Red Herring Prospectus
Dated: April 02, 2018
Read with Section 32 of the Companies Act, 2013
Book Building Issue

MAHICKRA CHEMICALS LIMITED

Our Company was originally constituted as a partnership firm having Firm Registration Number GUJAMG16841 in the name and style of 'Mahak Dye Chem Industries' vide a Deed of Partnership entered as on June 21, 1994. Subsequently, it was converted into a public limited company pursuant to partners special resolution passed at its Extra-ordinary General Meeting of our firm held on September 05, 2017 and the name of our firm was changed to Mahicckra Chemicals Limited vide a fresh Certificate of Incorporation consequent upon conversion dated November 13, 2017 was issued by Central Registration Centre, Registrar of Companies. The Corporate Identification Number of our Company is U24304GJ2017PLC099781. For further details of Incorporation, Change of Name and Registered Office of our company, please refer to chapter titled "General Information" and "Our History and Certain Other Corporate Matters" beginning on page 64 and page 145 of this Red Herring Prospectus.

Registered Office: Plot No. 1209, Phase-3 GIDC Vatva, Ahmedabad Gujarat 382445, India
Tel. No.: 079-25890811/25832692; **Fax No.**: Not Avaliable
Contact Person: Himali Maheshbhai Thakkar, Company Secretary and Compliance Officer
Email: info@mahickra.com**; Website**: www.mahickra.com

PROMOTERS OF OUR COMPANY: MITESHKUMAR CHAMPAKLAL GANDHI, ASHISHKUMAR CHAMPAKLAL GANDHI & KOMAL MITESH GANDHI

THE ISSUE

INITIAL PUBLIC OFFER CONSISITING OF FRESH ISSUE OF UP TO 21,00,000* EQUITY SHARES OF FACE VALUE OF 10/- EACH FULLY PAID ("EQUITY SHARES") OF MAHICKRA CHEMICALS LIMITED ("THE COMPANY" OR "THE ISSUER") FOR CASH AT A PRICE OF [•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS. [•] PER EQUITY SHARE) (THE "ISSUE PRICE") AGGREGATING UP TO RS [•] LAKHS (THE "ISSUE") OF WHICH UPTO 1,08,000 EQUITY SHARES OF FACE VALUE RS. 10/- EACH FOR CASH AT A PRICE OF RS. [•] PER EQUITY SHARE, AGGREGATING RS. [•] WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF UP TO 19,92,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [•] PER EQUITY SHARE, AGGREGATING RS. [•] IS HEREINAFTER REFERED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [•]% AND [•]%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM") AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER BUSINESS STANDARD, ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER BUSINESS STANDARD AND GUJRATI NEWSPAPER WESTERN TIMES, GUJARATI BEING THE REGIONAL LANGUAGE OF THE PLACE WHERE REGISTERED OFFICE OF THE COMPANY IS SITUATED EACH WITH WIDE CIRCULATION, AT LEAST 5 (FIVE) WORKING DAYS PRIOR TO THE BID/ ISSUE OPENING DATE WITH THE RELEVANT FINANCIAL RATIOS CALCULATED AT THE FLOOR PRICE AND THE CAP PRICE AND SHALL BE MADE AVAILABLE TO THE EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE EMERGE", REFERRED TO AS THE "STOCK EXCHANGE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE.

In case of any revisions in the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the website of the BRLMs and the terminals of the Syndicate Members (defined herein below).

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to the chapter titled "Issue Procedure" beginning on page 226 of this Red Herring Prospectus. A copy of the Red Herring Prospectus has been delivered and a copy of the Prospectus will be delivered for registration to the Registrar of Companies as required under Section 32 and Section 26 of the Companies Act, 2013, respectively.

THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED FROM TIME TO TIME ("SEBI (ICDR) REGULATIONS"). For further details please refer the section titled 'Issue Information' beginning on page 216 of this Red Herring Prospectus.

RISKS IN RELATION TO FIRST ISSUE

This being the first public Issue of the Issuer, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is Rs.10 and the Issue price of Rs. **[•]** per Equity Share is **[•]** times of the face value. The Issue Price (as determined by our Company in consultation with the Book Running Lead Manager as stated in the chapter titled 'Basis for issue Price' beginning on page 98 of this Red Herring Prospectus) should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Company and this Issue, including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. **Specific attention of the investors is invited to the section titled 'Risk Factors' beginning on page 19 of this Red Herring Prospectus.**

ISSUER'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares of our Company offered through this Red Herring Prospectus are proposed to be listed on the EMERGE platform of National Stock Exchange of India Limited ('NSE EMERGE'), in terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. Our Company has received an In-principle approval letter dated **March 19, 2018** from NSE for using its name in this offer document for listing of our shares on the EMERGE Platform of NSE. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange.

