelerate amid higher energy prices. [Source: *Global Economic Prospects- June 2018- www.worldbank.org*]

## OVERVIEW OF INDIA'S ECONOMIC

After registering GDP growth of over 7 per cent for the third year in succession in 2016-17, the Indian economy is headed for somewhat slower growth, estimated to be 6.5 per cent in 2017- 18, as per first Advance Estimates released by CSO. This is slightly lower than the range of 6.5 per cent to 6.75 per cent being currently projected based on recent developments. Even with this lower growth for 2017-18, GDP growth has averaged 7.3 per cent for the period from 2014-15 to 2017-18, which is the highest among the major economies of the world. That this growth has been achieved in a milieu of lower inflation, improved current account balance and notable reduction in the fiscal deficit to GDP ratio makes it all the more creditable. In addition to the introduction of GST, the year also witnessed significant steps being undertaken towards resolution of problems associated with non-performing assets of the banks, further liberalization of FDI, etc., thus strengthening the momentum of reforms. After remaining in negative territory for a couple of years, growth of exports rebounded into positive one during 2016-17 and strengthened further in 2017-18. There was an augmentation in the spot levels of foreign exchange reserves to close to US\$ 414 billion, as on 12th January 2018.

Concerns have been expressed about growing protectionist tendencies in some countries and it remains to be seen as to how the situation unfolds. Additionally, average crude oil (Indian basket) prices have risen by around 14 per cent so far in 2017-18 (mid-January 2018) vis- à-vis 2016-17. Going by the recent trends, the average crude oil prices could be in the vicinity of US\$ 56-57 per barrel in the current financial year and could rise further by another 10- 15 per cent in 2018-19. Some of these factors could have dampening effect on GDP growth in the coming year. However, with world growth likely to witness moderate improvement in 2018, expectation of greater stability in GST, likely recovery in investment levels, and ongoing structural reforms, among others, should be supporting higher growth. On balance, country's economic performance should witness an improvement in 2018-19. (Source: *Economic Survey 2017-18 Volume II [www.indiabudget.nic.in](http://www.indiabudget.nic.in)*)

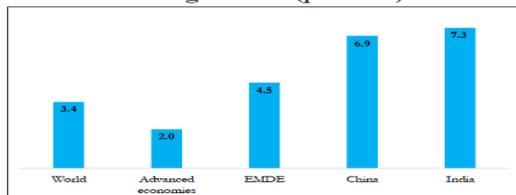
### GDP Growth in 2017-18

With Gross Domestic Product (GDP) growth averaging 7.5 per cent between 2014- 15 and 2016-17, India can be rated as among the best performing economies in the world on this parameter. Although growth is expected to decline to 6.5 per cent in 2017-18, bringing the 4-year average to 7.3 per cent, the broad story of India's GDP growth to be significantly higher than most economies of the world does not alter. The growth is around 4 percentage points higher than global growth average of last 3 years and nearly 3 percentage points more than the average growth achieved by emerging market and developing economies (EMDE) (Figure 1).

As per the first Advance Estimates (1st AE), released by Central Statistics Office (CSO), growth rate of Gross Value of Added (GVA) at constant basic prices is estimated at 6.1 per cent in 2017-18, as compared to 6.6 per cent in 2016-17. This is on account of lower growth in 'Agriculture and allied', and 'Industry' sector, which are expected to grow at 2.1 per cent and 4.4 per cent respectively. In 2017-18, service sector is expected to grow at 8.3 per cent, as compared to 7.7 per cent in 2016-17. Within the services sector, only the growth of 'Public administration, defence and other services' sector is expected to decline in 2017-18

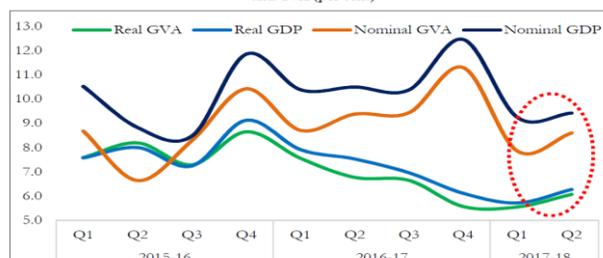
From a low of 5.5 per cent in 2012-13, growth in GDP steadily improved for 3 years and peaked in 2015-16, particularly in fourth quarter (Q4) when it printed 9.1 per cent (GVA growth also peaked in Q4 of 2015-16). However, growth started slowing down from first quarter (Q1) of 2016-17. GDP and GVA growth slowed to 6.1 per cent and 5.6 per cent respectively in Q4 of 2016-17. GDP growth further declined to 5.7 per cent in Q1 of 2017-18. However, the second quarter (Q2) of 2017-18 witnessed reversal of declining trend of GDP growth, with growth increasing to 6.3 per cent. The nominal GDP and GVA growth also picked up to 9.4 per cent and 8.6 per cent respectively in Q2 of 2017-18 (Figure 2).

Figure 1 : Average growth of GDP during 2014-17 (per cent)



Source: Based on IMF's World Economic Outlook Database (October 2017)

Figure 2 : Quarterly growth in GDP and GVA (per cent)



Source: Central Statistics Office (CSO)

(Source: Economic Survey 2017-18 Volume II [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

### External Sector

The global economy has been gathering pace and is expected to accelerate from 3.2 per cent in 2016 to 3.7 per cent in 2018. World trade volume growth is projected to increase from 2.4 per cent in 2016 to 4.2 per cent and 4.0 per cent respectively in 2017 and 2018. Commodity prices (fuel and nonfuel) are also expected to grow in contrast to decline in the last few years. India's external sector has continued to be resilient and strong in 2017-18 so far and the balance of payments (BoP) situation continued to be comfortable. Current account deficit (CAD) was 1.8 per cent of GDP, merchandise exports grew by 12 per cent, net services receipts grew by 14.6 per cent, net foreign investment grew by 17.4 per cent, and external debt indicators improved in H1 of 2017-18. (Source: Economic Survey 2017-18 Volume II [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

### Prospects of Growth for 2018-19

CSO has estimated the GDP growth in 2017-18 to be 6.5 per cent. However, there are indicators that have emerged in the last few days like manufacturing and services PMI, growth of industrial sector as reflected by higher IIP, automobile sales etc. which seem to suggest that the GDP growth could be a little higher than CSO's estimates and for 2017-18, (it could be in the range of 6.5 to 6.75 per cent). The growth during 2018-19 could be higher, depending on a number of factors. On the positive side, as per IMF's World Economic Outlook released in October 2017, the global growth is expected to accelerate to 3.7 per cent in 2018 from 3.6 per cent in 2017. This can be expected to provide further boost to India's exports, which have already shown acceleration in the current financial year. Remittances have shown signs of revival in the first half of current year and can be expected to pick up, particularly if oil prices maintain their rising trend witnessed in the current year.

There are signs of revival of investment activity in the economy and the recent pick up in the growth of fixed investment can be expected to maintain momentum in the coming year. The policy rates can be expected to remain fairly stable if the inflation rate does not deviate much from its current levels. This, along with the still favourable interest rate regime prevailing in the global markets could provide greater certainty to the investment climate. The reform measures undertaken in 2017-18 can be expected to strengthen further in 2018-19 and reinforce growth momentum. On the other hand, downside risk to higher growth emanate from higher crude oil prices, which (going by current indications) can be expected to increase by about 10-15 per cent over and above the likely average price of around US\$ 56-57 per barrel (for Indian basket) for 2017-18. Protectionist tendencies in some of the countries could have an impact on exports growth, while the possibility of tightening of monetary conditions in the developed countries could lead to lower capital inflows. This monetary tightening could also lead to the possibility of financial stress and therefore can be a downside risk. On balance, there is a strong possibility of growth in 2018-19 to be higher than what it is expected to be in 2017-18. Growth of GDP in 2018-19 could be in the range of 7.0 to 7.5 per cent. (Source: Economic Survey 2017-18 Volume II [www.indiabudget.nic.in](http://www.indiabudget.nic.in))

## INDIAN AUTO COMPONENTS INDUSTRY

### Introduction

The Indian auto-components industry has experienced healthy growth over the last few years. The auto-component industry of India has expanded by 18.3 per cent to reach at a level of US\$ 51.2 billion in FY 2017-18. The auto-components industry accounts for 2.3 per cent of India’s Gross Domestic Product (GDP) and employs as many as 1.5 million people directly and indirectly each. A stable government framework, increased purchasing power, large domestic market, and an ever increasing development in infrastructure have made India a favourable destination for investment. [Source: [www.ibef.org/industry/autocomponents-india.aspx](http://www.ibef.org/industry/autocomponents-india.aspx) ]

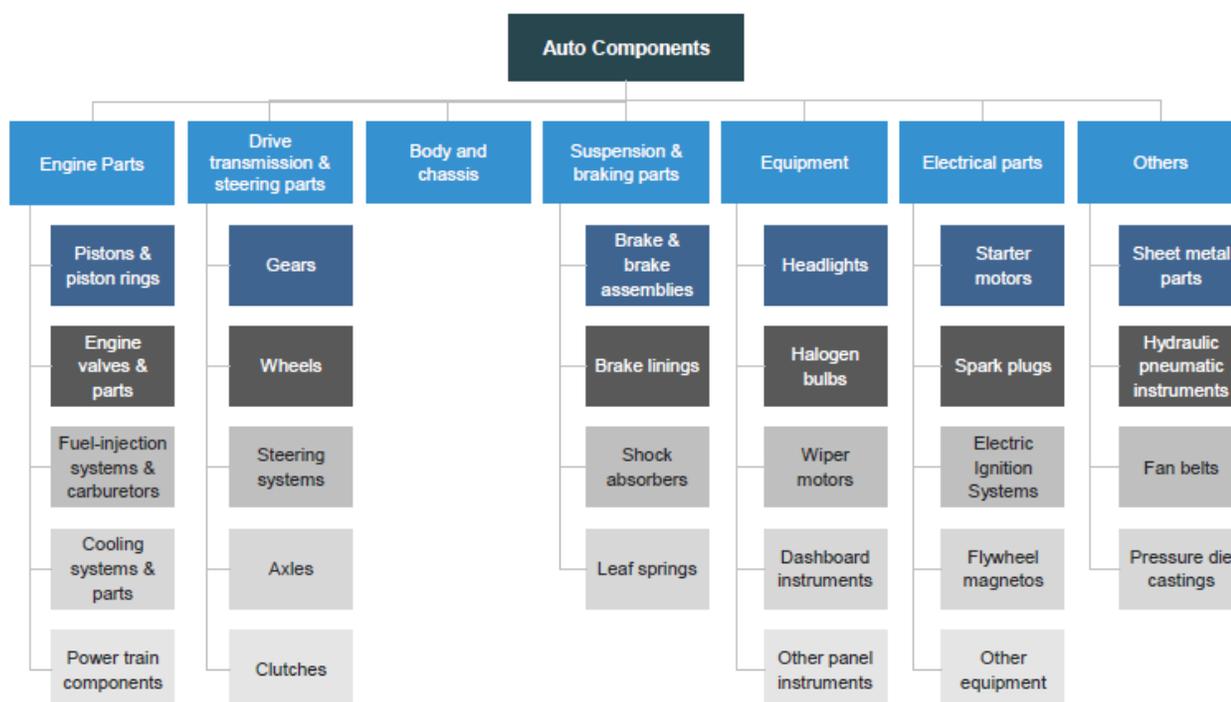
### Market Size

The Indian auto-components industry can be broadly classified into the organised and unorganised sectors. The organised sector caters to the Original Equipment Manufacturers (OEMs) and consists of high-value precision instruments while the unorganised sector comprises low-valued products and caters mostly to the aftermarket category.

The total value of India’s automotive exports stood at US\$ 13.5 billion in 2017-18 as compared US\$ 10.9 billion in the year 2016-17. This has been driven by strong growth in the domestic market and increasing globalisation (including exports) of several Indian suppliers. Growth is further expected to accelerate to 8-10 per cent in FY19 due to pick up in global scenario. \*\*

According to the Automotive Component Manufacturers Association of India (ACMA), the Indian auto-components industry is expected to register a turnover of US\$ 100 billion by 2020 backed by strong exports ranging between US\$ 80- US\$ 100 billion by 2026. [Source: [www.ibef.org/industry/autocomponents-india.aspx](http://www.ibef.org/industry/autocomponents-india.aspx)]

### Product Segment

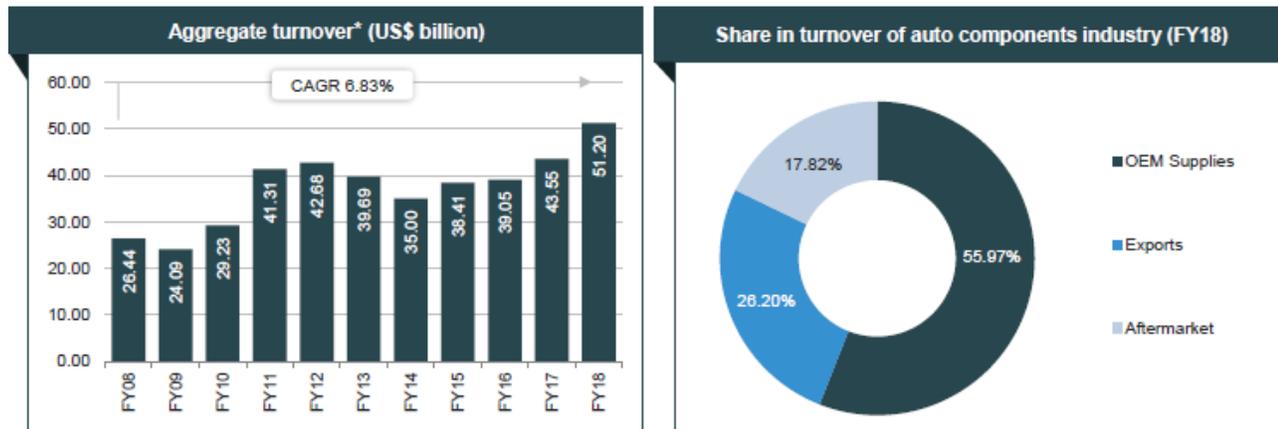


Source: ACMA

[Source: IBEF report on auto components November 2018]

**Robust Growth**

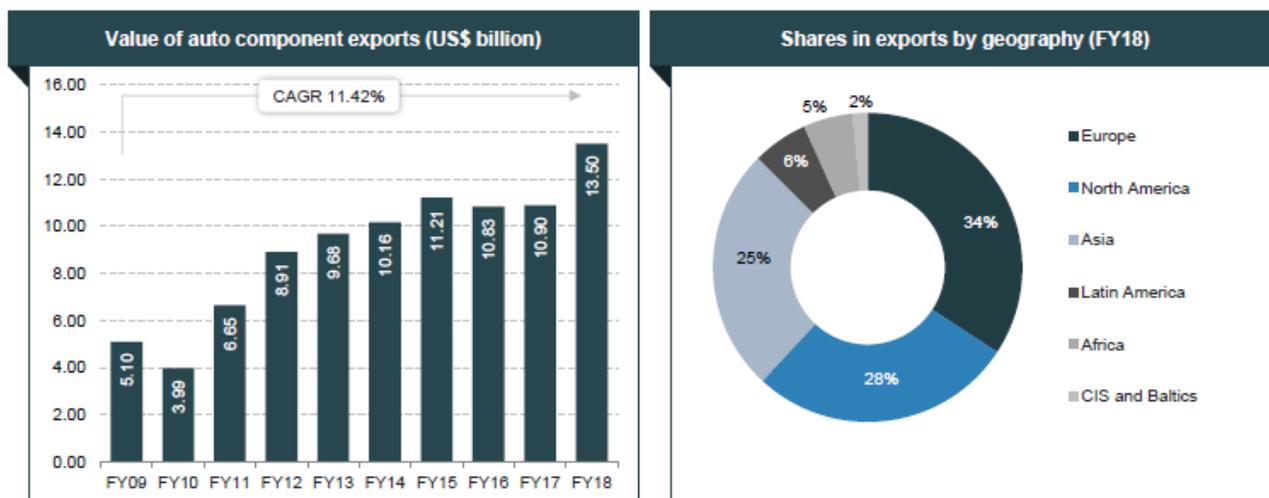
- Revenues have risen at a CAGR of 6.83 per cent from US\$ 26.44 billion in FY08 to US\$ 51.20 billion in FY18.
- Domestic OEM supplies contribute 55.97 per cent of the industry turnover followed by exports (26.20 per cent) and domestic aftermarket (17.82 per cent).
- Exports of automobile components from India in FY18 stood at US\$ 13.5 billion. As per Automobile Component Manufacturers Association (ACMA) forecasts, automobile component exports from India are expected to reach US\$ 80 billion by 2026. The Indian auto component industry aims to achieve US\$ 200 billion in revenues by 2026.
- Auto-component production in 2018-19 is expected to increase 12-14 per cent in FY19, on the back of robust growth in domestic and export markets.\*\*



[Source: IBEF report on auto components November 2018]

**Export Growth**

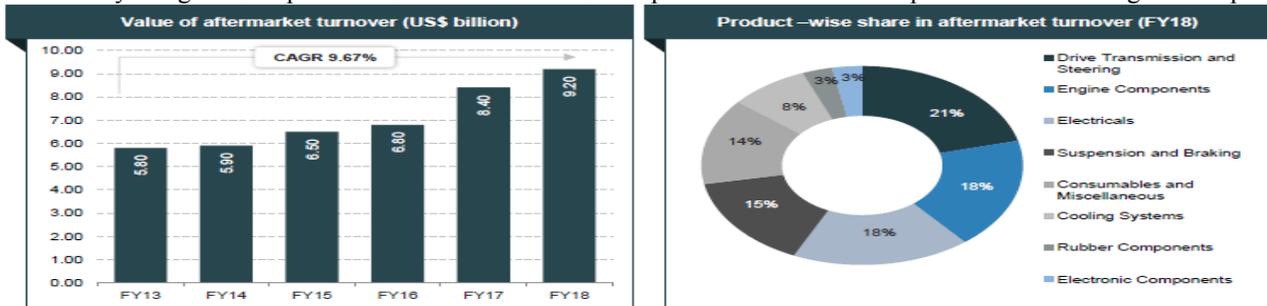
- India’s exports of auto components increased at a CAGR of 11.42 per cent, during FY09-FY18, with the value of auto component exports increasing from US\$ 5.10 billion in FY09 to US\$ 13.50 billion in FY18.
- Europe accounted for a volume share of 34 per cent during FY18 in Indian auto component exports followed by North America and Asia with 28 and 25 per cent respectively in the same year.



[Source: IBEF report on auto components November 2018]

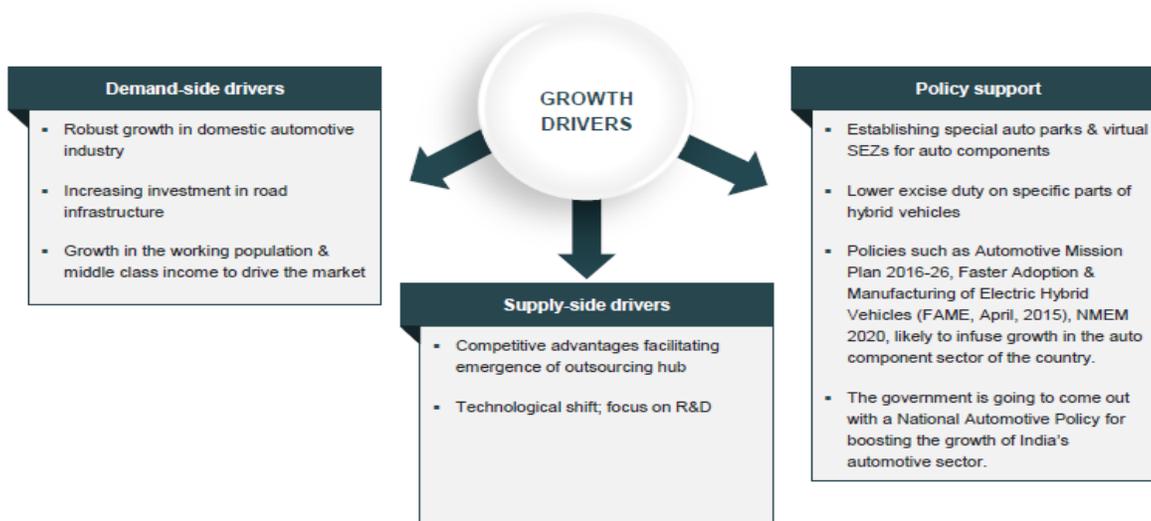
**Aftermarket Growth**

- India’s auto components aftermarket contributed 17.82 per cent of the total industry turnover in FY18.
- Turnover of the aftermarket has increased at a CAGR of 9.67 per cent from US\$ 5.80 billion in FY13 to US\$ 9.20 billion in FY18.
- The ‘Driving Transmission and Steering’ product category accounted for the largest part of the aftermarket at 21 per cent, followed by ‘Engine Components’ and ‘Electricals’ at 18 per cent each and ‘Suspension and Braking’ at 15 per cent.



[Source: IBEF report on auto components November 2018]

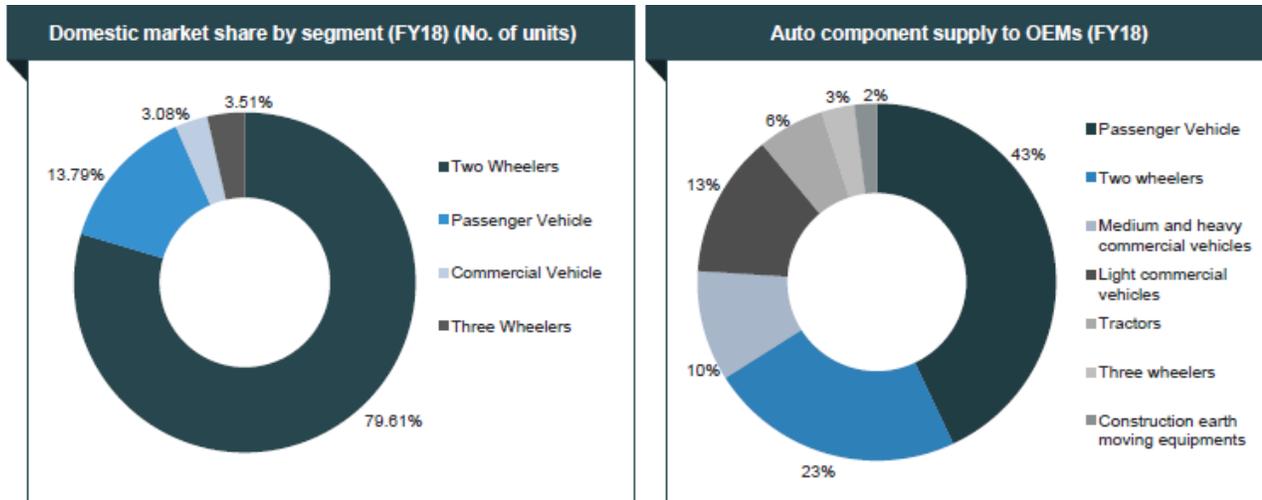
**Growth Drivers**



[Source: IBEF report on auto components November 2018]

**Shares in Production and Supply**

- Production of Two Wheelers, Passenger Vehicles, Commercial Vehicles and Three Wheelers reached 23.15 million, 4.01 million, 0.89 million, and 1.02 million in 2017-18.
- Passenger vehicles had the highest share of total auto component supplies to Original Equipment Manufacturers (OEMs) in 2017-18, followed by two wheelers and Light Commercial Vehicles (LCV).



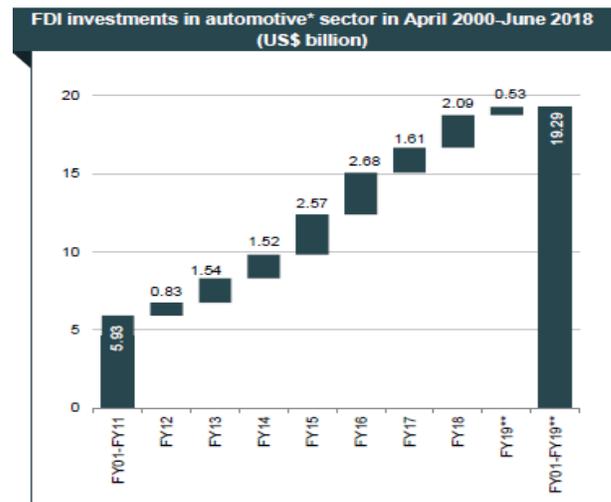
[Source: IBEF report on auto components November 2018]

**Investments**

The Foreign Direct Investment (FDI) inflows into the Indian automotive\* industry during the period April 2000 – June 2018 were recorded at US\$ 19.29 billion, as per data by the Department of Industrial Policy and Promotion (DIPP).

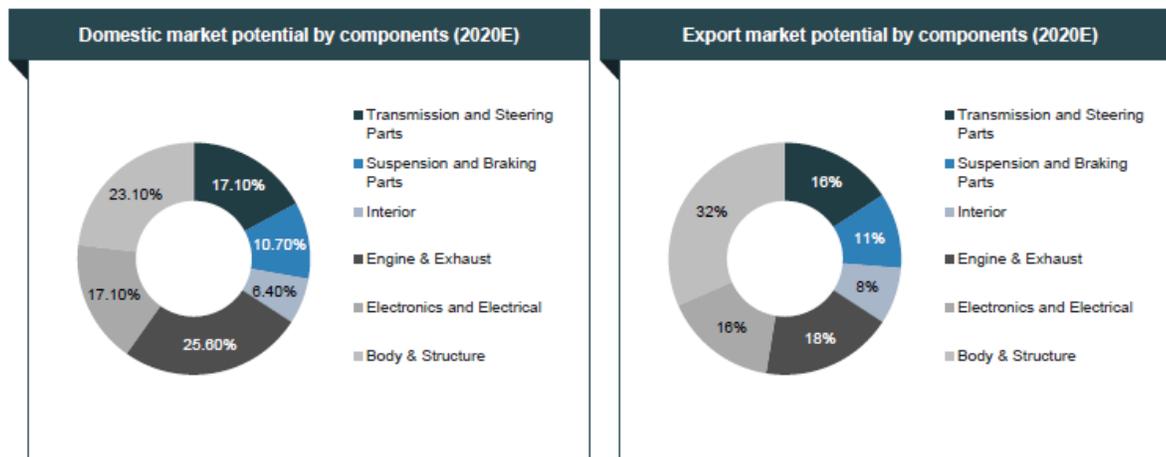
Some of the recent investments made/planned in the Indian auto components sector are as follows:

- With the launch of “Make in India” initiative, the government is expected to vitalise a substantial investment in the auto component sector.
- Auto component sector is expected to invest around US\$ 4.5 billion for upgradation of products and keeping up with the new industry regulations.
- Schaeffler India, the Indian arm of Germany’s automotive and industrial parts maker, is planning to invest Rs 300 crore (US\$ 46.66 million) per annum over FY18-19.
- As of September 2018, air-compressor manufacturer Elgi Equipments is going to invest Rs 18 crore (US\$ 2.56 million) for setting up of a motor production facility in India. The facility is expected to be commissioned in Q1 FY20. [Source: IBEF report on auto components November 2018]



**Market Potential Balanced across Product Types**

- Both domestic and export markets are almost similar in terms of potential share by different product types. For example, Engine and Exhaust components, along with Body and Structural parts, are expected to make up 50 per cent potential domestic sales as well as exports in 2020
- Transmission, Steering components, Electronics and Electrical parts are likely to be the other key products.



[Source: IBEF report on auto components November 2018]

### Government Initiatives

The Government of India’s Automotive Mission Plan (AMP) 2006–2016 has come a long way in ensuring growth for the sector. Indian Automobile industry is expected to achieve a turnover of \$300 billion by the year 2026 and will grow at a rate of CAGR 15 per cent from its current revenue of \$74 billion. Government has drafted Automotive Mission Plan (AMP) 2016-26 which will help the automobile industry to grow and will benefit Indian economy in the following ways:-

- Contribution of auto industry in the country’s GDP will rise to 13 per cent, currently which is less than 10 per cent
- More than 100 million jobs will be created in the economy
- Companies will invest around US \$80 billion as a part of their capital expenditure. End of life Policy will be implemented for old vehicles [Source: [www.ibef.org/industry/autocomponents-india.aspx](http://www.ibef.org/industry/autocomponents-india.aspx)]

### Favorable Policy Measures aiding Growth

<b>Auto Policy 2002</b>	<ul style="list-style-type: none"> <li>▪ Automatic approval for 100 per cent foreign equity investment in auto component manufacturing facilities.</li> <li>▪ Manufacturing &amp; imports are exempt from licensing &amp; approvals.</li> </ul>
<b>NATrIP</b>	<ul style="list-style-type: none"> <li>▪ Set up at a total cost of US\$ 388.5 million to enable the industry to adopt &amp; implement global performance standards.</li> <li>▪ Focus on providing low-cost manufacturing &amp; product development solutions.</li> </ul>
<b>Dept. of Heavy Industries &amp; Public Enterprises</b>	<ul style="list-style-type: none"> <li>▪ Created a US\$ 200 million fund to modernise the auto components industry by providing an interest subsidy on loans &amp; investment in new plants &amp; equipment.</li> <li>▪ Provided export benefits to intermediate suppliers of auto components against the Duty Free Replenishment Certificate (DFRC).</li> </ul>
<b>Automotive Mission Plan 2016-26 (AMP 2026)</b>	<ul style="list-style-type: none"> <li>▪ AMP 2026 targets a 4-fold growth in the automobiles sector in India which includes the manufacturers of automobiles, auto components &amp; tractor industry over the next 10 years.</li> <li>▪ It is expected to generate an additional employment of 65 million.</li> </ul>
<b>FAME Scheme</b>	<ul style="list-style-type: none"> <li>▪ The scheme is aimed at incentivising all vehicle segments i.e. 2 Wheeler, 3 Wheeler Auto, Passenger 4 Wheeler Vehicle, Light Commercial Vehicles and Buses. It covers hybrid &amp; electric technologies like Mild Hybrid, Strong Hybrid, Plug in Hybrid &amp; Battery Electric Vehicles. The scheme has been extended for six months from September 2018 to March 2019.</li> <li>▪ The Government of India is in the process of coming up with FAME-II Scheme.</li> </ul>
<b>Union Budget 2018–19</b>	<ul style="list-style-type: none"> <li>▪ Budget 2018-19 imposed a surcharge of 10 per cent on aggregate duties of customs on imports, replacing education and secondary and higher Education Cess, which is expected to boost domestic manufacturing.</li> <li>▪ Reduction of tax to 25 per cent for companies with turnover up to Rs 250 crore (US\$ 38.62 million) was also announced in Union Budget.</li> </ul>

[Source: IBEF report on auto components November 2018]

**Strategies Adopted**

New strategies	Diversification	Capacity	R&D facilities
<ul style="list-style-type: none"> <li>▪ Both Indian &amp; global manufacturers are investing in new capacities &amp; newer programmes, in order to get long term advantage</li> <li>▪ As markets in North, West &amp; South are getting saturated, components makers are now focusing on untapped market like the Northeast region of the country.</li> <li>▪ Varroc Engineering, India's second largest auto-components producer, is aiming to attract business from sales of electric vehicle components such as electronics, motors and battery management system.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Many Indian firms specialising in only one product market or segment &amp; are looking forward to diversify horizontally in other segments like 2-wheelers, passenger cars or commercial vehicles.</li> <li>▪ They are stepping up their product development capabilities in order to have the best chance of capturing growth opportunity.</li> </ul>	<ul style="list-style-type: none"> <li>▪ India's projected production is around 8.7 million passenger vehicles per year by 2020 (with most of them being compact cars)</li> <li>▪ Many MNC's like Ford, Hyundai, Toyota &amp; GM are launching new vehicle models due to their earlier success in the Indian market.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Looking at the opportunity many global suppliers for example Bosch Chassis Systems, Tenneco and Faurecia have established R&amp;D facilities in India to adapt global designs &amp; develop new products</li> <li>▪ Increasing investments in R&amp;D also assists companies in setting up laboratories, new facilities to conduct analysis, simulation &amp; engineering animations.</li> <li>▪ In August 2018, JK Tyre and Industries Ltd inaugurated its state-of-the-art global technology centre in Mysore. Research at the centre will focus on various aspects of tyre technology including coming up with advanced laboratory predictors for tyre performance and recognising key inputs for life prediction of rubber products.</li> </ul>

[Source: IBEF report on auto components November 2018]

**Road Ahead**

The rapidly globalising world is opening up newer avenues for the transportation industry, especially while it makes a shift towards electric, electronic and hybrid cars, which are deemed more efficient, safe and reliable modes of transportation. Over the next decade, this will lead to newer verticals and opportunities for auto-component manufacturers, who would need to adapt to the change via systematic research and development.

The Indian auto-components industry is set to become the third largest in the world by 2025 Indian auto-component makers are well positioned to benefit from the globalisation of the sector as exports potential could be increased by up to US\$ 30 billion by 2021E. [Source: [www.ibef.org/industry/autocomponents-india.aspx](http://www.ibef.org/industry/autocomponents-india.aspx)]

Exchange Rate Used: INR 1 = US\$ 0.016 as of FY2018

## OUR BUSINESS

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

*In this section, any reference to “we”, “us” or “our” refers to Kranti Industries Limited and its subsidiaries on a consolidated basis, as the context requires, and any reference to the “Company” refers to Kranti Industries Limited.*

Our Company was incorporated in the year 1995. Our Company is engaged in the business of manufacturing and supplying of precision machined components. With an operating history of more than two (2) decades, we are primarily known for range of automotive component and non-automotive (off highway) components. We manufacture various automotive components varying from 100 MM to 1200 MM in size. We manufacture customized products for reputed Original Equipment Manufacturers (OEMs) of diverse industries such as passenger cars, electric cars, two wheelers, tractors, construction machineries, railways, light vehicles, off-highway, heavy trucks etc.

Over the years our Company has diversified its product portfolio and presently caters to various sectors by developing components for construction, automobile, commercial vehicle, pneumatic tool, wind mill, medical industry, etc. We have a diversified client base and are committed to continuing to diversify our product offerings, customer base and geographical footprint, thereby minimizing our exposure to individual geographies, industry sectors, customers including Graziano Transmission India Pvt. Ltd, John Deere India Pvt. Ltd, CNH Industrial (India) Private Limited formerly known (New Holland Fiat (I) Pvt. Ltd), Carraro India Pvt. Ltd, Jaya Hind Industries Limited, Endurance Technologies limited, Neosym Industry Limited (Sanaswadi) and Meltwel Scrap Traders, etc.

We have two manufacturing units adjacent to each other located at Gat No. 267/B/1, Post Pirangut, Pune, Maharashtra having a total area of approximately 4,100 square meters and 2,730 square meters respectively. As a result of our quality assurance efforts over the years, our manufacturing units have received ISO 9001:2015 and IATF 16949:2016 certification from Kiwa Cermet Italia. Further our Company has received "Performance Appreciation Award" for outstanding contribution for new part development in casting and machining commodity from oerlikon in the year of 2018.

Prior to the incorporation of the Company, our founder promoter Late Mr. Subhash Kundanmal Vora was conducting the business through the erstwhile partnership firm namely M/s Kranti Industries (*“the Firm”*) since 1987. In the year 2001 our Company became a partner of the M/s Kranti Industries. Subsequently in the financial year 2002-2003, upon retirement of all the partners of the firm (save and except our Company), our Company took over the running business of the firm including all the assets and liabilities of the Firm as on March 31, 2002 and the said Firm was dissolved with effect from April 1, 2002.

Our Company initially catered to the tractor industry in the automotive sector with major dependency on very few customers. Further, with a view to expand our business and undertake additional orders, our Company acquired majority stake in "Wonder Precision Private Limited" in the year 2013 (our Subsidiary). Our Subsidiary is engaged in the business of manufacturing of precision machined components primarily for automotive industry and is located at Plot No. J-63, Bhosari, MIDC, Pune, Maharashtra.

The Promoters of our Company Mr. Sachin Subhash Vora, Mr. Sumit Subhash Vora and Mrs. Indubala Subhash Vora, have more than fifteen (15) years of experience in the automotive industry. Our Promoters have sound knowledge of manufacturing process, marketing, finance and all kind of other commercial activities related to the automotive industry.

Our revenue from operation has reached to ₹ 4,603.84 Lakhs in the F.Y. 2017-18 as compared to ₹ 691.83 Lakhs in F.Y 2005-2006.

For the 6 months period ended as on September 30, 2018, Total Income and Restated Profit/ Loss after Tax was of our Company is ₹ 3321.91 Lakhs and ₹ 137.14 Lakhs, respectively. For the year ended March 31, 2018, Total Income and Restated Profit after Tax of our Company was ₹ 4610.92 Lakhs and ₹ 89.97 Lakhs respectively, compared to Total Income and Restated Loss of ₹ 2925.19 Lakhs and ₹ (92.85) Lakhs respectively, over previous year ended i.e. March 31, 2017.

### Our Location:

<b>Registered Office and Factory of our Company</b>	Gat No.267/B/1, Post:- Pirangut, Tal. Mulshi, Dist. Pune-412108. Maharashtra, India
<b>Registered Office and Factory of our Subsidiary Company</b>	J-63, MIDC, Bhosari, Pune- 411026, Maharashtra, India

### Order Book

We have purchase orders and letter of intents, specifying the type of components, the quantity and the cost for each batch of orders placed, from our customers in our normal course of business operations. Also, we have entered into a long term customer agreement with one of our customers namely CNH Industrial (India) Private Limited (formerly known New Holland (Fiat) India Pvt. Ltd.) for supply of some of our products for a period of 3 years which is valid up to December 31, 2021.

We also offer our customers the opportunity to inspect our manufacturing facilities, processes, raw materials and logistical capabilities and based on that we receive the monthly schedules from them. Some of our customers under their respective orders, have the right to check and verify the manufacturing system and process laid down by us, for manufacturing the customer products under their respective orders, which may include inspection of the manufacturing facilities, review of the manufacturing processes and review of the raw materials.

The purchase orders are revised from time to time, on mutual terms and conditions, including price escalation on mutual terms for any increase in cost of raw material and transportation.

Based on aforesaid, our current Order Book as on January 18, 2019 is approximately ₹ 930.11 Lacs for the months of February, 2019 and March, 2019 prior to this Prospectus.

### Our Competitive Strengths

We believe we have the following competitive strengths:

- ***Quality standards and ISO certified organisation***

Quality plays one of the most vital role in the success of any organisation. We are focused on providing quality products. We constantly strive to improve our industrial processes at every step in the production chain. Our focus on quality is evidenced by the quality certifications and accreditations that our facility has obtained from recognized agencies, Kiwa Cermet Italia have issued ISO 9001:2015 certification and IATF 16949:2016 certifications. We believe that ensuring global standard products will attract domestic and international customers to our Company.

- ***Experienced and professional management team***

We believe that our qualified and professional management team provides us a competitive advantage and enables us to function effectively and efficiently. Our Promoters, Mr. Sachin Subhash Vora and Mr. Sumit Subhash Vora have over a decade of experience in the machining industry. The Promoters are supported by our experienced and professional management team having varied experience in finance, marketing, sales, product development, etc. Our management team brings focused abilities in product conceptualization to our business and we believe that their knowledge, global outlook and management ability would continue to contribute to our growth in future.

- ***Stable customer base***

We cater to the machining requirements of reputed manufacturers and OEMs for end users in industries such as off-highway and automotive industries. Our ten largest customers accounted for about 96.29% of our domestic total sales for period ended September 30, 2018. Our major customers include Graziano Transmission India Pvt. Ltd, John Deere India Pvt. Ltd, CNH Industrial (India) private limited formerly known (New Holland Fiat (I) Pvt. Ltd), Carraro India Pvt. Ltd, Jaya Hind Industries Limited, Endurance Technologies limited, Neosym Industry Limited (Sanaswadi) and Meltwel Scrap Traders, etc. We believe

that the strength of our relationships with our customers is attributable to our consistent performance over long periods and the emphasis that we place on catering to our customer's needs, supplemented with our access to technology.

- ***Wide product range and product segments***

Our Company manufacture various components varying from 100 MM to 1200 MM in size. Our Company manufacture customized products for reputed Original Equipment Manufacturers (OEMs) of diverse industries such as passenger cars, two wheelers, tractors, construction machineries, electric cars, railways, light vehicles, off-highway, heavy trucks.

We believe that maintaining a diverse portfolio in our business provides us with an opportunity to cater to diverse needs of our different customer segment.

- ***Well established manufacturing facility***

Our manufacturing facility is situated at Pirangut close to the one of the rapidly developing automotive hub near Pune consisting various machineries and suitable infrastructure and quality control setup to handle the product portfolio. The manufacturing process provides us with the flexibility of manufacturing any part of our products at short notice and delivered within scheduled. We have two units located in the same area just opposite to each other thereby increasing the flexibility and reducing the overheads and costs.