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED 406-408, Keshva Premises, Behind Family Court, Bandra Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra, India **Tel**: +91-22 6194 6700 **Fax**: +91-22 2659 8690 **Website:**www.pantomathgroup.com **Email:** ipo@pantomathgroup.com **Investor Grievance Id:** ipo@pantomathgroup.com **Contact Person:** Unmesh Zagade **SEBI Registration No:**INM000012110	**BIGSHARE SERVICES PRIVATE LIMITED** 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra, India **Tel:** +91 22 62638200 **Fax:** +91 22 62638299 **Email:** ipo@bigshareonline.com **Website:** www.bigshareonline.com **Investor Grievance Id:** ipo@bigshareonline.com **Contact Person:** Babu Raphael **SEBI Registration Number:** INR000001385

ISSUE PROGRAMME

BID/ISSUE OPENS ON: MONDAY, APRIL 16, 2018	BID/ISSUE CLOSES ON: WEDNESDAY, APRIL 18, 2018

**Number of shares may need to be adjusted for Lot size upon determination of issue price.*
***Subject to Finalization of Basis of Allotment*

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

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

SECTION I – GENERAL

DEFINITION AND ABBREVIATION

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

COMPANY RELATED TERMS

Term	Description
"Mahickra Chemicals Limited " or "Mahickra Chemicals", or "the Company" ,or "our Company" or "we", "us", "our", or "Issuer" or the "Issuer Company"	Unless the context otherwise requires, refers to Mahickra Chemicals Limited, a public limited Company incorporated under the Companies Act, 2013
"AoA" or "Articles" or "Articles of Association"	Articles of Association of Mahickra Chemicals Limited, as amended from time to time
Audit Committee	The committee of the Board of Directors constituted as the Company's Audit Committee in accordance with Section 177 of the Companies Act, 2013
Board of Directors/ the Board / our Board	The Board of Directors of Mahickra Chemicals Limited, including all duly constituted Committee(s) thereof
Bankers to the Company	Such banks which are disclosed as Bankers to the Company in the chapter titled "*General Information*" on page 64 of this Red Herring Prospectus.
Company Secretary and Compliance Officer	The Company Secretary & Compliance Officer of our Company being Himali Maheshbhai Thakkar
Director(s)	Director(s) of Mahickra Chemicals Limited, unless otherwise specified
Equity Shares	Equity Shares of our Company of face value of Rs. 10/- each fully paid up
Equity Shareholders	Persons/ Entities holding Equity Shares of our Company
Group Companies	Such Companies as are included in the chapter titled '*Our Group Companies*' beginning on page 169 of this Red Herring Prospectus
ISIN	International Securities Identification Number. In this case being INE961Y01015.
Key Managerial Personnel (KMP)	Key managerial personnel of our Company in terms of Regulation 2 (1) (s) of the SEBI Regulations and as disclosed in the chapter titled "*Our Management*" beginning on page 148 of this RHP.
"MoA" / "Memorandum / Memorandum of Association"	The Memorandum of Association of our Company, as amended from time to time
Nomination and Remuneration Committee	The committee constituted as the Company's Nomination & Remuneration Committee in accordance with Section 177 of the Companies Act, 2013
Person or Persons	Any Individual, Sole Proprietorship, Unincorporated Association, Unincorporated Organization, Body Corporate, Corporation, Company, Partnership Firm, Limited Liability Partnership Firm, Joint Venture, or Trust or any other Entity or Organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
"Promoter", "Promoters" or "our Promoters"	Promoters of our Company being Miteshkumar Champaklal Gandhi, Ashishkumar Champaklal Gandhi and Komal Mitesh Gandhi.
Promoter Group	Includes such persons and entities are constituting our promoter group in terms of Regulation 2(1) (zb) of the SEBI (ICDR) Regulations and as enlisted in the chapter titled "*Our Promoter and Promoter Group*" beginning on page 164 of this Red Herring Prospectus
Peer Reviewed Auditor	Independent Auditor having a valid Peer Reviewed Certificate in our case being Piyush J. Shah & Co., Chartered Accountants

Term	Description
Registered Office	The Registered office of our Company situated at Plot No. 1209, Phase 3 GIDC Vatva, Ahmedabad Gujarat - 382445, India.
RoC / Registrar of Companies	Registrar of Companies, ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013.
Shareholders	Shareholders of our Company
"Statutory Auditor" / "Auditor"	The Statutory Auditor of our Company, being S.C. Bohara & Associates, Chartered Accountants
"you", "your" or "yours"	Prospective investors in this Issue

ISSUE RELATED TERMS

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid
Allotment/ Allot/ Allotted	Issue and allotment of Equity Shares of our Company pursuant to the Issue of the Equity Shares to successful Bidders
Allottee(s)	Successful Bidders(s) to whom Equity Shares have been allotted/transferred
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
ASBA / Application Supported by Blocked Amount	An application, whether physical or electronic, used by Bidders, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account
ASBA Account	An account maintained with an SCSB and specified in the Bid cum Application Form submitted by Bidders for blocking the Bid Amount mentioned in the Bid cum Application Form
ASBA form	An application form, whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of this Red Herring Prospectus
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, and Ahmedabad
Banker(s) to the Issue	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being ICICI Bank Limited.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Bidders under the Issue and which is described under chapter titled "*Issue Procedure*" beginning on page 227 of this Red Herring Prospectus
Bid	An indication to make an issue during the Bid/Issue Period by a Bidder pursuant to submission of the Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in accordance with the Red Herring Prospectus and Bid cum Application Form
Bidder(s)	A prospective investor in the Issue, and unless otherwise stated or implied, includes an ASBA Bidders and Anchor Investor
Bidding	The process of making a Bid
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue

Term	Description
Bid cum Application form	The form used by a Bidder, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus
Bid Cum Application Collecting Intermediaries	1. a SCSB with whom the bank account to be blocked, is maintained 2. a syndicate member (or sub-syndicate member) If any 3. a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity)('broker') if any 4. a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity) 5. a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the Stock Exchange as eligible for this activity)
Bid Lot	[●] Equity shares and in multiples of [●] Equity Shares thereafter
Bid/ Issue Closing Date	The date after which the Syndicate, the Designated Branches and the Registered Brokers will not accept any Bids, which shall be notified in all editions of the English national newspaper Business Standard, all editions of the Hindi national newspaper Business Standard, and Gujarati newspaper Western Times, Gujarati being the regional language of the place where registered office of the Company is situated, each with wide circulation and in case of any revision, the extended Bid/Issue Closing Date shall also be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations
Bid/ Issue Opening Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in all editions of the English national newspaper Business Standard, all editions of the Hindi national newspaper Business Standard, and Gujarati newspaper Western Times, Gujarati being the regional language of the place where registered office of the Company is situated, each with wide circulation, and in case of any revision, the extended Bid/Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations
Bid/ Issue Period	The period between the Bid/ Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof
Bidding/collecting Centre	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e, Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Issue is being made
Book Running Lead Managers or BRLM	The book running lead manager to the Issue namely Pantomath Capital Advisors Private Limited
Broker Centres	Broker centres notified by the Stock Exchanges, where the Bidders can submit the Bid cum application forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of NSE
Cap Price	The higher end of the Price Band, above which the Issue Price will not be finalised and above which no Bids will be accepted
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Bidder indicating the Equity Shares which will be Allotted/ transferred, after approval of Basis of Allotment by the Designated Stock Exchange
ClientID	Client Identification Number maintained with one of the Depositories in relation to demat account
Cut-off Price	Issue Price, which shall be any price within the Price Band finalised by our Company in consultation with the BRLM

Term	Description
	Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non Institutional Bidders are not entitled to Bid at the Cut-off Price
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 Branch/Designated Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at *http://www.sebi.gov.in* or at such other website as may be prescribed by SEBI from time to time
Demographic Details	The demographic details of the Bidders/Applicants such as their address, PAN, occupation and bank account details
Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Date	The date on which funds blocked by SCSB are transferred from the ASBA account to the Public Issue Account after filing of Red Herring Prospectus with RoC.
Designated Intermediary(ies)	Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the Bidders, in relation to the Issue.
Designated RTA Locations	Such centres of the RTAs where Bidder can submit the Bid cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchange (*www.nseindia.com*) and updated from time to time
Designated Stock Exchange	National Stock Exchange of India Limited
Designated CDP Locations	Such centres of the CDPs where Bidders can submit the Bid Cum Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange (*www.nseindia.com*) and updated from time to time
Draft Red Herring Prospectus or DRHP	This Draft Red Herring Prospectus dated February 22, 2018 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue.
First/sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalised and below which no Bids will be accepted
FII/ Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India
General Information Document/GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and included in "Issue Procedure" on page 227 of this Red Herring Prospectus
Listing Agreement`	The Equity Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited

Term	Description
Market Making Agreement	Market Making Agreement dated February 16, 2018 between our Company, Book Running Lead Manager and Market Maker
Market Maker	Market Maker appointed by our Company from time to time, in this case being Pantomath Stock Brokers Private Limited who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time
Market Maker Reservation Portion	The Reserved Portion of Up to 1,08,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs [●] per Equity Share aggregating Rs. [●] for the Market Maker in this Issue
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
NSE Emerge of NSE/ SME Exchange	The SME platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares offered under Chapter XB of the SEBI ICDR Regulations
NSE	National Stock Exchange of India Limited
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of Up to 19,92,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs [●] per Equity Share aggregating Rs. [●] by our Company
Net Proceeds	Proceeds of the Fresh Issue less our Company's share of the Issue expenses. For further information about use of the Issue Proceeds and the Issue expenses, see "*Objects of the Issue*" on page 91.
Non Institutional Bidders	All Bidders, including Category III FPIs that are not QIBs or Retail Individual Investors, who have apply for Equity Shares for an amount of more than Rs. 2,00,000/- but not including NRIs other than Eligible NRIs
Non-Resident	A person resident outside India, as defined under FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended from time to time, and includes FIIs and FPIs
Issue	The Initial Public Issue of Up to 21,00,000 Equity Shares of face value of Rs.10 each for cash at a price of Rs. [●] each, aggregating up to Rs.[●] comprising the Fresh Issue.
Issue Agreement	The agreement dated February 16, 2018 between our Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Price	The final price at which Equity Shares will be Allotted in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date in accordance with the Book-Building Process and the Red Herring Prospectus
Issue Proceeds	The proceeds of the Issue that is available to our Company. For further information about use of Issue Proceeds, see *"Objects of the Issue"* on page 91 of this Red Herring Prospectus
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue
Other Investors	Investors other than Retail Individual Investors.These include individual bidders/applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securitiesappliedfor