- ***Use of green energy***

Our company has always been dedicated towards environment and to save cost whenever possible and for this reason our company has entered into the power purchase agreement with SVM Green Power where we shall be getting electricity at ₹ 5.50 per unit inclusive of all taxes for fifteen (15) years. The plant has been installed on our rooftop and would generate approximately 1,74,375 units per year with 1% degradation every year after the first year. This has resulted in saving of cost for the company and use of green energy as promoted by Government of India as well.

### **Our Business Strategy**

- ***Brand Image***

We would continue to associate ourselves with good quality customers and execute orders to their utmost satisfaction. We are highly conscious about our brand image and intend to continue our brand building exercise by providing excellent services to the satisfaction of the customers.

- ***Strengthening relationship with existing customers and widen our customer base***

We look to further strengthen our relationship with our existing customers and meet their requirements. Whilst we continue to cater to our existing customers, we are emphasizing a lot on establishing new our relationship with prospective customers so that we can expand our customer base in other areas as well.

- ***Effective Utilization of Funds and Resources***

The sustainability and profitability of our business lies in effective utilization of our resources. It involves lower rejection, prompt recovery, cost effective purchases, controlled inventory, preventive maintenance of machines and equipment and constant endeavor to improve process timings and thereby increasing the productivity.

- ***Continue to expand and increase production capacity***

Our Company constantly endeavors to explore opportunities to expand our operations by developing new products and services within our existing lines of business. We expect that the increase in our product base will result in an increase in customer base and enable us target more customers and market segments.

➤ *Continue to improve operational efficiencies and cost competitiveness continuously*

We continue to adopt best practices and standards across our manufacturing facilities, drawing on our management’s expertise and experience in plant management. We continue to increase efficiencies through comprehensive product planning resulting in increased utilization rates and reduction in cost of production.

➤ *To expand our business activities by entering into joint venture arrangement.*

Our Company has become a partner in a JV company which shall be incorporated as "Kranti SFCI Private Limited" along with "Steel Forge Cast Industries" for the purpose of carrying on the business of "Machining of forging and casting components". The management and the marketing working shall be done by Steel Forge Cast Industries and the technical part and business operations shall be managed by Kranti Industries Limited.

➤ *Focus on consistently meeting quality standards*

Presently, Our Company is certified from ISO 9001:2015 and IATF16949:2016 and we intend to focus on adhering to the quality standards of the products. This is necessary so as to make sure that we get repeat orders from our customers. This will also aid us in enhancing our brand value.

**Our Products and Product Portfolio**

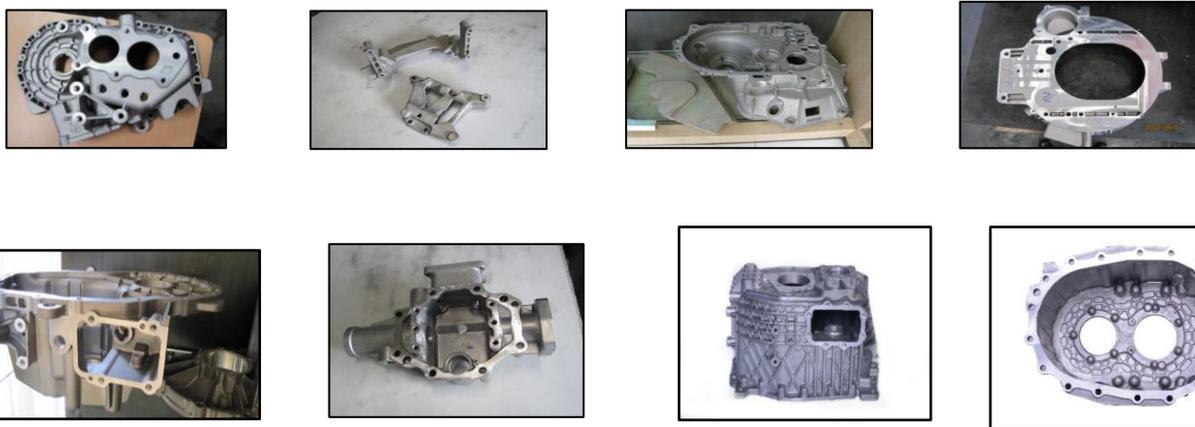
1. **Differential Housings:** We are manufacturing wide range of differential housings products and have developed a process for machining differential housings in single setup. This part is a heart of any transmission and requires a machining accuracy within 20 microns. We developed a process to machine this part in single setup, which is now one of our core strength. We are serving this to various automotive and off highway industries including electric vehicles. We are manufacturing different types of cases like single piece, split from top, split from center and split from bottom, also we are manufacturing different cases from casting as well as forging having hardening operations. Our product range for differential housing varies from 150 MM to 320 MM in Diameter and from 3.0 Kg to 28 Kg in weight. Some of the products we manufacture is shown below:



2. **Axle Components:** We are manufacturing wide range of axle components for agriculture tractors, construction machineries. We also manufacture differential carriers, wheel hubs, gear box housings, axle housings, trumpet housing etc. We are machining these from Ferrous (S.G. Iron and Grey Cast Iron) as well as Non Ferrous (GDC, PDC) castings. Our product range varies from 200 MM to 950 MM in length and from 14 Kg to 175 Kg in weight. Some of the products we manufacture is shown below:



3. **Automotive components:** We manufacture wide range of automotive components like front housings, rear housings, clutch housings, brackets, oil sump, top cover etc. These parts are used in different market segment like passenger car, two wheelers, light commercial vehicles, heavy commercial vehicles etc. We machined these parts from ferrous as well as non-ferrous castings



4. **Other Industries Components:** In addition to above mass production we are also manufacturing in batch production for various other industries like pneumatic tools, medical, marine, and alternate energy source. We manufacture these parts as per our customer requirements in small batch sizes also. Some of these parts are shown below.



**5. Prototyping:** In addition to mass and batch production we also have dedicated capacities, and capabilities to do prototype components for the new projects of our customer. We have a 5 Axis machine in house installed for doing these types of components; we have done prototyping of engines parts like V8 Cylinder Block for our customers in the automotive sector. Also we have done prototyping in titanium (for medical industry), stainless steel (for marine industry) and brass components.



**Product Portfolio:**

The following table provides an overview of our product portfolio:

Market Segment	Product Portfolio
Automotive Parts	Rear Housings, Front Housings, Gear Box Housing, Top cover, Brackets, AMT Kit Base Plate, Differential housings, Flywheel Housing, Master Cylinders (Braking Part)
Off-highway equipment, Agricultural tractors	Differential Housing, Carriers, Epic cyclic carriers, Gear Box Housings, Wheel Hubs, Axle Housing, Hydraulic Lift Housing, Trumpet Housing, Clutch Housings

**Manufacturing Facilities**

We have two units located in the same area just opposite to each other in Pirangut Pune, Maharashtra and are equipped with various machineries and suitable infrastructure and quality control setup to handle the product portfolio. The manufacturing process provides us with the flexibility of manufacturing any part of our products at a short notice and delivered within a short lead time. We have two units located in the same area just opposite to each other thereby increasing the flexibility and reducing the overheads and costs. In these two units there are approximately 45 production machines installed. We have a wide range of CNC turning centers, Vertical Machining center (VMC), Vertical Lathe (VTL) Horizontal Machining Center (HMC) and Axis Hi-tech Machines from the reputed and renowned manufacturers globally.





The following table provides an overview of our production machines:

S. No	Type of Machine	Make	Model No.
1.	Horizontal Machining Centre	DMG (GERMANY)	DMC 80 HY DIN
2.	Horizontal Machining Centre	YAMAZAKI MAZAK (JAPAN)	FH7800
3.	Horizontal Machining Centre	YAMAZAKI MAZAK (JAPAN)	FH7800
4.	Horizontal Machining Centre	YAMAZAKI MAZAK (JAPAN)	FH7800
5.	Horizontal Machining Centre	YAMAZAKI MAZAK (JAPAN)	FH6800
6.	CNC Turning Centre	LOKESH MACHINES LIMITED (INDIA)	ST-30
7.	CNC Turning Centre	LOKESH MACHINES LIMITED (INDIA)	ST-30
8.	CNC Turning Centre	JYOTI CNC AUTOMATION (INDIA)	DX 200/5A
9.	CNC Turning Centre	JYOTI CNC AUTOMATION (INDIA)	DX 200A/5A
10.	CNC Turning Centre	YAMAZAKI MAZAK (JAPAN)	QTN 300III
11.	CNC Turning Centre	JYOTI CNC AUTOMATION (INDIA)	DX 200A
12.	CNC Turning Centre	JYOTI CNC AUTOMATION (INDIA)	DX 200A
13.	CNC Turning Centre	JYOTI CNC AUTOMATION (INDIA)	DX 200A
14.	GANTRY	FELSOMAT(INDIA)	-
15.	CNC Turning Centre	LOKESH MACHINES LIMITED (INDIA)	TL20 MAX (500)
16.	CNC Turn mill Centre	YAMAZAKI MAZAK (JAPAN)	INTEGREX 200 Y
17.	CNC Turn mill Centre	YAMAZAKI MAZAK (JAPAN)	INTEGREX 200 III
18.	CNC Turn mill Centre	YAMAZAKI MAZAK (JAPAN)	INTEGREX 200 IV
19.	CNC Turn mill Centre	EMAG (GERMANY)	VSC 7 SL
20.	CNC Turn mill Centre	EMAG (GERMANY)	VSC 250 DD
21.	CNC Turn mill Centre	DMG MORI (JAPAN)	NLX2500/700
22.	Vertical Milling Centre	YAMAZAKI MAZAK (JAPAN)	FJV 200 Y
23.	Vertical Milling Centre	YAMAZAKI MAZAK (JAPAN)	FJV 200 2 PC
24.	Vertical Milling Centre	MAKINO INDIA	Slim 3n
25.	Vertical Milling Centre	YAMAZAKI MAZAK (JAPAN)	Mazak VCX 530 C
26.	Vertical Milling Centre	JYOTI CNC AUTOMATION (INDIA)	JYOTI RX 20
27.	Vertical Milling Centre	JYOTI CNC AUTOMATION (INDIA)	JYOTI RX 20
28.	VERTICAL TURNING LATHE	HYUNDAI - KIA MACHINES (KOREA)	HYUNDAI KIA SKT V5R

S. No	Type of Machine	Make	Model No.
29.	VERTICAL TURNING LATHE	HYUNDAI - KIA MACHINES (KOREA)	HYUNDAI-WIA LV 800 L
30.	VERTICAL TURNING LATHE	BFW	BVL-700H
31.	VERTICAL TURNING LATHE	JYOTI CNC AUTOMATION (INDIA)	VTL 500B
32.	Horizontal Machining Centre	DMG (GERMANY)	DMC 75 H Duo Block
33.	Horizontal Machining Centre	DMG (GERMANY)	DMC 75 H Duo Block
34.	Horizontal Machining Centre	DMG (GERMANY)	DMC 80 H Duo Block
35.	Horizontal Machining Centre	DMG (GERMANY)	DMC 80 H Duo Block
36.	Horizontal Machining Centre	DMG (GERMANY)	DMC 80 H Duo Block
37.	Horizontal Machining Centre	STARRAG (GERMANY)	WMWCWK800
38.	Horizontal Machining Centre	DMG (GERMANY)	DMC 55 H Duo Block
39.	Horizontal Machining Centre	YAMAZAKI MAZAK (JAPAN)	HMC NEXUS 4000-III
40.	Horizontal Machining Centre	YAMAZAKI MAZAK (JAPAN)	PFH 4800
41.	Horizontal Machining Centre	YAMAZAKI MAZAK (JAPAN)	HCN 6000
42.	Horizontal Machining Centre	YAMAZAKI MAZAK (JAPAN)	FH7800
43.	Horizontal Machining Centre	GROB	GA 350
44.	Coordinate Measuring Machine	Mitutoyo (JAPAN)	Crysta-Apex-C9168
45.	Tool Vending M/C-	Supply point (USA)	-

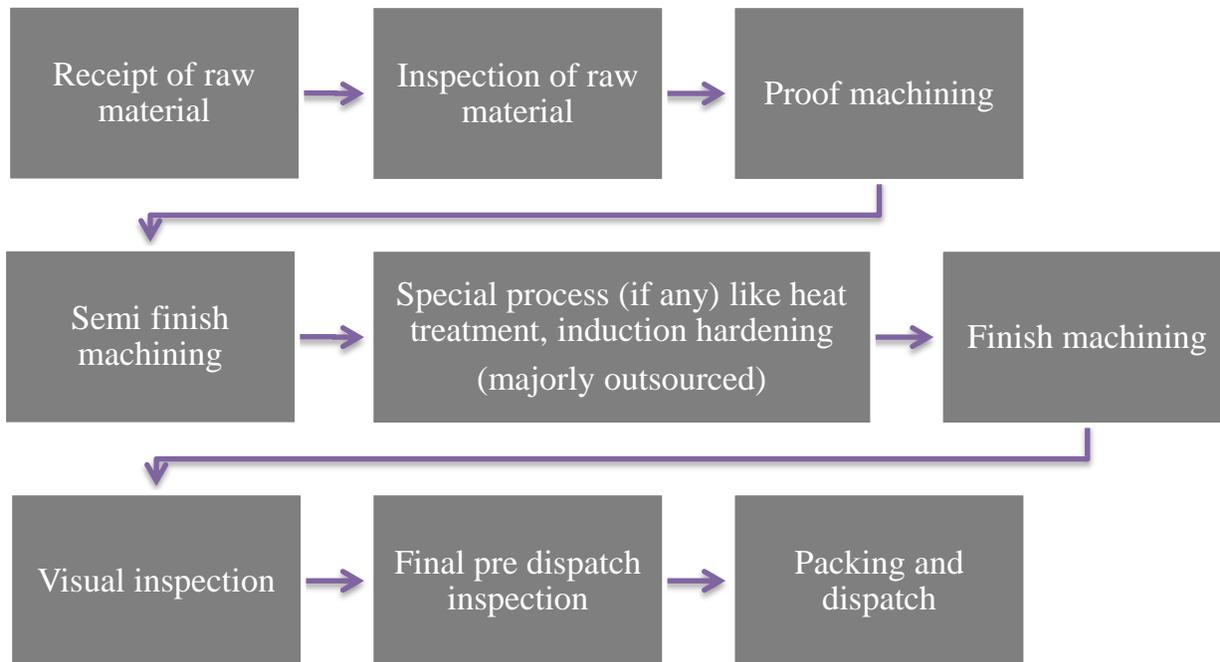
*Note: Above machines includes machine under financial lease and does not include machines in subsidiary company*

In addition to the above production machines we have inspection and testing facilities, with a wide range of instruments and equipment like CMM (coordinate measuring machine) – 02 Nos., contamination testing lab with microscope, contracer, surface roughness tester, 2D height gauge, surface plates, air gauges, special gauges and a wide range of calipers, bore gauges and other equipment's. Besides having capabilities in manufacturing of components for our customers this facility also has capabilities for detailed analysis, manufacturing, inspection, and prototyping of new products for our existing as well as new customers. This facility for manufacturing has been recognized for its quality management system with IATF 16949:2016 and ISO 9001:2015 by CERMET Inspection and Certification Body.

### **Our manufacturing process**

Our machines are equipped for both individual and diversified processes, and their flexibility enables us to employ them in the most optimum manner to suit the customer's preferences. Additionally, most of our machinery with certain modification is capable of being used interchangeably for either of our sectors, depending on the demand for such products. We have and may have dedicated production lines based on the size and frequency of the orders of our customers.

Typically, our manufacturing process consists of machining inspection and assembly (if any). The production process may be diagrammatically explained in the following manner:



The process undergone in the manufacturing of precision machined components is briefly described hereunder:

***Drawings/Enquiries***

Our manufacturing activities start after receipt of Drawings / Enquiries from our customer. Initial Feasibility study is done and commercials are submitted.

***Tooling***

Once process is finalized then all the necessary tooling / work holding are procured / manufactured. Machines are assigned to each component, based on process chart, process timings and the volumes required. Once all tooling / work holding are received “machining cutting program” is prepared and set on the machine for that process / operation and then tooling are checked and loaded into the machine before the production is started.

***Proof machining/ Semi finish machining/ Finish machining***

Machining is a combination of various processes in which a piece of raw material is cut into a desired final shape and size by a controlled material-removal process.

Once Raw material is received the parts are loaded in work holding and processed as per pre-designed process flow. Some parts may be completed in single process and some products may have to follow sequence of process. At every stage all the required parameters are controlled as per pre-defined norms.

The key to our success is continuous supervision on the process and ensure maximum productivity. Our team of experienced supervisors and managers with a backup of vast experience of our Promoters execute this activity effectively and efficiently.

Our machining setup is having a flexibility and inter-changeability to address the sudden changes in the requirements of our customers.

***Inspection/ Supervision***

Process inspection is carried out at a pre-defined frequency during various stages with the help of gauges and CMM (Coordinate Measuring Machine) to ensure the accuracy of the part as per the customer requirements and specifications. Parts / components are inspected visually for visual defects and necessary actions are taken.

Various types of Audits like dock audit, process audit, and system audits are carried out at regular intervals to have a control on the process and to ensure continuous process improvements to increase the profitability.

***Pre dispatch inspection***

Before packaging the material parts are verified by our efficient quality assurance team as per the pre-defined frequency and then it is approved for dispatch.

***Packaging and dispatch***

Parts approved in PDI are packed as per agreed packaging norms / standards and material is dispatched as per necessary challan / invoice.

**Process innovation**

In our constant endeavor to meet our customer’s requirements and to improve our quality and process efficiency, innovation in the manufacturing process plays a key role. As we expand our customer base and our geographic reach, we continue to focus on operational efficiency through the effective use of technology and quality assurance. We substituted the use of a series of conventional machines to special purpose machines, which can accommodate several operations. This process innovation eliminated multiple operations, leading to productivity improvement, reduction of man power and operational costs and most importantly, ensuring consistency in quality of the product.

We believe that using appropriate technology alongside new or modern technology for our products will improve our performance and efficiency. Our aim is to utilize present experience of the workforce; process and innovation in developing more value added components. We constantly review, re-consider and implement our ideas and innovations, which is essential for the growth of the business.

**Marketing and selling arrangements**

Since we are into customized products we do not require any dedicated marketing and selling arrangements. However, we have an internal customer correspondence team which is closely associated with our customers and take care of all day to day correspondence and requirements of existing as well as new probable customers. This team is headed by the Promoters of the Company.

**Infrastructure facilities**

**Raw materials**

The principal raw materials used by us is ferrous as well as non-ferrous castings, in addition to this we also manufacture components from bars and forgings. We procure these castings from our regular suppliers and are approved by our customers. In addition to this we require work holding fixtures and clamping fixtures to hold the parts into the machines. These fixtures are conceptually designed by us and we get these manufactured from our suppliers.

**The main utilities required for our manufacturing activities are:**

**Power:** The requirement of power for our operations is met through Maharashtra State Electricity Distribution Board Ltd. We have two different meters for both the units located at Pirangut Pune.

Electricity	Consumer No.	Sanction Load	Unit of Measurement
MSEDCL	182859034550	700	KWH
MSEDCL	182859049880	400	KWH

In addition to above arrangement, our company has Two D.G. (Diesel Generator) sets of 250 KVA each in unit I and one D.G. (Diesel Generator) set of 250 KVA in Unit II as a standby arrangement.

Further, our Company entered into an agreement with SVM Green Power for purchase solar power generated by them.

**Fuel:** There is no requirement of any hazardous fuel for manufacturing our products. However, fuel is required only for the Generators, which is sourced from the local source available nearby.

**Water:** Water required for the manufacturing and allied process is procured through the existing water supply network in that area.

**Effluent Treatment:** Our Company does not generate any industrial effluents which is hazardous to the environment.

**Sewage Treatment:** We have a Sewage Treatment Plant installed inside our premises, which treats the sewage water and the same treated water is reused for gardening and other application wherever suitable.

### **Competition**

Our Industry is fragmented consisting of large established players and small niche players. We compete with organized as well as unorganized sector on the basis of availability of product, product quality and product range. Further, there are no entry barriers in this industry and any expansion in capacity of existing manufacturers would further intensify competition. Industry is very competitive and we expect competition to continue and likely to increase in the future.

### **Capacity and capacity utilizations**

Due to the nature of business and industry in which the Company operates it is difficult to ascertain the exact capacity utilization since the same machineries are used to manufacture various types of products of different dimensions.

### **Technology**

Except the machinery which has been disclosed in this section, we have implemented ERP system to maintain our inventory and sales and various other day to day transactions. A head office server is also maintained to save, store and secure all the data in centralized form.

### **Quality control, certifications and accreditations**

In the precision components manufacturing industry, adherence to quality standards is a critical factor as any defects in any of the products manufactured by us, or failure to comply with the design specifications of our customers, may lead to cancellation of the purchase order placed by our customers and further loss of reputation. In order to maintain the quality standards and comply with the design specifications provided by our customers, we follow a stringent quality control mechanism. At each stage of the manufacturing process, the components are checked by our operators, to ensure there is no defect from the previous stage operator.

As a result of our quality assurance efforts over the years, our manufacturing units have received ISO 9001:2015 certification from Kiwa Cermet Italia and IATF 16949:2016 certification from Kiwa Cermet Italia.

### **Collaborations**

Except entered into a Joint Venture arrangement as mentioned in chapter titled "History and Certain Corporate Matters" beginning on page 118 of this Prospectus, our Company have not entered into any technical or other collaboration.

### **Human resource**

We believe that we have a qualified and experienced employee base, managed by middle and senior management personnel.

As on September 30, 2018 we had 155 employees (including temporary workers) at our plant and office. On satisfactory completion of six months’ probation period employees are confirmed by us as permanent employees. There is human resource policy uniformly adopted across all personnel engaged in our management, staff and worker. The permanent employees at our plants include personnel in manufacturing activities such as machine operations, assembling and testing of products, quality assurance, and receipt and dispatch of materials.

The employee strength of our Company as on September 30, 2018 is as follows:

Category	No. of employees
<b>On Permanent Basis</b>	
Directors /KMP	5
Managers	5
Executives	25
Semi-skilled and Unskilled labour/staff	64
<b>Total (A)</b>	<b>99</b>
<b>On Temporary/ Contractual basis</b>	
Trainees	18
On contract basis	38
<b>Total (B)</b>	<b>56</b>
<b>Total manpower (A+B)</b>	<b>155</b>

Apart from the above employees, we also employ labour on temporary basis as and when required. For details on our key managerial personnel, kindly refer to the chapters titled "Our Management" and "Government and Other Approvals" beginning on pages 124 and 191, respectively, of this Prospectus.

**Details of Properties owned by the Company:** The properties owned by our company are as stated below:

S. No	Buyer	Seller	Area	Brief particulars <sup>#</sup>	Consideration and date of sale deed/ agreement	Usage
1.	Kranti Industries Limited	1. Food Craft Company through its Director Sanjay Vasantav Thakur; 2. Shailendra Murlidhar Thakur through constituted attorney Sanjay Vasantav Thakur	2,730 square meters	All that piece and parcel of portion of property situate at survey no. 267/B/1 (old gat no. 246/B) admeasuring 27.3 Ares equivalent to 2730 square meters out of total land admeasuring 2 Hectares 57.48 Ares lying being and situate at situated at Village Pirangut, in the Registration Sub-District, Taluka Mulshi District Pune and within the limits of Zilla Parishad, Pune Panchayat Samiti,	Sale Deed dated May 10, 2010 for a consideration of ₹1,06,00,000/- (Rupees One crore six lacs only)	Factory land
2.	Kranti Industries Limited	1. Vishwas Shrikrishna Gokhale; 2. Prakash Ramchandra Gogte (HUF)	4,100 square meters	All that piece and parcel of industrial plot of land bearing plot no. D admeasuring 41 Ares equivalent to 4100 square meters situated at gat no. 267B/1 (old gat no. 146B) Village Pirangut, in the registration sub-district, Taluka Mulshi District Pune and within the limits of Zilla Parishad, Pune Panchayat Samiti,	Sale deed dated October 21, 2003 for a consideration of ₹ 25,25,000/- (Rupees Twenty five lacs twenty five thousand only)	Factory land

<sup>#</sup> none of above mentioned properties are related to any of the Promoters.

The entities, who own the land which is acquired by our Company, do not have any relationship with any promoters or directors of our Company. We do not require any approvals pertaining to the land on which our factory is located. The land in respect of which our Company is the owner is registered in its name. Save and except the equitable mortgage created in favour of our lender, the aforesaid ownership lands are free from encumbrances.

**Intellectual Property**



One of our Company’s logo and trademark i.e.  has been registered under Class 12 of the Trade Marks Act, 1999.

We have also made an application dated January 27, 2016 for registration of one of our logo and trademarks i.e.  For further details, please refer to the Section title “Government and Other Approvals” on page no. 191 of this Prospectus.

**Health safety and environments**

Our activities in the state of Maharashtra are subject to wide range of government rules and regulations regarding health, safety and environment protection. We are committed to protecting the health and safety of employees and contractors working in our factories, people who come in contact with our operations and the health and sustainability of the environment in which we operate.

We believe that ensuring the health and safety of our employees is critical to the successful conduct of our business and operations. We are therefore committed to complying with applicable health, safety and environmental regulations and other requirements in our operations.

**Insurance**

We have obtained insurance coverage in respect of certain risks. Our significant insurance policies consist of, among others, group personal accident insurance, marine open inland declaration, Keyman life insurance and standard fire and special perils in respect of our premises, machine and employees. 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 product defect/liability risk, loss of profits, losses due to terrorism, etc. 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.

S. No.	Name of the Insurance Company	Name of the Insured	Type of Policy	Validity Period	Description of cover under the policy	Policy No.	Sum Assured Amount (₹ in Crores)	Premium Paid Amount (in ₹)
1	Bajaj Allianz General Insurance Company Limited	Kranti Industries Limited	Fire and Special Peril Policy	19.10.2018 to 18.10.2019	Plant and Machinery	OG-19-2025-4008-00000004	5.58	22,222/-
2	Bajaj Allianz General Insurance Company Limited	Kranti Industries Limited	Fire and Special Peril Policy	01.04.2018 to 31.03.2019	Plant and Machinery	OG-18-2001-4001-00004269	51.00	1,74,736/-
3	Bajaj Allianz General Insurance Company Limited	Kranti Industries Limited	Group Personal Accident Policy	05.04.2018 to 05.04.2019	For Employees	OG-19-2025-990200000016	17.86	1,09,793/-
4	LIC	Kranti	Keyman	05.11.2011 to	Keyman	993249081	5.00	1,13,000/-

S. No.	Name of the Insurance Company	Name of the Insured	Type of Policy	Validity Period	Description of cover under the policy	Policy No.	Sum Assured Amount (₹ in Crores)	Premium Paid Amount (in ₹)
	Amulya Jeevan 1	Industries Limited	Insurance Policy	05.11.2021	Insurance			
5	ICICI Lombard General Insurance Company Limited	Kranti Industries Limited	Marine Inland (Open) Insurance Policy	27.06.2018 to 26.06.2019	Mahined Casting	2001/15075954 4/00/000	20.00	1,24,999/-

## **KEY REGULATIONS AND POLICIES**

*Except as otherwise specified in this Prospectus, the Companies Act, 1956 / the Companies Act, 2013, we are subject to a number of central and state legislations which regulate substantive and procedural aspects of our business. Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye-laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in business of manufacturing and supplying of precision machined components .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 191 of this Prospectus.

### **KEY REGULATIONS APPLICABLE TO OUR COMPANY IN INDIA**

#### **BUSINESS/TRADE RELATED LAWS/REGULATIONS**

##### **The Bureau of Indian Standards Act, 1986 (the “BIS Act”)**

BIS Act, as amended from time to time provides for the “harmonious development of the activities of standardization, marking and quality certification of goods and for matters connected therewith”. Specifically, it establishes a bureau for the standardization, marking and quality certification of goods, called the Bureau of Indian Standards (“BIS”).

##### **The Micro, Small and Medium Enterprises Development Act, 2006 (the “MSME Act”)**

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the MSME 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.

#### **Environmental Laws**

We are subject to various environment regulations as the operation of our establishments might have an impact on the environment in which they are situated. The basic purpose of the statutes listed below is to control, abate and prevent pollution. In order to achieve these objectives, pollution control boards (“PCBs”), which are vested with diverse powers to deal with water and air pollution, have been set up in each state. The PCBs are responsible for setting the standards for maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking inspection to ensure that industries are functioning in compliance with the standards prescribed. These authorities also have the power of search, seizure and investigation. All industries are required to obtain consent orders from the PCBs, which are indicative of the fact that the industry in question is functioning in compliance with the pollution control norms. These consent orders are required to be periodically renewed.

### **The Environment (Protection) Act, 1986 (“EPA”)**

The EPA is an umbrella legislation designed to provide a framework for the Government of India to protect and improve the environment. The EPA vests with the Government of India the power to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling environmental pollution. This includes rules for the quality of environment, standards for emission of discharge of environment pollutants from various sources as provided under the Environment (Protection) Rules, 1986, inspection of any premises, plant, equipment, machinery, and examination of manufacturing processes and materials likely to cause pollution.

### **The Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”)**

The Water Act aims to prevent and control water pollution by factories and manufacturing units and maintain and restore the quality and wholesomeness of water. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant state pollution control board, which is empowered to establish standards and conditions that are required to be complied with.

### **The Water (Prevention and Control of Pollution) Cess Act, 1977 (“Water Cess Act”)**

The Water Cess Act provides for the levy and collection of a cess on water consumed by persons carrying on certain industries and by local authorities. Under this statute, every person carrying on certain industries and local authorities are required to pay a cess calculated on the basis of the amount of water consumed for any of the purposes specified under the Water Cess Act, at such rate not exceeding the rate specified under the Water Cess Act. A rebate of up to 25% on the cess payable is available to persons who install any plant for the treatment of sewage or trade effluent, provided that they consume water within the quantity prescribed for that category of industries and also comply with the provision relating to restrictions on new outlets and discharges under the Water Act or any standards laid down under the EPA.

### **The Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)**

The Air Act provides for the prevention, control and abatement of air pollution. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state PCB prior to establishing or operating such industrial plant. The state pollution control board must decide on the application within a period of four months of receipt of such application. The consent may contain certain conditions relating to specifications of pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the state PCB.

### **The Noise Pollution (Regulation and Control) Rules, 2000 (“Noise Regulation Rules”)**

The Noise Regulation Rules regulate noise levels in industrial, commercial, residential and silence zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near educational institutions, courts, hospitals, or other institutions.

### **National Environmental Policy, 2006**

This Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of the National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity

- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

#### **Guidelines for in-use Generator sets (Noise and Emissions)**

Central Pollution Control Board (CPCB) has prescribed guidelines for emission and noise pollution of gensets up to 1000 KVA. The said guidelines are effective from January 15, 2008 for system procedure for compliance with noise limits.

#### **The Public Liability Insurance Act, 1991 (“PLI Act”)**

PLI Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. The government by way of a notification has enumerated a list of hazardous substances. The owner or handler is also required to obtain an insurance policy insuring against liability under the legislation. The rules made under the PLI Act mandate that the employer has to contribute towards the Environmental Relief Fund a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

#### **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 anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

#### **GENERAL CORPORATE COMPLIANCE**

##### **The Companies Act, 1956 and the Companies Act, 2013**

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013. The Companies Act, 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the Act.

Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of Acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of a company. The provisions relating to remuneration of the directors payable by the company is under Part II of the said schedule.

#### **EMPLOYMENT AND LABOUR LAWS**

##### **Contract Labour (Regulation and Abolition) Act, 1970 (the “CLRA”)**

The 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 50 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 a 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. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

**Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("the EPF Act") and the Employees Provident Fund Scheme, 1952**

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

**Employees Deposit Linked Insurance Scheme, 1976**

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the Act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

**The Employees' Pension Scheme, 1995**

Family pension in relation to this Act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this Act. Every employee who is member of EPF or PF has an option of the joining the scheme. The employer shall prepare a Family Pension Fund contribution card in respect of all the employees who are members of the fund.

**Employees' State Insurance Act, 1948 (the "ESI Act")**

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

**Payment of Bonus Act, 1965**

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

**Payment of Gratuity Act, 1972**

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this Act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five-year period shall be relaxed in case of termination of service due to death or disablement.

**Minimum Wages Act, 1948 ("MWA")**

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.

**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 Act")**

The Child Labour Act 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**

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.

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

The ID Act provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the appropriate Government may refer the dispute to a labour court, tribunal or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workmen. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment.

### **Intellectual Property Rights**

In India, patents, trademarks and copyrights enjoy protection under both statutory and under common law. The key legislations governing intellectual property in India and which are applicable to our Company are the Patents Act, 1970, Copyright Act, 1957 and the Trade Marks Act, 1999.

### **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.

Note: The VAT Act now has been replaced by the Goods and Service Tax (GST) Act, 2017.

#### **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.

Note: The CST Act now has been replaced by the Goods and Service Tax (GST) Act, 2017.

#### **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 5<sup>th</sup> / 6<sup>th</sup> 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.

Note: The Service Tax now has been replaced by the Goods and Service Tax (GST) Act, 2017.

#### **The Central Excise Act, 1944**

The Central Excise Act, 1944 (“Central Excise Act”) consolidated and amended 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.

Note: The Central Excise Act now has been replaced by the Goods and Service Tax (GST) Act, 2017.

### **Goods and Service Tax (GST)**

Goods and Services Tax (GST) is levied on the 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 the imposition of tax on the supply of goods or services and will be levied by Centre on the 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 the 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 (GST), 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 a special category of states like North-East shall be Rs. 5 lakhs. Small taxpayers with an aggregate turnover in preceding financial year upto Rs. 1 crore (75 lakhs in case of special category states) may opt for composition levy. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. There is a special rate of 0.25% on some precious and semi-precious stones and 3% on gold. In addition, a cess of 15% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products. The rate of tax for CGST and SGST/UTGST shall not exceed –

- a) 5% in case of restaurants etc.
- b) 1% of the turnover in case of manufacturer
- c) 1% turnover of taxable supplies of goods, in case of another 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 locations in a state, a separate application will be made for registration of each and every location. The registered assessee is then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

### **OTHER LAW:**

#### **The Factories Act, 1948 (the “Factories Act”)**

The Factories Act defines a ‘factory’ to be any premises including the precincts thereof, on which on any day in the previous 12 months, 10 or more workers are or were working and in which a manufacturing process is being carried on or is ordinarily carried on with the aid of power; or where at least 20 workers are or were working on any day in the preceding 12 months and on which a manufacturing process is being carried on or is ordinarily carried on without the aid of power. State governments prescribe rules with respect to the prior submission of plans, their approval for the establishment of factories and the registration and licensing of factories.

The Factories Act provides that the ‘occupier’ of a factory (defined as the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors) shall ensure the health, safety and welfare of all workers while they are at work in the factory, especially in respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers’ health and safety, cleanliness and safe working conditions.

#### **Foreign Trade (Development and Regulation) Act, 1992**

The Development and Regulation of foreign trade by facilitating imports and exports from and to India. The Import-Export Code number and licence to import or export includes a customs clearance permit and any other permission issued or granted under this act. The Export and Import policy, provision for development and regulation of foreign trade shall be made by the Central Government by publishing an order. The Central Government may also appoint Director General of Foreign Trade (“DGFT”) for the purpose of Export-Import Policy formulation.

If any person makes any contravention to any law or commits economic offence or imports/exports in a manner prejudicial to the trade relations of India or to the interest of other person engaged in imports or exports then there shall be no Import Export Code number granted by Director-General to such person and if in case granted shall stand cancelled or suspended. Provision of search and seizure of Code of Criminal Procedure, 1973 shall apply to every search and seizure made under this Act. In case of appeals in a case the order made by the appellate authority shall be considered to be final. The powers of the civil court under Code of Civil Procedure, 1908 shall vest in him.

The EXIM Policy is a set of guidelines and instructions established by the DGFT in matters related to the export and import of goods in India. This policy is regulated under the said act. DGFT is the main governing body in matters related to the EXIM Policy. The Act shall provide development and regulation of foreign trade by facilitating imports into, and augmenting exports from India. Trade Policy is prepared and announced by the Central Government (Ministry of Commerce).

#### **Foreign Exchange Management Act, 1999 (“FEMA”)**

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations promulgated there under. FEMA aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

#### **FEMA Regulations**

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (“FEMA Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce and 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. 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.

### **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, Sale of Goods Act 1930 and Consumer Protection Act 1986 are also applicable to the company.

### **Laws applicable for operations outside India**

Our Company and its Subsidiary Company operate in various jurisdictions. The relevant laws in these jurisdictions are applicable to our Company, its Subsidiary Company and branch offices, which relate to incorporation or registration as applicable, labour, immigration, intellectual property, data protection, taxation, and other business related laws.

**HISTORY AND CERTAIN CORPORATE MATTERS**

**History and Background**

Our Company was incorporated on December 5, 1995, as "*Kranti Precision Tools Private Limited*" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Bombay bearing Registration Number 095016. We subsequently changed the name of our Company from "*Kranti Precision Tools Private Limited*" to "*Kranti Industries Private Limited*" pursuant to shareholders resolutions passed at the Extra Ordinary General Meeting held on February 8, 2002. A fresh Certificate of Incorporation consequent upon name change was granted to our Company on March 11, 2002 by the Registrar of Companies, Pune. Subsequently, our Company was converted into public limited company pursuant to Shareholders Resolution passed at the Extra Ordinary General Meeting held on July 31, 2015 and the name of our Company was changed to "*Kranti Industries Limited*" vide a fresh Certificate of Incorporation dated August 17, 2015 issued by the Registrar of Companies, Pune. The Corporate Identification Number of our Company is U29299PN1995PLC095016.

*Prior to the incorporation of the Company, our founder promoter Late Mr. Subhash Kundanmal Vora was conducting the business through the erstwhile partnership firm namely M/s Kranti Industries ("the Firm"). In the year 2001-2002 our Company became a partner of the M/s Kranti Industries. Subsequently in the financial year 2002-2003, upon retirement of all the partners of the firm (save and except our Company), our Company took over the running business of the firm including all the assets and liabilities of the Firm as on March 31, 2002 and the said Firm was dissolved with effect from April 1, 2002.*

**Corporate profile of our Company**

Details regarding the description of our activities, services, products, market, the growth of our Company, exports, technological and managerial competence, the standing of our Company with reference to the prominent competitors with reference to its products, management, major suppliers and customers, segment, capacity/facility creation, location of manufacturing facilities, marketing, competition and foreign operations, please refer to the chapter titled "Our Business" "Industry Overview" and "Our Management " on pages 95, 85and 124respectively of this Prospectus.

**Change in the name of Company since incorporation**

Our Company has changed its name from Kranti Precision Tools Private Limited" to "Kranti Industries Private Limited" pursuant to shareholders resolutions passed at the Extra Ordinary General Meeting held on February 8, 2002 due to expand setup and large scale activities of the Company.

**Changes in the Registered Office of the Company since incorporation**

Currently, the Registered Office our company is situated at Gat No.267/B/1, Post, Pirangut, Tal. Mulshi, Pune – 412108, Maharashtra, India.

Following changes has been made in our registered office since incorporation till date of this Prospectus:

From	To	With effect from	Reason for Change
642/7, Flat No. B-2, Amit Vihar, Bibewewadi, Pune-411 037, Maharashtra.	Gat No. 267/B/1, at post Pirangut, Mulshi, Pune-412108, Maharashtra	January 28, 2008	Greater Operational Efficiency

**Major events in the History of our Company**

Year	Key Events / Milestone / Achievements
1995	Incorporation of our Company
2002	Change of Name of Company from Kranti Precision Tools Private Limited to Kranti Industries Private Limited <sup>#</sup>
2003	Acquisition of factory land at Pirangut Pune
2004	Commencement of factory and installed first Horizontal Machining Center line for machining of Gear Box Housings for Tractors
2004-2010	Developed State of Art Plant with Machines for catering various needs of our customers.

<b>Year</b>	<b>Key Events / Milestone / Achievements</b>
2010	Acquisition of Additional factory land at Pirangut Pune
2011	Constructed a State of Art Factory building, Installed and Productionized machines to enhance the capacity
2013	Acquisition of Wonder Precision Private Limited as Subsidiary Company
2014	Diversified the focus from Tractor industries and developed parts for Construction, Auto, commercial Vehicle, Pneumatic Tools, Wind Mill and Medical Industry
2015	Conversion of our Company from Private Limited Company to Public Limited Company.
2015	Receipt of Quality Management System Certificate ISO/ TS 16949:2009 and ISO 9001:2008 from Kiwa Cermet Italia.
2018	Receipt of Quality Management System Certificate IATF 16949:2016 and ISO 9001:2015 from Kiwa Cermet Italia.
2018	Entered a joint venture agreement with Steel Forge Cast Industries for the purpose of carry on the business of "Machining of forging and casting components.