Term	Description
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
Price Band	Price band of a minimum price of Rs. [●] per Equity Share (Floor Price) and the maximum price of Rs.[●] per Equity Share (Cap Price) including revisions thereof. The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and will be advertised at least five Working Days prior to the Bid/ Issue Opening Date, in all editions of the English national newspaper Business Standard, all editions of the Hindi national newspaper Business Standard and Gujarati newspaper Western Times, Gujarati being the regional language of the place where registered office of the Company is situated each with wide circulation
Pricing date	The date on which our Company in consultation with the BRLM, will finalise the Issue Price
Prospectus	The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, *inter alia*, the Issue Price, the size of the Issue and certain other information
Public Issue Account	Account opened with the Banker to the Issue i.e. ICICI Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the bidders on the Designated Date.
Public Issue Account Agreement/ Banker to the Issue Agreement	Agreement entered on February 16, 2018 amongst our Company, Book Running Lead Manager, the Registrar to the Issue and Public Issue Bank/Banker to the Issue for collection of the Bid Amount on the terms and conditions thereof.
Qualified Institutional Buyers or QIBs	Qualified Institutional Buyers as defined under Regulation 2(1)(zd) of the SEBI (ICDR) Regulations, 2009.
Red Herring Prospectus or RHP	This red herring prospectus dated April 2, 2018 issued by our Company in accordance with Section 32 of the Companies Act and the SEBI ICDR Regulations, which does not contain, inter-alia, complete particulars of the price at which the Equity Shares would be issued. This Red Herring Prospectus has been registered with the RoC at least three days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to Bidders) shall be made.
Refund Bank(s) / Refund Banker(s)	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being ICICI Bank Limited.
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on http://www.nseindia.com/membership/dynaContent/find_a_broker.htm
Registrar /Registrar to the Issue	Registrar to the Issue, in this case beingBigshare Services Private Limited having registered office at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai - 400059

Term	Description
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Resident Indian	A person resident in India, as defined under FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended from time to time
Retail Individual Bidder(s)/Retail Individual Investor(s)/RII(s)/RIB(s)	Individual Bidders, or minors applying through their natural guardians, including HUFs (applying through their *Karta*), who apply for an amount less than or equal to Rs 2,00,000/-
Revision Form	Form used by the Bidders, to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
ReservationPortion	The portion of the Issue reserved for category of eligible Bidders as provided under theSEBI (ICDR)Regulations, 2009
Reserved Category / Categories	Categories of persons eligible for making Bids under reservation portion.
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which Issue the service of making Bids/Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised Intermediaries or at such other website as may be prescribed by SEBI from time to time
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes the agreement to be entered into between our Company and the Stock Exchange in relation to listing of Equity Shares on such Stock Exchange.
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended from time to time
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms from Bidders, a list of which is available on the website of SEBI (*www.sebi.gov.in*) and updated from time to time
Sub-Syndicate members	A SEBI Registered member of NSE appointed by the BRLM and/or Syndicate Member to act as a Sub-Syndicate Member in the Issue
Syndicate Agreement	Agreement dated February 16, 2018 entered into amongst the BRLM, the Syndicate Members, our Company in relation to the procurement of Bid cum Application Forms by Syndicate
Syndicate or Members of the Syndicate	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, Pantomath Stock Brokers Private Limited
TRS or Transaction Registration Slip	The slip or document issued by the Syndicate, or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid
Underwriter	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The agreement dated February 16, 2018 entered into between the Underwriter and our Company
Working Day	"Working Day" means all days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to the time period between (a) announcement of Price Band; and (b) Bid/ Issue Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/ Issue Closing Date and the listing of the

Term	Description
	Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays

TECHNICAL AND INDUSTRY TERMS

Term	Description
COE	Centres of Excellence
CPI	Consumer Price Index
CSO	Central Statistics Office
EPFO	Employees' Provident Fund Organisation
ESI	Employee State Insurance
FCNR	Foreign Currency Non-Resident
FDI	Foreign Direct Investment
FICCI	Federation of Indian Chambers of Commerce & Industry
FIPB	Foreign Investment Promotion Board
FY	Financial Year
GDP	Gross Domestic Product
GST	Goods and Services Tax
GVA	Gross Value Added
HDPE	High Density Polyethylene
ICC	Indian Chemical Council
IMF	International Monetary Fund
INR	The Indian Rupee
LCD	Liquid Crystal Display
LLDPE	Linear Low Density Polyethylene
M-SIPS	Modified Special Incentive Package Scheme
MSMEs	Micro, Small & Medium Enterprises
MT	Metric Tonne
MYEA	Mid-Year Economic Analysis
NMP	National Manufacturing Policy
OPaL	ONGC Petro additions Ltd
PCPIR	Petroleum, Chemicals & Petrochemicals Investment Regions
PMGKY	Pradhan Mantri Garib Kalyan Yojana
PMP	Phased Manufacturing Programme
POS	Point-Of-Sale
PP	Polypropylene
R&D	Research and Development
RBI	Reserve Bank of India
TADF	Technology Acquisition and Development Fund
UDAY	Ujwal DISCOM Assurance Yojana Scheme
UNIDO	United Nations Industrial Development Organization
US/ U.S./ USA	United States of America
USD	United States dollar
WPI	Wholesale Price Index

CONVENTIONAL AND GENERAL TERMS/ABBREVIATIONS

Term	Description
A/C	Account
AGM	Annual General Meeting

Term	Description
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AS/Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A.Y./AY	Assessment Year
AoA	Articles of Association
ASBA	Application Supported by Blocked Amount
BIFR	Board for Industrial and Financial Reconstruction
NSE	National Stock Exchange of India Limited
CAGR	Compounded Annual Growth Rate
Category I Foreign Portfolio Investors	FPIs who are registered as – Category I foreign portfolio investors under the SEBI FPI Regulations
Category II Foreign Portfolio Investors	FPIs who are registered as – Category II foreign portfolio investors under the SEBI FPI Regulations
Category III Foreign Portfolio Investors	FPIs who are registered as – Category III foreign portfolio investors under the SEBI FPI Regulations
CC	Cash Credit
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CS	Company Secretary
CST	Central Sales Tax
Cm	Centimetre
CMD	Chairman and Managing Director
CENVAT	Central Value Added Tax
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013.
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of the notified sections
Depositories	NSDL (National Securities Depository Limited) and CDSL (Central Depository Services Limited); Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DGFT	Directorate General of Foreign Trade
DIN	Director Identification Number
DIPP	Department of Industrial Policy & Promotion
DP	Depository Participant
DP ID	Depository Participant's Identity
EBIDTA	Earnings before interest, depreciation, tax, amortization and extraordinary items
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPFA	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
ESPS	Employee Stock Purchase Scheme
EPS	Earnings Per Share
EPF	Employees Provident Fund

Term	Description
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under
FII(s)	Foreign Institutional Investor, as defined under the FII Regulations and registered with the SEBI under applicable laws in India
FPI(s)	Foreign Portfolio Investor means a person who satisfies the eligibility criteria prescribed under Regulation 4 and has been registered under Chapter II of Securities And Exchange Board Of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act,1992
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
FIs	Financial Institutions
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, GoI
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
FV	Face Value
F.Y./FY	Financial Year
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GIR Number	General Index Registry number
GoI/ Government	Government of India
HNI	High Networth Individual
HUF	Hindu Undivided Family
ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations/Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time
Indian GAAP	Generally Accepted Accounting Principles in India
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IPO	Initial Public Offering
IRDA	Insurance Regulatory and Development Authority
I. T. Act	The Income Tax Act, 1961, as amended.
IT Authorities	Income Tax Authorities
IT Rules	The Income Tax Rules, 1962, as amended from time to time
INR	Indian National Rupee
Key Managerial Personnel / KMP	The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled "*Our Management*" beginning on page 148 of this Red Herring Prospectus
KVA	Kilovolt-ampere
LM	Lead Manager
Ltd.	Limited
Mn	Million
MoA	Memorandum of Association

Term	Description
MoF	Ministry of Finance, GoI
MoU	Memorandum of Understanding
MD	Managing Director
MICR	Magnetic Ink Character Recognition
N/A or N.A.	Not Applicable
NAV	Net Asset Value
NBFC	Non Banking Finance Company
Net Worth	The aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
NOC	No Objection Certificate
NR	Non Resident
NRE Account	Non Resident (External) Account
NRI	Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time
NRO Account	Non Resident (Ordinary) Account
NSDL	National Securities Depository Limited
NI Act	Negotiable Instruments Act, 1881
OCB	Overseas Corporate Bodies
p.a.	per annum
PAN	Permanent Account Number
PAT	Profit After Tax
Pvt.	Private
PBT	Profit Before Tax
P/E Ratio	Price Earnings Ratio
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
RoC	Registrar of Companies
RoNW	Return on Net Worth
Rs. / INR	Indian Rupees
SCRA	Securities Contracts (Regulation) Act, 1956 as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self-Certified Syndicate Bank
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000

Term	Description
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to the SEBI AIF Regulations
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI Takeover Regulations /Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Listing Regulations / SEBI Listing Regulations/ SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small Medium Enterprise
Sec	Section
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange (s)	SME Platform of NSE Limited
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
TNW	Total Net Worth
u/s	Under Section
UIN	Unique Identification Number
US/ U.S. / USA/ United States	United States of America
USD / US$ / $	United States Dollar, the official currency of the United States of America
U.S. GAAP	Generally accepted accounting principles in the United States of America
UOI	Union of India
UV	Ultraviolet
VAT	Value Added Tax
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
WDV	Written Down Value
WTD	Whole-time Director
w.e.f.	With effect from
YoY	Year over year

Notwithstanding the following: -

i. In the section titled "*Main Provisions of the Articles of Association"* beginning on page 278 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;

ii. In the section titled "*Financial Statements*" beginning on page 174 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;

iii. In the section titled "*Risk Factor*" beginning on page 19 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;

iv. In the chapter titled *"Statement of Possible Tax Benefits"* beginning on page 101 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter; and

v. In the chapter titled *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* beginning on page 175 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

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

FINANCIAL DATA

Unless stated otherwise, the financial data included in this Red Herring Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled *'Financial Statements'* beginning on page 174 this Red Herring Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

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

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

Any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and elsewhere in this Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company's restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled *'Financial Statements'* beginning on page 174 of this Red Herring Prospectus.

CURRENCY OF PRESENTATION

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

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

INDUSTRY & MARKET DATA

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

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

Although we believe that industry data used in this Red Herring Prospectus is reliable, it has not been independently verified by the Book Running Lead Manager or our Company or any of their affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section *"Risk Factors"* on page 19 of this Red Herring Prospectus. Accordingly, investment decisions should not be based solely on such information.

Future looking statements speak only as of the date of this Red Herring Prospectus. Neither we, our Directors, Book Running Lead Manager, Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, the 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.

FORWARD LOOKING STATEMENT

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

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

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

For a further discussion of factors that could cause our actual results to differ, refer to section titled *"Risk Factors"* and chapter titled *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* beginning on pages 19 and 175 respectively of this Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

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

SECTION II – RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Red Herring 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 any part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.