# Prior to the incorporation of the Company, our founder promoter Late Mr. Subhash Kundanmal Vora was conducting the business through the erstwhile partnership firm namely M/s Kranti Industries (**"the Firm"**). In the year 2001-2002 our Company became a partner of the M/s Kranti Industries. Subsequently in the financial year 2002-2003, upon retirement of all the partners of the firm (save and except our Company), our Company took over the running business of the firm including all the assets and liabilities of the Firm as on March 31, 2002 and the said Firm was dissolved with effect from April 1, 2002.

**Awards and accreditations received by our Company:-**

Our Company has received "Performance Appreciation Award" for outstanding contribution for new part development in casting and machining commodity from Oerlikon in the year of 2018

**Acquisition of Businesses / Undertakings**

Except our Subsidiary Company i.e. Wonder Precision Private Limited, our Company has not made any material acquisitions or divestments of businesses / undertakings in the last 10 (ten) years.

**Details of Merger/Amalgamation**

There has been no merger/amalgamation pertaining to our Company.

**Revaluation of assets**

Our Company has not revalued its assets in the last 10 (ten) years.

**Main Objects of our Company**

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

*To carry on the business of manufacturing, processing, assembling, exporting, importing, buying, selling, dealing in mechanical, electrical, electronics, computers, agricultural and metal products, consumer products, tools, measuring instruments, machine tools, appliances, machineries, components, accessories and spare parts including automotive parts, alloys, nut bolts, gauges bearing, steel rounds, nails, hand tools and all types of hardware items for use in connection therewith.*

**Amendments to our Memorandum of Association in last ten (10) years**

The following changes have been made to the Memorandum of Association in last ten (10) years:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Date of Meeting</b>	<b>Type of Meeting</b>
1.	Increase in the authorized share capital of the Company from ₹ 2,00,00,000 divided	September 22,	

Sr. No.	Particulars	Date of Meeting	Type of Meeting
	into 2,00,000 Equity Shares of ₹ 100 each to ₹ 5,00,00,000 divided into 5,00,000 Equity Shares of ₹ 100 each.	2008	EGM
2.	Increase in the authorized share capital of the Company from ₹ 5,00,00,000 divided into 5,00,000 Equity Shares of ₹ 100 each to ₹ 10,00,00,000 divided into 10,00,000 Equity Shares of ₹ 100 each.	March 11, 2011	EGM
3.	Conversion Private Limited Company into Public Limited Company	July 31, 2015	EGM
4.	Sub- Division of 10,00,000 equity shares of ₹ 100 each into 1,00,00,000 equity shares of ₹ 10 each.	September 30, 2015	AGM
5.	Shifting of the clause no. 37 from the head "Other Objects" to clause no. 36 under the head "Incidental or Ancillary Object Clauses"	September 30, 2015	AGM
6.	Adoption of new format of Memorandum of Association as per the Companies Act, 2013	September 30, 2015	AGM

### Details of Holding Company

As on the date of this Prospectus, our Company has no holding company.

### Details of Subsidiary Company

Our Company has one subsidiary namely Wonder Precision Private Limited as of the date of this Prospectus. Unless otherwise stated our Subsidiary is not a sick Company under the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and has not incurred any losses or has negative cash flows or are in the process of winding up. Further, our subsidiary has not made any public issue in the last 3 years from the date of this Prospectus.

<b>Main objects</b>	To export, import, manufacture, assemble, produce, exhibit, use manipulate, work, distribute, buy, sell, or otherwise deal in all kinds of metals, tools, jigs, doles. moulds, fixtures, mechanical instruments and devices, agricultural implements, automotive parts, gauges, appliances, apparatus, lathes, sharpeners, drillers, grindere, bearing machines, slotters, milling machines, scientific and precision instruments and to carry out forging, foundry, press work, profile work, engineering fabrication and erection works.
<b>Date of Incorporation</b>	27/05/1986 <sup>#</sup>
<b>CIN</b>	U27109PN1986PTC039913
<b>PAN</b>	AAACU2355B
<b>Registered Office Address</b>	J 63 M. I. D. C. Bhosari, Pune- 411026, Maharashtra, India
<b>Original Promoters (Subscribers to MOA)</b>	Mr. Satish Mittal Mr. Satya Narayan Mittal
<b>Board of Directors</b>	Mrs. Indubala Subhash Vora Mr. Sachin Subhash Vora Mr. Sumit Subhash Vora

<sup>#</sup>Wonder Precision Private Limited has been acquired by our Company dated January 01, 2013. For further details in relation to the said acquisition, please refer the section "Other Agreement" on page no 118 under section titled "History and Certain Corporate Matters" of this Prospectus.

#### i. Capital Structure and Shareholding Pattern

The authorized share Capital of Wonder Precision Private Limited is ₹1,00,000 divided into 1000 equity shares of ₹100/- each.

The shareholding Pattern of Wonder Precision Private Limited as on date of this Prospectus is as follows:

Sr. No.	Name of Shareholder	No. of Equity Shares Held	Shareholding (%)
1.	Kranti Industries Limited	970	97.00
2.	Mrs. Indubala Subhash Vora	10	1.00
3.	Mr. Sachin Subhash Vora	10	1.00

Sr. No.	Name of Shareholder	No. of Equity Shares Held	Shareholding (%)
4.	Mr. Sumit Subhash Vora	10	1.00
	<b>Total</b>	<b>1,000</b>	<b>100.00</b>

**ii. Interest of the Subsidiaries in our Company**

Our Subsidiary does not hold any equity shares in the Company. Except as stated in Consolidated related party transactions as restated as appearing in ANNEXURE XXVII under chapter titled "Financial Statements" on page 144, our Subsidiary does not have

**iii. Common Pursuits**

Except as disclosed in this Prospectus, our Subsidiary does not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

**iv. Amount of accumulated profits or losses of the Subsidiary not accounted by the Issuer**

There are no accumulated profits or losses of our Subsidiary, not accounted for, by our Company.

**Joint Venture**

Except as disclosed below and the agreements entered in the ordinary course of the business carried on or intended to be carried on by us, our Company have not entered into any other Joint Venture agreement.

**KRANTI SFCI PRIVATE LIMITED**

Our Company (Kranti group) and Steel Forge Cast Industries (RGK group) entered into a joint venture agreement dated September 21, 2018 for the purpose of carry on the business of "Machining of forging and casting components in the name of Kranti SFCI Private Limited. The said company was incorporated on December 17, 2018. The Corporate Identification number is U29113GJ2018PTC105630.

The registered office of the joint venture is at Plot No. 104A, GIDC, Bamanbore, Surendranagar-360003, Gujarat.

**The Key Terms of the Joint Venture Agreement are as follows:**

Capital Structure: The authorised share capital is ₹50.00 Lakhs divided into 5,00,000 Equity Share of ₹10/- each. The paid up capital is ₹50.00 Lakhs divided into 5,00,000 Equity Share of ₹ 10/- each.

**Shareholding Pattern:**

Name of Shareholders	No. of Share	% of paid up capital
Mr. Ramniklal Gordhandas Kotecha	1,00,000	20.00
Mrs. Kiranben Kotecha	1,00,000	20.00
Mr. Bhaveshbhai Jayendrakumar Pabari	50,000	10.00
Kranti Industries Limited	1,50,000	30.00
Mr. Sachin Subhash Vora	50,000	10.00
Mr. Sumit Subhash Vora	50,000	10.00
<b>Total</b>	<b>5,00,000</b>	<b>100.00</b>

**Board of Directors:**

Name of Directors	DIN
Mr. Sachin Subhash Vora	02002468
Mr. Sumit Subhash Vora	02002416
Mr. Ramniklal Gordhandas Kotecha	01930272
Mr. Bhaveshbhai Jayendrakumar Pabari	01930204

### **Scope of work**

#### *Activities handle by Kranti Group:*

All technical matters including selection of vendors and buying of new machineries, Manpower and tooling etc., all business operations and technical knowhow and selection of technical personnel and training thereto

#### *Activities handle by RGK Group:*

Finding the suitable place for running business operations of the said JV, management related matters and decision including appointment of factory manager and factory occupier etc., marketing and advertisement, job work related decision, bank funding and borrowings related decision and compliance matters.

#### *Exit Route*

Any of the Parties to the MOU may terminate the said business arrangement/venture by serving 06 (Six) months advance notice in writing by/to either of parties. It is agreed by and between both the parties that any change in shareholding by way of sales, transfer or otherwise the party willing to continue will have first right of refusal.

### **Significant financial or strategic partnerships**

Our Company has not entered into any significant financial or strategic partnerships.

### **Capacity/facility creation, location of plants**

For details pertaining to facility creation, location of plants, please see the chapter titled "Our Business" beginning on page 95 of this Prospectus.

### **Time/cost overrun in setting up projects**

The nature of our business does not include implementation of projects and therefore there has been no time and cost overruns on the date of this Prospectus.

### **Defaults or rescheduling of borrowing**

Our Company has not defaulted or rescheduled its borrowing.

### **Shareholders Agreement and Other Agreements**

*Share Purchase Agreement dated January 01, 2013 entered into between Satishkumar Satyanarayan Agrawal, Rakesh Satyanarayan Agarwal, Reality Warehousing Private Limited ("Vendors"); Kranti Industries Private Limited, Sachin Subhash Vora, Sumit Subhash Vora and Indubala Subhash Vora ("Purchasers") and Wonder Precision Private Limited ("WPPL")*

Share Purchase Agreement dated January 01, 2013 made between Satishkumar Satyanarayan Agrawal, Rakesh Satyanarayan Agarwal, Reality Warehousing Private Limited ("**Vendors**"); Kranti Industries Private Limited, Sachin Subhash Vora, Sumit Subhash Vora and Indubala Subhash Vora ("**Purchasers**") and Wonder Precision Private Limited ("**WPPL**"), the said Vendors sold and transferred their entire shareholding in WPPL in favour of the Purchasers in the proportion as mentioned therein for a total consideration of ₹ 285 Lakhs and on the terms and conditions contained therein.

*Memorandum of Agreement dated December 08, 2016 (hereinafter referred to as "the Settlement") made in terms of Form XVI (Rule 62) under section 2(p) read with section 18(1) of the Industrial Dispute Act, 1947 and entered into between Kranti Industries Limited, Gat No. 267/B/1, Pirngut, Tal Mulshi, Dist Pune 412 115 (Representing Employer) therein referred to as "the Company" of the One Part and Lok Kalyan Majdoor Union, Affiliated to Hind Majdoor Sabha, Kakakuwa Mansion, Laxmi Road, Pune 411 002 (Representing Workmen) therein referred to as "the Union" of the Other Part.*

By and under a Memorandum of Agreement December 08, 2016 (**hereinafter referred to as "the Settlement"**) made in terms of Form XVI (Rule 62) under section 2(p) read with section 18(1) of the Industrial Dispute Act, 1947 and entered into between Kranti Industries Limited, Gat No. 267/B/1, Pirangut, Tal Mulshi, Dist Pune 412 115 (Representing Employer) therein referred to as "the Company" of the One Part and Lok Kalyan Majdoor Union, Affiliated to Hind Majdoor Sabha, Kakakuwa Mansion, Laxmi Road, Pune 411 002 (**Representing Workmen**) therein referred to as "the Union" of the Other Part, the Company and the Union amicably agreed to a certain pattern of wages, allowances and other conditions of service applicable to the workmen. The Settlement shall come into operation on 1st July 2016 and shall continue to be in operation and binding on the parties upto June 30, 2019 and shall be in operation thereafter until it is terminated by either party according to law.

***Joint Venture Agreement ("JVA") dated September 21, 2018 entered between Steel Forge Cast Industries and Kranti Industries Limited***

Vide Memorandum of Understanding dated September 21, 2018 we have entered into a JVA with Steel Forge Cast Industries for carrying on the business of 'Machining of Forging/ Casting Components'. Through this JVA, both the parties have agreed to incorporate a new Private Company in the name and style of **Kranti SFCI Private Limited**. Vide the JVA, parties hereto are agreeing to come together and work for the beneficial interest of the proposed new venture and hence our Company has agreed to work for the business progress and frame better future-plans.

***Solar Power Project Agreement dated August 02, 2017 entered into between SVM Green Power ("Developer/ Solar Vendor"); and Kranti Industries Limited ("Client")***

Pursuant to the solar power project agreement dated August 02, 2017 entered into between SVM Green Power (**"Developer/ Solar Vendor"**); and Kranti Industries Limited (**"Client"**). Pursuant to the said agreement the developer propose to install rooftop solar system at client location at Gat No.267/B/1, Post Pirangut, Tal. Mulshi, Pune- 412 115, Maharashtra, India on a BOT basis. The developer shall own the plant and bill to client for the electricity generated on kWh basis on the terms and conditions contained therein. The term of the said contract would be for a period of fifteen (15) years subject to lock-in period of ten (10) years.

**Lock-out or strikes**

There have been no lock-outs or strikes in our Company since inception except as mentioned below:

*In the year 2013, factory workers union in our factory went on strike for approximately 27 days and during such term, the operations at our factory were disturbed. Our Company has subsequently entered into an agreement with the Labour Union and the same is in force till June 30, 2019. For details of the labour agreement, please refer above mentioned section "Other Agreement" on page no 118 under section titled "History and Certain Corporate Matters" of this Prospectus.*

**Agreements with key managerial personnel or a Director or Promoter or any other employee of the Company**

There are no agreements entered into by key managerial personnel or a Director or Promoter or any other employee of the Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

**Guarantees given by Promoters offering its shares in the Offer for Sale**

None of our Promoters are offering any of the Equity Shares held by the Promoters in the Company in the Offer for Sale.

**Agreements with strategic partners, joint venture partners and/or financial partners and other agreements**

Except disclose under this section in relation to joint venture agreement, as on the date of filing this Prospectus, there are no existing material agreements with strategic partners, joint venture and/or financial partners or other material agreements entered into by our Company which are not in its ordinary course of business.

## OUR MANAGEMENT

### Board of Directors

As per the provisions of the Companies Act, 2013 and under our Articles of Association we are required to have not less than 3 directors and not more than 15 directors. We currently have 6 directors on our Board out of which 3 are Non-Executive Independent Directors. We confirm that the composition of our Board of Directors is in line with the regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our Board also has one (1) women Director.

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

Sr. No.	Name, Age, Date of Birth, Designation, Father's Name, Occupation, Term, Nationality and DIN No.	Date of Appointment as Director	Other Directorships
1	<p><b>Name:</b> Mr. Sachin Subhash Vora  <b>S/o:-</b> Late Mr. Subhash Kundanmal Vora  <b>Age:</b> 38 Years  <b>Date of Birth:</b> November 23, 1980  <b>Designation:</b> Chairman and Managing Director  <b>Address:</b> Kumar Santosh -Flat No. I/601, Shankar Sheth Road, Behind Mira Society, Gulatekadi, Pune City Market Yard, Pune-411037, Maharashtra, India.  <b>Occupation:</b> Business  <b>Qualification:</b> B.E. (Industrial Electronics)  <b>Term:</b> Hold office for a period of 5 Years w.e.f. November 26, 2015, appointment liable to retire by rotation  <b>DIN:</b> 02002468  <b>Nationality:</b> Indian</p>	<p>Appointed as additional Director on January 28, 2008 and regularized in AGM dated September 29, 2008</p> <p>Subsequently re-appointed as Managing Director vide EGM Resolution dated November 26, 2015</p>	<ul style="list-style-type: none"> <li>▪ Wonder Precision Private Limited</li> <li>▪ Kranti SFCI Private Limited</li> </ul>
2	<p><b>Name:</b> Mr. Sumit Subhash Vora  <b>S/o:-</b> Late Mr. Subhash Kundanmal Vora  <b>Age:</b> 35 Years  <b>Date of Birth:</b> January 13, 1984  <b>Designation:</b> Whole time Director  <b>Address:</b> Kumar Santosh -Flat No. I/601, Shankar Sheth Road, Behind Mira Society, Gulatekadi, Pune City Market Yard, Pune-411037, Maharashtra, India  <b>Occupation:</b> Business  <b>Qualification:</b> Diploma in Mechanical Engineering  <b>Term:</b> Hold office for a period of 5 Years w.e.f. November 26, 2015, appointment liable to retire by rotation  <b>DIN:</b> 02002416  <b>Nationality:</b> Indian</p>	<p>Appointed as additional Director on January 28, 2008 and regularized in AGM dated September 29, 2008</p> <p>Subsequently Appointed as Whole Time Director vide EGM Resolution dated November 26, 2015</p>	<ul style="list-style-type: none"> <li>▪ Wonder Precision Private Limited</li> <li>▪ Kranti SFCI Private Limited</li> </ul>
3	<p><b>Name:</b> Mrs. Indubala Subhash Vora  <b>W/o:-</b> Late Mr. Subhash Kundanmal Vora  <b>Age:</b> 57 Years  <b>Date of Birth:</b> September 25, 1961  <b>Designation:</b> Non-Executive Director  <b>Address:</b> Kumar Santosh -Flat No. I/601, Shankar Sheth Road, Behind Mira Society, Gulatekadi, Pune City Market Yard, Pune-411037, Maharashtra, India  <b>Occupation:</b> Business  <b>Qualification:</b> 8<sup>th</sup> Standard  <b>Term:</b> Hold office for a period of 5 years w.e.f. November 26, 2015, appointment liable to retire by rotation  <b>DIN:</b> 02018226  <b>Nationality:</b> Indian</p>	<p>Appointed as Director since Incorporation i.e. December 5, 1995.</p> <p>Subsequently appointed as Non- Executive director vide Board Resolution dated November 12, 2018</p>	<ul style="list-style-type: none"> <li>▪ Wonder Precision Private Limited</li> </ul>
4	<p><b>Name:</b> Mr. Prakash Vasant Kamat</p>	<p>Appointed as Independent</p>	<p>NIL</p>

Sr. No.	Name, Age, Date of Birth, Designation, Father's Name, Occupation, Term, Nationality and DIN No.	Date of Appointment as Director	Other Directorships
	<p><b>S/o-</b> Mr. Vasant Annaji Kamat  <b>Age:</b> 68 Years  <b>Date of Birth:</b> November 12, 1950  <b>Designation:</b> Non-Executive Independent Director  <b>Address:</b> 503, Kalpana Apartments, Lane No.14 Off Prabhat Road, Pune- 411004 Maharashtra, India.  <b>Occupation:</b> Consultant and Visiting faculty  <b>Qualification:</b> B.E. (Mechanical) from Bombay University, Diploma in Operating Management.  <b>Term:</b> Hold office for a period of 5 Years w.e.f. November 26, 2015  <b>DIN:</b> 07350643  <b>Nationality:</b> Indian</p>	<p>Director vide EGM Resolution dated November 30, 2015.</p>	
5	<p><b>Name:</b> Mr. Shashikant Vishnupant Bugde  <b>S/o:-</b> Mr. Vishnupant Laxman Budge  <b>Age:</b> 68 Years  <b>Date of Birth:</b> June 10, 1950  <b>Designation:</b> Non -Executive Independent Director  <b>Address:</b> 56/2, Om Bunglow, Saisadan Society, Santnagar, Near Aranyeshwar Mandir, Aranyeshwar, Pune-411009, Maharashtra.  <b>Occupation:</b> Professional  <b>Qualification:</b> G.D.C and A  <b>Term:</b> Hold office for a period of 5 Years w.e.f. November 30, 2015  <b>DIN:</b> 01490772  <b>Nationality:</b> Indian</p>	<p>Appointed as Independent Director vide EGM Resolution dated November 30, 2015.</p>	NIL
6	<p><b>Name:</b> Mr. Pramod Vinayak Apshankar  <b>S/o:</b> Mr. Vinayak Nilkanth Apshankar  <b>Age:</b> 66 Years  <b>Date of Birth:</b> November 29, 1952  <b>Designation:</b> Non -Executive Independent Director  <b>Address:</b> D7/1003, Lake Town, Bibwewadi, Pune-411037, Maharashtra, India  <b>Occupation:</b> Business  <b>Qualification:</b> B.E (Mechanical) from Nagpur University  <b>Term:</b> Hold office for a period of 5 Years w.e.f. November 26, 2015  <b>DIN:</b> 00019869  <b>Nationality:</b> Indian</p>	<p>Appointed as Independent Director vide EGM Resolution dated November 30, 2015.</p>	<ul style="list-style-type: none"> <li>▪ Stud Craft (India) Private Limited</li> </ul>

**Brief Biographies of our Directors**

**Mr. Sachin Subhash Vora, Chairman and Managing Director, Age 38 Years**

Mr. Sachin Subhash Vora, aged 38 years, residing at Kumar Santosh -Flat No.I /601, Shankar Sheth Road, Behind Mira Society, Gulatekadi ,Pune City Market Yard, Pune- 411037, Maharashtra, India. He is the Promoter and Managing Director of our Company having more than 15 years of experience in the auto components industry. He has completed his B.E. (Industrial Electronics) from University of Pune in the year 2002. He is responsible for the development and implementation of Company's growth strategy and expansion in India and overseas. His leadership abilities have been instrumental in growth and development of our Company. He is the guiding force behind all the corporate decision and is responsible for the entire business operation of the Company.

**Mr. Sumit Subhash Vora, Whole- time Director, Age 35 Years**

Mr. Sumit Subhash Vora, aged 35 years, residing at Kumar Santosh -Flat No.I /601, Shankar Sheth Road, Behind Mira Society, Gulatekadi ,Pune City Market Yard, Pune- 411037, Maharashtra, India. He is the Whole Time Director of our Company having more than 15 years of experience in auto components industry. He is diploma in Mechanical Engineering from Maharashtra State Board of Technical Education in the year 2002. He is responsible for looking after the business administration, including accounting, budgeting etc. He is also actively involved in sale and marketing of the Company’s products to diverse sectors in the industry.

**Mrs. Indubala Subhash Vora, Non-Executive Director, Age 57 Years**

Mrs. Indubala Subhash Vora, aged 57 years, residing at Kumar Santosh -Flat No. I/601, Shankar Sheth Road, Behind Mira Society, Gulatekadi, Pune City Market Yard, Pune- 411037, Maharashtra, India. She is the Non- Executive Director of our Company having more than twenty (20) years of experience with our Company. She is the promoter of our Company and is responsible for the development and implementation of Company’s growth strategy and expansion. Her involvement with the job machining industry in different capacities along with her prior business knowledge acts as a support to the functioning of our Company.

**Mr. Prakash Vasant Kamat, Non-Executive Independent Director, Age 68 Years**

Mr. Prakash Vasant Kamat, aged 68 years, is residing at 503, Kalpana Appartments, Lane No.14 off Prabhat Road, Pune- 411004 Maharashtra. He is the Non-Executive Independent Director of our Company having diversified experience of more than 4 decades in the field of engineering, technology and supply chain operations. He has completed his Bachelors in Engineering (Mechanical) from Bombay University in 1973 and a Diploma in Operation Management from Bombay University in 1985. He presently provides consultancy services to SME companies for strategic sourcing, supply chain management and development of parts and improvements in the manufacturing operations. He also provides guest lectures in Management and Engineering Institutes in operations management and supply- chain management

**Mr. Shashikant Vishnupant Bugde, Non -Executive Independent Director, Age 68 Years**

Mr. Shashikant Vishnupant Bugde, aged 68 years, residing at 56/2, Om Bungalow, Saisadan Society, Santnagar, Near Aranyeshwar Mandir, Aranyeshwar, Pune-411009, Maharashtra, is the Non-Executive Independent Director of our Company. He has experience of more than 4 decades in the field of finance and banking. He has completed his G.D.C and A (Government Diploma in Co-operation and Accountancy). He was in the past associated with Cosmos Bank and was appointed as the Managing Director of Cosmos Bank in 1980 and continued as the Managing Director until 2010. He was instrumental behind the growth of Cosmos Bank.

**Mr. Pramod Vinayak Apsankar, Non-Executive Independent Director, Age 66 Years**

Mr. Pramod Vinayak Apsankar, aged 66 years, residing at D7/1003, Lake Town, Bibwewadi, Pune-411037, Maharashtra, India, is the Non-Executive Independent Director of our Company with more than 4 decades of experience in manufacturing sector. He has completed his Bachelors in Engineering (Mechanical) from Nagpur University in the year of 1975. He was in the past associated with Kirloskar Oil Engines. Presently, he is the Managing Director of Stud Craft (India) Pvt. Ltd. which deals in manufacturing weld studs and other engineering items.

**Note:**

- Apart from relations as mentioned below, no other directors are termed as relatives within the meaning of section 2 (77) of the Companies Act, 2013; none of our directors of our Company are related to each other.

Promoter / Director	Mrs. Indubala Subhash Vora	Mr. Sachin Subhash Vora	Mr. Sumit Subhash Vora
Mrs. Indubala Subhash Vora (Promoter/ Director)	-	Mother	Mother
Mr. Sachin Subhash Vora (Promoter/ Director)	Son	-	Brother
Mr. Sumit Subhash Vora (Promoter/ Director)	Son	Brother	-

- All of our directors are Indian nationals.

- None of our Directors are fugitive economic offender or are on the RBI List of willful defaulters as on the date of this Prospectus.
- 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. None of our Promoters, 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 the SEBI.
- There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above-mentioned Directors were selected as director or member of senior management.
- None of our directors have entered into any service contracts with our company and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company. However, Executive directors of our Company are appointed for specific terms and conditions for which no formal agreements are executed. Although their terms and conditions of appointment and remuneration are specified and approved by the Board of Directors and Shareholders of the Company. Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel, are entitled to any benefits upon termination of employment.

**Details of Borrowing Powers of Our Board of Directors**

Pursuant to a special resolution passed at an Extra- Ordinary General Meeting of our Company held on September 10, 2015, pursuant to provisions of Section 180(1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under, the Board of Directors of the Company be and is hereby authorized to borrow monies from time to time in excess of aggregate of paid up capital and free reserves (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business) , provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹250.00 Crores (₹Two Hundred and Fifty Crores)

**Compensation to Managing Director and Whole-time Directors**

The compensation payable to our Managing Director and Whole-time Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2 (54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

**The Company is paying following compensation to the Managing Director and Whole Time Director:**

**Mr. Sachin Subhash Vora, Managing Director:** He was originally appointed as the director of our Company on January 28, 2008. Subsequently he was appointed as the managing director of our Company pursuant to a board resolution dated June 29, 2011. He was re-appointed as the managing director of our Company pursuant to a board resolution dated November 25, 2015 and shareholders’ resolution passed at an EGM of our Company held on November 26, 2015. The details of remuneration payable to Mr. Sachin Subhash Vora, as set out in the board resolution dated November 25, 2015 and Shareholders’ resolution passed at an EGM of our Company held on November 26, 2015 is stated below:

<b>Basic Salary</b>	₹1,68,560/- per month including all the perquisites and benefits if any, except the perquisites falling outside the purview of the ceiling of remuneration as per applicable provisions of Schedule V of the Companies Act, 2013
<b>Commission</b>	NA

<b>Perquisites and Facilities</b>	<ul style="list-style-type: none"> <li>❖ The Company shall contribute to the provident Fund as per rules of the Company</li> <li>❖ Other benefit and emoluments time to time as per the policy decided by the Company</li> <li>❖ Perquisites shall be allowed in addition to the basic salary as considered hereinabove, but within the overall limit, if any, prescribed under Schedule V of the Companies Act, 2013, as amended from time to time and in accordance with the rules made by the Company for said purpose. The perquisites shall be evaluated etc. as per the Income, tax Act, 1961, wherever applicable and in the absence of any such provision for the same, at actual cost.</li> <li>❖ In case of no profits or inadequate profits, the foregoing amount of remuneration and benefits shall minimum remuneration but subject to limit prescribe under Schedule V of the Companies Act, 2013 from time to time.</li> </ul>
<b>Amount of compensation paid during the F. Y. 2017-18 (p.a.)</b>	₹23.87 Lakhs (inclusive of bonus)

**Mr. Sumit Subhash Vora, Whole Time Director:** He was originally appointed as the director of our Company on January 28, 2008. Subsequently he was appointed as the whole-time director of our Company pursuant to a board resolution dated November 25, 2015 and shareholders’ resolution passed at an EGM of our Company held on November 26, 2015. The details of remuneration payable to Mr. Sumit Subhash Vora, as set out in the board resolution dated November 25, 2015 and Shareholders’ resolution passed at an EGM of our Company held on November 26, 2015 is stated below:

<b>Basic Salary</b>	₹1,68,560/- per month including all the perquisites and benefits if any, except the perquisites falling outside the purview of the ceiling of remuneration as per applicable provisions of Schedule V of the Companies Act, 2013
<b>Commission</b>	NA
<b>Perquisites and Facilities</b>	<ul style="list-style-type: none"> <li>❖ The Company shall contribute to the provident Fund as per rules of the Company</li> <li>❖ Other benefit and emoluments time to time as per the policy decided by the Company</li> <li>❖ Perquisites shall be allowed in addition to the basic salary as considered hereinabove, but within the overall limit, if any, prescribed under Schedule V of the Companies Act, 2013, as amended from time to time and in accordance with the rules made by the Company for said purpose. The perquisites shall be evaluated etc. as per the Income, tax Act, 1961, wherever applicable and in the absence of any such provision for the same, at actual cost.</li> <li>❖ In case of no profits or inadequate profits, the foregoing amount of remuneration and benefits shall minimum remuneration but subject to limit prescribe under Schedule V of the Companies Act, 2013 from time to time.</li> </ul>
<b>Amount of compensation paid during the F. Y. 2017-18 (p.a.)</b>	₹ 23.87 Lakhs (inclusive of bonus)

### **Remuneration Paid to Directors by our Subsidiary or Associate Companies.**

Our Company has no Associate Company. Further there is no remuneration paid to directors by our Subsidiary Company.

### **Payment or benefit to Non-Executive Directors of our Company**

Apart from the remuneration of our executive directors as stipulated under the heading "Compensation to Managing Director and Whole Time Director" above, our non-executive directors are entitled to be paid a sitting fee up to the limits prescribed by the Companies Act, 2013 and the rules made there under and actual travel, boarding and lodging expenses for attending the Board or committee meetings. They may also be paid commissions and any other amounts as may be decided by the Board in accordance with the provisions of the Articles, the Companies Act and any other applicable Indian laws and regulations.

Our Company has paid ₹ 25,000 each as sittings fees to each Independent Director for the financial year 2017-18.

Except as stated in this Prospectus, no amount or benefit has been paid by our Company within the two preceding years or is intended to be paid or given by our Company to any of our Company's officers including our directors and key management personnel.

Further, except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our directors and our key management personnel, are entitled to any other benefits upon termination of employment.

Except as disclosed above, our Company does not have any bonus or profit-sharing plan for its directors.

There is no contingent or deferred compensation payable to our managing director or executive director.

### **Shareholding of our directors in the Company**

Our Articles of Association do not require our Directors to hold any qualification shares. The details of the shareholding of our Directors as on the date of this Prospectus are as follows:

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of Pre-Offer Capital (%)	Percentage of Post-Offer Capital (%)
1	Mr. Sachin Subhash Vora	15,90,000	22.55	18.06
2	Mr. Sumit Subhash Vora	15,30,030	21.70	17.38
3	Mrs. Indubala Subhash Vora	16,86,700	23.93	19.16
	<b>Total</b>	<b>48,06,730</b>	<b>68.18</b>	<b>54.61</b>

### **Interest of Directors**

#### ***❖ Interest in the promotion of the Company***

Our Directors may be deemed to be 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, please refer the section titled "Our Promoters and Promoter Group", "Information with respect to Group Companies" and Consolidated related party transactions as restated as appearing in ANNEXURE XXVII under the Section titled "Financial Statements" beginning on page no. 138, 197 and 144 of this Prospectus

#### ***❖ Interest in the property (including land also) acquired or proposed to be acquired by the Company within three (3) years of the date of the filing of this Prospectus***

Our Directors have no interest in any property acquired by our Company three years prior to the date of this Prospectus or proposed to be acquired by us as on the date of filing of this Prospectus. Our Company has not entered into any contracts or arrangements during the preceding the three years in which the Directors are interested directly or indirectly or no payments

have been made to them in respect of these contracts or arrangements. For details of Properties, please refer to the section Property in the Chapter “Our Business” on page 95 of this Prospectus

**Interest to the extent of loan provided to the Company**

Except as stated in Consolidated related party transactions as restated as appearing in ANNEXURE XXVII under the Section titled “Financial Statements” beginning on page no. 144 of this Prospectus, none of our directors have provided any loan to the Company.

**Other Interest**

All of our Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles. The executive directors will be interested to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by or allotted to their relatives or the companies, firms, trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Offer. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Mrs. Indubala Subhash Vora, Mr. Sachin Subhash Vora and Mr. Sumit Subhash Vora have extended their personal guarantee for securing the repayment of certain bank loans obtained by our Company. For details, please see the chapter titled “Financials Statement” beginning on page 144 of this Prospectus.

Except as stated under the paragraph titled Consolidated related party transactions as restated as appearing in ANNEXURE XXVII under the Section titled “Financial Statements” beginning on page no. 144 of this Prospectus, and to the extent of shareholding in our Company, if any, our Directors do not have any other interest in our business. Further, please refer to the paragraph titled “Full Particulars of the nature and extent of the Interest, if any, of our Promoters” and “Common Pursuits” under Section titled “Our Promoters and Promoter Group” and “Information with respect to Group Companies” on page 138 and 197 of this Prospectus.

**Shareholding of Directors in Subsidiary Company**

Shareholding of Directors in our Subsidiary Company i.e. Wonder Precision Pvt. Limited are as follow: -

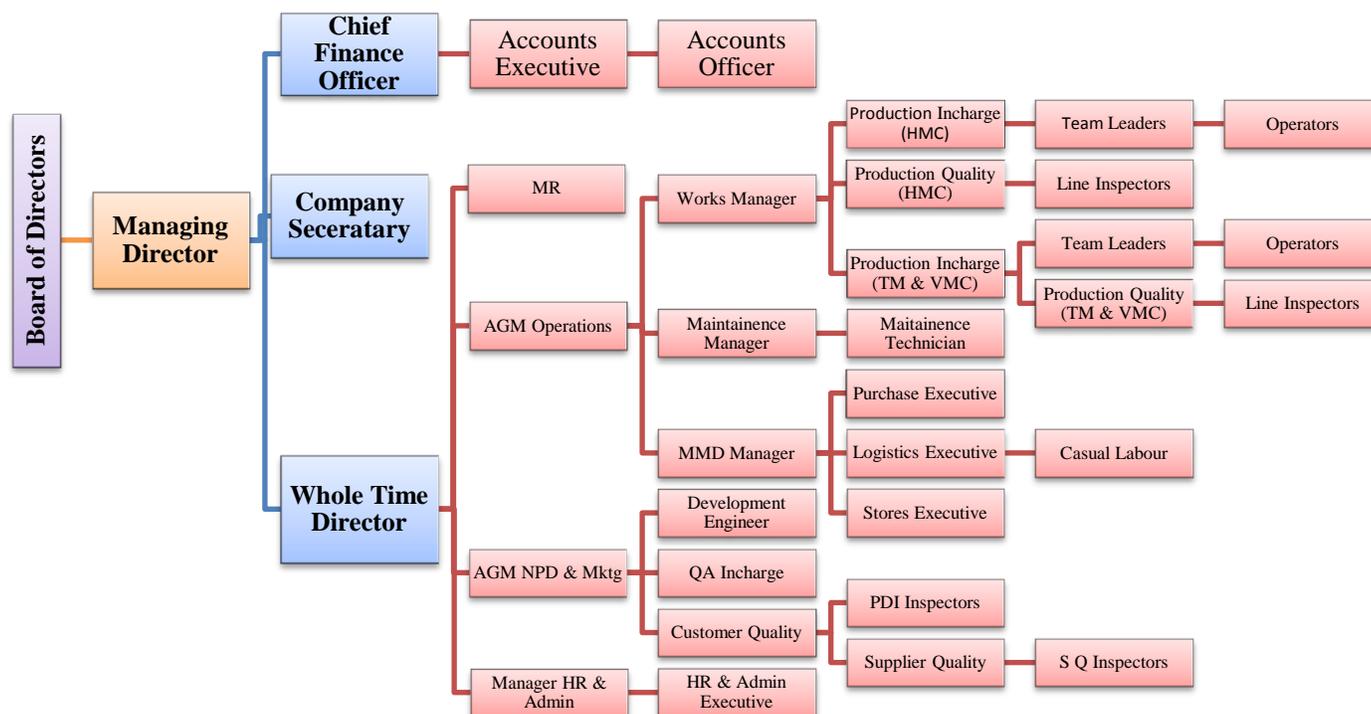
<b>Name of Directors</b>	<b>% of Shareholding</b>
Mrs. Indubala Subhash Vora	1.00
Mr. Sachin Subhash Vora	1.00
Mr. Sumit Subhash Vora	1.00

**Changes in Our Board of Directors during the last three years**

Except as disclosed below, there is no change in last three years in our board of directors.

<b>Name of Director</b>	<b>Date of event</b>	<b>Nature of event</b>	<b>Reason</b>
Mrs. Indubala Subhash Vora	November 12, 2018	Change in designation	Designated as Non-Executive Director
Mr. Sachin Subhash Vora	December 31, 2018	Appointment	Designated as Chairman

**ORGANISATION STRUCTURE**



**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, 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 (6) Directors on our Board out of which three directors 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 Equity Listing Agreements and the Companies Act, 2013 to the extent applicable.

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

1. *Audit Committee*
2. *Stakeholders Relationship Committee:*
3. *Nomination and Remuneration Committee*

1. *Audit Committee*

To comply with the provisions of Companies Act, 2013 and the related rules, Audit Committee was constituted by our directors at their board meeting held on December 21, 2015. The Audit Committee shall meet at least four times a year with maximum interval of 120 (one hundred and twenty) days between two of its meetings. The scope and functions of the Audit Committee are in accordance with section 177 of the Companies Act, 2013. The Audit Committee consists of

Name of Director	Status in Committee	Nature of Directorship
Mr. Shashikant Vishnupant Bugde	Chairman	Non-Executive Independent Director
Mr. Pramod Vinayak Apshankar	Member	Non-Executive Independent Director
Mr. Sachin Subhash Vora	Member	Managing Director

The Company Secretary of our Company shall act as a secretary to the Audit Committee.

An independent director shall always be the Chairman of the Audit Committee. The Chairman of the Audit Committee shall attend the annual general meeting of our Company to furnish clarifications to the shareholders in any matter relating to accounts. The audit committee may invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit and a representative of the statutory auditor may be present as invitees for the meetings of the audit committee.

The terms of reference of Audit Committee complies with requirements of section 177 of The Companies Act, 2013. The scope and function of the Audit Committee and its terms of reference shall include the following:

- A. Tenure:** The Audit 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 Audit Committee as approved by the Board.
- B. Meetings of the Committee:** The committee shall meet at least four times in a year and not more than 120 (one hundred and twenty) days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two Independent members at each meeting. Meeting of the Audit Committee shall be called by at least seven days' notice in advance.
- C. Role and Powers:** The Role of Audit Committee together with its powers shall be as under:
  1. Oversight of the Issuer's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
  2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
  3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
  4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    - a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
    - b. changes, if any, in accounting policies and practices and reasons for the same;
    - c. major accounting entries involving estimates based on the exercise of judgment by management;
    - d. significant adjustments made in the financial statements arising out of audit findings;
    - e. compliance with listing and other legal requirements relating to financial statements;
    - f. disclosure of any related party transactions;
    - g. modified opinion(s) 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, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document /

- prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor’s independence and performance, and effectiveness of audit process;
  8. Approval or any subsequent modification of transactions of the Company with related parties;
  9. Scrutiny of inter-corporate loans and investments;
  10. Valuation of undertakings or assets of the listed entity, 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 of any significant findings and follow up there on;
  15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  18. To review the functioning of the whistle blower mechanism;
  19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
  20. 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.

Explanation (ii): If the Issuer has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions / features as is contained in this clause.

**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.
  - f. Statement of deviations:
    - ❖ half yearly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange in terms of Regulation 32(1) of SEBI Listing Regulations, 2015.
    - ❖ annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of SEBI Listing Regulations, 2015.
- 2. Stakeholders Relationship Committee:**

The Stakeholders’ Relationship Committee was constituted by our Board of Directors at their meeting held on December 21, 2015. The scope and function of the Stakeholders’ Relationship Committee is in accordance with Section 178 of the Companies Act, 2013. The terms of reference of the Stakeholders’ Relationship Committee include the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Pramod Vinayak Apshankar	Chairman	Non-Executive Independent Director
Mr. Shashikant Vishnupant Bugde	Member	Non-Executive Independent Director
Mr. Prakash Vasant Kamat	Member	Non-Executive Independent Director
Mr. Sachin Subhash Vora	Member	Managing Director

The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

- A. Tenure:** The Stakeholders 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 Stakeholders Relationship Committee as approved by the

Board.