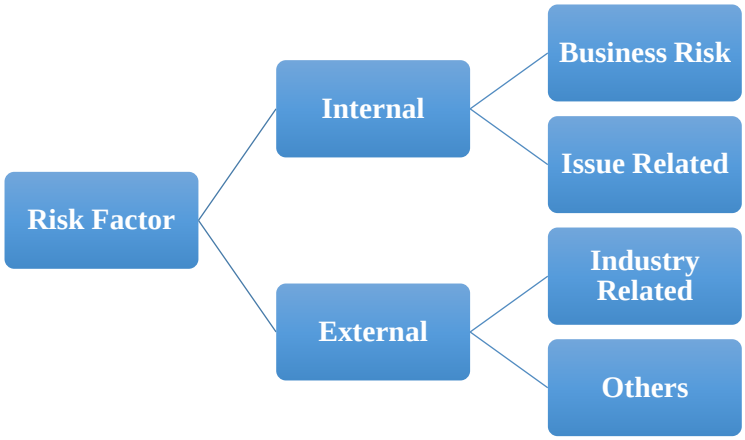
Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act, 2013and its applicable Companies Act Rules (as amended from time to time) and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled "Our Business" beginning on page 122*, "Our Industry" beginning on page* 104 *and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page* 175 *respectively, of this Red Herring Prospectus as well as other financial information contained herein.*

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

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

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

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



Business Specific Risks

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

   Our Company is into business of manufacturing reactive dyes for more than 2 decades. Our promoters decided to focus on one specific product type which shall result in the specialisation of the segment related with the Black colour Dyes. Therefore, we started manufacturing Black reactive dyes only, although there are approx. 20 sub-categories under Black dyes. This has led to the growth of our business in recent years, however, our business model has been restricted to a particular product type viz., Black colour Dyes, which limits the growth of the business to an extent as we are not able to meet the demand of customers having varied requirements other than the Black colour Dyes.

   Presence substantially in only 1 colour product makes our business comparatively lesser and prone to major competition risks. However, we do manufacture other colour products such as Blue, Orange and Red which are manufactured in low quantity and on specific orders received from the Customers. Customers may not prefer us as a business partner if they have requirements of multiple colours as we are not in a position to supply them all colours of their required quantity from under one roof. This may adversely affect the volume of our business substantially.

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

   Manufacturing of Dyes requires more than 30 raw materials. Few chemicals, such as Vinyl Sulphor, H-Acid used as Dye intermediates forms major part of total production cost for the Company's business. These chemicals are produced only by few companies such as Bodal Chemicals, Kiri Industries. We procure our major requirements from them and have been able to procure it at the normal prevailing rates in market. However, there have been situations in past where prices of these intermediates have increased by multiple times causing us to pay abnormal cost for such intermediates. As there are only few suppliers for these intermediates, they may form cartel and increase prices substantially. Occurrence of any such event in future may affect our business substantially both in terms of operations and financials.

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

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

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

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

Amount (Rs. In lakhs)

Particulars	For the year ended March 31,				
	2017	2016	2015	2014	2013
Cash Flow from / (used in) Operating Activities	(19.79)	7.66	73.47	(172.33)	21.05
Cash Flow from / (used in) Investing Activities	(7.77)	(8.46)	(17.59)	(8.85)	0.11
Cash Flow from / (used in) Financing Activities	45.64	(6.62)	21.39	180.77	(21.29)

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

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

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

Amount (Rs. In lakhs)

Particulars	As at March 31,				
	2017	2016	2015	2014	2013
A. Current Assets					
Inventories	945.18	737.99	59.58	60.62	25.2
Trade Receivables	1180.01	753.01	867.98	115.01	61.64
Cash and Cash Equivalents	88.21	70.13	77.56	0.28	0.69
Short Term Loans & Advances	268.33	171.96	149.14	246.81	104.77
Other Current Assets	-	0.8	2.96	0.8	4.23
B. Current Liabilities					
Trade Payables	1208.18	899.49	998.62	1333.99	555.29
Other Current Liabilities	439.27	156.71	76.23	144.52	125.32
Short Term Provisions	6.94	3.89	6.36	5.08	6.51
Working Capital (A-B)	**827.34**	**673.8**	**76.01**	**-1060.07**	**-490.59**
Trade receivables as % of total current assets	**47.5%**	**43.4%**	**75.0%**	**27.2%**	**31.4%**
Trade payables as % of total current liabilities	**73.0%**	**84.9%**	**92.4%**	**89.9%**	**80.8%**

We intend to continue growing by expanding our business operations. This may result in increase in the quantum of current assets particularly trade receivables and trade payables. Our inability to maintain sufficient cash flow,

credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the chapter titled "*Objects of the Issue*" beginning on page 91 of this Red Herring Prospectus.

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

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

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

Our Company manufactures dye stuffs and exports it to many countries such as Turkey, Egypt, Bangladesh, etc. Our Company has generated more than 88% of its total revenue from export operations for the F.Y. ended 2016-17. The Company's performance is largely dependent on the political and economic conditions prevalent in such regions. Any adverse situation in these regions may affect our business substantially. We believe the customer base which we have created over the years is strong enough to weather any such conditions, however, we may not guarantee that any such problems arising in these region will not affect our business directly or indirectly.

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

8. ***Our company has limited number of employees in its payroll, some of the labours are casual and temporary in nature.***

Our company has 18 employees on its payroll as on 31st January, 2018. Attrition rate for this employees are very high and there is constant rotation of labours employed on the contractual basis in the manufacturing facility. Since most of the labours are unskilled and due to the rotation of employees in frequent intervals, we have to continuously impart training to newer set of employees. With small base of employees, we may not be able to achieve a scalable business operation in future. Our Company understands that human resource is an important arena for growth of an organisation and we keep on hiring new resource for fostering the growth of the Company, however, given our current human resource record, we cannot assure that we may be able to hire and retain the best talent.

9. ***Our manufacturing unit is situated on plot that is taken on long-term lease from G.I.D.C., and we will have to comply with the terms and conditions/covenants laid down in lease agreements with G.I.D.C., noncompliance of the same may affect our business operations.***

Our Company have its manufacturing unit situated at Plot No. 1209, Phase - 3 GIDC Vatva, Ahmedabad – 382440, Gujarat, India within G.I.D.C. limits. The said plot is taken on long-term lease from G.I.D.C. We have been complying with all on-going requirements of G.I.D.C. and as on date of this Red Herring Prospectus there are no litigations or disputes on our occupancy of such land with G.I.D.C. However, any defaults in complying with the said terms and conditions/covenants on our part may be subjected to penal provisions and it may also lead to the cancellation of such lease, which will adversely affect our business, financial conditions and results of operations.

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

We derive our entire operational revenues from sale of dyestuffs in the domestic as well as overseas market. We depend on a limited number of customers for a significant portion of our revenues. Revenue from our top 5 customers constituted 49.59% of our revenue for FY 2016-17. We face competition from both domestic and international manufacturers in the international market. However, we believe that we have good and long term relationship with our customers, any loss of customer base or reduction in volume of orders, out of our existing customers, will impact our overall sales, resulting in a decline in our revenues. While we are constantly striving to increase our customer base and reduce dependence on any one particular customer, there is no assurance that we will be able to broaden our customer base in any future periods or that our business or results of operations will not be adversely affected by a reduction in demand or cessation of our relationship with any of our major customers.

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

    We procure raw materials required for the manufacturing of dyestuffs from various companies in the domestic market. We chose to deal with suppliers on the basis of quality assurance, cost effectiveness and relationships. Though we prefer to deal with a fixed set of suppliers with whom we have cordial relationships, there are no fixed suppliers for our raw material purchases and we have not entered into any fixed supply agreement or MoU or any other arrangement with any of our suppliers. Our top 5 suppliers contributed 56.84% of our Total Purchases for the F.Y. 2016-17.

    These suppliers have accorded their trust and service based on our long operating history in the industry, our credit worthiness, and our goodwill. However, in the absence of any written agreements, our suppliers are not bound to supply goods to us and can withdraw their commitments from us at any time. There can be no assurance that there will not be a significant disruption in the supply of raw materials from current sources, or, in the event of a disruption, that we would be able to locate alternative suppliers of the raw materials of comparable quality on terms acceptable to us, or at all.

12. ***Our growth rate in Inventory level is very high which stood at Rs. 945.18 Lakhs for the year ended 31st March, 2017.***

    Our Inventory level has gone up from Rs. 252.05 Lakhs in FY 2012-13 to Rs. 945.18 Lakhs in FY 2016-17, at a CAGR of 39.1% while our Revenue has increased from Rs. 192.37 Lakhs compared to Rs. 413.66 Lakhs in the same period at a CAGR of 21.1%. This possess a risk to our business that we may not be able to sell all of our manufactured product on a timely manner. Our inability to manage inventory at an optimum level may lead to working capital crunch affecting our financial performance. Further, any mismatch between our planning and the actual off take by the customers of our inventory can impact us adversely.

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

    Our company is engaged in manufacturing of dyestuffs and have our manufacturing facility at Vatva, Gujarat. We procure raw materials from manufacturers in Gujarat. Also, our finished goods are sold and delivered to various locations across the country and exported to various other countries. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. Most of these raw material and finished products are transported to and from our manufacturing unit by third party transportation providers. Transportation strikes could have an adverse effect on our receipt of goods, raw materials and our ability to deliver our products to our customers. Non-availability of ships, barges and trucks could also adversely affect our receipt of goods, raw materials and the delivery of our products.

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

14. ***Within the parameters as mentioned in the chapter titled 'Objects of this Issue' beginning on page 91 of this Red Herring Prospectus, our Company's management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the "Objects of the Issue" have not been appraised by any bank or financial institution.***

We intend to utilize the Net Proceeds of the Issue as set forth in – "*Objects of the Issue"* from *page* 91 to 97 *of this RHP*.

The fund requirement mentioned as a part of the Objects of the Issue is based on internal management estimates and have not been appraised by any bank or financial institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, other financial condition or business strategies. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc.

Furthermore, we may need to vary the objects of the Issue due to several factors or circumstances including competitive and dynamic market conditions, variation in cost structures, changes in estimates due to cost overruns or delays, which may be beyond our control. Pursuant to Section 27 of the Companies Act, 2013, any variation in the objects of the Issue would require a special resolution of our shareholders, and our Promoters or controlling shareholders will be required to provide an exit opportunity to our shareholders who do not agree to such variation. If our shareholders exercise such an exit option, our share price may be adversely affected.

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

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

16. ***Presently our major focus of revenue is on the sale of Black Reactive Dyes and any decrease in the demand for them will adversely affect our business***

Our Company has been majorly focusing on production of Black reactive dyes. Our percentage revenue in F.Y. 2016-17 for Black Reactive Dyes was around 90%. We, being a specialised player in Black Reactive Dyes, our focus has remained intact in this segment. Any decrease in demand for it may adversely affect our operational and financial performance.

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

Our Company has entered into various transactions with our Promoter, Promoter Group, Directors and their Relatives and Group Company. While we believe that all such transactions are conducted on arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions were not entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in future. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to chapter "*Related Party Transactions*" beginning on page 172 of the Red Herring Prospectus.