**B. Quorum and Meetings:** The Stakeholders 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 a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present

**C. Terms of Reference:** Redressal of stakeholders' and investors' complaints, including and in respect of:

1. Allotment and listing of our shares in future
2. Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
4. Reference to statutory and regulatory authorities regarding investor grievances;
5. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
6. And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

**3. Nomination and Remuneration Committee:-**

To comply with the provisions of Section 178 of the Companies Act, 2013 and the related rules, the Nomination and Remuneration/Compensation Committee was constituted by our Board of Directors by a resolution passed at the Board meeting on December 21, 2015.

<b>Name of the Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Mr. Pramod Vinayak Apshankar	Chairman	Non-Executive Independent Director
Mr. Shashikant Vishnupant Bugde	Member	Non-Executive Independent Director
Mr. Prakash Vasant Kamat	Member	Non-Executive Independent Director

The scope and function of the Committee and its terms of reference shall include the following:

- A. Tenure:** The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.
- B. 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 Remuneration Committee shall be called by at least seven days' notice in advance.
- C. Terms of Reference:**
1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
  2. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
  3. Devising a policy on diversity of board of directors;
  4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
  5. 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.
  6. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
  7. 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.
  8. Decide the amount of Commission payable to the Whole time Directors.
  9. 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.
  10. To formulate and administer the Employee Stock Option Scheme.
  11. To retain, motivate and promote talent and to ensure the long term sustainability of talented managerial personnel.
  12. To develop a succession plan for the Board and to regularly view the plan.
  13. To implement and monitor policies and processes regarding principles of corporate governance.
  14. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

Mr. Bhavesh Subhash Selarka, Company Secretary and 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.

**Policy on disclosure and internal procedure for prevention of Insider Trading**

The provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME Platform of BSE Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on Stock Exchange.

**Our Key Managerial Personnel**

Our Company is supported by a professionals having good exposure to various operational aspects of our line of business. A brief about the Key Managerial Personnel of our Company is given below:

Name, Designation and Educational Qualification	Age (Years)	Date of joining	Compensation paid for the F.Y ended 2018 (₹in Lacs )	Over all experience (in years)	Previous employment
<b>Name:</b> Mrs. Sheela Kailas Dhawale <b>Designation:</b> Chief Financial Officer <b>Qualification:</b> BE (Computer Technology)	40 years	March 1, 2001	8.97	More than 17 years	Nil

Name, Designation and Educational Qualification	Age (Years)	Date of joining	Compensation paid for the F.Y ended 2018 (₹in Lacs )	Over all experience (in years)	Previous employment
<b>Name:</b> Mr. Bhavesh Subhash Selarka <b>Designation:</b> Company Secretary and Compliance Officer. <b>Qualification:</b> Company Secretary, LLB and B.Com	28 years	June 06, 2016	3.19	More than 3 years	MNC-TRUMPF (India) Private Limited.
<b>Name:</b> Mr. Sachin Subhash Vora <b>Designation:</b> Chairman and Managing Director	For Further details, please refer the section title “Our Management” on page no. 124 of this Prospectus.				
<b>Name:</b> Mr. Sumit Subhash Vora <b>Designation:</b> Whole-time Director	For Further details, please refer the section title “Our Management” on page no. 124 of this Prospectus.				

**Brief Profile of Key Managerial Personnel**

**Mrs. Sheela Kailas Dhawale**, aged 40 years, residing at flat no. E 203, Survana Park Co-operative Housing Society, Bavdhan, Pune – 411021 Maharashtra, India is appointed as Chief Financial Officer vide Board resolution dated October 20, 2015 of our Company. She has working with us since March 1, 2001. Mrs. Sheela has completed her Bachelor of Engineering (Computer Technology) from Nagpur University in the year 2000 securing 1<sup>st</sup> division. She has vast Experience in the field of Accounting and Finance. She is responsible for looking after accounting, finance and taxation of our Company. She was paid a gross remuneration of ₹ 8.97 Lakhs in previous F.Y.

**Mr. Bhavesh Subhash Selarka**, aged 28 years, residing at Deshmukh Plot, Civil Line, Khamgaon, Buldana-444303, Maharashtra, is appointed as Company Secretary vide Board Resolution dated May 31, 2016 of our Company. He is a Company Secretary from Institute of Company Secretaries of India and LLB from University of Pune and has overall experience of 3 years in his functional area. He is responsible for day to day operation and look after the overall secretarial work and corporate compliances of our Company. He joined our Company on June 06, 2016. He was paid a gross remuneration of ₹ 3.19 Lakhs in previous F.Y.

We confirm that:

- All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
- In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the year ended March 2018.
- Except as stated in section titled “Our Management” and “Our Business” on page no. 124 and 95 respectively of this Prospectus the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the Issuer.
- Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
- None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Prospectus except as follows

Sr. No.	Name of Key Managerial Person	Number of shares
1.	Mr. Sachin Subhash Vora	15,90,000
2.	Mr. Sumit Subhash Vora	15,30,030
3.	Mrs. Indubala Subhash Vora	16,86,700
4.	Mrs. Sheela Dhawale	280

- Presently, we do not have ESOP/ESPS scheme for our employees.
- The turnover of KMPs is not high, compared to the Industry to which we belong.
- None of our Directors and our key managerial personnel is related to our promoters and directors except as stated in section titled “Our Management” on page no. 124 of this Prospectus.

**Changes in the Key Managerial Personnel in Last Three Years:**

There have been no changes in the Key Managerial Personnel of our Company during the last three years except as stated below:-

Sr. No.	Name	Designation	Date of Appointment / Cessation/ Promotion	Reasons
1.	Mrs. Bhakti Hosalkar Patel	Company Secretary and Compliance Officer	May 31, 2016	Resignation
2.	Mr. Bhavesh Subhash Selarka	Company Secretary and Compliance Officer	June 06, 2016	Appointment

**Bonus or profit sharing plan of the Key Managerial Personnel:**-There is no bonus or profit sharing plan for our Key Managerial Personnel.

**Interest of Key Managerial Personnel**

The Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in the Company, if any. Save and except as stated in the section "Interest of Directors" above, none of our Key Managerial Personnel has been paid any consideration of any nature from the Company, other than their remuneration.

**Payment of Benefit to Officers of the Company**

Save and except for the payment of salaries, yearly bonus and accommodation arrangements we do not provide any other benefits to our employees.

**Employees:** The total numbers of permanent employees as on September 30, 2018 is 99.

**OUR PROMOTERS AND PROMOTER GROUP**

**Our Promoters**

Our Promoters are Mr. Sachin Subhash Vora, Mr. Sumit Subhash Vora and Mrs. Indubala Subhash Vora. As on the date of this Prospectus, the Promoters hold 48,06,730 Equity Shares which in aggregate, constitutes 68.18% of the issued and paid-up Equity Share capital of our Company.

**Details of Individual Promoters of our Company**

	<p>Mr. Sachin Subhash Vora born on November 23, 1980 aged 38 years is one of one the Promoter and Managing Director of our Company. He has more than 15 years of experience in the auto components industry. He has completed his B.E. (Industrial Electronics) from University of Pune in the year 2002. He is responsible for the development and implementation of Company’s growth strategy and expansion in India and overseas. His leadership abilities have been instrumental in growth and development of our Company. He is the guiding force behind all the corporate decision and is responsible for the entire business operation of the Company.</p> <p>Driving Licence Number: MH/12/99/10809                  PAN: ACNPV4341E                  Aadhar Number: 2907 0267 8698</p> <p>Address: Kumar Santosh -Flat No. I/601, Shankar Sheth Road, Behind Mira Society, Gulatekadi, Pune City Market Yard, Pune- 411037, Maharashtra, India</p> <p>Other Venture: Laksh Beverages (Partnership Firm)                  Sachin Subhash Vora HUF                  Kranti SFCI Private Limited(Joint Venture)</p> <p>For further details in relation to other directorship of Mr. Sachin Subhash Vora, please refer to section titled "Our Management" and "Information with respect to Group Companies" beginning on page 124and 197of this Prospectus.</p>
	<p>Mr. Sumit Subhash Vora born on January 13, 1984, aged 35 years, is one the Promoter and whole –time director of our Company. He has more than 15 years of experience in auto components industry. He is diploma in Mechanical Engineering from Maharashtra State Board of Technical Education in the year 2002. He is responsible for looking after the business administration, including accounting, budgeting etc. He is also actively involved in sale and marketing of the Company’s products to diverse sectors in the industry.</p> <p>Driving Licence Number: MH/12/2000/0118068                  PAN: ACVPV4627P                  Aadhar Number: 9146 0618 7685</p> <p>Address: Kumar Santosh -Flat No. I/601, Shankar Sheth Road, Behind Mira Society, Gulatekadi, Pune City Market Yard, Pune- 411037, Maharashtra, India</p> <p>Other Venture: Laksh Beverages (Partnership Firm)                  Sumeet Subhash Vora HUF                  Kranti SFCI Private Limited(Joint Venture)</p> <p>For further details in relation to other directorship of Mr. Sumit Subhash Vora,</p>

	<p>please refer to section titled "Our Management" and "Information with respect to Group Companies" beginning on page 124 and 197 of this Prospectus.</p>
	<p>Mrs. Indubala Subhash Vora born on September 25, 1961, aged 57 years, is one of the Promoter of our Company. She is the Non- Executive Director of our Company having more than twenty (20) years of experience with our Company. She is the promoter of our Company and is responsible for the development and implementation of Company’s growth strategy and expansion. Her involvement with the job machining industry in different capacities along with her prior business knowledge acts as a support to the functioning of our Company.</p> <p>Driving Licence Number: NA                  PAN: AALPV8616N                  Aadhar Number: 7338 4775 1112</p> <p>Address: Kumar Santosh -Flat No. I/601, Shankar Sheth Road, Behind Mira Society, Gulatekadi, Pune City Market Yard, Pune- 411037, Maharashtra, India</p> <p>Other Venture:- Nil</p> <p>For further details in relation to other directorship of Mrs. Indubala Subhash Vora, please refer to section titled "Our Management" and "Information with respect to Group Companies" beginning on page 124 and 197 of this Prospectus.</p>

Our Company confirms that it has submitted the details of the PAN, Bank Account Number and Passport Numbers of our Promoters to the Stock Exchange at the time of filing the Draft Prospectus.

**Change in the control or management of the Issuer in last five years**

There has been no change in the control or management of our Company in the last five years.

**Interest of Promoters in promotion of our Company**

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their respective shareholding in our Company and our Subsidiary and the dividends payable, if any, and any other distributions in respect of such shareholding.

For details regarding the shareholding of our Promoters in our Company and our Subsidiary, please refer the section titled "Capital Structure", "History and Certain Corporate Matters" and "Our Management", beginning on pages 54, 118 and 124, respectively. For details on the Group Companies and the nature and extent of interest of our Promoters in the Group Companies, please refer the section titled "Information with respect to Group Companies ", beginning on page 197 of this Prospectus.

Our Promoters are the Directors of the 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 the Company. For details please refer to the chapter titled “Our Management”, “Financial Statement” and “Capital Structure” beginning on page 124, 144 and 54 respectively of this Prospectus.

**Interests of Promoters in property of our Company**

Our Promoters are not interested in the properties acquired or proposed to be acquired by our Company in the three years (3) preceding the date of this Prospectus, or in any transaction by our Company for the acquisition of land, construction of building or supply of machinery.

**Business Interests**

Except as stated in Consolidated related party transactions as restated as appearing in ANNEXURE XXVII in the chapter titled "Financial Statements" and "Our Management" beginning on pages 144 and 124, respectively of this Prospectus, our Company has not entered into any contract, agreements or arrangements during the preceding two years (2) from the date of this Prospectus or proposes to enter into any such contract in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them.

Other than our Subsidiary, our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

Our Promoters are not related to any sundry debtors of our Company.

Except as disclosed in this Prospectus, our Promoters are not interested as a member of a firm or company, and no sum have been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person for services rendered by them or by such firm or company in connection with the promotion or formation of our Company.

**Common Pursuits**

Our Promoters have interest in our subsidiary company i.e. Wonder Precision Private Limited, which are engaged in the business similar to our Company. As on the date of the Prospectus, we cannot assure that our Promoters, Promoter Group/Group Entity will not promote any new entity in the similar line of business and will not favor the interests of the said entities over our interest or that the said entities will not expand their businesses which may increase our chances of facing competition. This may adversely affect our business operations and financial condition of our Company. For further details, please refer to Section titled "Risk Factors" "Our Promoters and Promoter Group" and "Information with respect to Group Companies" on page 23, 138 and 197 respectively of this Prospectus.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

**Guarantees**

Except personal guarantee for securing the repayment of certain bank loans obtained by our Company, our Promoters have not given any guarantee to a third party as of the date of this Prospectus.

**Confirmations**

- Our Promoters and members of our Promoter Group have not been declared nor identified as wilful defaulters in terms of the SEBI Regulations.
- Further, there are no violations of securities laws committed by our Promoters and members of our Promoter Group in the past and no proceedings for violation of securities laws are pending against them.
- Our Promoters and members of our Promoter group, have not been debarred or 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 and members of our Promoter Group are not and have never been promoters, directors 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.

- Our Promoters are not interested in any entity which holds any intellectual property rights that are used by our Company.
- Our Promoters have not taken any unsecured loans which may be recalled by the lenders at any time.

**Payment or benefits to the Promoters and Promoter Group in the last two years**

The related party transactions entered into during the last two (2) Financial Years as per Accounting Standard 18 and in "Interest of Promoters" under chapter titled "Our Promoters and Promoter group" beginning on page 138 of this Prospectus, there has been no payment or benefit to our Promoters or Promoter Group during the two (2) years prior to the filing of this Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Prospectus.

**Disassociation by the Promoters from entities in last three (3) years**

Our Promoters have not disassociated from any of the companies or firms in the last three (3) years:

**Relationship of Promoters with our Directors**

Except as disclosed in chapter title "Our Management" beginning on page 124 of this Prospectus, none of director is related to our promoters.

**Promoter Group of our Company**

**(a) Individual Promoter Group of our Promoters**

<b>Name of our Promoters</b>	<b>Name of the Relative</b>	<b>Relationship with the Relative</b>
Mr. Sachin Subhash Vora	Mrs. Indubala Subhash Vora	Mother
	Mrs. Sarika Sachin Vora	Spouse
	Mr. Sumit Subhash Vora	Brother
	Mrs. Sapna Sunil Gadiya	Sister
	Mast. Jiyaan Sachin Vora	Son
	Miss Preksha Sachin Vora	Daughter
	Mrs. Usha Shankarlal Oswal	Spouse's mother
	Mr. Mahesh Shankarlal Oswal	Spouse's brother
	Mr. Mehul Shankarlal Oswal	
	Mr. Mayur Shankarlal Oswal	
--	--	Spouse's sister
Mr. Sumit Subhash Vora	Mrs. Indubala Subhash Vora	Mother
	Mrs. Lushita Sumit Vora	Spouse
	Mr. Sachin Subhash Vora	Brother
	Mrs. Sapna Sunil Gadiya	Sister
	--	Son
	Ms. Grisha Sumit Vora	Daughter
	Ms. Hazel Sumit Vora	
	Mr. Prakash Sohanraj Sonaiya	Spouse's father
	Mrs. Pushpa Prakash Sonaiya	Spouse's mother
	Mr. Rushabh P Sonaiya	Spouse's brother
	Mrs. Bhavika Vikram Ratadia	Spouse's sister
Mrs. Indubala Subhash Vora	Mr. Tejraj Chogmal Rathod	Father
	Mrs. Chandanbala Prakash Chopra	Sister
	Mrs. Sangita H Mehta	
	Mrs. Kavita Vinod Jain	
	Mrs. Rekha Kirtikumar Lodha	
Mr. Sachin Subhash Vora	Son	

Name of our Promoters	Name of the Relative	Relationship with the Relative
	Mr. Sumit Subhash Vora	
	Mrs. Sapna Sunil Gadiya	Daughter
	Mrs. Basanti Kundanmal Vora	Spouse's mother
	Mr. Vijay Kundanmal Vora	Spouse's brother
	Mrs. Kalpana Mehta	Spouse's sister

(b) **Entities forming a part of Promoter Group**

The companies and entities that form part of our Promoter Group are as follows:

- ❖ M/s Laksh Beverages (Partnership Firm)
- ❖ M/s Suparsh Engineering (Partnership Firm)
- ❖ Sachin Subhash Vora HUF
- ❖ Sumit Subhash Vora HUF
- ❖ Kranti SFCI Private Limited (Joint Venture)

Our Company has mailed/ issued letters dated December 11, 2018 to the relatives of our individual promoters, relatives of **Mrs. Indubala Subhash Vora** i.e. Mr. Tejraj Chogmal Rathod, Mrs. Chandanbala Prakash Chopra, Mrs. Sangita H, Mehta, Mrs. Kavita Vinod Jain, Mrs. Rekha Kirtikumar Lodha, Mrs. Sapna Sunil Gadiya, Mrs. Basanti Kundanmal Vora, Mr. Vijay Kundanmal Vora, Mrs. Kalpana Mehta, **relatives of Mr. Sachin Subhash Vora** i.e. Mrs. Usha Shankarlal Oswal Mr. Mahesh Shankarlal Oswal, Mr. Mehul Shankarlal Oswal, Mr. Mayur Shankarlal Oswal, **relatives of Mr. Sumit Subhash Vora** i.e. Mr. Prakash Sohanraj Sonaiya, Mrs. Pushpa Prakash Sonaiya, Mr. Rushabh P Sonaiya, Mrs. Bhavika Vikram Ratadia, asking for details of entity(ies) in which they severally or jointly may have an interest along with the personal documents for identification of promoter group. However, we have not received full information from these relatives. Therefore, the disclosure made in this Prospectus is limited to the extent of information that has been made available by our Promoters in relation to promoter group.

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### **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 three 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 IX: FINANCIAL STATEMENTS

## FINANCIAL STATEMENTS AS RE-STATED

Independent Auditor's Report on Restated Consolidated Financial Statements of  
Kranti Industries Limited

Auditor's Report on the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2018, March 31, 2018, 2017 and 2016 Profit and Loss and Cash Flow for each of the years/period ended on September 30, 2018, March 31, 2018, 2017 and 2016 of Kranti Industries Limited (Collectively, the "Consolidated Restated Summary Statement")

To

The Board of Directors

Kranti Industries Limited

Gat No.267/B/1, Post: - Pirangut,

Tal. Mulshi, Dist. Pune-412108.

Maharashtra, India

Dear Sir,

1. We have examined the attached Consolidated Restated Summary Statement along with significant accounting policies and related notes of **Kranti Industries Limited**, (hereinafter referred to as "the Company") as at and for the period/year ended September 30, 2018, March 31, 2018, 2017 and 2016 annexed to this report and prepared by the management of the Company and approved by the Board of Directors of the company in connection with the Initial Public Offering (IPO) on SME Platform of BSE Limited.
2. These restated summary statements have been prepared in accordance with the requirements of:
  - (i) sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 ("the 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 2018 ("**ICDR Regulations**") and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("**SEBI**")
3. We have examined such restated financial statements taking into consideration:
  - (i) The terms of reference to our engagement letter with the Company requesting us to carry out the assignment, in connection with the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares on SME Platform of BSE Limited ("**IPO**" or "**SME IPO**"); and
  - (ii) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("**Guidance Note**").
4. The restated financial statements of the Company have been extracted by the management from the audited financial statements of the Company for the period ended on September 30, 2018, March 31, 2018, 2017 and 2016.
5. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
  - (i) The "**Consolidated restated statement of asset and liabilities**" of the Company as at September 30, 2018, March 31, 2018, 2017 and 2016 by us, as set out in **Annexure I** to this report read with significant accounting

policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.

- (ii) The “**restated statement of profit and loss**” of the Company for the period/year ended on September 30, 2018, March 31, 2018, 2017 and 2016 examined by us, as set out in **Annexure II** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
- (iii) The “**restated statement of cash flows**” of the Company for the period/year ended on September 30, 2018, March 31, 2018, 2017 and 2016 examined by us, as set out in **Annexure III** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to restated summary statements to this report.

6. Based on our examination, we are of the opinion that the restated financial statements have been prepared:
- a) Using consistent accounting policies for all the reporting periods.
  - b) Adjustments for prior period and other material amounts in the respective financial years to which they relate.
  - c) There are no extra-ordinary items other than those appearing in financials that need to be disclosed separately in the accounts and requiring adjustments.
  - d) There are no audit qualifications in the audit reports issued by the statutory auditor for the period ended September 30, 2018, March 31, 2018, 2017 and 2016 which would require adjustments in this restated financial statement of the Company.
  - e) There are no revaluation reserves, which need to be disclosed separately.
  - f) The Company has not paid any dividend on its equity shares
7. Audit for the year ended on March 31, 2018 has been conducted by M/s Siddharth Bogawat and Associates and Audit for the year ended on March 31, 2017 and 2016 has been conducted by M/s Rajasatyen and Associates. The financial report included for these periods is based solely on the report submitted by them. Further financial statements for year ended on March 31, 2018 have been re-audited by us as per the relevant guidelines.
8. 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 period ended on September 30, 2018, March 31, 2018, 2017 and 2016 proposed to be included in the Draft Prospectus / Prospectus (“**Offer Document**”).

**Annexure to restated financial statements of the Company: -**

1. Summary Consolidated statement of assets and liabilities, as restated as appearing in ANNEXURE I;
2. Summary Consolidated statement of profit and loss, as restated as appearing in ANNEXURE II;
3. Summary Consolidated statement of cash flow as restated as appearing in ANNEXURE III;
4. Consolidated Significant accounting policies as restated as appearing in ANNEXURE IV;
5. Details of Consolidated share capital as restated as appearing in ANNEXURE V to this report;
6. Details of Consolidated reserves and surplus as restated as appearing in ANNEXURE VI to this report;
7. Details of Consolidated long-term borrowings as restated as appearing in ANNEXURE VII to this report;
8. Details of Consolidated deferred tax asset/liability as restated as per ANNEXURE VIII to this report;
9. Details of Consolidated Short Term Borrowing as restated as appearing in ANNEXURE IX to this report;
10. Details of Consolidated Trade Payable as restated as appearing in ANNEXURE X to this report;

11. Details of Consolidated Other Current Liabilities as restated as appearing in ANNEXURE XI to this report;
  12. Details of Consolidated Short-term provision as restated as appearing in ANNEXURE XII to this report;
  13. Details of Consolidated Fixed Assets as restated as appearing in ANNEXURE XIII to this report;
  14. Details of Consolidated Non-Current Investment as restated as appearing in ANNEXURE XIV to this report;
  15. Details of Consolidated Long-Term Loans and Advances as restated as appearing in ANNEXURE XV to this report;
  16. Details of Consolidated Other Non-Current Assets as restated in ANNEXURE XVI to this report;
  17. Details of Consolidated Inventories as restated in ANNEXURE XVII to this report;
  18. Details of Consolidated Trade Receivables as restated appearing in ANNEXURE XVIII to this report;
  19. Details of Consolidated Cash and Cash Equivalents as restated appearing in ANNEXURE XIX to this report;
  20. Details of Consolidated Short-Term Loans and Advances as restated as appearing in ANNEXURE XX to this report;
  21. Details of Consolidated Short Other Current Assets as restated as appearing in ANNEXURE XXI to this report;
  22. Details of Consolidated Revenue from Operations as restated as appearing in ANNEXURE XXII to this report;
  23. Details of Consolidated Other Income as restated as appearing in ANNEXURE XXIII to this report
  24. Details of Consolidated other expenses as restated as appearing in ANNEXURE XXIV to this report
  25. Summary of Consolidated Capitalization Statement as at September 30, 2018 as restated as appearing in ANNEXURE XXV to this report,
  26. Consolidated Contingent Liabilities as restated as appearing in ANNEXURE XXVI to this report;
  27. Details of Consolidated related party transactions as restated as appearing in ANNEXURE XXVII to this report;
9. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of chartered accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
  10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
  11. In our opinion, the above financial information contained in Annexure I to XXVII of this report read with the respective significant accounting policies and notes to restated summary statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, SEBI (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 A D V and Associates**  
**Chartered Accountants**  
**Firm Registration No.: - 128045W**

**Prakash Mandhaniya**  
**Partner**  
**Membership No.-412679**  
**Mumbai, December 03, 2018**

## CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

Annexure-I

Amount (₹ In Lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
<b>I. EQUITY AND LIABILITIES</b>				
<b><u>(1) Shareholder's Funds</u></b>				
(a) Share Capital	705	705	705	705
(b) Reserves and Surplus	735.07	597.86	508.53	602.30
<b><u>(2) Share Application Money Pending Allotment</u></b>	-	-	-	-
<b><u>(3) Non-Current Liabilities</u></b>				
(a) Long-Term Borrowings	1443.60	1240.07	1341.95	1466.33
(b) Long term provision	-	-	-	-
(c) Other Long-Term Liabilities	-	-	-	-
(d) Deferred Tax Liability (Net)	96.09	77.84	107.17	124.86
<b><u>(4) Current Liabilities</u></b>				
(a) Short-Term Borrowings	777.68	674.37	675.67	655.08
(b) Trade Payables	870.21	629.07	549.73	224.85
(c) Other Current Liabilities	219.77	338.99	418.8	321.82
(d) Short-Term Provisions	167.73	114.87	94.31	35.26
<b>Total</b>	<b>5,015.13</b>	<b>4,378.06</b>	<b>4,401.16</b>	<b>4,135.49</b>
<b>II. ASSETS</b>				
<b><u>(1) Non-Current Assets</u></b>				
<b><u>(a) Fixed Assets</u></b>				
- Tangible Assets	2,376.62	2,155.66	2,362.75	2,572.42
- Intangible Assets	12.04	10.55	0.75	1.00
- Capital Work in Progress	48.67	6.22	-	0.70
Goodwill on Consolidation	320.43	320.43	320.43	320.43
(b) Non-Current Investments	8.30	8.30	8.10	8.10
(c) Deferred Tax Assets (Net)	-	-	-	-
(d) Long Term Loans and Advances	181.22	169.52	226.29	176.03
(e) Other Non-Current Assets	73.39	95.56	73.58	61.41
<b><u>(2) Current Assets</u></b>				
(a) Inventories	634.11	632.06	539.42	364.93
(b) Trade receivables	1,240.61	899.08	763.34	493.09
(c) Cash and Cash Equivalents	14.63	10.19	5.06	11.07
(d) Short-Term Loans and Advances	88.56	48.83	74.59	92.09
(e) Other Current Assets	16.55	21.64	26.85	34.21
<b>Total</b>	<b>5,015.13</b>	<b>4,378.06</b>	<b>4,401.16</b>	<b>4,135.49</b>

The above Statement should be read with the Consolidated Restatement of Profit and Loss, Consolidated Statement of Cash

Flow, Significant Accounting Policies and Notes to accounts appearing in II, III, IV

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS AS RESTATED

Annexure II  
Amount (₹ In Lakhs)

Sr. No.	Particulars	For the Period ended on September 30, 2018	For the year ended March 31,		
			2018	2017	2016
A	<b><u>Revenue:</u></b>				
	Revenue from Operations (Net of Taxes)	3,316.09	4,603.84	2,877.24	2,835.96
	Other Income	5.82	7.08	47.94	48.45
	<b>Total Revenue</b>	<b>3,321.91</b>	<b>4,610.92</b>	<b>2,925.19</b>	<b>2,884.41</b>
	<b><u>Expenses:</u></b>				
B	Cost of Material Consumed	1,907.82	2,360.15	1,291.18	1,210.88
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	(12.94)	(2.47)	(51.55)	(25.16)
	Employee benefit expenses	369.42	676.68	504.97	435.10
	Financial Cost	121.38	219.52	263.16	261.35
	Depreciation and amortization expenses	143.58	298.63	336.07	366.93
	Other Expenses	589.44	997.77	692.83	648.96
	<b>Total Expenses</b>	<b>3,118.70</b>	<b>4,550.29</b>	<b>3,036.65</b>	<b>2,898.07</b>
C	<b>Profit before exceptional, extraordinary items and tax</b>	<b>203.22</b>	<b>60.63</b>	<b>(111.46)</b>	<b>(13.66)</b>
	Less: Exceptional Items	-	-	-	-
	<b>Profit before extraordinary items and tax (A-B)</b>	<b>203.22</b>	<b>60.63</b>	<b>(111.46)</b>	<b>(13.66)</b>
	Prior Period Items	-	-	-	-
	Extra ordinary items	-	-	-	-
D	<b>Profit before tax</b>	<b>203.22</b>	<b>60.63</b>	<b>(111.46)</b>	<b>(13.66)</b>
	<b>Tax expense:</b>				
	Current tax	47.76	0.63	-	-
	MAT Credit	-	15.33	-	-
	MAT Credit Utilised	-	(15.33)	-	-
	Deferred Tax	18.25	(29.33)	(17.69)	7.13
	<b>Profit/(Loss) for the period After Tax- PAT</b>	<b>137.21</b>	<b>89.33</b>	<b>(93.77)</b>	<b>(20.80)</b>
	MINORITY INTEREST	0.07	(0.64)	(0.91)	0.23
	<b>PROFIT FOR THE YEAR</b>	<b>137.14</b>	<b>89.97</b>	<b>(92.85)</b>	<b>(21.02)</b>

The above Statement should be read with the Consolidated Restatement of Assets and Liabilities, Consolidated Statement of Cash Flow, Significant Accounting Policies and Notes to accounts appearing in I, III, IV

## CONSOLIDATED 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	2017	2016
<b><u>Cash Flow from Operating Activities:</u></b>				
Net Profit before tax as per Profit and Loss A/c	203.22	60.63	(111.46)	(12.92)
<b>Adjustments for:</b>				
Depreciation and Amortisation Expense	143.58	298.63	336.07	366.93
Interest Income	(1.75)	(0.86)	(12.60)	(15.98)
Finance Cost	121.38	219.52	263.16	261.35
Dividend Received	(0.01)	(0.01)	(0.65)	(0.81)
Profit and Loss on sale of fixed assets	(4.05)	(2.70)	(8.06)	(9.45)
<b>Operating Profit Before Working Capital Changes</b>	<b>462.36</b>	<b>575.22</b>	<b>466.44</b>	<b>589.12</b>
Adjusted for (Increase)/ Decrease in:				
Short term provision	52.86	20.56	59.05	(119.27)
Trade Receivables	(341.53)	(135.74)	(270.26)	375.36
Loans and Advances	(39.73)	25.75	17.51	(10.64)
Inventories	(2.05)	(92.64)	(174.48)	(159.64)
Other current assets	5.09	5.22	7.35	6.10
Trade Payables	241.14	79.33	324.89	17.73
Other Current Liabilities	12.54	(11.11)	(2.49)	(53.52)
<b>Cash Generated from Operations</b>	<b>(71.67)</b>	<b>(108.62)</b>	<b>(38.43)</b>	<b>56.13</b>
Net Income Tax paid/ refunded	(47.76)	(0.63)	-	(0.73)
<b>Net Cash Flow from/ (used in) Operating Activities: (A)</b>	<b>342.93</b>	<b>465.96</b>	<b>428.01</b>	<b>644.52</b>
<b><u>Cash Flow from Investing Activities:</u></b>				
Net (Purchases)/Sales of Fixed Assets (including capital work in progress)	(404.42)	(104.87)	(117.38)	(227.70)
Interest Income	1.75	0.86	12.6	15.98
Dividend Received	0.01	0.01	0.65	0.81
Net (Increase)/Decrease in Long Term Loans and Advances	(11.7)	56.76	(50.26)	4.78
Net (Increase)/Decrease in other Non-current assets	22.17	(21.99)	(12.16)	(61.41)
Proceeds from Sale or Purchase OF Investments	-	(0.20)	-	-
<b>Net Cash Flow from/ (used in) Investing Activities: (B)</b>	<b>(392.18)</b>	<b>(69.42)</b>	<b>(166.55)</b>	<b>(267.53)</b>
<b><u>Cash Flow from Financing Activities:</u></b>				

Net Increase/(Decrease) in Long Term Borrowings	71.76	(170.58)	(24.92)	(199.72)
Net Increase/(Decrease) in Short Term Borrowings	120.74	(31.94)	25.95	63.76
Interest on borrowings	(121.38)	(219.52)	(263.16)	(261.35)
<b>Net Cash Flow from/ (used in) Financing Activities (C)</b>	<b>53.69</b>	<b>(391.41)</b>	<b>(267.48)</b>	<b>(397.31)</b>
Net Increase/(Decrease) in Cash and Cash Equivalents	4.44	5.12	(6.01)	(20.32)
Cash and Cash Equivalents as At Beginning of the Year	10.19	5.06	11.07	31.40
Cash and Cash Equivalents as At End of the Year	<b>14.63</b>	<b>10.19</b>	<b>5.06</b>	<b>11.07</b>

- The Cash Flow statement has been prepared under Indirect method as per Accounting Standard-3
- Figures in negative represent out
- The above statements should be read with the Consolidate Restated Statement of Assets and Liabilities, Consolidate Statement of Profit and Loss, Significant Accounting Policies and Notes to account appearing in I, II and IV respectively.

**RESTATED SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS****CORPORATE INFORMATION****A. Basis of preparation of Financial Statements:**

The consolidated restated summary statement of assets and liabilities of the Company as at September 30 2018, March 2018, 2017, 2016 and the related consolidated restated summary statement of profits and loss and consolidated restated summary statement of cash flows for the period ended on September 30 2018, March 2018, 2017, and 2016 (herein collectively referred to as ('restated summary statements')) have been compiled by the management from the audited financial statements of the Company for the period ended on September 30 2018, March 2018, 2017, and 2016 approved by the Board of Directors of the Company. The restated summary statements have been prepared to comply in all material respects with the provisions of sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014; The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("SEBI (ICDR) Regulations") and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India ("SEBI") and Guidance note on reports in Companies Prospectus (Revised). The restated summary statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the SME Platform of BSE Limited ("BSE SME") in connection with its proposed Initial public offering of equity shares. The Company's management has recast the financial statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated summary statements.

**B. Use of Estimates:**

The preparation of financial statements requires management to make estimates and assumptions that affect amounts in the financial statements and reported notes thereto. Actual results could differ from these estimates. Differences between the actual result and estimates are recognized in periods in which the results are known/ materialized.

**C. Tangible Fixed Assets:**

Fixed Assets are stated at cost, net of accumulated depreciation and accumulated impairment losses if any. All costs relating to the acquisition and installation of assets are capitalized and include borrowing costs directly attributable to their construction or acquisition, up to the date, the respective assets are put to use. The manufacturing cost of internally generated assets comprise direct cost and attributable overheads.

Capital Work-in-progress comprises of cost of fixed assets that are not yet ready for their intended use as at the balance sheet date.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

**D. Depreciation:**

Depreciation is calculated using the Written down value method to allocate their cost, net of their residual values, over their estimated useful lives as prescribed in Part C of Schedule II of the Companies Act, 2013 except in respect of certain assets listed below where the useful life is estimated different from prescribed rate based on internal assessment or independent technical evaluation carried out by external valuers. The Management believes that the useful lives as given below represent the period over which management expects to use these assets.

Class of Assets	Useful Life as per Management	As per Schedule II of Companies Act, 2013
Plant and Machinery	20	15
Factory Building	40	30

The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

#### **E. Intangible Assets**

Intangible assets acquired separately are measured on initial recognition cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses.

#### **F. Inventories:**

Inventories of raw materials including stores, spares and consumables, packing materials, semi-finished goods, work-in-progress, finished goods are valued at the lower of cost and estimated net realizable value. Cost is determined on weighted average basis.

The cost of work-in-progress, semi-finished goods and finished goods includes the cost of material, labor and proportion of manufacturing overheads.

#### **G. Valuation of Investments:**

Investment which are readily realizable and intended to be held for not more than one year from the date on which such investment is made, are classified as current investment and are carried at lower of cost and market value, all other investment classified as non-current investment and are started at cost.

#### **H. Revenue Recognition:**

Sales are recognized when products are delivered to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the customer and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed or the Company has objective evidence that all criteria for acceptance have been satisfied.

Due from customers, if any are measured at the selling price of the work performed. Prepayments from customers are recognized as liabilities.

#### **Sale of Services:**

i) Timing of recognition Revenue from rendering of services is recognized in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognized based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided (percentage of completion method). Job-work revenues are accounted as and when such services are rendered.

ii) Measurement of revenue Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

**Interest Income:**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**Dividend:**

Dividend income from investments is recognized when the right to receive payment is established.

**I. Foreign Currency Transaction**

The reporting currency of the company is Indian rupee.

Foreign currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate at the date of the transaction. At each Balance Sheet date foreign currency monetary items are reported using the closing rate. Non-monetary items, carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences that arise on the settlement of monetary items or on reporting of monetary items at each balance sheet date at closing rate are:

1. Adjusted in the cost of the fixed assets to which the exchange differences relate provided the assets are acquired from outside India.
2. Recognized as income or expenses in the period in which they arise, in case other than (1) above.

In respect of transaction covered by foreign exchange contracts, the difference between the contract rate and the spot rate on the date of the transaction is charged to the Statement of Profit and Loss over the period of the contract.

**J. Leases**

Lease arrangements where risks and rewards incidental to ownership of an asset substantially vests with lessor are classified as operating lease. Rental expenses on assets obtained under operating lease arrangements are recognized in the Statement of Profit and Loss on straight line basis over the lease period.

**K. Borrowing Cost**

Borrowing cost include interest, commitment charges, amortization of ancillary costs, amortization of discounts/premium related to borrowings, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time the asset is ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred in the year in which they are incurred.

**L. Taxes on Income**

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income tax act 1961, and based on the expected outcome of assessments.

### **Deferred Tax**

Deferred tax assets and liabilities are recognized subject to the consideration of prudence, on timing differences between accounting income and taxable income that originate in one period and are capable of reversal in one or more subsequent periods and are quantified using enacted /substantively enacted tax rates as at the balance sheet date. The carrying amount of Deferred Tax Assets / liabilities is reviewed at each balance sheet date.

Deferred tax assets relating to an unabsorbed depreciation and business losses are recognized and carried forward to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

### **M. Provisions, contingent liabilities and contingent Assets**

A provision is recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources would be required to settle the obligation, and in respect of which a reliable estimate can be made, Provisions are not discounted to their present value and are determined based on best estimates required to settle the obligation at the balance sheet date.

Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimation.

Contingent liabilities as defined in Accounting Standard 29 are disclosed by way of notes to accounts. Contingent Assets are neither recognized nor disclosed in the Financial Statements.

### **N. Cash and Cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term investments which are available on call or maturity of a year or less.

### **O. Employee Benefits**

#### **Gratuity obligations**

The Company operates defined benefit plan for its employees viz. Gratuity. The liability or asset recognized in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

#### **Provident Fund**

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

### **P. Product Development**

During the previous year the Company has developed various new clients and their product development took substantial time on various machines and considerable manpower was dedicated towards these developments. Many of the items required trial run till the approval of the product to the satisfaction of customer.

The expenses towards these developments are calculated taking into consideration actual efforts taken and have been concluded monetarily to the best of knowledge of the management. The benefit of these shall be spread over a period over a considerable period of time, hence all the expenditure relating to it have been capitalized. These amounts are written off on the basis of actual benefit accrued in the years to come.

**Q. Earnings Per Share**

The Company reports basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard 20 "Earning per Share". Basic EPS is computed by dividing the net profit or loss attributable to the equity shareholders for the year by the weighted average -number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss attributed to the equity shareholders for the year by weighted average number of equity shares outstanding during the year as adjusted for the effects of all potential equity share, except where the result is anti-dilutive.

**Annexure - IV B**

**RECONCILIATION OF RESTATED PROFIT**

**Amount (₹ In Lakhs)**

Adjustments for	For the Period ended September 30, 2018	For the year ended March 31,		
		2018	2017	2016
Net Profit/(Loss) after Tax as per Audited Profit and Loss Account	137.29	88.78	(93.77)	(21.53)
<b><u>Adjustments for:</u></b>				
Prior period Expenses	0.08	(0.55)	-	(0.73)
<b>Net Profit/ (Loss) After Tax as Restated</b>	<b>137.21</b>	<b>89.33</b>	<b>(93.77)</b>	<b>(20.80)</b>

**Explanatory Notes to the above restatements made in Audited Financial Statement of the Company for the respective years/period.**

**Adjustments having impact on Profit:**

Amounts relating to the prior period have been adjusted in the year to which the same relates to.

**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 liability, in order to bring them in line with the grouping 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 and Disclosure Requirements) Regulations 2018.

**RECONCILIATION OF RESTATED EQUITY/NET WORTH**Annexure - IV C  
Amount (₹ In Lakhs)

Adjustments for	For the Period ended September 30, 2018	For the year ended March 31,		
		2018	2017	2016
Equity/ Net Worth as per Audited Financial	1,440.07	1,302.77	1,213.99	1,314.96
<b>Adjustments for:</b>				
Prior period Adjustments	-	0.08	(0.47)	(7.67)
<b>Equity/ Net Worth as Restated</b>	<b>1,440.07</b>	<b>1,302.86</b>	<b>1,213.53</b>	<b>1,307.30</b>

Explanatory Notes to the above restatements made in Audited Financial Statement of the Company for the respective year(s)/period.

**Adjustments having impact on Profit:**

Amounts relating to the prior period have been adjusted in the year to which the same relates to and the same amount is arrived on account of change in Opening Balance of Reserve and Surplus due to the restated effect on the Profit / (Loss) of prior period.

**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 liability, in order to bring them in line with the grouping 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 and Disclosure Requirements) Regulations 2018.

**DETAILS OF CONSOLIDATED SHARE CAPITAL AS RESTATED**

Annexure-V

Amount (₹ In Lakhs) (Except no of share)

Particulars	As at September 30, 2018	As at March 31,		
		2,018	2,017	2,016
<b>EQUITY SHARE CAPITAL:</b>				
<b>AUTHORISED:</b>				
1,00,00,000 Equity Shares of ₹10 each	1,000.00	1,000.00	1,000.00	1,000.00
	<b>1,000.00</b>	<b>1,000.00</b>	<b>1,000.00</b>	<b>1,000.00</b>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>				
70,50,000 Equity shares of ₹ 10 each	705.00	705.00	705.00	705.00
	<b>705.00</b>	<b>705.00</b>	<b>705.00</b>	<b>705.00</b>
<b>Reconciliation of number of shares outstanding at the end of the year:</b>				
Equity Shares at the beginning of the year	70,50,000	70,50,000	70,50,000	4,70,000*
Add: Bonus Issue During the year	-	-	-	23,50,000

<b>TOTAL</b>	<b>70,50,000</b>	<b>70,50,000</b>	<b>70,50,000</b>	<b>70,50,000*</b>
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\*company split face value of share from ₹100 to ₹ 10.

**Terms/rights attached to equity shares:**

- A. The Company was having only one class of Equity Shares with par Value of ₹ 10.00 per share. Each holder of Equity shares was entitled to one Vote per share.
- B. In the Liquidation 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.

**Details of Shareholders holding more than 5% of the aggregate shares of the company:**

Particulars	As at 30 September 2018		As at 31 March 2018		As at 31 March 2017		As at 31 March 2016	
	No. of share	% of Holding	No. of share	% of Holding	No. of share	% of Holding	No. of share	% of Holding
Mrs. Basanti K. Vora	7,50,000	10.64%	7,50,000	10.64%	7,50,000	10.64%	7,50,000	10.64%
Mrs. Indubala S. Vora	16,86,700	23.92%	16,86,700	23.92%	16,86,700	23.92%	16,86,700	23.92%
Mr. Sachin S. Vora	15,90,000	22.55%	15,90,000	22.55%	15,90,000	22.55%	15,90,000	22.55%
Mrs. Sapana Gadiya	3,75,000	5.32%	3,75,000	5.32%	3,75,000	5.32%	3,75,000	5.32%
Mr. Sumeet S. Vora	15,30,030	21.70%	15,30,030	21.70%	15,30,030	21.70%	15,30,030	21.70%
<b>Total</b>	<b>59,31,730</b>	<b>84.14%</b>	<b>59,31,730</b>	<b>84.14%</b>	<b>59,31,730</b>	<b>84.14%</b>	<b>59,31,730</b>	<b>84.14%</b>

**DETAILS OF CONSOLIDATED RESERVE and SURPLUS AS RESTATED**

**ANNEXURE - VI**  
(₹ In Lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
<b>General Reserve</b>	30.00	30.00	30.00	30.00
	<b>30.00</b>	<b>30.00</b>	<b>30.00</b>	<b>30.00</b>
<b>Securities Premium</b>				
Opening Balance	-	-	-	140.00
Less: Utilised for Bonus Issue	-	-	-	(140.00)
<b>Closing Balance</b>	-	-	-	-
<b>Surplus: -</b>				
<b>Opening Balance</b>	569.57	479.60	572.46	687.74
Add - Prior Period Adjustment	-	-	-	0.74
Add - Current Year profit	137.14	89.97	(92.85)	(21.02)
less - Bonus Issue	-	-	-	(95.00)
<b>Closing Balance</b>	<b>706.71</b>	<b>569.57</b>	<b>479.60</b>	<b>572.46</b>
Negative Share of Minority Interest Adjusted against majority profit	(1.64)	(1.71)	(1.07)	(0.16)
	<b>705.07</b>	<b>567.86</b>	<b>478.53</b>	<b>572.30</b>
<b>Total</b>	<b>735.07</b>	<b>597.86</b>	<b>508.53</b>	<b>602.30</b>

Notes:

1. The figures disclosed above are based on the restated summary of assets and liabilities of the company
2. The above statements should be read with the notes to restated summary statements of assets and liabilities, profit and losses and cash flow appearing in Annexure I, II and III.

**DETAILS OF CONSOLIDATED LONG-TERM BORROWING AS RESTATED ANNEXURE - VII**  
Amount (₹ In Lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
<b>Secured</b>				
<b>Term Loans from Bank – Secured</b>				
HDFC: TERM LOAN A/C NO. 81214831	39.34	67.69	155.87	222.11
HDFC: TERM LOAN A/C NO. 81214829	31.03	39.22	72.09	95.29
HDFC: TERM LOAN A/C NO. 81211087	-	-	35.38	90.21
HDFC: TERM LOAN A/C NO. 81204804	-	-	29.53	101.14
HDFC: TERM LOAN A/C NO. 81214825	-	-	36.49	109.14
HDFC: TERM LOAN A/C NO. 81260322	30.22	37.36	67.22	88.11
HDFC: TERM LOAN A/C NO. 81600701	44.29	58.52	79.27	107.15
Standard Chartered Bank: TERM LOAN A/C NO. 51294176	120.81	112.07	-	-
Kotak Bank: Term Loan A/c-6311000000033	118.46	119.65	120.16	-
TATA CAPITAL: A/C NO.20571389	15.01	-	-	-
TATA CAPITAL: A/C NO.20644102	72.12	-	-	-
TATA CAPITAL: A/C NO.20780531	33.96	-	-	-
TATA CAPITAL: SUPPLIERS CREDIT	122.44	-	-	-
<b>Vehicle Loan</b>				
COSMOS: A/C NO. 00580152189	10.72	12.45	-	-
<b>Total</b>	<b>627.68</b>	<b>446.96</b>	<b>596.00</b>	<b>813.16</b>
<b>Unsecured</b>				
Loans and Advances from Directors	573.65	536.87	562.45	500.25
Loans and Advances from other related parties	231.54	256.24	183.50	152.93
<b>Total</b>	<b>805.19</b>	<b>793.11</b>	<b>745.95</b>	<b>653.18</b>
<b>TOTAL</b>	<b>1443.60</b>	<b>1240.07</b>	<b>1341.95</b>	<b>1466.33</b>

**NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWING INCLUDING CURRENT MATURITIES:**

Name of Bank	Nature of Facility	Account No.	Sanction Amount	Re-payable In No. of Instalment	Instalment Amount	Rate of Interest (p.a.) (in %)	Hypothecation of	As at 30 September 2018	AS at 31 March 2018	AS at 31 March 2017	AS at 31 March 2016
HDFC Bank	Term Loan	81214831	350	64	7.26	10.35 to 11.85	a. Factory Land and Building at Unit No III, Gat NO 267/B1, Old Gat No 146 B, Opposite Nisarg Dabba, Village - Pirangut, Taluka - Mulshi, District - Pune.	118.52	154.81	221.9	281.55
		81214829	148.75 disbursed 140	71	2.7		b. Factory Land and Building at Gat NO 267/B/1, Plot No 7 and 8, Village - Pirangut, Taluka - Mulshi, District - Pune.	58.87	71.63	95.2	116.1
		81211087	200	47	5.31		c. plant and Machinery	2.43	33.2	54.74	50.82
		81204804	240	45	6.59		d. Personal Guarantee of Directors	-	29.12	101.03	165.4
		81214825	250	46	6.75			-	36.04	109.02	174.34
		81260322	127.13	71	2.45			55.3	66.79	88.03	106.85
		81600701	196	60	4.4			88.57	117.04	158.54	214.3
Standard Chartered Bank	Term Loan	51294176	128	180	1.29	8.90%	Flat no 103 and 402 at Kumar Santosh, Guktekadi, Pune And Personal Guarantee of Directors	127.09	119.62	-	-
Kotak Bank	Term Loan	6.311E+12	147	120	2	10.75%	Plot No. J - 63, MIDC, Bhosari, Pune - 411 026 and guarantee of parent Company i.e. Kranti Industries Ltd. And Personal Guarantee of Directors	130.37	131.56	144.21	-
TATA Capital	Term Loan	20571389206441022078053	875.00 disbursed 243.53	Re-payable in 60 equal Instalment		11.75%	Hypothecation of machinery purchased / to be purchased out of TCFSL fund and personal guarantee of Directors.	15.01	-	-	-
								72.12	-	-	-
								33.96	-	-	-
								122.44	-	-	-

COS MOS Bank	Vehic le Loan	5801 5218 9	20	36	0.63	8.25%	Hypothecation of Vehicle acquired and personal guarantee of directors.	10.72	12.45	-	-
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**DETAILS OF CONSOLIDATED DEFERRED TAX ASSET/LIABILITY AS RESTATED**

**ANNEXURE - VIII  
Amount (₹ In Lakhs)**

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
<b>Deferred Tax (Assets)/Liability</b>				
Related to fixed assets	121.46	102.76	130.05	133.75
Related to Gratuity Disallowances	(1.82)	(1.37)	-	-
Related to Brought forward loss	(23.55)	(23.55)	(22.88)	(8.89)
<b>TOTAL</b>	<b>96.09</b>	<b>77.84</b>	<b>107.17</b>	<b>124.86</b>

**DETAILS OF CONSOLIDATED SHORT-TERM BORROWING AS RESTATED**

**ANNEXURE – IX  
Amount (₹ In Lakhs)**

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
<b>Loans repayable on demand from Banks</b>				
<b>Secured</b>				
HDFC Bank Limited - Cash Credit	378.54	323.18	322.32	394.39
Kotak Bank: Cash Credit A/c 1511677880	53.08	48.27	59.49	-
Corporation Bank Cash Credit	-	-	-	59.00
	<b>431.62</b>	<b>371.46</b>	<b>381.82</b>	<b>453.39</b>
<b>BILLS DISCOUNTING FACILITY</b>				
HDFC Bank Limited - Bill Discounting	268.88	217.50	232.69	150.71
<b>Unsecured</b>				
Loans and Advance from related Parties	77.18	85.41	61.17	50.98
<b>TOTAL</b>	<b>777.68</b>	<b>674.37</b>	<b>675.67</b>	<b>655.08</b>

**HDFC Bank Cash Credit-**

Working capital loan is secured by hypothecation of present and future stock of raw materials, stock-in-process, finished goods, stores and spares, book debts, outstanding monies, receivables, claims, bills, materials in transit, etc. and personal guarantee of Directors and collateral security of :

a. Factory Land and Building at Unit No III, Gat NO 267/B1, Old Gat No 146 B, Opposite Nisarg Dabba, Village - Pirangut, Taluka - Mulshi, District - Pune.

b. Factory Land and Building at Gat NO 267/B/1, Plot No 7 and 8, Village - Pirangut, Taluka - Mulshi, District - Pune.

**Kotak Bank Cash Credit –**

Working capital loan is secured by hypothecation of present and future stock of raw materials, stock-in-process, finished goods, stores and spares, book debts, outstanding monies, receivables, claims, bills, materials in transit, etc. of Wonder Precision Private limited and guarantee of Parent Company i.e. Kranti Industries Limited and personal guarantees of directors of and collateral security of Plot No. J - 63, MIDC, Bhosare, Pune - 411 026.

**DETAILS OF CONSOLIDATED TRADE PAYABLES AS RESTATED**

**ANNEXURE X**

**Amount (₹ In Lakhs)**

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2016
<b>SUNDRY CREDITORS</b>				
Micro, Small and Medium Enterprises	-	-	-	-
Others	870.21	629.07	549.73	224.85
<b>TOTAL</b>	<b>870.21</b>	<b>629.07</b>	<b>549.73</b>	<b>224.85</b>

**DETAILS OF CONSOLIDATED OTHER CURRENT LIABILITES AS RESTATED**

**ANNEXURE – XI**

**Amount (₹ In Lakhs)**

Particulars	As at September 30, 2018	As at March 31,		
		2018	2017	2,016
Current Maturities of long-term borrowing	203.28	335.05	403.75	304.29
Interest accrued on Deposits	3.01	3.49	6.03	7.79
Deposits/ Retention Money Payable	2.60	0.46	0.46	0.27
Advance received from Customers	10.87	-	8.56	9.48
	<b>219.77</b>	<b>338.99</b>	<b>418.80</b>	<b>321.82</b>

**DETAILS OF CONSOLIDATED SHORT-TERM PROVISION AS RESTATED**

**ANNEXURE – XII**

**Amount (₹ In Lakhs)**

Particulars	As at September 30, 2018	As at March 31,		
		2,018	2,017	2,016
TDS/TCS payable	8.66	5.88	6.66	3.58
<b>Income Tax Provision (Net of Advance Tax)</b>	-	-	-	-
A.Y. 2019-20	20.89	-	-	-
A.Y. 2013-14	-	-	0.25	0.25
MVAT and CST Payable	-	-	18.14	-
Profession Tax	0.29	0.69	0.63	0.58
Provident Fund	0.02	3.74	3.56	2.58
Salary and Wages	55.92	33.89	28.81	0.05
Provision for Electricity Charges	30.17	33.60	-	-
GST Payable	35.00	24.14	-	-
Provision for Other Expenses	7.26	4.63	27.22	23.23
Provision for Gratuity	9.52	8.30	9.04	5.00
<b>TOTAL</b>	<b>167.73</b>	<b>114.87</b>	<b>94.31</b>	<b>35.26</b>

**DETAILS OF CONSOLIDATED FIXED ASSETS AS RESTATED**

**ANNEXURE–XIII**  
**Amount (₹ In Lakhs)**

Particulars	30-09-2018	31-03-2018	31-03-2017	31-03-2016
Freehold Land	151.10	151.10	151.10	151.10
Factory Premises	306.17	311.23	334.21	357.88
Guest House	38.71	39.84	42.23	44.75
Plant and Machinery	1,784.23	1,550.23	1,738.81	1,900.33
Electrical Installations	11.92	13.40	17.09	15.83
Furniture and Fittings	28.57	27.39	30.01	40.58
Vehicles - Others	23.87	28.32	13.43	21.17
Office Equipment's	4.74	5.83	1.66	2.65
Computers	3.20	3.12	2.92	2.47
Tools and Fixtures	24.11	25.21	31.30	35.66
<b>TOTAL</b>	<b>2,376.62</b>	<b>2,155.66</b>	<b>2,362.75</b>	<b>2,572.42</b>

Intangible Assets	30-09-2018	31-03-2018	31-03-2017	31-03-2016
Trade Mark	0.08	0.11	0.15	0.20
Software's	11.96	10.44	0.60	0.80
<b>Total</b>	<b>12.04</b>	<b>10.55</b>	<b>0.75</b>	<b>1.00</b>

Capital WIP	30-09-2018	31-03-2018	31-03-2017	31-03-2016
Machines	48.67	6.22	-	0.70
<b>Total</b>	<b>48.67</b>	<b>6.22</b>	<b>-</b>	<b>0.70</b>

**DETAILS OF CONSOLIDATED NON-CURRENT INVESTMENTS**

**ANNEXURE – XIV**  
**Amount (₹ In Lakhs)**

Particulars	As at September 30, 2018	As at March 31,		
		2,018	2,017	2,016
<b>NON-CURRENT INVESTMENTS</b>				
Unquoted Shares - Cos-mos Co-operative Bank Limited	8.20	8.20	8.00	8.00
Unquoted shares- Shamrao Vitthal Co- Operative Bank Limited	0.10	0.10	0.10	0.10
<b>TOTAL</b>	<b>8.30</b>	<b>8.30</b>	<b>8.10</b>	<b>8.10</b>

**DETAILS OF CONSOLIDATED LONG -TERM LOAN AND ADVANCES AS RESTATED**

**ANNEXURE – XV**  
**Amount (₹ In Lakhs)**

Particulars	As at September 30, 2018	As at March 31,		
		2,018	2,017	2,016
<b>Security Deposits</b>				
Unsecured and considered good	16.92	15.99	18.70	18.75
Advance against Lease	164.31	153.53	141.56	84.07

Product Development	-	-	66.03	73.21
<b>Total</b>	<b>181.22</b>	<b>169.52</b>	<b>226.29</b>	<b>176.03</b>

**DETAILS OF CONSOLIDATED OTHER NON -CURRENT ASSETS AS RESTATED**

**ANNEXURE – XVI**

Amount (₹ In Lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2,018	2,017	2,016
<b>Advance Tax/TDS (Net of Provision)</b>	-	-	-	-
A.Y. 2019-20	1.59	-	-	-
A.Y. 2018-19	6.85	6.85	-	-
A.Y. 2017-18	14.42	18.16	18.30	-
A.Y. 2016-17	-	13.65	13.65	18.47
A.Y. 2015-16	-	-	-	4.72
A.Y. 2013-14	-	-	-	3.03
MAT Credit	8.97	15.33	-	-
Sales tax / MVAT Balance	41.57	41.57	41.63	35.20
<b>TOTAL</b>	<b>73.39</b>	<b>95.56</b>	<b>73.58</b>	<b>61.41</b>

**DETAILS OF CONSOLIDATED INVENTORIES AS RESTATED**

**ANNEXURE – XVII**

Amount (₹ In Lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2,018	2,017	2,016
<b>Inventories</b>				
Raw Materials, Components, Consumables	473.07	483.96	393.79	270.86
Work-in-progress, Stores and Spares	161.04	148.10	145.63	94.08
<b>TOTAL</b>	<b>634.11</b>	<b>632.06</b>	<b>539.42</b>	<b>364.93</b>

**DETAILS OF CONSOLIDATED TRADE RECEIVABLES AS RESTATED**

**ANNEXURE – XVIII**

Amount (₹ In Lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2,018	2,017	2,016
<b>Outstanding for a period exceeding six months from the date they are due for payment.</b>				
Secured and considered good	-	-	-	-
Unsecured and considered good	-	-	-	-
<b>Other Receivables</b>				
Secured and considered good	-	-	-	-
Unsecured and considered good	1,240.61	899.08	763.34	493.09
<b>TOTAL</b>	<b>1,240.61</b>	<b>899.08</b>	<b>763.34</b>	<b>493.09</b>

**DETAILS OF CONSOLIDATED CASH and CASH EQUIVALENTS AS RESTATED**  
**ANNEXURE – XIX**

Amount (₹ In Lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2,018	2,017	2,016
<b>Cash in Hand</b>	0.67	1.96	1.46	1.75
<b>Balance with Bank</b>				
Current accounts	3.94	8.22	3.60	2.77
<b>Other Bank Balances -</b>	-	-	-	-
Deposits with maturity of less than 12 months	10.02	-	-	6.55
<b>Total</b>	<b>14.63</b>	<b>10.19</b>	<b>5.06</b>	<b>11.07</b>

**DETAILS OF CONSOLIDATED SHORT-TERM LOAN AND ADVANCES AS RESTATED**  
**ANNEXURE – XX**

Amount (₹ In Lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2,018	2,017	2,016
<b>Loans and advances to suppliers</b>				
Advance to Creditors	87.21	48.25	-	16.60
<b>Unsecured and considered good</b>				
Loans to Employees	1.35	0.58	0.13	0.58
Balance with Collectorate and Central Excise and Customs	-	-	72.26	74.72
Service tax receivable	-	-	2.19	0.19
<b>TOTAL</b>	<b>88.56</b>	<b>48.83</b>	<b>74.59</b>	<b>92.09</b>

**DETAILS OF CONSOLIDATED OTHER CURRENT ASSETS AS RESTATED**  
**ANNEXURE – XXI**

Amount (₹ In Lakhs)

Particulars	As at September 30, 2018	As at March 31,		
		2,018	2,017	2,016
Prepaid Expenses	16.55	21.64	26.85	34.21
<b>TOTAL</b>	<b>16.55</b>	<b>21.64</b>	<b>26.85</b>	<b>34.21</b>

**DETAILS OF CONSOLIDATED REVENUE FROM OPERATION AS RESTATED**  
**ANNEXURE – XXII**

Amount (₹ In Lakhs)

Particulars	For the period ended on September 31, 2018	For the year ended March 31,		
		2018	2017	2016
<b>REVENUE FROM OPERATIONS</b>				
Sales of Products	2,494.59	3,299.75	1,958.37	1,858.05

Sale of Services	660.86	1,103.83	807.45	838.36
<b>Other Operational Income</b>				
Sale of Scrap	146.24	196.01	108.89	120.58
Discount received	14.41	2.08	0.76	17.48
Transport Charges Recovered	-	2.17	1.77	1.38
Octroi Refund	-	-	-	0.11
<b>Total</b>	<b>3,316.09</b>	<b>4,603.84</b>	<b>2,877.24</b>	<b>2,835.96</b>

DETAILS OF CONSOLIDATED OTHER INCOME AS RESTATED

ANNEXURE – XXIII

Amount (₹ In Lakhs)

Particulars	For the Period Ended September 30, 2018	For the Year Ended March 31		
		2018	2017	2016
Other income	5.82	7.08	47.94	48.45
Net Profit Before Tax as Restated	203.22	60.00	(111.46)	(13.66)
<b>Percentage</b>	<b>2.86%</b>	<b>11.81%</b>	<b>(43.01%)</b>	<b>(354.56%)</b>

Source of Income					
Particulars	For the Period Ended September 30, 2018	For the Year Ended March 31			Remarks
		2018	2017	2016	
Interest on Deposits	1.75	0.86	12.60	15.98	Recurring and not related to business activity
Discount	-	0.15	-	-	Non-Recurring and related to business activity.
Dividend	0.01	0.01	0.65	0.81	Recurring and not-related to business activity.
Difference in Foreign Exchange	0.00	0.44	0.02	0.27	Recurring and related to business activity
Excise Duty Credit	-	-	25.07	-	Non-Recurring and related to business activity
Profit on Sale of Assets	4.05	2.70	8.06	9.45	Non-Recurring and Not related to business activity
Liability Written Back	-	2.92	1.54	21.94	Non-Recurring and Not related to business activity
<b>Total Other Income</b>	<b>5.82</b>	<b>7.08</b>	<b>47.94</b>	<b>48.45</b>	

**DETAILS OF CONSOLIDATED COST OF MATERIAL CONSUMED, CHANGE IN INVENTORY, EMPLOYEE BENEFITS EXPENSES, FINANCE COST AND OTHER EXPENSES AS RESTATED:**

**Annexure-XIV**  
**Amount (₹ In Lakhs)**

**COST OF MATERIAL CONSUMED:**

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
Opening stock	483.96	393.79	270.86	136.38
Add purchase	1,890.47	2,436.15	1,407.14	1,337.18
	<b>2,374.43</b>	<b>2,829.94</b>	<b>1,677.99</b>	<b>1,473.56</b>
Add: Freight and Octroi	6.46	14.17	6.98	8.19
Less: closing stock (Raw material)	473.07	483.96	393.79	270.86
<b>Cost of Raw Material Consumed</b>	<b>1,907.82</b>	<b>2,360.15</b>	<b>1,291.18</b>	<b>1,210.88</b>
<b>Change In Inventories of Finished Goods and Stock In Process</b>				
Opening Stock	148.10	145.63	94.08	68.92
Less: Closing Stock	161.04	148.10	145.63	94.08
	<b>(12.94)</b>	<b>(2.47)</b>	<b>(51.55)</b>	<b>(25.16)</b>
<b>EMPLOYEE BENEFITS EXPENSE:</b>				
Salaries and Wages	326.77	569.74	419.24	355.89
Bonus and Incentives	2.98	21.02	14.17	14.21
Gratuity paid	1.59	8.04	5.82	1.72
P.F. Contribution and etc.	8.58	19.06	23.23	19.34
Basic Employer's Contribution	5.00	9.70	-	-
Staff Welfare	0.85	4.92	1.53	3.33
Directors Remuneration	23.66	44.19	40.98	40.62
<b>Total</b>	<b>369.42</b>	<b>676.68</b>	<b>504.97</b>	<b>435.10</b>

<b>FINANCE COST:</b>				
<b>Interest on Secured Loans</b>				
Interest on Term Loan	45.33	93.83	113.88	145.49
Interest on Cash Credit, Bill Discounting	42.38	73.27	60.85	36.30
<b>Interest on Unsecured Loans</b>				
Interest on Deposits	31.93	50.18	84.25	77.46
<b>Bank Charges</b>	1.74	2.25	4.17	2.10
<b>Total</b>	<b>121.38</b>	<b>219.52</b>	<b>263.16</b>	<b>261.35</b>
<b>Depreciation and Amortization</b>				
Depreciation	143.58	298.63	336.07	366.93
<b>Total</b>	<b>143.58</b>	<b>298.63</b>	<b>336.07</b>	<b>366.93</b>
<b>OTHER EXPENSES</b>				
Power and Fuel	162.99	282.24	225.69	202.52

Repairs to Machinery	119.03	174.54	114.69	123.06
Job work and labour charges	94.23	152.45	89.98	107.04
Lease Rental	81.19	162.13	124.49	77.13
Packing Material	39.88	65.73	37.90	37.08
Advertisement	-	-	1.00	0.24
Audit Fees	1.20	2.53	4.11	4.88
Balances Written off	0.11	-	-	-
Conveyance and Travelling	5.25	14.40	11.55	9.29
Guest House Expenses	0.53	0.66	0.48	0.43
Insurance	3.13	7.01	5.91	6.98
Interest paid on Govt. Dues	0.02	0.01	0.01	1.27
Legal and Professional Fees	10.75	13.96	8.76	16.09
Office Expenses	9.53	16.49	15.08	13.06
Postage and Courier	0.11	0.37	0.40	0.10
Printing and Stationary	2.07	3.86	3.53	4.10
Rates and Taxes	2.60	3.73	2.10	3.29
Repairs and Maintenance	6.30	8.96	9.07	8.67
Sales Promotion expenditure	0.32	0.44	0.75	1.27
Security Charges	7.51	14.80	10.61	9.44
Housekeeping Expenses	5.36	8.23	11.40	10.76
Subscription and contribution	-	0.85	0.86	0.73
Sundry balances written off	0.13	-	-	0.02
Transport Charges	33.03	55.37	6.38	2.42
Telephone Expenses	1.38	2.97	3.50	3.60
Water Charges	2.79	6.04	4.57	5.50
<b>Total</b>	<b>589.44</b>	<b>997.77</b>	<b>692.83</b>	<b>648.96</b>

## Capitalisation Statement as at 30th September, 2018

ANNEXURE-XXV  
Amount (₹ In Lakhs)

Particulars	Pre-Issue	Post Issue
<b>Borrowings</b>		
Short term debt (A)	777.68	777.68
Long Term Debt (B)	1,646.88	1,646.88
<b>Total debts (C)</b>	<b>2,424.56</b>	<b>2,424.56</b>
<b>Shareholders' funds</b>		
Equity share capital	705.00	880.20
Reserve and surplus - as restated	735.07	1208.11
<b>Total shareholders' funds</b>	<b>1,440.07</b>	<b>2088.31</b>
<b>Long term debt / shareholders' funds</b>	1.14	0.79
<b>Total debt / shareholders' funds</b>	1.68	1.16

**DETAILS OF CONSOLIDATED CONTINGENT LIABILITIES AS RESTATED**

**Annexure - XXVI  
Amount (₹ In Lakhs)**

Particulars	As at September 30, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Income tax Dues for A.Y. 2015-16 pending before Commissioner of Appeal, Pune	14.42	-	-	-
<b>Total</b>	<b>14.42</b>	<b>-</b>	<b>-</b>	<b>-</b>

**CONSOLIDATED RELATED PARTY TRANSACTION**

**Annexure XXVII  
Amount (₹ In Lakhs)**

Name	Relationship	Nature of Transaction	Amount of Transaction Up to Stub Period 1.04.18 to 30.09.18	Amount Outstanding as on Stub Period, if applicable Payable/ (Receivable)	Amount of Transaction in F.Y. 2017-18	Amount Outstanding as on 31.03.18 Payable/ (Receivable)	Amount of Transaction in F.Y. 2016-17	Amount Outstanding as on 31.03.17 Payable/ (Receivable)	Amount of Transaction in 2015-16	Amount Outstanding as on 31.03.16 Payable/ (Receivable)
Sachin Subhash Vora	Managing Director	Interest Paid	6.95	158.00	12.60	167.50	14.66	185.00	11.13	141.50
		Salary Paid	11.57		23.86		21.57		21.90	
		Deposit Accepted	0.10		-		69.00		12.67	
		Deposit Repayment	10.50		17.50		25.50		3.04	
Sumit Subhash Vora	Whole time Director	Interest Paid	4.41	98.50	5.88	97.00	5.30	65.00	4.88	64.50
		Salary Paid	11.57		23.86		21.57		21.90	

**KRANTI INDUSTRIES LIMITED**



		Deposit Accepted	1.50		37.00		20.00		11.10	
		Deposit Repayment	-		5.00		20.50		4.58	
Indubala S. Vora	Direct)	Interest Paid	4.06	317.15	6.94	312.15	28.30	312.45	25.67	294.25
		Salary Paid	-		-		-			
		Deposit Accepted	5.00		28.00		32.00		68.66	
		Deposit Repayment	-		28.30		13.80		52.75	
Sheela Dhawale	CFO	Interest Paid	1.21	22.40	2.44	21.20	2.08	18.00	1.55	14.00
		Salary Paid	4.43		8.96		8.01		7.59	
		Deposit Accepted	1.20		3.20		4.00			
		Deposit Repayment			-		-		8.90	
Bhavesh Selarka	CS	Salary Paid	1.71	-	3.83		2.50			
Relative of Directors and KMP		Interest Paid	14.94	280.32	23.75	275.67	22.80	221.67	19.86	1.85
		Salary Paid	6.86		13.85		12.53		12.39	
		Deposit Accepted	18.15		80.25		39.10		40.94	
		Deposit Repayment	13.50		26.25		2.93		18.45	

OTHER FINANCIAL INFORMATION

STATEMENT OF MANDATORY ACCOUNTING RATIOS

Amount (₹ In Lakhs, except per share data)

Particulars	For the Period ended September 30, 2018	For the year ended March 31,		
		2018	2017	2016
Restated PAT as per Pand L Account	137.14	89.97	(92.85)	(21.02)
Restated Earnings Before Interest Tax Depreciation and Amortisation (EBITDA)	466.44	576.54	483.59	612.52
Weighted Average Number of Equity Shares at the end of the Year/Period	70,50,000	70,50,000	70,50,000	60,32,740
Number of Equity Shares outstanding at the end of the Year/Period	70,50,000	70,50,000	70,50,000	70,50,000
Net Worth	1,440.07	1,302.86	1,213.53	1,307.30
<b>Earnings Per Share</b>				
Basic	1.95	1.28	(1.32)	(0.30)
Diluted	1.95	1.28	(1.32)	(0.35)
<b>Return on Net Worth (%)</b>	<b>9.52%</b>	<b>6.91%</b>	<b>(7.65%)</b>	<b>(1.61%)</b>
<b>Net Asset Value Per Share (Rs)</b>	<b>20.43</b>	<b>18.48</b>	<b>17.21</b>	<b>18.54</b>
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00	10.00
1. Ratios have been calculated as below				
Basic Earnings Per Share (EPS) (Rs.)	<u>Restated Profit after Tax available to equity Shareholders</u>			
	Number of Equity Shares at the end of the year/ period			
Diluted Earnings Per Share (EPS) (Rs.)	Restated Profit after Tax available to equity Shareholders/ Weighted Average Number of Equity Shares at the end of the year/ period			
Return on Net Worth (%)	<u>Restated Profit after Tax available to equity Shareholders</u>			
	Restated Net Worth of Equity Shareholders			
Net Asset Value per equity share (Rs.)	<u>Restated Net Worth of Equity Shareholders</u>			
	Number of Equity Shares outstanding at the end of the year/ period			
2. EBITDA represent earning (profit/(loss)) before finance cost, income tax, and depreciation and amortization expenses. Extraordinary and exceptional items have been considered in the calculation of EBITDA as they were expenses items.				
3. Net profit as restated, as appearing in the statement of profit and losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the restated financial information of the company.				
4. Earning per share calculation are done in accordance with Accounting Standard 20 "Earning per share", issued by the Institute of Chartered Accountants of India.				
<p><b>For A D V and Associates</b>  <b>Chartered Accountant</b>                      FRN: 128045W</p> <p><b>Prakash Mandhaniya</b>                      M.No.-421679                      Date: - 03<sup>rd</sup> December, 2018                      Place: - Mumbai</p>				

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our Restated Financial Statements which have been included in this Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Restated Financial Statements for the period ended September 30, 2018 and years ended March 31, 2018, 2017 and 2016 including the related notes and reports, included in this Prospectus prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited financial statements for the respective years. Accordingly, the degree to which our Restated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.*

*This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "Risk Factors" and "Forward Looking Statements" beginning on pages 23 and 15 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.*

### **Business Overview:**

Our Company was incorporated in the year 1995. Our Company is in the business of manufacturing and supplying of precision machined components. We are into machining activity since incorporation and cater primarily to the Automotive Component and Non-Automotive (off Highway) Industry. We manufacture various components varying from 100 MM to 1200 MM in size. We manufacture customized products for reputed Original Equipment Manufacturers (OEMs) of diverse industries such as passenger cars, electric cars, two wheelers, tractors, construction machineries, railways, light vehicles, off-highway, heavy trucks.

Over the years our Company has diversified its product portfolio and presently caters to various sectors by developing components for construction, automobile, commercial vehicle, pneumatic tool, wind mill, medical industry, etc. We have a diversified client base and are committed to continuing to diversify our product offerings, customer base and geographical footprint, thereby minimizing our exposure to individual geographies, industry sectors, customers including Graziano Transmission India Pvt. Ltd, John Deere India Pvt. Ltd, CNH Industrial (India) private limited formerly known (New Holland Fiat (I) Pvt. Ltd), Carraro India Pvt. Ltd, Jaya Hind Industries Limited, Endurance Technologies limited, Neosym Industry Limited (Sanaswadi) and Meltwel Scrap Traders, etc.

We have two manufacturing units adjacent to each other located at Gat No. 267/B/1, Post Pirangut, Pune, Maharashtra having a total area of approximately 4,100 square meters and 2,730 square meters respectively. As a result of our quality assurance efforts over the years, our manufacturing units have received ISO 9001:2015 and IATF 16949:2016 certification from Kiwa Cermet Italia. Further our Company has received "Performance Appreciation Award" for outstanding contribution for new part development in casting and machining commodity from Oerlikon in the year of 2018.

Prior to the incorporation of the Company, our founder promoter Late Mr. Subhash Kundanmal Vora was conducting the business through the erstwhile partnership firm namely M/s Kranti Industries (*"the Firm"*). In the year 2001 our Company became a partner of the M/s Kranti Industries. Subsequently in the financial year 2001-2002, upon retirement of all the partners of the firm (save and except our Company), our Company took over the running business of the firm including all the assets and liabilities of the Firm as on March 31, 2002 and the said Firm was dissolved with effect from April 1, 2002.

Our Company initially catered to the tractor industry in the automotive sector with major dependency on very few customers. Further, with a view to expand our business and undertake additional orders, our Company acquired majority stake in "Wonder Precision Private Limited" in the year 2013 and became our subsidiary. Our Subsidiary is engaged in the business of machining of precision machined components primarily for Automotive Industry and is located at Plot No. J-63, Bhosari, MIDC, Pune, Maharashtra.

For the 6 months period ended as on September 30, 2018, Total Income and Restated Profit/ Loss after Tax was of our Company is ₹ 3321.91 Lakhs and ₹ 137.14 Lakhs, respectively. For the year ended March 31, 2018, Total Income and Restated Profit after Tax of our Company was ₹ 4610.92 Lakhs and ₹ 89.97 Lakhs respectively, compared to Total Income and Restated Loss of ₹ 2925.19 Lakhs and ₹ (92.85) Lakhs respectively, over previous year ended i.e. March 31, 2017.

### **Order Book**

We have purchase orders and letter of intents, specifying the type of components, the quantity and the cost for each batch of orders placed, from our customers in our normal course of business operations. Also, we have entered into a long term customer agreement with one of our customers namely M/s CNH Industrial (India) Private Limited (formerly known New Holland (Fiat) India Pvt. Ltd.) for supply of some of our products for a period of 3 years which is valid up to December 31, 2021.

We also offer our customers the opportunity to inspect our manufacturing facilities, processes, raw materials and logistical capabilities and based on that we receive the monthly schedules from them. Some of our customers under their respective orders, have the right to check and verify the manufacturing system and process laid down by us, for manufacturing the customer products under their respective orders, which may include inspection of the manufacturing facilities, review of the manufacturing processes and review of the raw materials.

The purchase orders are revised from time to time, on mutual terms and conditions, including price escalation on mutual terms for any increase in cost of raw material and transportation.

Based on aforesaid, our current Order Book as on January 18, 2019 is approximately ₹ 930.11Lacs for the months of February, 2019 and March, 2019 prior to this Prospectus.

### **Significant developments subsequent to the last Audited Period**

In the opinion of the Board of Directors of our Company, since the date of the last audited period i.e. September 30, 2018 as disclosed in this Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the trading or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on October 11, 2018, proposed 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 November 05, 2018 authorized the Offer.

### **Key factors affecting our results of Operation**

1. Our dependence on limited number of customers for a significant portion of our revenues;
2. Any failure to comply with the financial and restrictive covenants under our financing arrangements;
3. Our exposure to risks associated with fluctuations in foreign exchange rates;
4. Our ability to retain and hire key employees or maintain good relations with our workforce;
5. Impact of any reduction in sales of the products of our customers or defects in our customers' products;
6. Realization of Contingent Liabilities, if any;
7. Any disruption in labour industry or strikes by our workforce may affect the production capability;
8. Increased competition in industries/sector in which we operate;
9. General economic and business conditions in India and in the markets in which we operate and in the local, regional and national economies;
10. Changes in laws and regulations relating to the Sectors in which we operate;
11. Political instability or changes in the Government in India or in the government of the states where we operate could cause us significant adverse effects;
12. Any adverse outcome in the legal proceedings in which we are involved;
13. Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
14. Occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition and

15. Our inability to successfully diversify our product offerings may adversely affect our growth and negatively impact our profitability.

**Significant Accounting Policies:**

Our significant accounting policies are described in the section entitled “Financial Statements” on page no. 144 of the Prospectus.

Particulars	For the six Month Period ended September 30, 2018	% of Total Income	F.Y. ended March 31, 2018	% of Total Income	F.Y. ended March 31, 2017	% of Total Income	F.Y. ended March 31, 2016	% of Total Revenue
<b>INCOMES:</b>								
- Revenue From Operation	3,316.09	99.82	4,603.84	99.85	2,877.24	98.36	2,835.96	98.32
- Other income	5.82	0.18	7.08	0.15	47.94	1.64	48.45	1.68
<b>Total Income</b>	<b>3,321.91</b>	<b>100.00</b>	<b>4,610.92</b>	<b>100.00</b>	<b>2,925.19</b>	<b>100.00</b>	<b>2,884.41</b>	<b>100.00</b>
<b>EXPENDITURES:</b>								
Cost of Materials Consumed	1,907.82	57.43	2,360.15	51.19	1,291.18	44.14	1,210.88	41.98
Changes in inventories of finished goods, WIP and Stock-in-Trade	(12.94)	(0.39)	(2.47)	(0.05)	(51.55)	(1.76)	(25.16)	(0.87)
Employee benefits expense	369.42	11.12	676.68	14.68	504.97	17.26	435.10	15.08
Finance costs	121.38	3.65	219.52	4.76	263.16	9.00	261.35	9.06
Depreciation and amortization expenses	143.58	4.32	298.63	6.48	336.07	11.49	366.93	12.72
Other expenses	589.44	17.74	998.40	21.65	692.83	23.68	648.96	22.50
<b>Total Expenses</b>	<b>3,118.70</b>	<b>93.88</b>	<b>4,550.92</b>	<b>98.70</b>	<b>3,036.65</b>	<b>103.81</b>	<b>2,898.07</b>	<b>100.47</b>
<b>Net Profit before tax, exceptional and extra-ordinary items</b>	<b>203.22</b>	<b>6.12</b>	<b>60.00</b>	<b>1.30</b>	<b>(111.46)</b>	<b>(3.81)</b>	<b>(13.66)</b>	<b>(0.47)</b>
Less: Exceptional Items	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Profit before extraordinary items and tax (C=A-B)</b>	<b>203.22</b>	<b>6.12</b>	<b>60.00</b>	<b>1.30</b>	<b>(111.46)</b>	<b>(3.81)</b>	<b>(13.66)</b>	<b>(0.47)</b>
Prior Period Items	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Extraordinary items	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Profit before tax</b>	<b>203.22</b>	<b>6.12</b>	<b>60.00</b>	<b>1.30</b>	<b>(111.46)</b>	<b>(3.81)</b>	<b>(13.66)</b>	<b>(0.47)</b>
<b>Tax Expenses</b>								
- Current Tax	47.76	1.44	0.00	0.00	0.00	0.00	0.00	0.00
MAT Credit	0.00	0.00	15.33	0.33	0.00	0.00	0.00	0.00
MAT Credit Utilized	0.00	0.00	(15.33)	0.00	0.00	0.00	0.00	0.00
- Deferred Tax Liability / (Asset)	18.25	0.55	-29.33	-0.64	(17.69)	(0.60)	7.13	0.25
<b>Profit/(Loss) for the period After Tax- PAT</b>	<b>137.21</b>	<b>4.13</b>	<b>89.33</b>	<b>1.61</b>	<b>(93.77)</b>	<b>(3.21)</b>	<b>(20.80)</b>	<b>(0.72)</b>
Minority Interest	0.07	0.00	(0.64)	0.00	(0.91)	0.00	0.23	0.00
<b>Profit for the Year</b>	<b>137.14</b>	<b>4.13</b>	<b>89.97</b>	<b>1.61</b>	<b>(92.85)</b>	<b>(3.21)</b>	<b>(21.02)</b>	<b>(0.72)</b>

### **Key Components of Our Profit and Loss Statement**

**Revenue from operations:** Revenue from operations mainly consists of sale of materials, Scrap Sales, Cash Discount and Transport charges recovered and job work items.

**Other Income:** Other income primarily comprises interest income, profit on sale of assets, discount, foreign exchange difference, excise duty credit and dividend income etc.

**Expenses:** Our expenses majorly consist of cost of material consumed, employee benefits expense, finance costs, depreciation and amortization expense and other expenses.

**Employee benefits expense:** Employee benefit expense includes salaries and wages, staff welfare expenses, bonus, director's remuneration and contribution to provident fund and gratuity.

**Finance Costs:** Finance cost comprises interest on indebtedness, bank and other finance charges.

**Depreciation and amortization expense:** We recognize depreciation and amortization expense on a Written down value method as per the provisions set forth in the Companies Act 2013.

**Other expenses:** Other expenses consist power and fuel, repairs and maintenance, packing expenses, lease rent of machinery, sales promotion expense, advertisement expenses, office expenses, legal and professional fees, conveyance and travelling, insurance, repairs and maintenance, security and housekeeping charges, water charges, communication expenses, printing and stationery, etc.

### **Financial Performance for the six months period ended September 30, 2018:**

#### *Revenue from Operations*

Revenue from operations for the period ended September 30, 2018 amounted to ₹ 3316.09 Lakhs which was primarily on account of sale of materials, Scrap Sales, Cash Discount and Transport charges recovered and job work items.

#### *Other income*

Our other income was ₹ 5.82 lakhs for the period ended September 30, 2018 comprising interest income, profit on sale of assets, discount, foreign exchange difference, excise duty credit and dividend income.

#### *Total Expenses*

Our total expenses, excluding tax amounted to ₹ 3118.70 lakhs for the period ended September 30, 2018 which were 93.88% of our total revenue.

#### *Cost of material consumed*

Our cost of material consumed for the period ended September 30, 2018 was ₹ 1907.82 lakhs which were 57.43% of our total revenue

#### *Employee Benefit Expenses*

Our employee benefit expenses for the period ended September 30, 2018 was ₹ 369.42 lakhs which primarily comprised salaries and wages, staff welfare expenses, bonus, director's remuneration and contribution to provident fund and gratuity.

#### *Finance Costs*

Our finance costs for the period ended September 30, 2018 was ₹ 121.38 lakhs primarily consisting of interest on indebtedness, bank and other finance charges.

### *Depreciation and Amortization Expenses*

Our Depreciation and amortization expenses for the period ended September 30, 2018 was ₹ 143.58 Lakhs on account of depreciation on tangible fixed assets.

### *Other expenses*

Our other expenses for the period ended September 30, 2018 was ₹ 589.44 lakhs primarily consisting power and fuel, repairs and maintenance, packing expenses, lease rent of machinery, sales promotion expense, advertisement expenses, office expenses, legal and professional fees, conveyance and travelling, insurance, repairs and maintenance, security and housekeeping charges, water charges, communication expenses, printing and stationery, etc.

### *Profit before Tax*

Our Profit before tax for the period September 30, 2018 was ₹ 203.22 lakhs which was 6.12% of our total revenue.

### *Tax Expenses*

Our tax expenses for the period ended September 30, 2018 was ₹ 66.01 lakhs. Tax expenses comprised of current tax, deferred tax and MAT credit entitlement. Our tax expenses were 1.99% of our total revenue.

### *Profit after Tax*

Our profit after tax for the period September 30, 2018 was ₹ 137.14 lakhs forming 4.13 % of our total revenue.

Since, the results are for Six Months, Comparison with previous fiscal would not reflect actual performance of the Company, Comparison has not been provided.

### **Comparison of the Financial Performance of Fiscal 2018 with Fiscal 2017**

**Revenue from Operations:** During the F.Y. 2018 the revenue from operation of the Company increased to ₹ 4603.84 lakhs as against previous financial year ₹ 2877.24 lakhs an increase of 60.01%. This increase was mainly due to increase in revenue from sale of the products.

**Total Revenue:** Total Revenue for the F.Y. 2018 stood at ₹ 4610.92 lakhs where as in F.Y. 2017 the same was ₹ 2925.19 lakhs i.e. increases of 57.63%.

**Total Expenses:** Total expenditure for the F.Y. 2018 increased to ₹ 4550.92 lakhs from ₹3036.65 lakhs compared to the previous financial year, increasing by 49.87%. This was mainly due to increase in manufacturing and operating costs and employee benefits.

**Costs of materials consumed:** Costs of materials consumed increased to ₹ 2360.15 lakhs from ₹ 1291.18 lakhs compared to the previous financial year, increasing by 82.79%. This was mainly due to increase in business activities of the Company thereby increasing raw material requirement.

**Employee benefits expense:** Employee benefits expense increased to ₹ 676.68 lakhs from ₹504.97 lakhs in the year F.Y 2018 from its previous year, i.e. an increase of 34%. This was also due to increase in business activities of the Company.

**Finance costs:** Finance costs decreased to ₹ 219.52 lakhs in F.Y 2018 as compared to F.Y 2017 in which it was ₹ 263.16 lakhs i.e. a decrease of 16.58%.

**Depreciation and amortization expense:** Depreciation and amortization expense decreased from ₹336.07 lakhs in F.Y. 2017 to ₹ 298.63 lakhs in F.Y. 2018. i.e. a decrease of 11.14%.

**Other Expenses:** Other expenses for the F.Y 2018 stood at ₹ 998.40 lakhs; whereas it was ₹ 692.83 lakhs in previous financial year i.e. as increase of 44.11%. This was mainly due to Increase in legal expenses and fixed assets written off as per Companies Act, 2013.

**Net Profit/Loss before tax:** Net Profit before tax for the F.Y 2018 was ₹ 60 lakhs and in F.Y. 2017 the loss before tax was ₹111.46 lakhs. The increase in profit before tax was 153.83 % due to increase in sales volumes thereby absorbing our fixed cost.

**Restated profit after tax:** The Restated profit after tax for the F.Y 2018 was ₹89.97 lakhs and in F.Y. 2017 the loss was ₹ 92.85 lakhs representing increasing of 196.89% due to increase in Sales volumes thereby absorbing our fixed cost.

### **Comparison of the Financial Performance of Fiscal 2017 with Fiscal 2016**

**Revenue from Operations:** During the F.Y. 2017 the revenue from operation of the Company increased to ₹ 2877.24 lakhs as against previous financial year ₹ 2835.96 lakhs an increase of 1.46%. This increase was mainly due to increase in revenue from sale of the products.

**Total Revenue:** Total Revenue for the F.Y. 2017 stood at ₹ 2925.19 lakhs where as in F.Y. 2016 the same was ₹ 2884.41 lakhs i.e. increases of 1.41%.

**Total Expenses:** Total expenditure for the F.Y. 2017 increased to ₹ 3036.65 lakhs from ₹2898.07 lakhs compared to the previous financial year, increasing by 4.78%. This was mainly due to increase in manufacturing and operating costs and employee benefits.

**Costs of materials consumed:** Costs of materials consumed increased to ₹ 1291.18 lakhs from ₹ 1210.88 lakhs compared to the previous financial year, increasing by 6.63%. This was mainly due to increase in Purchase costs of the raw materials and consumables.

**Employee benefits expense:** Employee benefits expense increased to ₹ 504.97 lakhs from ₹435.10 lakhs in the year F.Y 2017 from its previous year, i.e. an increase of 16.06%. This was also due to increase in business activities of the Company.

**Finance costs:** Finance costs increased to ₹ 263.16 lakhs in F.Y 2017 as compared to F.Y 2016 in which it was ₹ 261.35 lakhs i.e. an increase of 0.69%.

**Depreciation and amortization expense:** Depreciation and amortization expense decreased from ₹366.93 lakhs in F.Y. 2016 to ₹ 336.07 lakhs in F.Y. 2017. i.e. a decrease of 8.41%

**Other Expenses:** Other expenses for the F.Y 2017 stood at ₹ 692.83 lakhs; whereas it was ₹ 648.96 lakhs in previous financial year i.e. as increase of 6.76%. This was mainly due to increase in legal expenses and fixed assets written off as per Companies Act, 2013.

**Net Profit before tax:** Net loss before tax for the F.Y 2017 was ₹ 111.46 lakhs and in F.Y. 2016 the loss before tax was ₹13.66 lakhs due to increase in operational cost.

**Restated profit after tax:** The Restated loss after tax for the F.Y 2017 was ₹ 92.85 lakhs and in F.Y. 2016 the loss was ₹ 21.02 lakhs due to increase in operational cost.

### **Information required as per Item (2) (C) (1) (11) of Part A of Schedule VI to the SEBI ICDR Regulations, 2018:**

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

#### ***Unusual or infrequent events or transactions***

There has not been any unusual trend on account of our business activity. There are no Unusual or infrequent events or transactions in our Company. The transactions are as per usual business operations.

#### ***Significant economic changes that materially affected or are likely to affect income from continuing operations***

There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

***Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations***

Apart from the risks as disclosed under Section “Risk Factors” beginning on page no. 23 of this Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

***Future changes in relationship between costs and revenues***

Our Company’s future costs and revenues will be determined by demand/supply situation, government policies and prices quoted by our suppliers.

***Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or increased sales prices***

Changes in revenue in the last three financial years are as explained in the part “Comparison of the financial performance of Fiscal 2018 with Fiscal 2017 and Comparison of the financial performance of Fiscal 2017 with Fiscal 2016” above.

***Total turnover of each major industry segment in which the issuer company operated***

The company is into business of manufacturing and supplying of precision machined components. For further details, please refer the chapter titled "Our Business" beginning on page no. 95 of this Prospectus. Relevant Industry data, as available, has been included in the chapter titled “Industry Overview” beginning on page no. 85 of this Prospectus.

***Status of any publicly announced new products or business segment***

Our Company has not announced any new product and segment.

***Seasonality of business***

Currently our Company’s business is not seasonal in nature. However our business is dependent on our OEM customers who to some extent may have seasonal effect.

***Any significant dependence on a single or few suppliers or customers***

As per our books of Accounts, our top ten customers contributes almost 96.29% and 94.58% of our total sales for the period ended September 30, 2018 and for the year ended March 31, 2018 respectively. Our top ten suppliers contributes almost 79.26% and 79.76% of our total purchase for the period ended September 30, 2018 and for the year ended March 31, 2018 respectively

***Competitive conditions***

Competitive conditions are as described under the Chapters “Industry Overview” and “Our Business” beginning on pages no. 85 and 95 respectively of the Prospectus.

***Details of material developments after the date of last balance sheet i.e. September 30, 2018***

Our Company has appointed Mr. Sachin Subhash Vora as Chairman of the Company dated December 31, 2018. Further our Company has been executed MoU dated 10, January 2019 with Mr. Bhavesh Bharat Oswal to sell guest house property of our company situated at Munjeri, Gultekadi, Pune for a consideration of ₹ 80.00 Lakhs. Our Company has also received approval from its shareholder in relation to granting loan, provide guarantee or security with respect to any loan to the joint venture i.e. Kranti SFCI Private Limited through EOGM held on January 31, 2019. Except these developments, there are no circumstances which have arisen since the date of last financial statement until the date of filing this Prospectus, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months. There is no subsequent development after the date of the Auditor’s Report, which will have a material impact on the reserves, profits, earnings per share and book value of the Equity Shares of the Company.

## CAPITALISATION STATEMENT

Capitalisation Statement as at September 30, 2018

Amount (₹ In Lakhs)

Particulars	Pre-Issue	Post Issue
<b>Borrowings</b>		
Short term debt (A)	777.68	777.68
Long Term Debt (B)	1,646.88	1,646.88
<b>Total debts (C)</b>	<b>2,424.56</b>	<b>2,424.56</b>
<b>Shareholders' funds</b>		
Equity share capital	705.00	880.20
Reserve and surplus - as restated	735.07	1208.11
<b>Total shareholders' funds</b>	<b>1,440.07</b>	<b>2088.31</b>
<b>Long term debt / shareholders' funds</b>	1.14	0.79
<b>Total debt / shareholders' funds</b>	1.68	1.16

## STATEMENT OF FINANCIAL INDEBTEDNESS

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of the mentioned Companies, **Kranti Industries Limited and its Subsidiary Wonder Precision Private Limited** (and further explanations and information provided by the management of these Companies, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related data as at 30<sup>th</sup> November, 2018 are mentioned below.

A. Secured Loan from Banks

Amount (₹ In Lakhs)

Name of Lender	Purpose	Sanction Amount	Rate of interest <sup>#</sup>	Securities Offered	Re-payment	Moratorium Period	Outstanding amount as per books of accounts as on November 30, 2018
<b>Secured Loans of Kranti Industries Limited</b>							
HDFC Bank Ltd	Cash Credit - Working Capital	425.00	Effective Rate 10.65%	<b>Primary Security:</b>	On Demand	Nil	355.79
HDFC Bank Ltd	Bill Discounting - Working Capital	325.00	Effective Rate 10.65%		On Demand	Nil	241.18
HDFC Bank Ltd	Term Loan I - Working Capital	240.00	Effective Rate 10.45%	Plant and Machinery, Industrial, Personal Guarantee of Directors, Stock and Book debts	Repayable in 45 monthly installments of Rs. 6.59 Lakhs per month.	Nil	0.00
HDFC Bank Ltd	Term Loan II - Working Capital	200.00	Effective Rate 10.45%	<b>Collateral Security:</b> Industrial Unit No. III, Opposite Nisarg, Gat No. 267/B/1, Old Gat No. 146/B, Pin Code 411058, Village Pirangut Mulshi, Pune	Repayable in 47 monthly installments of Rs. 5.31 Lakhs per month.	Nil	0.00
HDFC Bank Ltd	Term Loan III - Working Capital	250.00	Effective Rate 10.45%	Industrial Unit Gat No. 267/B/1, Pirangut Mulshi, Gat No. 267/B/1, Plot No. 7 and 8, Pin 411058, Pune	Repayable in 46 monthly installments of Rs. 6.75 Lakhs per month.	Nil	0.00
HDFC	Term Loan	350.00	Effective Rate		Repayable		106.04

Bank Ltd	IV - Working Capital		10.45%		in 65 monthly installments of Rs. 7.26 Lakhs per month.	Nil	
HDFC Bank Ltd	Term Loan V - Working Capital	148.75 Disbursed 140.00	Effective Rate 10.45%		Repayable in 72 monthly installments of Rs. 2.70 Lakhs per month	Nil	54.49
HDFC Bank Ltd	Term Loan VI - Working Capital	127.13	Effective Rate 10.45%		Repayable in 72 monthly installments of Rs. 2.45 Lakhs per month	Nil	51.36
HDFC Bank Ltd	Buyers Credit (Sublimit of TL VI) - Working Capital	(127.13)	As Per TAG		Repayable in 180 Months	Nil	-
HDFC Bank Ltd	Term Loan VII - Term Loan	196.00	Effective Rate 10.45%		Repayable up to April 15, 2019	Nil	83.02
HDFC Bank Ltd	Buyers Credit (Sublimit of TL VII) - For Capex	(196)	As Per TAG		Repayable in 180 Months	Nil	-
HDFC Bank Ltd	Letter of Credit (Sublimit of TL VII) - For Capex	(196)	Effective Rate/Commission 1.50%		Repayable in 180 Months	Nil	-
HDFC Bank Ltd	PSR Limit (Sublimit of CC) - Working Capital	(32)	As Per TAG		Repayable in 180 Months	Nil	-
HDFC Bank Ltd	Invoice Discounting	75	Effective Rate 10.65%		Repayable in 90 Months	Nil	-
HDFC Bank Ltd	Bank Guarantee (Sublimit financial)	5	Effective Rate 1.80%		Repayable in 90 Months	Nil	-
HDFC Bank Ltd	BBG-WC-Term Loan	380.00	Effective Rate 10.85%		Repayable in 60	Nil	Not yet availed/Disburse

					Months		
Standard Chartered Bank	Working Capital Requirement	128.00	Effective Rate 8.90 %	Flat no 103 and 402 at Kumar Santosh, Guktekadi, Pune	Repayable in 180 Months	Nil	123.73
Tata Capital Financial Services Limited	Equipment finance	875.00	Effective Rate 11.75%	<b>Primary Security:</b> Hypothecation of machinery purchased / to be purchased out of TCFSL fund	Repayable in 60 Months	6 Months Including	242.17
<b>Secured Loans of Wonder Precision Private Limited</b>							
Kotak Mahindra Bank Limited	Home finance Facility - Overdraft	70.00	Applicable MCLR+ spread, MCLR rate @9.20% and the spread @1.80 % , effective rate is 11%	<b>Primary Security :</b> Plot No. J - 63, MIDC, Bhosare, Pune - 411 026.	Repayable in 120 Months	Nil	42.95
Kotak Mahindra Bank Limited	Home finance Facility	147.00	Applicable MCLR+ spread, MCLR rate @9.20% and the spread @1.55 % , effective rate is 10.75%	<b>Primary Security :</b> Plot No. J - 63, MIDC, Bhosare, Pune - 411 026.	Repayable in 120 Months	Nil	128.68

**Collateral Security:**

**1. Kranti Industries Limited- FOR HDFC BANK LIMITED**

- Factory Land and Building at Unit No III, Gat NO 267/B1, Old Gat No 146 B, Opposite Nisarg Dabba, Village - Pirangut, Taluka - Mulshi, District - Pune.
- Factory Land and Building at Gat NO 267/B/1, Plot No 7 and 8, Village - Pirangut, Taluka - Mulshi, District - Pune.

**2. Wonder Precision Private Limited**

- Leasehold Factory Land and Building at Plot No J-63, "S" Block, Bhosari, Taluka – Haveli, Pune (Common Security).

**Personal Guarantee:**

**1. Kranti Industries Limited**

- Personal Guarantee's of all Directors.

**2. Wonder Precision Private Limited**

- Personal Guarantee of Shareholders that includes Holding Company Kranti Industries Limited, Mr. Sachin Subhash Vora, Mr. Sumit Subhash Vora and Mrs. Indubala Subhash Vora.

**Unsecured Loans**

Amount (₹ In Lakhs)

Name of Lender	Purpose	Rate of Interest (%)	Re-payment	Outstanding amount As on November 30, 2018 (Rs.)
<b>A. Unsecured Loans from Directors of Kranti Industries Limited</b>				
Indubala S. Vora	Business Loan	10%	There is No Fixed Repayment Schedule for these Unsecured Loans of the Company, these are long term loans with company	91.65
Sachin Vora	Business Loan	10%		150.00
Sumeet Vora	Business Loan	10%		102.50
<b>B. Unsecured Loans from Other Shareholders of Kranti Industries Limited</b>				
Basanti Vora	Business Loan	12%	There is No Fixed Repayment Schedule for these Unsecured Loans of the Company, these are long term loans with company, 25 % of the Loan amount can be repaid with one month notice from deposit holder	37.85
Lata V. Vora	Business Loan	12%		25.50
Kailash Dhawale	Business Loan	12%		31.00
Pistaben Madanraj Jain	Business Loan	12%		15.50
Sarika Vora	Business Loan	12%		19.00
Sheela Dhawale	Business Loan	12%		23.00
Lushita Vora	Business Loan	12%		23.50
Tejraj Rathod	Business Loan	12%		9.82
Vijay Vora	Business Loan	12%		48.75
Rekha Lodha	Business Loan	12%		15.75
Kavita Jain	Business Loan	12%		11.60
Sachin Vora HUF	Business Loan	12%		10.75
Ruchira Dharmadhikari	Business Loan	12%		4.00
Sapna Gadiya	Business Loan	12%		7.00
Sumeet Vora HUF	Business Loan	12%		7.30
Aman Jain	Business Loan	12%		2.00
Chandanbala Chopra	Business Loan	12%	6.00	
Hastimal Mehta	Business Loan	12%	7.00	
<b>Unsecured Loans of Wonder Precision Private Limited</b>				
Indubala Subhash Vora	Business Loan		There is No Fixed Repayment Schedule for these Unsecured Loans of the Company, these are long term loans with company	227.00
Sachin S Vora	Business Loan			8.00

**A. Restrictive Covenants of Kranti Industries Limited from HDFC Bank Ltd sanction:**

**1. Special Covenants:**

**Additional:**

- Margin towards meeting the capex shall be infused by the promoter from their own sources
- Moratorium period of 6 months to be allowed and shall commence from date of initial disbursement of fresh term loan.
- Dscr of Min 1.2x to be maintained

- Collateral Cover to be maintained at Min of 70%. Properties to be revalued since the previous valuation pertains to 2014

**Credit Covenants:**

- Limits are assessed basis min topline of Rs. 50 Crore to be achieved in FY 18
- Nwc to be Min of 25%
- Pmb as on Dec17 is Rs. 1711 lakh which needs to be improved to min of Rs. 1817 lakh by Mar 18 which shall be further Improved to min of Rs 1987 lakh by Mar 19

**Declaration/ Undertaking:**

1. Any increase in project cost on account of any item not listed in the project details submitted for evaluation and / or time or cost overrun will be funded by infusion of Long term funds by the promoter
2. No dividend to be declared/ no withdrawal in form of salary/remuneration/incentive/ commission by the promoters/ directors in case of overdues with bank.
3. None of the directors of the Borrower is a director or specified near relation of a director of a banking Company
4. To route all sale proceeds through HDFC Bank only and other bank accounts to be closed within 1 month of disbursal / takeover.
5. Promoters tangible net worth including unsecured loan to be maintained at Rs. NA Lacs as on NA during the currency of the overdraft.
6. No withdrawals of unsecured loans of Rs. NA Lacs during the currency of the overdraft
7. No interest to be paid on unsecured loans in case of any over dues with Bank.
8. Unsecured Loans will be converted into Equity as and when required to maintain a positive tangible Net worth.
9. The funds will not be utilized for any speculative, illegal and investing in Capital market purposes but will be utilized only for Working Capital Requirements.
10. The insurance on stock and property to be assigned in favor of HDFC Bank within 30 days after the date of disbursement in the event of noncompliance of the same HDFC Bank reserves the right to debit the credit facility A/c/Current account for the insurance premium and get the policy assigned in the favor of the bank.
11. Adequate Insurance policy for stock and property to be obtained and duly assigned in favour of the Bank Policy to be submitted at least 30 days in advance.
12. Borrower is required to ensure the satisfaction of Charge in CERSAI registry on collateral offered as a security prior to release of facility and in case of take over from any other financial institution / Bank, such satisfaction of charge to be ensured within 10 days of facility closure with that Institution / Bank. Borrower to share relevant transaction and asset ids to HDFC Bank.

**B. Restrictive Covenants of Kranti Industries Limited from Tata Capital Financial Services Limited:****Special Covenants:****Debt Service Reserve Account (DSRA)**

The Borrower need to maintain a Debt Service Reserve Account (DSRA) with a minimum balance equal to 1 month installment amount.

## SECTION X: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Pursuant to Board Resolution passed by the Board of Directors of our Company on October 11, 2018; for the purpose of this Offer and this Chapter;

**“Material Dues”** means outstanding dues to creditors in excess of 10% of consolidated trade payables of our Company as per financial statement for the period ended on September 30, 2018;

**“Pending Material Litigations”** means all pending litigations including our Company, the Directors, Promoters and/ or Group Companies/ Entities, if the monetary amount of claim by or against the entity or person in such pending matter exceeds 1% of the profits after tax as per financial statement for the period ended on September 30, 2018;

Provided that in case of pending litigation which could have a material impact on the business, operations, prospects or reputation of the Company and the Board including committees shall have the power and authority to determine the suitable materiality threshold for the subsequent financial year on the basis as may be determined by the Board or its committee(s).

Our Board, in its meeting held on November 12, 2018 determined that litigations involving the Company/promoters/ group companies/subsidiaries where a monetary amount of claim by or against the entity or person in any such pending matter(s) exceeds 1% of the profits after tax as per last audited financial statements and such pending cases are material from the perspective of the Company’s business, operations, prospects or reputation, shall be considered as material. Unless otherwise stated to contrary, the information provided is as of date of this Prospectus.

Except as described below, there are no outstanding criminal proceedings, actions by regulatory authorities and statutory authorities and claims related to direct and indirect taxes involving our Company, Directors, and subsidiaries. Except as described hereunder there are no disciplinary actions including penalty imposed by SEBI or stock exchanges and including any outstanding action against our Promoters in the last five financial years and any other pending litigations against our Company, Directors, Promoters, Group Companies and subsidiaries that would have material adverse effect on our business.

Except as stated below there are no outstanding dues to micro, small and medium enterprises and Material Dues (as defined below) to creditors.

#### PART I – Contingent Liabilities of Our Company

##### Details of Consolidated Contingent Liabilities

(₹ In Lakhs)

Particulars	For the period ended	For financial year ended		
	September 30, 2018	March 31, 2018	March 31, 2017	March 31, 2016
Income tax Dues for A.Y. 2015-16 pending before Commissioner of Appeal Pune	14.42	Nil	Nil	Nil
<b>Total</b>	<b>14.42</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

For further details please refer the section titled “Financial Statements” on page 144 of this Prospectus.

#### PART II OUTSTANDING LITIGATION RELATING TO OUR COMPANY

##### CASES FILED AGAINST OUR COMPANY

##### 1. Litigation Involving Criminal Laws

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities:**

**Income Tax**

a) Our Company has received following demand notices from the Deputy Commissioner of Income Tax, Circle-14, Pune. The following matters are still pending before the Authority:

				Amount (₹ In Lakhs)
Assessment Year	Section Code	Demand Identification Number/ DCR No	Date on which Demand is Raised	Outstanding Demand
2015-16	143(2)*	272/69	December 18, 2017	14.42
2016-17	271(1)(b)	2018201640401512604C	November 01, 2018	0.10
<b>Total</b>				<b>14.52</b>

*\*In the above-mentioned matter, an appeal dated January 27, 2018 before the Commissioner of Income Tax (Appeals) by our Company whereby the Company is aggrieved by the requirement of re-assessment of the Total Income of the Company vide order dated December 18, 2017.*

b) Our Company has received a notice dated January 04, 2019 under section 142(1) of IT Act from Assessing Officer, Circle 14, Pune, for assessment of income for the Assessment year 2017-18; however, the amount cannot be crystallized. The matter is still pending before the authorities.

**(ii) Indirect Taxes Liabilities**

NIL

**4. Disciplinary action taken including penalty imposed by SEBI or stock exchanges in the last five financial years including any outstanding action.**

NIL

**5. Other Pending Litigations (as per policy of materiality approved by the Board of Directors of the company)**

NIL

**A. CASES FILED BY OUR COMPANY**

**1. Litigation Involving Criminal Laws**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**PART III OUTSTANDING LITIGATION RELATING TO OUR PROMOTERS**

**A. CASES FILED AGAINST OUR PROMOTERS**

**1. Litigation Involving Criminal Laws**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

NIL

**4. Disciplinary action taken including penalty imposed by SEBI or stock exchanges in the last five financial years including any outstanding action.**

NIL

**5. Other Pending Litigations**

NIL

**CASES FILED BY OUR PROMOTERS**

**1. Litigation Involving Criminal Laws**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**PART IV: OUTSTANDING LITIGATION RELATING TO OUR DIRECTORS (OTHER THAN THE PROMOTERS OF THE COMPANY)**

**A. LITIGATION AGAINST OUR DIRECTORS**

**1. Litigation Involving Criminal Laws**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**Income Tax**

**Mr. Pramod Vinayak Apshankar**

Assessment Year	Section Code	Demand Identification Number/ DCR No	Date on which Demand is Raised	Amount (₹ In Lakhs)
				Outstanding Demand (in ₹)
2017-18	1431a	2018201737020955014T	June 15, 2018	0.29
<b>Total</b>				<b>0.29</b>

**4. Disciplinary action taken including penalty imposed by SEBI or stock exchanges in the last five financial years including any outstanding action.**

NIL

**5. Other Pending Litigations**

NIL

**B. LITIGATION BY OUR DIRECTORS**

**1. Litigation Involving Criminal Laws**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**PART V: OUTSTANDING LITIGATION RELATING TO OUR GROUP COMPANIES**

There is no Group Companies/ Entities except a Subsidiary of our Company.

**PART VI: OUTSTANDING LITIGATION RELATING TO OUR SUBSIDIARY COMPANY**

**A. LITIGATION AGAINST OUR SUBSIDIARY COMPANY (WONDER PRECISION PRIVATE LIMITED)**

**1. Litigation Involving Criminal Laws**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

**Income Tax:**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**4. Disciplinary action taken including penalty imposed by SEBI or stock exchanges in the last five financial years including any outstanding action.**

NIL

**5. Other Pending Litigations**

NIL

**B. LITIGATION BY OUR SUBSIDIARY COMPANY**

**1. Litigation Involving Criminal Laws**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

NIL

**4. Disciplinary action taken including penalty imposed by SEBI or stock exchanges in the last five financial years including any outstanding action.**

NIL

**5. Other Pending Litigations**

NIL

**PART VII: PENALTIES IMPOSED IN PAST CASES FOR THE LAST FIVE YEARS ON THE COMPANY/ PROMOTERS/ DIRECTORS and GROUP COMPANIES/ SUBSIDIARY:**

NIL

**MATERIAL DUES TO CREDITORS AND SMALL SCALE UNDERTAKINGS**

As per the requirements of SEBI (ICDR) Regulations, our Company pursuant to a resolution of our Board dated November 12, 2018, the creditors to whom outstanding dues to creditors exceeds 10% of consolidated trade payables of our Company as per last audited financial statements shall be considered as material dues. As of September 30, 2018, our Company had total four (4), creditors i.e. Kores (India) Limited, Ghatge Patil Industries Limited, Mahindra CIE Automotive Limited and Gokul Ferrocast Private Limited to whom a total amount of ₹ 579.48 lakhs was outstanding.

Sr. No.	Name of Creditors	Amount (₹ in lacs)
1.	Amounts owed to Micro Small and Medium Enterprises	Nil
2.	Amounts owed to Material Creditors	579.48
3.	Other Creditors (excluding Material Creditors and MSMEs)	290.73
	<b>Total</b>	<b>870.21</b>

For complete details about outstanding dues to creditors of our Company, please see website of our Company, [www.krantiindustries.com](http://www.krantiindustries.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.krantiindustries.com](http://www.krantiindustries.com) would be doing so at their own risk.

**MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE i.e. SEPTEMBER 30, 2018**

Except as disclosed in Chapter titled "Management's Discussion and Analysis of Financial Conditions and Results of Operations" beginning on page no.171, there have been no material developments that have occurred after the Last Balance Sheet Date.

## GOVERNMENT AND OTHER 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. For further details in connection with the applicable regulatory and legal framework, please refer to the chapter titled “Key Regulations and Policies” on page 109 of this Prospectus.

The Company has its business located at:

- **Registered Office:** Gat No.267/B/1, Post Pirangut, Talukla Mulshi, Pune, Maharashtra-412108 India
- **Factory (Unit 1 and Unit 2):** Gat No.267/B/1, Post Pirangut, Taluka Mulshi, Pune, Maharashtra 412108 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:

### I. APPROVALS FOR THE OFFER

#### Corporate Approvals

The following approvals have been obtained in connection with the Offer:

- a. Our Board of Directors have, pursuant to a resolution passed at its board meeting held on October 11, 2018 for proposed and authorized the Offer, subject to the approval of the shareholders of our Company under Section 62(1) (c) of the Companies Act, 2013 and approvals by such other authorities as may be necessary.
- b. The shareholders of the Company have, pursuant to a special resolution passed in their Extra-Ordinary General Meeting held on November 05, 2018, authorized the Offer of Equity Shares under Section 62(1) (c) of the Companies Act, 2013 subject to approvals by such other authorities, as may be necessary.
- c. Approval from Selling Shareholder: The Selling Shareholder i.e. Mrs. Basanti Kundanmal Vora has authorized offer of 5,67,000 Equity Shares in the Offer for Sale by way of letter dated October 20, 2018.

#### 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 04 February 2019 bearing reference no. DSC/SME IPO/PP/IP/1270/2018-19.

#### Agreements with NSDL and CDSL

1. The Company has entered into an agreement dated December 22, 2015 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar to the Company.
2. Similarly, the Company has also entered into an agreement dated January 27, 2016 with the National Securities Depository Limited (“NSDL”) and the Registrar to the Company.
3. The Company's International Securities Identification Number (“ISIN”) is INE911T01010.

#### Lenders Consent

Our Company has received NOC from the following lender for Initial Public Offer:

- HDFC Bank Limited

**II. APPROVALS OBTAINED BY OUR COMPANY**

S No.	Nature of License/Approval	Registration/License No.	Issuing Authority	Date of Granting License/Approval	Validity
<b>Incorporation and related approvals</b>					
1.	Certificate of Incorporation in the name of “Kranti Precision Tools Private Limited”	Registration No-11-95016	Registrar of Companies, Bombay, Maharashtra	December 05, 1995	One time registration
2.	Fresh Certificate of Incorporation consequent upon change of name of our Company from “Kranti Precision Tools Private Limited” to “Kranti Industries Private Limited”	Registration No-11-95016	Registrar of Companies, Pune, Maharashtra	March 11, 2002	One time registration
3.	Fresh Certificate of Incorporation consequent upon change of name of our Company from “Kranti Industries Private Limited” to “Kranti Industries Limited”	CIN No.- U29299PN1995PLC095016	Registrar of Companies, Pune, Maharashtra	August 17, 2015	One time registration
<b>TAX RELATED APPROVALS</b>					
1.	Permanent Account Number (PAN)	AAACK8713H	Income Tax Department	December 05, 1995	One time registration
2.	Tax Deduction Account Number (TAN)	PNEK01036A	Income Tax Department	July 22, 2002	One time registration
3.	Provisional Registration Certificate of Goods and Service Tax (“GST”)	27AAACK8713HIZI	Government of India	July 28, 2017	One time registration
4.	Professional Tax Registration Certificate (PTRC) under the Maharashtra State Tax on Profession, Trades, Callings and Employment Act, 1975	27180336245P	Professional Tax Assessment Authority	March 11, 2013	One time registration
5.	Professional Tax Enrolment Certificate (PTEC) under the Maharashtra State Tax on Profession, Trades, Callings and Employment Act, 1975	99311044783P	Professional Tax Assessment Authority	March 11, 2013*	One time registration
6.	Certificate of Registration under Rule 9 of Central Excise Rules, 2002	AAACK8713HXM003	Deputy/Assistant Commissioner of Central Excise, Central Board of Excise and Customs	Date of Issue of Original Registration Certificate: April 02, 2004  Date of Last amendment of Registration Certificate- September 24, 2015	One time registration
7.	Certificate of Registration of	27180336245V	Sales Tax Officer,	April 01, 2006	One time

S No.	Nature of License/Approval	Registration/License No.	Issuing Authority	Date of Granting License/Approval	Validity
	VAT under the Maharashtra Value Added Tax Act, 2002 for the Registered Address and for the Warehouse		Sales Tax Department, Regd. BR., Pune		registrati on
8.	Certificate of Registration under Central Sales Tax (Registration and Turnover) Rules, 1957 for the Registered Office and for the Warehouse	27180336245C	Sales Tax Officer, Sales Tax Department, Regd. BR., Pune	April 01, 2006	One time registrati on
<b>BUSINESS RELATED APPROVALS</b>					
1.	License under Factories Act, 1948 for the factory situated at Gat No, 267/B/1 (Unit-1) at Post-Pirangut, Tal. Mulshi, Pune, Maharashtra	112102930100000	Directorate of Industrial Safety and Health, Maharashtra Government	July 17, 2018	Decembe r 31, 2020
2.	License under Factories Act, 1948 for the factory situated at Gat No, 267/B/1 at Post-Pirangut, Tal. Mulshi, Pune, Maharashtra (Unit-2)	112102930100000 <i>(Original registration no is 2M (1) 27999)</i>	Directorate of Industrial Safety and Health, Maharashtra Government	-	Decembe r 31, 2020
3.	Certificate of Importer-Exporter Code (IEC)	3101010870	Foreign Trade Development Officer, Ministry of Commerce, Government of India	IEC Allotment Date - March 26, 2002 File Date-February 03, 2016	One time registrati on
4.	Certificate for permission for factory and commencement of operation for unit situated at Gat No, 267/B/1 (Unit-1) at Post-Pirangut, Tal. Mulshi, Pune, Maharashtra issued by Gram Panchayat Pirangut under Gram Panchayat Act, 1958	-	Sarpanch, Gram Panchayat Pirangut	December 22, 2003	One time registrati on
5.	Certificate for permission for factory and commencement of operation for unit situated at Gat No, 267/B/1 (Unit-2) at Post-Pirangut, Tal. Mulshi, Pune, Maharashtra issued by Gram Panchayat Pirangut under Gram Panchayat Act, 1958	-	Sarpanch, Gram Panchayat Pirangut	December 01, 2010	One time registrati on
<b>LABOUR RELATED APPROVAL/REGISTRATIONS</b>					

S No.	Nature of License/Approval	Registration/License No.	Issuing Authority	Date of Granting License/Approval	Validity
1.	Registration under the Employees Provident Funds and Miscellaneous Provisions Act, 1952	PUPUN0032337000 <i>(Original registration no is MH/PF/PN/32337/Enf. Cir. I/161)</i>	Assistant Provident Fund Commissioner, Employees Provident Fund Organisation, Ministry of Labour, Government of India	December 15, 2015	One time registration
2.	Registration under Employees' State Insurance Act, 1948	Code no- 33000504830000699	Assistant/ Deputy Director, Sub-Regional Office, Pune, Maharashtra, Employee State Insurance Corporation.	September 29, 2016	One Time registration
3.	Registration under The Payment of Gratuity Act, 1972	Policy No.- GGCA63897	Department of Labour, Government of Maharashtra	December 17, 2008	One Time registration
4.	Our Company had entered into wage settlement agreements dated December 08, 2016 with trade unions for our factory units situated at Gat No. 267/B/1, Pirngut, Tal Mulshi, Dist Pune 412 115.				
<b>ENVIROMENT RELATED LICESNES/ APPROVALS/ REGISTRATIONS</b>					
1.	NOC from Maharashtra Pollution Control Board for non-applicability of consent to operate under Air (Prevention and Control of Pollution) Act, 1981 and Water (Prevention and Control of Pollution) Act, 1974 the unit situated at Gat No, 267/B/1 (Unit-2) at Post-Pirangut, Tal. Mulshi, Pune, Maharashtra	SRO PUNE-II/WHITE CONSENT/2456/17 UNIT-II	Sub-regional Officer, Pune- 2, Maharashtra Pollution Control Board.	November 30, 2017	One Time Registrati on
2.	NOC from Maharashtra Pollution Control Board for non-applicability of consent to operate under Air (Prevention and Control of Pollution) Act, 1981 and Water (Prevention and Control of Pollution) Act, 1974 for the unit situated at Gat No, 267/B/1 (Unit-1) at	SRO PUNE-II/WHITE CONSENT/799/17- UNIT-I	Sub-regional Officer, Pune-II, Maharashtra Pollution Control Board.	April 10, 2017	One Time Registrati on

S No.	Nature of License/Approval	Registration/License No.	Issuing Authority	Date of Granting License/Approval	Validity
	Post-Pirangut, Tal. Mulshi, Pune, Maharashtra				

\*Professional Tax Enrolment Certificate has been issued in the name of Kranti Precision Tools Private Limited., Our Company has made an application dated December 26, 2018 bearing application no 000003754221. A fresh certificate is yet to be issued in the name of the Company.

**III. CERTIFICATES**

S NO.	NATURE OF LICENSE/APPROVAL	REGISTRATION/LICENSE/CERTIFICATE NO.	ISSUING AUTHORITY	DATE OF GRANTING LICENSE/APPROVAL	VALIDITY
1.	ISO 9001:2015	13362-A for the following scope of activities: Manufacture and Supply of Precision Machined Components through the processes of Precision Machining, Boring, Drilling and Assembly	Chief Operating Officer, kiwa	<b>First Issue Date:</b> June 12, 2015 <b>Last Change Date:</b> September 18, 2018	September 17, 2021
2.	IATF 16949:2016	Registration No.-13362-T IATF No.-0335005 for the following scope of activities: Manufacture and Supply of Precision Machined Components through the processes of Precision Machining, Boring, Drilling and Assembly	Chief Operating Officer, kiwa	<b>Date of First Issue:</b> September 18, 2018 <b>Last Change Date:</b> September 18, 2018	September 17, 2021

**IV. APPROVALS OBTAINED IN RELATION TO INTELLECTUAL PROPERTY RIGHTS:**

S. No.	Trademark	Logo	Registration/ Application No.	Class	Registration/ Application Date	Status/ Validity
1.	Trademark		1245833	12	October 23, 2003	October 23, 2023

**V. THE DETAILS OF DOMAIN NAME REGISTERED ON THE NAME OF THE COMPANY IS:**

S. No.	Domain Name and ID	Registrar IANA ID	Creation Date	Registration Expiry Date
1.	Domain Name: KRANTIINDUSTRIES.COM  Domain ID: 183518947_DOMAIN_COM-VRSN	303	July 15, 2005	July 15, 2019

**VI. PENDING APPROVALS**

Our Company has made an application dated January 27, 2016 for registration of one of our logo and trademarks i.e.



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**SECTION XI: INFORMATION WITH RESPECT TO GROUP COMPANIES**

The definition of "group companies", pursuant to the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, shall include such companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the board. Pursuant to a resolution dated November 12, 2018 our Board vide a policy of materiality has resolved that there is no group company of our Company.

## SECTION XII: OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE OFFER

The Offer has been proposed and authorized by the Board of Directors vide a resolution passed at its meeting held on October 11, 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 November 05, 2018.

The Offer for Sale has been authorized by the Selling Shareholder i.e. Mrs. Basanti Kundanmal Vora by her consent letter dated October 20, 2018.

The Selling Shareholder has confirmed that the Equity Shares offered and to be sold are free from any lien, encumbrance or third party rights.

### PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

We confirm that our Company, Directors, Promoters, Promoter Group, person in control of our Company, Selling Shareholder are not prohibited from accessing or operating in the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority / court as on the date of this Prospectus.

We confirm that our Company, Promoters, Promoter Group and Selling shareholder are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.

Neither our Promoters, nor any of our Directors or persons in control of our Company is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities as on the date of this Prospectus.

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.

None of our Directors are associated with the securities market in any manner, including securities market related business.

Further, none of our Promoters or Directors has been declared as fugitive economic offender under Fugitive Economic Offenders Act, 2018.

### PROHIBITION BY RBI

Neither our Company nor any of our Promoters or Directors has been declared as wilful defaulter(s) by the RBI or any other governmental authority.

### ELIGIBILITY FOR THIS OFFER

Our Company is eligible for the Offer in accordance with regulation 229(1) and other provisions of chapter IX of the SEBI (ICDR) Regulations, 2018 as the post Offer face value capital is less than ₹ 10 Crores. Our Company also complies with the eligibility conditions laid by the SME Platform of BSE Limited for listing of our Equity Shares.

#### We confirm that:

1. In accordance with regulation 260 of the SEBI (ICDR) Regulations, this Offer will be 100% underwritten and shall not restrict to the minimum subscription level. The LM shall underwrite at least 15% of the total Offer size. For further details pertaining to underwriting please refer to chapter titled "General Information" beginning on page 45 of this Prospectus.
2. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Offer is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, 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 section 40 of the Companies Act, 2013.

3. We had filed the Draft Prospectus with Stock Exchange and pursuant to sub regulation (5) of regulation 246, the copy of Draft Prospectus has also been furnished to the SEBI in a soft copy. However SEBI has not issue any observation on the Offer Document in terms of Regulation 246 of SEBI (ICDR) Regulations.
4. In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory market making for the minimum period of three years from the date of listing of equity shares offered in this Offer. For further details of the market making arrangement see chapter titled "General Information" beginning on page 45of this Prospectus.
5. The Post-Offer paid up capital of the Company shall not be more than ₹25 Crores. The post Offer capital of our Company shall be ₹ 880.20 Lakhs.
6. The Company has positive cash accruals (Earnings before depreciation and tax) from operations for at least 2 (two) financial years preceding the date of filing of this Prospectus.
7. The Company has a track record of three years as on date of filing of this Prospectus.
8. The Net worth of the Company is positive as per the latest audited financial statements.
9. The Net worth and Cash accruals (Earnings before depreciation and tax) from operation of the Company as per the Restated Financial statements for the period ended on September 30, 2018 and financial year ended March 31, 2018, 2017 and 2016 is as set forth below:

**Amount (₹ In Lakhs)**

Particulars	For the period ended on	For the financial year ended 31 <sup>st</sup> March		
	September 30, 2018	2018	2017	2016
Net Worth	1,440.07	1,302.86	1,213.53	1,307.30
Cash Accruals	346.8	359.26	224.61	353.27

*\*"Net Worth" has been defined as the aggregate of the paid up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding miscellaneous expenditure, if any.*

*\*\*"Cash accruals" has been defined as the Earnings before depreciation and tax from operations*

10. The track record of the Company as per the Standalone Restated financial statements for the period ended on September 30, 2018 and financial year ended March 31, 2018, 2017 and 2016 is as set forth below:

**Amount (₹ in Lakhs)**

Particulars	For the period ended on	For the financial year ended 31 <sup>st</sup> March		
	September 30, 2018	2018	2017	2016
Profit/(Loss)	137.14	89.97	(92.85)	(21.02)

11. The Company shall mandatorily facilitate trading in demat securities and already entered into an agreement with both the depositories.
12. The Company has not been referred to Board for Industrial and Financial Reconstruction.
13. No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.
14. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
15. There has been no change in the promoter(s) of the Company in the one year preceding the date of filing application to BSE for listing on SME Platform.
16. The Company has a website: [www.krantiindustries.com](http://www.krantiindustries.com)

We further confirm that we shall be complying with all the other requirements as laid down for such an Offer under Chapter IX of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

**DISCLAIMER CLAUSE OF SEBI**

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED 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 OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE PROSPECTUS. THE LEAD MANAGER FAST TRACK FINSEC PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

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 PROSPECTUS, THE LEAD MANAGER, FAST TRACK FINSEC PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, FAST TRACK FINSEC PRIVATE LIMITED, HAS FURNISHED TO SEBI IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER 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 OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE PROSPECTUS.

All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Pune, in terms of Section 26 and 32 of the Companies Act, 2013.

**DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER**

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in the 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.ftfinsec.com](http://www.ftfinsec.com) would be doing so at his or her own risk.

**PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER**

This being the first issue managed by the Lead Manager, the stated disclosure is not applicable.

**DISCLAIMER IN RESPECT OF JURISDICTION**

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of ₹2,500 Lakhs, pension funds with minimum corpus of ₹2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform himself or

herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Pune, Maharashtra 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 Prospectus has been filed with BSE Limited for its observations and BSE Limited shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE**

BSE Limited (“BSE”) has given vide its letter dated 04 February 2019 permission to this Company to use its name in this offer document as one of the stock exchanges on which this company’s securities are proposed to be listed on the SME Platform. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. BSE Limited does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company’s securities will be listed or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company; and

it should not for any reason be deemed or construed that this offer document has been cleared or approved by BSE.

Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE 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 for any other reason whatsoever.

#### **LISTING**

Application will be made to the BSE Limited” for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE Limited will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The BSE Limited has given its in-principle approval for using its name in the Offer Document vide its letter no. DSC/SME IPO/PP/IP/1270/2018-19 dated 04 February 2019

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE 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 Offer Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE Limited mentioned above are taken within six Working Days from the Offer Closing Date.

#### **CONSENTS**

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Banker to the Company and (b) Lead Manager, Underwriter, Market Maker, Registrar to the

Company, Registrar to the Offer, Public Offer Bank / Banker to the Offer/ Sponsor Bank, and Legal Advisor to the Offer, to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 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 Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the RoC.

#### **EXPERT TO THE OFFER**

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

- Report of the Auditor on Statement of Tax Benefits
- Report of the Auditor on Restated Financial Statements for the Period ended on September 30, 2018 and financial year ended March 31, 2018, 2017 and 2016 of our company.

#### **PREVIOUS RIGHTS AND PUBLIC ISSUES**

Except as stated in the chapter titled “Capital Structure ” beginning on page 54 of this Prospectus, we have not made any previous rights and/or public issues during last 5 years, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Offer is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

#### **COMMISSION AND BROKERAGE ON PREVIOUS ISSUES**

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the last 5 years.

#### **CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY ISSUER COMPANY AND LISTED GROUP COMPANIES / SUBSIDIARIES / ASSOCIATES**

Neither our Company nor any of our Group Companies/ Subsidiaries/ Associate Companies has undertaken any capital issue or any public or rights issue in the last three years preceding the date of this Prospectus.

#### **PROMISE VERSUS PERFORMANCE FOR OUR COMPANY AND/OR LISTED SUBSIDIARY COMPANY AND/OR LISTED PROMOTER COMPANY**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Offer is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us. Further as on date of this Prospectus Our Company has no listed subsidiary and listed promoter company.

#### **STOCK MARKET DATA FOR OUR EQUITY SHARES**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Offer 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**

All grievances relating to this Offer may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the bidder, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process including UPI may be addressed to the SCSB, giving full details such as name, address of the applicants, number of Equity Shares applied for, amount paid on application, details of UPI IDs and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

Further, as on date of this Prospectus none of the Group Companies/ Subsidiary Company or associates of our Company are listed on any stock exchange. so disclosure regarding mechanism for redressal of investor grievances for our subsidiary companies and group companies are not applicable.

## **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company or the Registrar to the Offer or the SCSB in case of ASBA Applicants 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/ Investor Grievance Committee of the Board *vide* resolution passed at the Board Meeting held on December 21, 2015. For further details, please refer to the chapter titled "Our Management" beginning on page 124 of this Prospectus.

Our Company has appointed Mr. Bhavesh Subhash Selarka as Company Secretary and Compliance Officer and he may be contacted at the following address:

**Mr. Bhavesh Subhash Selarka**

Kranti Industries Limited

Gat No.267/B/1, Post Pirangut,

Tal. Mulshi, Pune- 412 115,

Maharashtra, India.

**Tel:** +91-20-6675 5676,

**Email:** investor@krantiindustries.com

**Website:** www.krantiindustries.com

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Offer or post-Offer 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.

## **PURCHASE OF PROPERTY**

Except 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 Offer 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 XIII: OFFERING INFORMATION

### TERMS OF THE OFFER

*The Equity Shares being Offered are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of this Prospectus, the abridged prospectus, any addendum/corrigendum thereto, Application Form, any Confirmation of Allocation Note ("CAN"), the Revision Form, Allotment advices, 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 Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchange, the RoC, the DIPP, the RBI and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Offer.*

*Please note that in terms of SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in this Offer shall use only Application Supported by Blocked Amount (ASBA) facility for making payment i.e. just writing their bank account numbers and authorizing the banks to make payment in case of allotment by signing the application forms. 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.*

*Further vide the said circular Registrar to the Offer and Depository Participants have been also authorised to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Offer and Depository Participants as and when the same is made available.*

#### **Authority for the Offer**

The present Public Offer of Equity Shares has been proposed by a resolution of the Board of Directors of our Company at their meeting held on October 11, 2018 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra Ordinary General Meeting held on November 05, 2018 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

#### **Ranking of Equity Shares**

The Equity Shares being offered shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to section titled "Description of Equity Shares and terms of the articles of association" beginning on page 240 of the Prospectus.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act 1956 and Companies Act 2013, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. Further, for the offer for sale of equity shares, the dividend for the entire year shall be payable to transferees. For further details, please refer to section titled "Dividend Policy" beginning on page 143 of this Prospectus.

**Face Value and Offer Price**

The Equity Shares having a Face Value of ₹10.00 each are being offered in terms of this Prospectus at the price of ₹37.00 per Equity Share (including premium of ₹ 27.00 per share).

The Offer Price is determined by our Company in consultation with the Lead Manager and is justified under section titled "Basis for Offer Price" beginning on page 79 of the Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

**Compliance with SEBI (ICDR) Regulations**

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 and 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 or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., please refer to section titled "Description of Equity Shares and terms of the articles of association " beginning on page 240 of the Prospectus.

**Minimum Application Value, Market Lot and Trading Lot**

As per the provisions of the Depositories Act, 1996 and the regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite Agreement dated January 27, 2016 between NSDL, our Company and Registrar to the Company; and
- Tripartite Agreement dated December 22, 2015 between CDSL, our Company and Registrar to the Company.

The trading of the Equity Shares will happen in the minimum contract size of 3,000 Equity Shares and the same may be modified by the SME platform of BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of 3,000 Equity Shares is 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.

### Minimum Number of Allottees

In accordance with Regulation 268 of SEBI (ICDR) Regulations, the minimum number of allottees in the Offer shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Offer and the monies collected shall be unblocked forthwith.

### Jurisdiction

Exclusive jurisdiction for the purpose of this Offer is with the competent courts / authorities in Pune, Maharashtra.

**The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.**

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

### Joint Holders

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

### Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (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 Offer is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.**

### Withdrawal of the Offer

Our Company and Selling Shareholder in consultation with the Lead Manager, reserve the right not to proceed with the Offer at any time before the Offer Opening Date without assigning any reason thereof. If our Company withdraws the Offer any time

after the Offer Opening Date but before the allotment of Equity Shares, a public notice within two (2) Working Days of the Offer Closing Date, providing reasons for not proceeding with the Offer shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre- Offer advertisements have appeared and the Stock Exchange will also be informed promptly.

The Lead Manager, through the Registrar to the Offer, will instruct the SCSBs to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. If our Company withdraws the Offer after the Offer Closing Date and subsequently decides to proceed with an Offer of the Equity Shares, our Company will file a fresh Draft Prospectus with the stock exchange where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Offer is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares issued through the Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

**Period of Operation of Subscription List of Public Offer**

<b>OFFER OPENS ON</b>	<b>Thursday, February 14, 2019</b>
<b>OFFER CLOSES ON</b>	<b>Wednesday, February 20, 2019</b>

**Minimum Subscription and Underwriting**

In terms of Regulation 260 (1) of the SEBI (ICDR) Regulations, the Offer is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “General Information” on page 45 of this Prospectus.

The issuer does not receive the minimum subscription of hundred per cent. of the offer through offer document on the date of closure of the Offer or devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the Offer or withdrawal of applications, or after technical rejections, or if the listing or trading permission is not obtained from the Stock Exchanges for the securities so offered under the offer document, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond fifteen days after the issuer becomes liable to pay the amount, the issuer and every director of the issuer who are officers in default, shall pay interest at the rate of fifteen per cent. per annum.

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

**Migration to Main Board**

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

- If the Paid up Capital of the Company is likely to increase above ₹2500 lakhs by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board

OR

- If the Paid up Capital of the company is more than ₹1000 lakhs but below ₹2500 lakhs, Our Company may still apply for migration to the Main Board if our Company fulfils the eligibility criteria for listing laid down by the Main Board of BSE and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Any company desiring to migrate to the Main board from the SME Board within two years of listing on SME platform of BSE has to fulfil following conditions:

- a) *The increase in post issue face value capital beyond ₹2,500 lakhs should arise only because of merger/acquisition or for expansion purposes.*
- b) *The company should have a minimum turnover of ₹1,000 lakhs as per last audited financials and market capitalization of ₹10,000 lakhs.*
- c) *The company should have a minimum profit before tax of ₹1,000 lakhs for two years out of three preceding years.*
- d) *There should not be any action against the company by any regulatory agency at the time of application for migration.*

**Market Making**

The shares offered through this Offer are proposed to be listed on the SME platform of BSE, wherein the Lead Manager to this Offer shall ensure compulsory Market Making through the registered Market Makers of the BSE for a minimum period of 3 (three) years from the date of listing on the SME platform of BSE. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please refer to section titled "General Information - Details of the Market Making Arrangements for this Offer" on page 45 of the Prospectus.

In accordance with the SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012, it has been decided to make applicable limits on the upper side for the Market Makers during market making process taking into consideration the Offer size in the following manner:

<b>Offer Size</b>	<b>Buy quote exemption threshold (including mandatory initial inventory of 5% of the Offer Size)</b>	<b>Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Offer Size)</b>
Up to ₹20 Crore	25%	24%
₹ 20 to ₹50 Crore	20%	19%

Further, the Market Maker shall give (2) Two way quotes till it reaches the upper limit threshold; thereafter it has the option to give only sell quotes. Two (2) way quotes shall be resumed the moment inventory reaches the prescribed re-entry threshold.

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

**Arrangements for disposal of odd lots**

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 SME segment of BSE.

**As per the extent Guideline of the Government of India, OCBs cannot participate in this Offer.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

**Option to receive Equity Shares in Dematerialized Form**

As per section 29(1) of the Companies Act 2013 and SEBI (ICDR) Regulations, every company making public offer shall issue securities only in dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment

of the SME Exchange. Applicants will not have an option of Allotment of the equity shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013 and the Depositories Act.

### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Offer.

### **Application by Eligible NRI's, FPI's, VCF's, AIF's registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

### **Restrictions on transfer and transmission of shares or debentures and on their consolidation or splitting**

Except for lock-in of the Pre-Offer Equity Shares and Promoters minimum contribution in the Offer as detailed under section titled "Capital Structure" beginning on page 54 of the Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares/ debentures and on their consolidation/ splitting except as provided in the Articles of Association. For further details, please refer to section titled "Description of Equity Shares and terms of the articles of association " beginning on page 240 of the Prospectus.

### **Pre-Offer Advertisement**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC publish a pre-Offer advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and 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 and regulations.*

### OFFER STRUCTURE

This Offer is being made in terms of Regulation 229 (1) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue face value capital does not exceed ten crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such this Offer, please see the chapters titled "Terms of the Offer" and "Offer Procedure" beginning on pages 204 and 212 respectively of this Prospectus.

Initial Public Offering of 23,19,000 equity shares of face value of ₹ 10 each ("*Equity Shares*") of Kranti Industries Limited ("*Company*" or "*Issuer*"), at an Offer Price of ₹37.00 per Equity Share for cash, aggregating to ₹ 858.03 Lakhs comprising of a Fresh Issue of 17,52,000 Equity Shares aggregating ₹ 648.24 Lakhs and an Offer for Sale of 5,67,000 Equity Shares aggregating to ₹ 209.79 Lakhs by Mrs. Basanti Kundanmal Vora. The Public Offer will constitute 26.35 % of the post- Offer paid-up Equity Share capital of our Company.

Particulars of the Offer	Net Offer to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares</b>	22,02,000 Equity Shares	1,17,000 Equity Shares
<b>Percentage of Offer Size available for allocation</b>	94.95 % of the Offer Size	5.05 % of the Offer Size
<b>Basis of Allotment/ Allocation if respective category is oversubscribed</b>	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 " <i>Basis of Allotment</i> " under Section " <i>Offer Procedure</i> " on page 212 of this Prospectus.	Firm Allotment
<b>Mode of Application</b>	<b><u>For Other than Retail Individual Investors</u></b> All the applicants shall make the application (Online or Physical) through the ASBA Process only. <b><u>For Retail Individuals Investors:</u></b> Through the ASBA Process or by using UPI ID for payment	Through ASBA Process Only
<b>Mode of Allotment</b>	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.
<b>Minimum Application Size</b>	<b><u>For Other than Retail Individual Investors:</u></b> Such number of Equity Shares in multiples of 3,000 Equity Shares such that the Application Value exceeds ₹ 2,00,000/-.  <b><u>For Retail Individuals Investors:</u></b> 3,000 Equity Shares at Offer prices of ₹ 37.00 each.	1,17,000 Equity Shares of Face Value ₹ 10.00
<b>Maximum Application Size</b>	<b><u>For Other than Retail Individual Investors:</u></b> For all other investors, the maximum application size is the Net Offer to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.  <b><u>For Retail Individuals Investors:</u></b> Such number of Equity Shares in multiples of 3,000 Equity Shares such that the application value does not exceed ₹ 2, 00,000.	1,17,000 Equity Shares of Face Value ₹ 10.00

<b>Trading Lot</b>	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.
<b>Terms of Payment</b>	<p>The Applicant shall have sufficient balance in the ASBA account at the time of submitting application and the amount will be blocked anytime within two day of the closure of the Offer.</p> <p>In case of UPI as an alternate mechanism, Bid amount shall be blocked at the time of confirmation of mandate collection request by applicant.</p>	

*\*Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253 (2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:*

- a) *Minimum fifty per cent to retail individual investors; and*
- b) *Remaining to:*
  - (i) *individual applicants other than retail individual investors; and*
  - (ii) *other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;*

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

*Explanation: If the retails individual investor category is entitled to more than fifty per cent of the issue size on a proportionate basis, the retails individual investors shall be allocated that higher percentage.*

*For further information on the Allocation of Net Offer to Public, please refer to chapter titled “The Offer” on page no. 40 of this Prospectus.*

**Offer Programme**

<b>OFFER OPENING DATE</b>	<b>Thursday, February 14, 2019</b>
<b>OFFER CLOSING DATE</b>	<b>Wednesday, February 20, 2019</b>

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Offer Period at the Application Centres mentioned in the Application Form. On the Offer Closing Date when applications will be accepted only between 10.00 a.m. to 4.00 p.m. (Indian Standard Time).

Due to limitation of time available for uploading the application on the Offer Closing Date, Applicants are advised to submit their applications one day prior to the Offer Closing Date and, in any case, not later than 1.00 p.m. IST on the Offer Closing Date. Any time mentioned in this Prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Offer Closing Date, as is typically experienced in public offerings, some applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded will not be considered for allocation under this Offer.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday)

## OFFER PROCEDURE

All Applicants should review the “General Information Document for Investing in Public Issues” prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI, modified and updated pursuant to, among others, the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 notified by SEBI, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016, SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, notified by SEBI (“General Information Document”), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI (ICDR) Regulations. The General Information Document shall be made available on the websites of the Stock Exchange, the Company and the Lead Manager before opening of the Offer Period.

Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, there have been certain changes in the offer procedure for initial public offerings including making ASBA Process mandatory for all investors, allowing registrar, share transfer agents, collecting depository participants and stock brokers to accept application forms. Further, SEBI, by its circular No. (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, reduced the time taken for listing after the closure of an offer to six working days. These changes are applicable for all Public Offer which open on or after January 1, 2016. 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.

### **Phased implementation of Unified Payments Interface**

SEBI has issued a circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 in relation to streamlining the process of public issue of equity shares and convertibles (“UPI Circular”). Pursuant to the circular, Unified Payments Interface (“UPI”) is proposed to be introduced in a phased manner (phase I will be effective from January 1, 2019) as an additional mode of payment with ASBA Form for applications by Retail Individual Investors through intermediaries (i.e., Syndicate members, Registered Stock Brokers, Registrar and Transfer Agents and Depository Participants) (“UPI Channel”). The UPI Channel for making Applications by Retail Individual Investors will be made available in accordance with the UPI Circular. The UPI Circular is available on the website of the LM.

**Retail Individual Investors should note that the Application using UPI Channel is optional and they can make Applications by submitting Application Forms, in physical form or in electronic mode, to the members of the Syndicate, the sub-Syndicate, SCSBs, the Registered Brokers, Registrars to an Issue and Share Transfer Agents and Depository Participants.**

**Please note that the information stated/ covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company, Selling Shareholder and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Draft Prospectus and this Prospectus.**

*This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.*

**Our Company, Selling Shareholder and the Lead Manager are not liable for any amendments, modifications or change in applicable laws or regulations, which may occur after the date of this Prospectus.**

### **Fixed Price Offer Procedure**

The Offer is being made under Regulation 229 (1) of Chapter IX of SEBI (ICDR) Regulations, via Fixed Price Process wherein minimum 50% of the net offer of shares to public shall be made available for allocation to retail individual investors and the balance net offer of shares to the public shall be made available for allotment to Non-Institutional Investors. Our Company shall ensure that out of total allocated shares to the Category “Non-Institutional Investors. If the retails individual investor

category is entitled to more than allocated portion on proportionate basis, the retails individual investors shall be allocated that higher percentage.

Applicants are required to submit their Applications to the Designated Intermediaries i.e. SCSBs or Registered Brokers of Stock Exchanges or Registered Registrar to the Offer and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, our Company and Selling shareholder in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that according to Section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form. Further the Equity shares on allotment shall be traded only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

**Application Form**

Retail Individual Applicants can submit their Applications by submitting Application Forms, in physical form or in electronic mode, to the members of the Syndicate, the sub-Syndicate, the SCSBs, the Registered Brokers, Registrars to an Offer and Share Transfer Agents and Depository Participants.

Application Forms will be available with the Syndicate/sub-Syndicate members, SCSBs and at our Registered Office. In addition, the Application Forms will also be available for download on the website of the Stock Exchange, BSE (www.bseindia.com), at least one day prior to the Offer Opening Date.

All Applicants shall mandatorily participate in the Offer only through the ASBA process. ASBA Applicants must provide bank account details and authorisation to block funds in the relevant space provided in the Application Form or alternatively, the Retail Individual Applicants wishing to apply through UPI Channel, may provide the UPI ID and validate the blocking of the funds and the Application Forms that do not contain such details are liable to be rejected. For further details on the UPI Channel, please refer to the UPI Circular available on the website of the LM.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of a member of the Syndicate or the Registered Broker or the SCSBs or Registrars to an Offer and Share Transfer Agents or Depository Participants, as the case may be, submitted at the Collection centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories applying in this offer are as follows:

Category	Colour of Application Colour *
Indian Public / eligible NRI's applying on a non-repatriation basis**	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, registered multilateral and bilateral development financial institutions applying on applying on a repatriation basis**	Blue

*\*Excluding electronic Application Form.*

*\*\* Application forms will also be available on the website of the BSE (www.bseindia.com). Same Application Form applies to all ASBA Applicants/ Retail Individual Applicants applying through UPI mechanism, irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, to Registrars to an Offer and Share Transfer Agents, Depository Participants or to the Syndicate (in Specified Cities).*

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 Application Forms to respective SCSBs where the Applicants 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 application 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 this Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Offer, shall submit a completed application form to any of the following Intermediaries (Collectively called “**Designated Intermediaries**”)

No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
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’)
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 offer and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*Retails 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 application form.*

*The aforesaid intermediary 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 proof of having accepted the application form, in physical or electronic mode, respectively.*

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. 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 Offer.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	<p>After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange.</p> <p>Stock Exchange shall share application 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 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 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 authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants.

Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA Applicants.

Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms/ Application Forms to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

### **Availability of Prospectus and Application Forms**

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Offer and Registrar to the Offer, as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE i.e. [www.bseindia.com](http://www.bseindia.com).

### **Who can apply?**

In addition to the category of Applicants as set forth under "Offer Procedure" beginning on page 212 of this Prospectus, 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 corporate or foreign individuals only under the Non - Institutional Investors category;
- Scientific and / or industrial research organizations authorized in India to invest in the Equity Shares.
- Any other persons eligible to apply in this Offer under the laws, rules, regulations, guidelines and policies applicable to them.

### **Maximum and Minimum Application Size**

The applicants in this Offer, being a fixed price, will be categorized into two:

#### **1. For Retail Individual Applicants**

The Application 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 Application Price payable by the Applicant does not exceed ₹2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed ₹2,00,000.

#### **2. For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹2,00,000 and in multiples of 3,000 Equity Shares thereafter. An Application cannot be submitted for more than the Net Offer Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Offer Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.**

**The above information is given for the benefit of the Applicants. The 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 number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

#### **Participation by Associates /Affiliates of Lead Manager and the Syndicate Members**

The Lead Manager and Syndicate Members, if any shall not be entitled to subscribe to this Offer in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the Lead Manager and Syndicate Members, if any may subscribe for Equity Shares in the Offer, either in the QIB Category or in the Non- Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

#### **Option to Subscribe in the Offer**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form. However, they may get the specified securities re-materialised subsequent to allotment.
- b. Furnishing the details depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.
- c. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- d. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### **Application by Indian Public including eligible NRIs applying on Non-Repatriation Basis**

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors, Foreign Nationals, Non Residents Indian (except for those applying on non-repatriation), trusts, (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families, Partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis should authorize their SCSB to block their NRE/FCNR accounts as well as NRO accounts.

#### **Applications by eligible NRI's/ FPI's on Repatriation Basis**

Application Forms have been made available for eligible NRIs at our Registered Office and at the Registered Office of the Lead manager. Eligible NRI Applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the Forms meant for Resident Indians and should not use the forms meant for the reserved category. Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRIs on repatriation basis. Allotment of equity shares to Non- Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian tax laws and regulations and any other applicable laws. As per the current regulations, the following restrictions are applicable for investments by FPIs:

1. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where "infrastructure" is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as Infrastructure Finance Companies (IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
2. Where a foreign institutional investor or a sub account, prior to commencement of these regulations, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:
  - a. A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
  - b. Nothing contained in clause (a) shall apply to:
    - (i) Any transactions in derivatives on a recognized stock exchange;
    - (ii) Short selling transactions in accordance with the framework specified by the Board;
    - (iii) Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
    - (iv) Any other transaction specified by the Board.
  - c. No transaction on the stock exchange shall be carried forward;
  - d. The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:
    - (i) transaction in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
    - (ii) sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (iii) sale of securities in response to an offer made by any promoters or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
    - (iv) Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 1998;
    - (v) divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
    - (vi) Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
    - (vii) Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
    - (viii) Any other transaction specified by the Board.

- e. A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form. Provided that any shares held in non-dematerialized form, before the commencement of these regulations, can be held in non-dematerialized form, if such shares cannot be dematerialized. Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.
4. Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.
5. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
6. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
7. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
8. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

- a. Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
- b. Such offshore derivative instruments are issued after compliance with "know your client" norms. Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly. Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to offshore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.

An FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

### **Application by Mutual Funds**

As per the current regulations, the following restrictions are applicable for investments by Mutual Fund:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company's paid up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company and Selling Shareholder reserve the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

### **Application by SEBI registered Alternative Investment Fund (AIF), Venture Capital Funds and Foreign Venture Capital Investors**

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors: Accordingly, the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer. The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's. 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 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 Regulations shall continue to be regulated by the VCF Regulations.

### **Applications by Limited Liability Partnerships**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the LLP Act, 2008 must be attached to the Application Form. Failing this, our Company and Selling Shareholder reserve the right to reject any Application without assigning any reason thereof. Limited Liability Partnerships can participate in the Offer only through the ASBA Process.

### **Applications by Insurance Companies**

In case of applications made by insurance companies registered with Insurance Regulatory Development Authority ("**IRDA**"), certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company and Selling Shareholder in consultation with the Lead Manager, reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 as amended are broadly set forth below:

(a) equity shares of a company: the lower of 10% of the investee company's outstanding equity shares or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

(b) the entire group of the investee company: 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

(c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer, or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

### **Applications by Banking Companies**

In case of Applications 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 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 ("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 nonfinancial 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.

### **Applications by SCSBs**

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

### **Applications under Power of Attorney**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2,500 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 with the Application Form. Failing this, our Company and Selling Shareholder reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason thereof.

In addition to the above, certain additional documents are required to be submitted by the following entities:

With respect to the applications by VCFs, FVCIs and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company and Selling Shareholder reserve the right to accept or reject any application in

whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Application Form. Failing this, the Company and Selling Shareholder reserve the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Application Form. Failing this, the Company and Selling Shareholder reserve the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by to the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company and Selling Shareholder reserve the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus of ₹2,500 Lakhs and pension funds with minimum corpus of ₹2,500 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 Application Form. Failing this, the Company and Selling Shareholder reserve the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The Company and Selling Shareholder in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that the Company, Selling Shareholder and the lead manager may deem fit. The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Offer that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Offer shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

#### **Application by Provident Funds/Pension Funds**

In case of Applications made by provident funds with minimum corpus of ₹2,500 Lakhs (subject to applicable law) and pension funds with minimum corpus of ₹2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, our Company and Selling Shareholder reserve the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

#### **Applications by Systemically Important Non-Banking Financial Companies**

In case of Application by Systemically Important Non-Banking Financial Companies, certified copy of a) the certificate of registration issued by RBI,) certified copy of its latest audited financial statement on a standalone basis and a net worth certificate from its statutory auditor and c) such other approval as may be required by Systemically Important Non-Banking Financial Companies are required to be attached to the Application Form. Failing this, our Company reserves the right to accept or reject any such Application without assigning any reasons therefor. Systemically Important Non-Banking Financial Companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

**The above information is given for the benefit of the Applicants. Our Company, Selling Shareholder 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 filing of this Prospectus. Applicants are advised to make their independent investigations and ensure that the maximum number of Equity Shares applied for or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in this Prospectus.**

**Information for the Applicants:**

1. Our Company, Selling Shareholder and the Lead Manager has declared the Offer Opening Date and Offer Closing Date in this Prospectus to be registered with the RoC and will publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.
2. Our Company has register the Prospectus with the RoC at least 3 (three) days before the Offer Opening Date.
3. Copies of the Application Form along with Abridge Prospectus and copies of the Prospectus will be available with the, the Lead Managers, the Registrar to the Offer and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the Stock Exchange.
4. Any applicant who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office.
5. Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.
8. Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSBs or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.
10. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange. Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

**Offer Procedure for Application Supported by Blocked Account (ASBA) Applicants**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. Our Company, Selling Shareholder and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

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 <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

**Method and Process of Applications**

1. Applicants are required to submit their applications during the Offer Period only through the Designated Intermediaries.
2. The Offer Period shall be for a minimum of three Working Days and shall not exceed ten (10) Working Days. The Offer Period may be extended, if required, by minimum three (3) Working Days, subject to the total Offer Period not exceeding ten (10) Working Days.
3. During the Offer Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Offer.
5. The Designated Intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done by as given below:

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the application form, respective Designated Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. 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 Offer.

6. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
7. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
8. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
9. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Offer Account, or until withdraw/ failure of the Offer or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Offer shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Offer Account. In case of withdrawal/ failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

### **Instructions for Completing the Application Form**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchange, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com). With a view to broad base the reach of Investors by substantial), enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Offer and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Offer with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com)

### **Applicant's Depository Account and Bank Details**

Please note that, providing bank account details, PAN Nos, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Offer will obtain front the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Offer.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, the required Demographic Details as available on its records.

### **Terms of payment**

The entire Offer price of ₹ 37.00 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs or Sponsor Bank to unblock the excess amount paid on Application to the Applicants.

SCSBs or Sponsor Bank will transfer the amount as per the instruction of the Registrar to the Public Offer Account, the balance amount after transfer will be unblocked by the SCSBs or Sponsor Bank.

The applicants should note that the arrangement with Bankers to the Offer or the Registrar or Sponsor Bank is not prescribed by SEBI and has been established as an arrangement between our Company, Selling Shareholder, Banker to the Offer, Sponsor Bank and the Registrar to the Offer to facilitate collections from the Applicants.

### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Offer Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - (i) the applications accepted by them
  - (ii) the applications uploaded by them

- (iii) the applications accepted but not uploaded by them or
  - (iv) with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Lead Manager nor our Company nor the Registrar to the Offer, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
    - (i) the applications accepted by any Designated Intermediaries
    - (ii) the applications uploaded by any Designated Intermediaries
    - (iii) the applications accepted but not uploaded by any Designated Intermediaries
  5. The Stock Exchange will offer an electronic facility for registering applications for the Offer. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Offer Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Offer Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
  6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Members, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields.*

7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:
  - Name of the Applicant;
  - IPO Name;
  - Application Form Number;
  - Investor Category;
  - PAN (of First Applicant, if more than one Applicant);
  - DP ID of the demat account of the Applicant;
  - Client Identification Number of the demat account of the Applicant;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the

above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.

9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the 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 as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchange to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, Selling Shareholder and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Offer Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Offer Period, after which the Registrar to the Offer will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Offer Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Offer.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **Allocation of Equity shares**

- 1) The Issue is being made through the Fixed Price Process wherein 1,17,000 Equity Shares shall be reserved for Market Maker and 11,01,000 Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Offer Price. The balance of the Net Issue i.e. 11,01,000 Equity shares will be available for allocation on proportionate basis to Non -Retail Applicants. In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from
- 2) Any other category or combination of categories at the discretion of our Company and Selling Shareholder in consultation with the Lead Managers and the Stock Exchange.  
In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- 3) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- 4) In terms of SEBI Regulations, Non-Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
- 5) Allotment status details shall be available on the website of the Registrar to the Offer.

### Signing of Underwriting Agreement and Filing of Prospectus with ROC

- 1) Our company, Selling Shareholder and Underwriter have entered into an Underwriting Agreement dated January 23, 2019
- 2) A copy of Prospectus has been filed with the RoC in terms of Section 32 of Companies Act, 2013.

### Filing of Offer Document

The Draft Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 246 of SEBI (ICDR) Regulations. However, pursuant to sub regulation (5) of regulation 246, the copy of Draft Prospectus has been furnished to the board in a soft copy. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. A copy of the Prospectus along with the documents required to be filed under Section 32 of the Companies Act, 2013 has been delivered to the Registrar of Company, Pune, situated at PCNTDA Green Building, BLOCK A, 1st and 2nd Floor, Near Akurdi Railway Station, Akurdi, Pune – 411044.

### Pre-Offer Advertisement

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation.

### Issuance of Confirmation Note (“CAN”) and Allotment in the Offer

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Offer.

The Lead Managers or the Registrar to the Offer will dispatch an Allotment Advice (CAN) to their Applicants who have been allocated Equity Shares in the Offer. The dispatch of Allotment Advice (CAN) shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Offer Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Offer Account to Public Offer account of the issuer.

### Designated Date

- a) On the Designated date, the SCSBs or Sponsor Bank shall transfers the funds represented by allocations of the Equity Shares into Public Offer Account with the Bankers to the Offer.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Offer Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

- b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Offer.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants

who have been Allotted Equity Shares in the Offer.

- c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within four (4) Working Days of the Offer Closing Date.

The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within four (4) Working Days of the Offer Closing Date,

### General Instructions

#### Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Applicant shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application.
- Ensure that the Applications are submitted at the Collection centres only on forms bearing the stamp of the Syndicate or Registered Broker or RTAs or DPs or SCSB (except in case of electronic forms). Ensure that your Application is submitted either to a member of the Syndicate (in the Specified Locations), a Designated Branch of the SCSB where the Applicant has a bank account or a UPI ID linked Bank Account, or to a Registered Broker at the Broker Centres or to RTAs or DPs at collection centres and not to our Company.
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in the ASBA account or UPI ID inked Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process 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);
- Instruct your respective Banks to release the funds blocked in the ASBA Account/ UPI ID inked Bank Account under the ASBA process;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- All Investors submit their applications through the ASBA process only;
- Ensure that you have mentioned the correct ASBA Account number in the Application Form and in case of Retail Individual Applicants applying through UPI Channel, ensure that you have mentioned the correct UPI ID;
- Ensure that you have correctly signed the authorization/ undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account/ UPI ID linked Bank Account, as the case may be, equivalent to the Application Amount mentioned in the Application Form;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not use third party bank account or third party UPI ID linked Bank Account for making the Application;
- Do not apply for a price different from the price mentioned herein or in the Application Form;

- Do not apply on another Application Form after you have submitted an application to the SCSBs, Registered Brokers of Stock Exchange, RTA and DPs registered with SEBI;
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding ₹2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.

### **Payment mechanism for Applicants**

The applicants shall specify the bank account number or the UPI ID, as applicable, in their Application Form and the SCSBs or Sponsor Bank shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount.

However Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Offer 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 finalization of the Basis of Allotment in the Offer and consequent transfer of the Application Amount to the Public Offer Account, or until withdrawal/ failure of the Offer or until rejection of the 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 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.

### **Submission of Application Form**

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

### **Other Instructions**

#### **Joint Applications in case of Individuals**

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received

from the Depository.

### **Multiple Applications**

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Offer to detect multiple applications are given below:

1. All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications.
2. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
3. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 (Twenty) valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA. Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Offer to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

### **Permanent Account Number or PAN**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ("PAN") to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the Income Tax Act, 1961. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted

that Applicants should not submit the General Index Registration (“GIR”) number instead of the PAN, as the Application is liable to be rejected on this ground.

### **Right to Reject Applications**

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

### **GROUND FOR TECHNICAL REJECTIONS**

Applicants are advised to note that the Applications are liable to be rejected, inter-alia, on the following technical grounds:

- Amount paid does not tally with the amount payable for the Equity shares applied for;
- In case of partnership firms, Application for Equity Shares made in the name of the individual partners and no firm as such shall be entitled to apply.
- Application by persons not competent to contract under the Indian Contract Act, 1872, including minors, insane person.
- PAN not mentioned in the Application Form.
- GIR number furnished instead of PAN.
- Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- Applications at a price other than the Fixed Price of the Offer;
- Applications for number of Equity Shares which are not in multiples of 3,000;
- Category not ticked;
- Applications made using a third party bank account or using third party UPI ID linked bank account;
- Multiple Applications as defined in this Prospectus as such, based on common PAN;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicants within the time prescribed as per the Application Form, Offer Opening Date advertisement and Prospectus as per the instructions in the Prospectus and Application Forms;
- In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US person other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Application not duly signed by the sole applicant;
- Application by any person outside India if not in compliance with applicable foreign and Indian Laws;
- Application that do not comply with the securities laws of their respective jurisdictions are liable to be rejected.
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by Applicants, other Retail Individual Applicants, not submitted through ASBA process and Applications by Retail Individual Applicants not submitted through ASBA process or the UPI process;
- Failure of Retail Individual Applicants to validate the request of blocking of Application amount sent by the Sponsor Bank;
- Application by person not eligible to acquire equity shares of the company in terms of all applicable laws, rules, regulations, guidelines, and approvals.
- Application or revision thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹ 200000 received after 3.00 pm on the Offer Closing date unless the extended time is permitted by BSE.
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants not submitted through ASBA process;
- Applications not uploaded on the terminals of the Stock Exchanges; and
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form.

- Details of ASBA Account not provided in the Application form
- From one ASBA Account, more than five applications are made by applicant.
- In case of Retail Individual Applicants applying through the UPI mechanism, details of UPI ID, not provided in the Application form; and

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section of GID and UPI Circular.

**APPLICANT SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.**

**Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Stock Exchange, along with the LM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

**Completion of Formalities for Listing and Commencement of Trading**

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 (six) Working Days of the Offer Closing Date. The Registrar to the Offer may dispatch the Allotment Advice within 6 (six) Working Days of the Offer Closing Date.

**Equity Shares in Dematerialized Form with NSDL or CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Agreement dated January 27, 2016 between NSDL, the Company and the Registrar to the Company; and
- b) Agreement dated December 22, 2015 between CDSL, the Company and the Registrar to the Company;

The Company’s equity Shares bear an ISIN No. INE911T01010.

**Communication**

All future communications in connection with Applications made in this Offer should be addressed to the Registrar to the Offer quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Offer where the Application was submitted and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Offer in case of any pre Offer or post Offer related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc. at below mentioned addresses;

<p><b>Mr. Bhavesh Subhash Selarka</b>                  Kranti Industries Limited                  Gat No.267/B/1, Post: - Pirangut,                  Tal. Mulshi, Dist. Pune-412115.                  Maharashtra,India  <b>Telephone:</b> +91-20-6675 5676  <b>Email:</b> <a href="mailto:investor@krantiindustries.com">investor@krantiindustries.com</a></p>	<p><b>LINK INTIME INDIA PRIVATE LIMITED</b>                  C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg,                  Vikhroli (West), Mumbai 400 083  <b>Telephone:</b> +91 22 49186200  <b>Facsimile:</b> +91 22 49186195  <b>Email:</b> <a href="mailto:kranti.ipo@linkintime.co.in">kranti.ipo@linkintime.co.in</a>  <b>Investor grievance email:</b> <a href="mailto:kranti.ipo@linkintime.co.in">kranti.ipo@linkintime.co.in</a>  <b>Contact Person:</b> Mr. Shanti Gopalkrishnan  <b>Website:</b> <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>  <b>SEBI Registration Number:</b> INR000004058</p>
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### Disposal of Application and Application Moneys

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 6 working days from Offer Closing Date. In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within six (6) days of the Offer Closing Date;
2. The Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Offer.

### Impersonation

*Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:*

"Any person who—

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

*shall be liable for action under Section 447 of Companies Act, 2013 and shall be treated as Fraud."*

### Basis of Allotment

Allotment will be made in consultation with BSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
- b) The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For applications where the proportionate allotment works out to less than 3,000 Equity Shares the allotment will be made as follows:
- d) Each successful applicant shall be allotted 3,000 Equity Shares;
- e) The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- f) If the proportionate allotment to an applicant works out to a number that is not a multiple of 3,000 Equity Shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 3,000 Equity Shares subject to a minimum allotment of 3,000 Equity Shares.
- g) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 3,000 Equity Shares, results

in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, upto 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.

- h) Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253(2) of the SEBI (ICDR) Regulations, shall be made as follows:
- a) *Minimum fifty per cent to retail individual investors; and*
  - b) *Remaining to:*
    - (iii) *individual applicants other than retail individual investors; and*
    - (iv) *other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;*

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

*Explanation: If the retails individual investor category is entitled to more than fifty per cent of the issue size on a proportionate basis, the retails individual investors shall be allocated that higher percentage.*

'Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with SME Platform of BSE.

The Executive Director / Managing Director of BSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

As per the RBI regulations, OCBs are not permitted to participate in the Offer. There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

#### **Mode of Making Refund for ASBA Applicants**

In case of ASBA Application, the registrar of the Offer may instruct the controlling branch of the SCSB or in case of Bids by RIIs applying through the UPI mechanism to the Sponsor Bank, to revoke the mandate and to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Offer

#### **Interest in Case of Delay in Allotment or Refund**

The issuer shall allot securities offered to the public shall be made within the period prescribed by the Board. The issuer shall also pay interest at the rate of fifteen per cent. per annum if the allotment letters or refund orders have not been dispatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within eight days from the date of the closure of the issue. However, applications received after the closure of issue in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

#### **Undertakings by Our Company**

Our Company undertakes as follows:

- 1) That the complaints received in respect of the Offer 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 on stock exchange where the Equity Shares are proposed to be listed within six working days from Offer 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 Offer by our Company;
- 4) where refunds (if applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the

applicant within six Working Days from the Offer 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 Offer of Equity Shares shall be made till the Equity Shares Offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under- subscription etc.;
- 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 Offer after the Offer 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 Offer Closing Date. The public notice shall be issued in the same newspapers where the Pre-Offer advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 9) If our Company withdraws the Offer after the Offer Closing Date, our Company shall be required to file a fresh Draft Prospectus with the Stock exchange SEBI, in the event our Company subsequently decides to proceed with the Offer;
- 10) If 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

#### **UNDERTAKING BY THE SELLING SHAREHOLDER:**

The Selling Shareholder undertakes that:

- 1) The Equity Shares proposed to be offered and sold by it are free from any lien, charge, encumbrance or contractual transfer restrictions.
- 2) it shall deposit its Equity Shares offered in the Offer in an escrow account opened with the share escrow agent at least one Working Day prior to the Offer Opening Date;
- 3) it shall not have any recourse to the proceeds of the Offer for Sale until final listing and trading approvals have been received from the Stock Exchange;
- 4) it shall take all steps and provide all assistance to our Company and the LM, as may be required for the completion of the necessary formalities for listing and commencement of trading at all the stock exchange where the Equity Shares are proposed to be listed within six Working Days from the Offer Closing Date of the Offer, failing which it shall forthwith repay without interest all monies received from Applicants to the extent of the Offered Shares. In case of delay, interest as per applicable law shall be paid by the Selling Shareholder;
- 5) it shall not offer, lend, pledge, charge, transfer or otherwise encumber, sell, dispose off any of the Equity Shares held by it except the Equity Shares being offered in the Offer for Sale until such time that the lock-in remains effective save and except as may be permitted under the SEBI Regulations;
- 6) it shall ensure that the Equity Shares being offered by it in the Offer, shall be transferred to the successful Applicants within the time specified under applicable law;
- 7) it shall give appropriate instructions for dispatch of the refund orders or Allotment Advice to successful Applicants within the time specified under applicable law and
- 8) It is the legal and beneficial owner of and has full title to their respective portion of the Offered Shares in the Offer.

#### **Utilization of Offer Proceeds**

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Offer shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Offer referred above shall be disclosed and continue to be disclosed till the time

any part of the offer proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;

- 3) Details of all unutilized monies out of the Offer, if any shall be disclosed under the 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 SEBI Listing Regulations, 2015 pursuant to Section 177 of the Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Offer.
- 5) Our Company shall not have recourse to the Offer Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

The Lead Manager undertakes that the complaints or comments received in respect of the Offer shall be attended by our Company expeditiously and satisfactorily.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“FEMA”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“RBI”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”).

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), has issued consolidated FDI Policy Circular of 2017 (“FDI Policy 2017”), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India (“RBI”) also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated January 4, 2018 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present our company is in the business of developing, manufacturing and marketing wellness products. 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 with the pricing guidelines and documentation requirements as specified by Reserve Bank of India from time to time.; (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, 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 Offer 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, FII, FPI, NRI, FVCI, LLPs, DRs and Investment Vehicles under Schedule 1, 2, 2A, 3, 6, 9, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49 % or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy.

The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

#### **i. Investment by FIIs under Portfolio Investment Scheme (PIS):**

With regards to purchase/sale of share/s convertible debentures by a registered FII under PIS the total holding by each FII/SEBI approved sub-account of FII shall not exceed 10 % of the total paid-up equity capital or 10% of the paid-up value of each series of convertible debentures issued by an Indian company and the total holdings of all FIIs/sub-accounts of FIIs put together shall not exceed 24 % of paid-up equity capital or paid-up value of each series of convertible debentures

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. For arriving at the ceiling on holdings of FIIs, shares/ convertible debentures acquired both through primary as well as secondary market will be included. However, the ceiling will not include investment made by FII through offshore Funds, Global Depository receipts and Euro-Convertible Bonds. With regard to convertible debentures, these investments permitted to be made shall not exceed 5 % of the total paid-up equity capital or 5% of the paid-up value of each series of convertible debentures issued by an Indian Company, and shall also not exceed the over-all ceiling limit of 24 % of paid-up equity capital or paid up value of each series of convertible debentures.

#### **ii. Investment by Registered Foreign Portfolio Investor (RFPI) under Foreign Portfolio Investment (FPI) Scheme**

With respect to purchase/sale of shares or convertible debentures or warrants, a RFPI registered in accordance with SEBI (FPI) Regulations, 2014 as amended in regular intervals may purchase shares or convertible debentures or warrants of an Indian company under FPI scheme. The total holding by each RFPI shall be below 10 % of the total paid-up equity capital or 10 % of the paid-up value of each series of convertible debentures issued by an Indian company and the total holdings of all RFPI put together shall not exceed 24 % of paid-up equity capital or paid up value of each series of convertible debentures. The said limit of 24 % will be called aggregate limit. However, the aggregate limit of 24 % may be increased up to the 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. For arriving at the ceiling on holdings of RFPI, shares or convertible debentures or warrants acquired both through primary as well as secondary market will be included. However, the ceiling will exclude investment made by RFPI through of off-shore Funds, Global Depository Receipts and Euro-Convertible Bonds but include holding of RFPI and deemed RFPI in the investee company for computation of 24 % or enhanced limit.

#### **iii. Investment by NRI or OCI on repatriation and non-repatriation basis:**

With respect to purchase/sale of shares and/or convertible debentures by a NRI or OCI on a stock exchange in India on repatriation and/or non-repatriation basis under PIS is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2000. Further, with regard to limits:

- the paid-up value of shares of an Indian company, purchased by each NRI both on repatriation and on nonrepatriation basis, does not exceed 5 % of the paid-up value of shares issued by the company concerned;
- the paid-up value of each series of convertible debentures purchased by each NRI both on repatriation and non-repatriation basis does not exceed 5 % of the paid-up value of each series of convertible debentures issued by the company concerned;
- the aggregate paid-up value of shares of any company purchased by all NRIs does not exceed 10 % of the paid up capital of the company and in the case of purchase of convertible debentures;
- the aggregate paid-up value of each series of debentures purchased by all NRIs does not exceed 10 % of the paid-up value of each series of convertible debentures;

However, the aggregate ceiling of 10 % may be raised to 24 % if a special resolution to that effect is passed by the General Body of the Indian company concerned.

#### **iv. 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 and sale of shares and convertible debentures or warrants 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.

**DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION**

The above information is given for the benefit of the Investors. Our Company, the LM is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Investors are advised to make their independent investigations and ensure that the number of Equity Shares Application do not exceed the applicable limits under laws or regulations.

Article No.	Description
<b>Share capital and variation of rights</b>	
1	<p>i. The Authorized Share Capital of the Company shall be such amounts and be divided into such shares as may from time to time be provided in the Memorandum of Association with the power to increase or reduce the capital in accordance with the Company’s regulations and legislative provisions for the time being in force in that behalf with the powers to divide the share capital whether original, increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such a manner as may for the time being be provided by the Regulations of the Company and allowed by law.</p> <p>ii. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares.</p> <p>Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.</p> <p>iii. Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment in full or part for any property or assets of any kind whatsoever, sold or transferred, goods or machinery supplied or for any services rendered to the Company in conduct of its business and any shares which may be so allotted may be issued as fully paid up shares or partly fully paid up otherwise than for cash and if so issued, shall be deemed to be fully paid shares or partly paid shares, as the case may be.</p>
2	<p>i. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided, —</p> <p>a. one certificate for all his shares without payment of any charges; or</p> <p>b. several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.</p> <p>ii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.</p> <p>iii. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.</p> <p>A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialized state with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the shares to enable the depository to enter in its records the name of such person as the beneficial owner of that share.</p>
3	<p>i. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new</p>

Article No.	Description
	<p>certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given.</p> <p>ii. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board:</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 rules made under the Securities Contracts (Regulation) Act,1956 or any other Act, or rules applicable thereof in this behalf.</p> <p>iii. The provisions of Articles (2) and (3) shall <i>mutatis mutandis</i> apply to debentures of the Company.</p>
4	<p>Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.</p>
5	<p>i. The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.</p> <p>ii. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.</p> <p>iii. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.</p>
6	<p>i. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.</p> <p>ii. To every such separate meeting, the provisions of these regulations relating to general meetings shall <i>mutatis mutandis</i> apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.</p>
7	<p>The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking <i>pari passu</i> therewith.</p>
8	<p>Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the shares may, by special resolution, determine.</p>
<b>Issue of Sweat Equity Shares</b>	
9	<p>Subject to provisions of Section 54 of the Act read with the Companies (Share Capital and Debentures) Rules, 2014, the Company may issue Sweat Equity Share on such terms and in such manner as the Board may determine, in accordance with such rules and guidelines issued by the Securities and Exchange Board of India and/or other competent authorities for the time being and further subject to such conditions as may be prescribed in that behalf.</p>
10	<p>The Board of Directors, subject to the rules and regulations prescribed in this connection may offer, issue and allot shares in the Capital of the Company as shares under the employee's stock option scheme.</p>
11	<p>The Company shall have powers to issue any Debentures, Debentures-Stock or other securities at Par, Discount, Premium or otherwise and may be issued on condition that they shall be convertible into shares on any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending the General Meetings (but not voting on any business to be conducted), appointment of Directors on Board and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting by a Special Resolution</p>
<b>Further Issue of Shares</b>	
12	<p>i. Where at any time, a Company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—</p>

Article No.	Description
	<p>a. to persons who, at the date of the offer, are holders of equity shares of the Company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions as specified in the provisions of Section 62 of the Act;</p> <p>b. to employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to such conditions as may be prescribed under the relevant rules of Section 62; or</p> <p>c. to any persons, if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the relevant rules of Section 62.</p> <p>ii. The notice shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.</p> <p>iii. Nothing in this Article shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the Company to convert such debentures or loans into shares in the Company:</p> <p>Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in general meeting.</p>
<b>Lien</b>	
13	<p>i. The Company shall have a first and paramount lien—</p> <p>a. on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and</p> <p>b. on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company: Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.</p> <p>ii. The Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.</p>
14	<p>The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has lien: Provided that no sale shall be made-</p> <p>a. unless a sum in respect of which the lien exists is presently payable; or</p> <p>b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.</p>
15	<p>i. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof</p> <p>ii. The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case maybe) constitute a good title to the share and the purchaser shall be registered as the holder of the shares comprised in any such transfer.</p> <p>iii. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.</p>
16	<p>i. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.</p> <p>ii. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.</p>
17	<p>i. In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any</p>

Article No.	Description
	such claim. ii. The provisions of these Articles relating to lien shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.
<b>Calls on shares</b>	
18	i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times: Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call. ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares. iii. A call may be revoked or postponed at the discretion of the Board.
19	A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.
20	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
21	i. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine. ii. The Board shall be at liberty to waive payment of any such interest wholly or in part.
22	i. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
23	The Board— a. may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and b. upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.
24	Any uncalled amount paid in advance shall not in any manner entitle the member so advancing the amount, to any dividend or participation in profit or voting right on such amount remaining to the called, until such amount had been duly called-up: Provided however that any amount paid to the extent called-up, shall be entitled to proportionate dividend and voting right.
25	The Board may at its discretion, extend the time fixed for the payment of any call-in respect of any one or more members as the Board may deem appropriate in any circumstances.
26	The provisions of these Articles relating to call on shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.
<b>Transfer of shares</b>	
27	i. The instrument of transfer of share in the Company shall be executed by or on behalf of both the transferor and transferee in such form as prescribed under sub-section (1) of section 56 of the Companies Act, 2013 and the respective rules made thereunder. ii. The instrument of transfer of any share in the company shall be duly stamped and executed by or on behalf of both the transferor and transferee. The instrument of transfer duly stamped and executed by the transferor or the transferee shall be delivered to the Company in accordance with the provisions of the Act. The instrument of transfer shall be accompanied by such evidence as the Board may require to prove the title of transferor and his right to transfer the Shares and every registered instrument of transfer shall remain in the custody of the Company until destroyed by

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	<p>order of the Board.</p> <p>iii. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.</p>
28.	<p>i. Subject to the right of appeal conferred by section 58 of the Companies Act, 2013 and the rules made thereunder and and Section 22A of the Securities Contracts (Regulation) Act, 1956 or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within a period of thirty days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal.</p> <p>Provided That the registration of a transfer shall 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 except where the Company has a lien on Shares.</p> <p>ii. Subject to the right of appeal conferred by section 58 of the Companies Act, 2013 and the rules made thereunder and Section 22A of the Securities Contracts (Regulation) Act, 1956 or any other law for the time being in force, the Board may refuse/decline to register—</p> <p>a. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or</p> <p>b. any transfer of shares on which the Company has a lien.</p>
29.	<p>The Board may decline to recognise any instrument of transfer unless—</p> <p>(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;</p> <p>(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and</p> <p>(c) the instrument of transfer is in respect of only one class of shares.</p>
30.	<p>On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:</p> <p>Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.</p>
31.	<p>The provisions of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company.</p>
<b>Register of Transfers</b>	
32.	<p>The Company shall keep a book to be called the 'Register of Transfers' and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any shares.</p>
<b>Dematerialization of Securities</b>	
33.	<p>i. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Article of these Articles: -</p> <p>(a) The Company shall be entitled to dematerialised its securities and to offer any securities proposed to be issued by it for subscription in a dematerialised form pursuant to the Depository Act, 1996, and on the same being done, the Company shall further be entitled to maintain a register of members/ debenture-holders/ other security-holders with the details of members/ debenture-holders/ other security-holders holding shares, debentures or other securities both in materialised and dematerialised form in any media as permitted by the Act.</p> <p>(b) Option for Investors:</p> <p>(i) Every holder of or subscriber to securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted, by the law, in respect of any security in the manner and within the time</p>

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	<p>prescribed, issue to the beneficial owner the required Certificates for the Securities.</p> <p>(ii) If a person opts to hold its Security with a Depository, the Company shall intimate such depository the details of allotment of the Security, and on receipt of the information, the Depository shall enter in its records the name of the allottees as the beneficial owner of the security.</p> <p>(c) Securities in Depository to be in fungible form: -</p> <p>(i) All Securities of the Company held by the Depository shall be dematerialised and be in fungible form.</p> <p>(ii) Nothing contained in Section 88, 89, 112 and 186 of the Companies Act, 2013 and the rules made thereunder shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners.</p> <p>(d) Rights of Depositories and Beneficial Owners: - Notwithstanding anything to the contrary contained in the Act, a Depository shall be deemed to be the registered owner for the purpose of effecting the transfer of ownership of Security of the Company on behalf of the beneficial owner.</p> <p>(e) Save as otherwise provided in (d) above, the depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.</p> <p>(f) Every person holding Securities of the Company and whose name if entered as the beneficial owner in the records of the depository as the absolute owner of thereof. The beneficial owner of Securities shall be deemed to be a member of the Company. The beneficial owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his/her Securities which are held by a depository.</p> <p>ii. Notwithstanding anything contained in the Act to the contrary, where Securities of the Company are held in a depository, the records of the beneficial ownership may be served by such depository to the Company by any means of electronic modes.</p> <p>iii. Nothing contained in Section 56 of the Companies Act, 2013 shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository. In the case of transfer of securities where the Company has not issued any certificates and where such securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996 shall apply. Provided that in respect of the shares and securities held by the Depository on behalf of a beneficial owner, provisions of Section 9 of the Depositories Act, 1996, shall apply so far as applicable.</p> <p>iv. Notwithstanding anything contained in the Act, where Securities are dealt with by a Depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.</p> <p>v. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.</p> <p>vi. Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act, 1996.</p> <p>vii. The Company shall cause to be kept at its registered office or at such place as may be decided, the Register and Index of Members in accordance with Section 88 and other applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with the details of Shares held in physical and dematerialized forms in any media as may be permitted by law including in any means of electronic modes.</p> <p>viii. The Register and Index of Beneficial Owners maintained by a depository under section 11 of the Depositories Act, 1996, shall be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or country.</p>
<b>Transmission of shares</b>	
34.	i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons

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	<p>recognized by the Company as having any title to his interest in the shares.</p> <p>ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>
35.	<p>i. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—</p> <p>a. to be registered himself as holder of the share; or</p> <p>b. to make such transfer of the share as the deceased or insolvent member could have made.</p> <p>ii. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.</p>
36	<p>i. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.</p> <p>ii. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</p> <p>iii. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.</p>
37	<p>A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:</p> <p>Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.</p>
38	No fee shall be charged for registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.
39	The provisions of these Articles relating to transfer of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.
<b>Forfeiture of shares</b>	
40.	If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
41	The notice aforesaid shall—
	(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
	(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited
42	If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
43	<p>i. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.</p> <p>ii. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.</p>
44	i. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited

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	<p>shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.</p> <p>ii. The liability of such person shall cease if and when the Company have received payment in full of all such monies in respect of the shares.</p>
45	<p>i. A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;</p> <p>ii. The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;</p> <p>iii. The transferee shall thereupon be registered as the holder of the share; and</p> <p>iv. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.</p>
46	<p>The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.</p>
<b>Alteration of capital</b>	
47.	<p>The Company may, from time to time, by an ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.</p>
48	<p>Subject to the provisions of section 61, the Company may, by ordinary resolution, —</p> <p>(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;</p> <p>(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;</p> <p>(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;</p> <p>(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.</p>
49	<p>Where shares are converted into stock, -</p> <p>(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:</p> <p>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.</p> <p>(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.</p> <p>(c) such of the regulations of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.</p>
50	<p>The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law—</p>

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	(a) its share capital; (b) any capital redemption reserve account; or (c) any share premium account.
<b>Capitalization of profits</b>	
51	i. 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 (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. ii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards — (A) paying up any amounts for the time being unpaid on any shares held by such members respectively; (B) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid; (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B); (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares; (E) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
52	i. Whenever such a resolution as aforesaid shall have been passed, the Board shall— (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and (b) generally do all acts and things required to give effect thereto. ii. The Board shall have power— (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and (b) to authorize 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 profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares; (c) Any agreement made under such authority shall be effective and binding on such members.
<b>Buy-back of shares</b>	
53.	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.
<b>General meetings</b>	
54	All general meetings other than annual general meeting shall be called extra-ordinary general meeting.
55	A general meeting of a company may be called by giving not less than clear twenty-one days' notice either

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	<p>in writing or through electronic mode in such manner as may be prescribed under section 101 of the Companies Act, 2013 and the respective rules made thereunder.</p> <p>Provided that a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by not less than ninety-five per cent of the members entitled to vote at such meeting</p>
56	<ul style="list-style-type: none"> <li>i. The Board may, whenever it thinks fit, call an extra-ordinary general meeting.</li> <li>ii. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.</li> <li>iii. The Board shall, at the requisition made by such number of members who hold, on the date of the receipt of the requisition, not less than one-tenth of such of the paid-up share capital of the company as on that date carries the right of voting, call an extraordinary general meeting of the company. The requisition made shall set out the matters for the consideration of which the meeting is to be called and shall be signed by the requisitionists and sent to the registered office of the company. If the Board does not, within twenty-one days from the date of receipt of a valid requisition in regard to any matter, proceed to call a meeting for the consideration of that matter on a day not later than forty-five days from the date of receipt of such requisition, the meeting may be called and held by the requisitionists themselves within a period of three months from the date of the requisition. A meeting called and held by the requisitionists shall be called and held in the same manner in which the meeting is called and held by the Board.</li> </ul>
<b>Proceedings at general meetings</b>	
57	<ul style="list-style-type: none"> <li>i. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.</li> <li>ii. Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.</li> </ul>
58	The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.
59	If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
60	If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.
<b>Adjournment of meeting</b>	
61	<ul style="list-style-type: none"> <li>i. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.</li> <li>ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</li> <li>iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</li> <li>iv. Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</li> </ul>
<b>Voting rights</b>	
62	<p>Subject to any rights or restrictions for the time being attached to any class or classes of shares,—</p> <ul style="list-style-type: none"> <li>(a) on a show of hands, every member present in person shall have one vote; and</li> <li>(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company.</li> </ul>
63	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
64	<ul style="list-style-type: none"> <li>i. 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.</li> <li>ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</li> </ul>

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65	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
66	Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
67	No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
68	<ul style="list-style-type: none"> <li>i. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.</li> <li>ii. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.</li> </ul>
69	No member shall exercise any voting right 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 of lien.
70	In case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.
<b>Representation of Body Corporate</b>	
71	<ul style="list-style-type: none"> <li>i. Where a body corporate, whether a Company within the meaning of the Act or not, may:- <ul style="list-style-type: none"> <li>(a) if it is a member of a Company within the meaning of this Act, by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the Company, or at any meeting of any class of members of the Company;</li> <li>(b) if it is a creditor, including a holder of debentures, of a Company within the meaning of this Act, by resolution of its directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of any creditors of the Company held in pursuance of this Act or of any rules made thereunder, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.</li> </ul> </li> <li>ii. A person authorized by resolution under above Article, shall be entitled to exercise the same rights and powers, including the right to vote by proxy and by postal ballot, on behalf of the body corporate which he represents as that body could exercise if it were an individual member, creditor or holder of debentures of the Company.</li> </ul> <p>A copy of the resolution or decision, as the case may be, certified as true by a Director or officer of such body corporate or of the power of attorney attested by a notary public and lodged with the Company at its registered office or produced at a meeting shall be accepted as sufficient evidence of the validity of appointment.</p>
<b>Proxy</b>	
72	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.
73	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
74	<p>A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:</p> <p>Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.</p>
<b>Board of Directors</b>	
75	<ul style="list-style-type: none"> <li>i. Followings were the First Directors of the Company (at the time of Incorporation of the Company):</li> </ul>

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	<ol style="list-style-type: none"> <li>1. Subhash Kundanmal Vora</li> <li>2. Shivprasad Prabhakar Kelkar</li> <li>3. Vijay Kundanmal Vora</li> <li>4. Basanti Kundanmal Vora</li> <li>5. Lata Vijay Vora</li> <li>6. Indubala Subhash Vora</li> </ol> <p>ii. Followings are the present Board of Directors of the Company (at the time of conversion of the Company from “Private Limited” into “Public Limited Company”):</p> <ol style="list-style-type: none"> <li>1. Smt. Indubala Subhash Vora</li> <li>2. Mr. Sachin Subhash Vora</li> <li>3. Mr. Sumit Subhash Vora</li> </ol> <p>iii. Unless and until otherwise determined by the Company in General Meeting, the number of Directors shall not be less than 3 (Three) and not be more than 15 (Fifteen).</p> <p>iv. The Board may appoint any individual as the Chairman as well as Managing Director of the Company.</p> <p>v. The Board shall have the power to appoint/re-appoint from time to time any of its members as Chairman and Managing Director or Manager of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit. The appointment and terms and conditions, including remuneration of Managing Director or Manager or Whole-Time Director shall be in accordance with Sections 196 and 197 read with Schedule V of the Companies Act, 2013, and related rules made thereunder. The Managing Director or Manager or Whole-Time Director who are in whole-time employment in the Company shall be subject to supervision and control of the Board of Directors of the Company.</p>
76	<p>The Company may agree with any financial institution or any authority or person or State Government that in consideration of any loan or financial assistance of any kind whatsoever, which may be rendered by it to the Company, it shall till such time as the loan or financial assistance is outstanding have power to nominate one or more Directors on the Board of the Company and from time to time remove and reappoint such Directors and to fill in any vacancy caused by the death or resignation of such Directors otherwise ceasing to hold office. Such nominee Directors shall not be required to hold any qualification shares nor shall they be liable to retire by rotation.</p>
77	<p>Subject to the provisions of the Act, the Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation, except for the Managing Director who shall not be liable to retire by rotation.</p>
78	<ol style="list-style-type: none"> <li>i. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day, except for Independent Directors, who shall be paid such sitting fees only, as decided by the Board of Directors, for each such meetings of the Board and /or committees thereof attended by them.</li> <li>ii. The Directors, including Alternate and Nominee Directors, if any, shall be entitled to sitting fees, for participating/attending Board Meeting or Meeting of Committee of Board of Directors, a sum not exceeding such sum as may be fixed by the Board of Directors, from time to time. However, the same shall not exceed the maximum sum as is permissible under the provisions of the Act or Guidelines issued by appropriate authority, from time to time.</li> </ol>
79	<p>The Company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may thinks fit respecting the keeping of any such register.</p>
80	<p>All cheques, promissory notes, drafts, <i>hundis</i>, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.</p>
81	<p>Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to</p>

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	be kept for that purpose.
82	<p>i. Subject to the provisions of section 149 and Section 161 of the Companies Act, 2013 and the respective rules made thereunder, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.</p> <p>ii. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.</p> <p>iii. The Board shall have the power, at any time, and from time to time, to appoint a person, not being a person holding any alternate directorship for any other director in the company, to act as an alternate director for a director during his absence for a period of not less than 3 (three) from India. An alternate director appointed under this Article shall not hold office as such for a period longer than that permissible to the director in whose place he has been appointed and shall vacate office if and when the original director returns to the State in which the meetings of the Board are ordinarily held.</p> <p>iv. The Board shall appoint persons as directors being nominees of an institution in pursuance of an agreement with such institution in accordance with the provisions of sub-section (3) of Section 161 of the Act.</p> <p>v. The Board shall have the power at any time, and from time to time, to appoint any other person to be a Director to fill a casual vacancy provided that the total number of directors shall not at any time exceed the maximum as fixed hereinafter. Any person appointed to fill a casual vacancy shall hold office only up to the date up to which the director in whose place he is appointed would have held office if it had not been vacated as aforesaid.</p>
83	<p>The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.</p>
<b>Proceedings of the Board</b>	
84	<p>i. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. A Director may, and the Manager or Secretary on the requisition of a director shall, at any time, summon a meeting of the Board.</p> <p>ii. A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.</p>
85	<p>(i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.</p> <p>(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.</p>
86	<p>The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.</p>
87	<p>i. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.</p> <p>ii. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.</p>
88	<p>i. The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.</p> <p>ii. Any committee so formed shall, in the exercise of the powers so delegated, conform to any</p>

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	regulations that may be imposed on it by the Board.
89	<ul style="list-style-type: none"> <li>i. A committee may elect a Chairperson of its meetings.</li> <li>ii. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.</li> </ul>
90	<ul style="list-style-type: none"> <li>i. A committee may meet and adjourn as it thinks fit.</li> <li>ii. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.</li> </ul>
91	All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
92	Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.
<b>Register of Charges</b>	
93	<ul style="list-style-type: none"> <li>i. The Company shall keep at its registered office a Register of charges and enter therein all charges and floating charges specifically affecting any property or assets of the Company or any of its undertakings giving in each case the details as prescribed under the provisions of the Act.</li> <li>ii. The register of charges and instrument of charges, as per clause (i) above, shall be open for inspection during business hours— <ul style="list-style-type: none"> <li>(a) by any member or creditor without any payment of fees; or</li> <li>(b) by any other person on payment of such fees as may be prescribed,</li> </ul> </li> </ul> <p>Provided however, that any person willing to inspect the register of charges shall intimate to the Company at least 15 days in advance, expressing his willingness to inspect the register of charges, on the desired date.</p>
<b>Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer</b>	
94	<p>Subject to the provisions of the Act—</p> <ul style="list-style-type: none"> <li>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;</li> <li>ii. A director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.</li> </ul>
95	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.
<b>Statutory Registers</b>	
96	The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.
<b>The Seal</b>	
97	<ul style="list-style-type: none"> <li>i. The Board shall provide for the safe custody of the seal.</li> <li>ii. The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in</li> </ul>

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	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.
<b>Dividends and Reserve</b>	
98	The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
99	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.
100	<ul style="list-style-type: none"> <li>i. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising 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, think fit.</li> <li>ii. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</li> </ul>
101	<ul style="list-style-type: none"> <li>i. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</li> <li>ii. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</li> <li>iii. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</li> </ul>
102	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
103	<ul style="list-style-type: none"> <li>i. 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.</li> <li>ii. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</li> </ul>
104	Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
105	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.
106	No dividend shall bear interest against the Company.
107	<ul style="list-style-type: none"> <li>i. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, to any shareholder entitled to the payment of dividend, the Company shall within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called Unpaid Dividend Account.</li> <li>ii. Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under section 205 of the Companies Act, 1956.</li> <li>iii. No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law and that such forfeiture, when effected, will be annulled in appropriate cases</li> </ul>
<b>Accounts</b>	
108	<ul style="list-style-type: none"> <li>i. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of</li> </ul>

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	<p>them, shall be open to the inspection of members not being directors.</p> <p>ii. No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorised by the Board or by the Company in general meeting.</p>
<b>Audit</b>	
109	<p>i. The First Auditors of the Company shall be appointed by the Board of Directors within one month from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the First Annual General Meeting.</p> <p>ii. Appointment of Auditors shall be governed by the provisions of the Companies Act, 2013 and the respective rules made and amended, as the case may be, thereunder from time to time.</p> <p>iii. The Company shall within fifteen days of the appointment, give intimation thereof to every auditor so appointed and to Registrar of Companies within whose jurisdiction the registered office of the Company is situated, within such time as may prescribed under the Companies Act, 2013 and the rules made and amended, as the case may be, thereunder from time to time</p> <p>iv. The Directors may fill any casual vacancy in the office of Auditor, but while any such vacancy continues the serving or continuing Auditor or Auditors (if any) may act, but where such vacancy is caused by the resignation of an auditor, the vacancy shall only be filled by the Company in general meeting.</p> <p>v. The remuneration of the Auditors shall be fixed by the Company in general meeting in such manner as the Company may in general meeting determine except that the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Directors.</p>
<b>Documents and Notices</b>	
110	<p>(i) A document may be served on a Company or an officer thereof by sending it to the Company or the officer at the registered office of the Company in the same manner as provided under section 20 of the Companies Act, 2013 and the respective rules made thereunder in this regards.</p> <p>(ii) A document may be served on a Registrar or any member by sending it in the same manner as provided under section 20 of the Companies Act, 2013 and the respective rules made thereunder in this regards.</p>
<b>Winding up</b>	
111	<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>
<b>Indemnity</b>	
112	<p>i. Every officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.</p> <p>ii. Subject to the provisions of the Act, every Director, managing director, whole time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such Director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such Director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.</p> <p>iii. The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and key managerial personnel for indemnifying all or any of them</p>

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	against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.
<b>General Power</b>	
113	Wherever in the Act or the Rules, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provide.
<b>Secrecy</b>	
114	Every Director, Manager, Secretary, Trustee, Member or Debenture holder, Member of a Committee, Officer, Employee, Servant, Agent, Accountant or other person employed in or about the business of the Company shall, if so required by the Board of Directors, before entering upon their duties, sign a declaration pledging themselves to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters which may come to their knowledge in the discharge of their duties except when required to do so by the Board 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.

**SECTION XIV: OTHER INFORMATION****MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Prospectus which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Gat No.267/B/1, Post Pirangut, Tal. Mulshi, Pune- 412 115, Maharashtra, India from date of filing the Prospectus with RoC to Offer Closing Date on working days from 10.00 a.m. to 5.00 p.m.

**Material Contracts**

1. Offer Agreement dated December 06, 2018 between our Company, the Selling Shareholder and the LM.
2. Registrar Agreement dated December 04, 2018 between our Company, the Selling Shareholder and, Registrar to the Offer (Link Intime India Private Limited).
3. Underwriting Agreement dated January 23, 2019 between our Company, Selling Shareholder and Underwriter viz. LM
4. Share Escrow Agreement dated January 08, 2019 between our Company, the Selling Shareholder, and the Share Escrow Agent.
5. Market Making Agreement dated January 31, 2019 between our Company, Selling Shareholder, Market Maker and the LM
6. Bankers to the Offer and Sponsor Bank Agreement dated February 01, 2019 amongst our Company, Selling Shareholder the LM, Banker(s) to the offer and Sponsor Bank and the Registrar to the offer.
7. Tripartite agreement among the NSDL, our Company and Registrar to the Company dated January 27, 2016.
8. Tripartite agreement among the CDSL, our Company and Registrar to the Company dated December 22, 2015

**Material Documents**

1. Certified copies of the updated Memorandum and Articles of Association of our Company along with certificates of incorporation as amended from time to time.
2. Resolutions of the Board of Directors dated October 11, 2018 in relation to the Offer and other related matters.
3. Shareholders' resolution dated November 05, 2018 in relation to the Offer and other related matters.
4. Authorization letter dated October 20, 2018 issued by Mrs. Basanti Kundanmal Vora.
5. Statement of Tax Benefits dated December 03, 2018 issued by Statutory Auditor, M/s A D V and Associates, Chartered Accountants.
6. Report of the Auditor M/s A D V and Associates, Chartered Accountants, dated December 03, 2018 on the Restated Financial Statements for the period ended on September 30, 2018 and for the financial years ended as on March 31, 2018, 2017 and 2016 of our Company.
7. Consents of Promoters, Directors, Selling Shareholder, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Banker/ Lender to the Company, Legal Advisor to the offer, the Lead Manager, Registrar to the Company, Registrar to the Offer, Underwriter, Market Maker and Bankers to the Offer to act in their respective capacities.
8. Due diligence certificate dated December 14, 2018 from Lead Manager to BSE Limited.
9. Copy of approval from BSE Limited *vide* letter dated 04 February 2019, to use the name of BSE in this offer document for listing of Equity Shares on BSE SME (SME Platform) of BSE 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 BY SELLING SHAREHOLDER**

I, the under signed Selling Shareholder hereby certifies that all the statements made by the Selling Shareholder in this Prospectus about or in relation to itself in connection with the Offer for Sale, and the Equity Shares offered by me in the Offer for Sale are true and correct.

**Signed by Selling Shareholder**

Sd/-

Signed by the Selling Shareholder  
**Basanti Kundanmal Vora**

Place: Pune

Date: February 04, 2019

### DECLARATION BY THE COMPANY

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, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, the Securities 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 this Prospectus are true and correct.

#### SIGNED BY ALL THE DIRECTORS OF OUR COMPANY:

<b>Mr. Sachin Subhash Vora</b> <i>Chairman and Managing Director</i> DIN:- 02002468	Sd/-
<b>Mr. Sumit Subhash Vora</b> <i>Whole - Time Director</i> DIN:- 02002416	Sd/-
<b>Mrs. Indubala Subhash Vora</b> <i>Non-Executive Director</i> DIN:- 02018226	Sd/-
<b>Mr. Prakash Vasant Kamat</b> <i>Non-Executive Independent Director</i> DIN :- 07350643	Sd/-
<b>Mr. Shashikant Vishnupant Bugde</b> <i>Non-Executive Independent Director</i> DIN:- 01490772	Sd/-
<b>Mr. Pramod Vinayak Apshankar</b> <i>Non-Executive Independent Director</i> DIN:- 00019869	Sd/-

#### SIGNED BY:

<b>Mrs. Sheela Kailas Dhawale</b> <i>Chief Financial Officer</i>	Sd/-
<b>Mr. Bhavesh Subhash Selarka</b> <i>Company Secretary and Compliance Officer</i>	Sd/-

Place: Pune

Date: February 04, 2019