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

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

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

Our foreign exchange transactions are not hedged. Our Company has derived more than 88% of revenue from export operations in FY 2016-17. We export our products and receive sale proceeds in foreign currency denominated in USD. Changes in value of currencies with respect to the Rupee may cause fluctuations in our operating results expressed in Rupees. The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. As our exposures are not hedged, we are exposed to foreign currency fluctuation risk and may affect our Company's results of operations. However, till date company has not suffered any losses on account of non-hedging of foreign exchange exposures, instead, our company has earned a cumulative profit on account of foreign exchange fluctuation to the extent of Rs. 76.87 Lakhs from F.Y. 2012-13 to F.Y. 2016-17.

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

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

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

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

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

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

We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be noassurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

23. *We require a number of approvals, NOCs, licenses, registrations and permits in the ordinary course of our business. Any failure or delay in obtaining the same in a timely manner may adversely affect our operations.*

Additionally, we need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course. Pursuant to our conversion formation of our company from a partnership concern, in the year 2017, we need to take necessary steps for transferring the approvals of our company in its name. In case we fail to transfer/obtain the same in the name of the company then it may adversely affect our business or we may not be able to carry our business.

TAN allotment letter is currently not traceable by the company. Any failure to renew the approvals that have expired, or to apply for and obtain the required approvals, licences, registrations or permits, or any suspension or revocation of any of the approvals, licences, registrations and permits that have been or may be issued to us, could result in delaying the operations of our business, which may adversely affect our business, financial condition, results of operations and prospects. We cannot assure you that the approvals, licences, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Additionally, our company has not applied for change of name of the approval/s as mentioned under the head "Pending approvals" of Government and Other Statutory Approvals Chapter. For more information, see chapter "Government and Other Statutory Approvals" on page 199 of this Red Herring Prospectus.

24. Conflicts of interest may arise out of common business undertaken by our Group Company.

Our Group Company, Palash Colors Private Limited isauthorised to carry similar activities as those conducted by our Company. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company, and our Group Companies in circumstances where our respective interests diverge. In cases of conflict, our Promoter may favour other company in which our Promoter has interests. There can be no assurance that our Promoter or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition.

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

The Environmental Protection Act, 1986, as amended from time to time, the Air (Prevention and Control of Pollution) Act, 1981, as amended from time to time, the Water (Prevention and Control of Pollution) Act, 1974, as amended from time to time, Hazardous Wastes (Management, handling & Transboundary movement) Rules, 2008 and other rules and regulations promulgated by the Ministry of Environment and Forest and various statutory and regulatory authorities and agencies in India regulate our handling of hazardous substances and wastes. We are required to obtain registrations from the relevant State Pollution Control Board to be able to handle and dispose hazardous and wastes. We are also required to take a number of precautionary measures and follow prescribed practices in this regard. Our failure to comply with these laws could result in us being prosecuted, including our Directors and officers responsible for compliance being subjected to imprisonment and fines or both in certain cases. We may also be liable for damage caused to the environment. Any such action could adversely affect our business and financial condition.

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

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

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

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

Any disruption / non-availability of power shall directly affect our production which in turn shall have an impact on profitability and turnover of our Company.

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

Our manufacturing process requires substantial amount of water. We have not made any alternate arrangements for supply of water than what we currently use from. Thus any unfavourable situations may require us to procure water from other source which may increase our cost of operations and adversely affect results of our financials.

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

Our products depend on recent trends and developments as we manufacture and market the products as per the market trends. Any failure to maintain the quality standards patterns may affect our business. Although we have put in place strict quality control procedures, we cannot assure that our products will always be able to satisfy our customers' quality standards. Any negative publicity regarding our Company, or products, including those arising from any deterioration in quality of our products from our vendors, or any other unforeseen events could adversely affect our reputation, our operations and our results from operations. Also, rapid change in our customers' expectation and needs on account of changes in technology or introduction of new products or for any other reason and failure on our part to meet their expectation could adversely affect our business, result of operations and financial condition. While, we believe that we have always introduced quality products based on consumers continuously changing needsin order to cater to the growing demand of our customers and also endeavour to regularly update our existing technology, our failure to anticipate or to respond adequately to changing technical, market demands and/or client requirements could adversely affect our business and financial results.

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

We have not entered into any definitive agreements with our customers, and instead we majorly rely on

Purchase orders to govern the volume, pricing and other terms of sales of our products. However, such ordersmay be amended or cancelled prior to finalisation, and should such an amendment or cancellation take place.Consequently, there is no commitment on the part of the customer to continueto source their requirements from us, and as a result, our sales from period to period may fluctuatesignificantly as a result of changes in our customers vendor preferences. Any failure to meet our customers'expectations could result in cancellation of orders. There are also a number of factors other than ourperformance that are beyond our control and that could cause the loss of a customer. We do not have long-term contracts with our customers and there can be no assurance thatwe will continue to receive repeat orders from any of them, including our long-standing customers.

Further,even if we were to continue receiving orders from our clients, there can be no assurance that they will be on the same terms, and the new terms may be less favourable to us than those under the present terms.

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

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

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

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

There are no legal proceedings by or against our Directors, Promoters or Group Companies.

Also, there is no assurance that in future, we, our promoters, our directors or group companies may not face legal proceedings; any adverse decision in such legal proceedings may impact our business. For further details in relation to legal proceedings involving our Company, see the chapter titled "Outstanding Litigation and Material Developments" on page 193 of this Red Herring Prospectus.

A classification of legal proceedings is mentioned below:

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

By Group Companies	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
Against Group Companies	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
Directors other than promoters							
By the Directors	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
Against the Directors	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
Subsidiaries							
By the Subsidiaries	**N.A.***	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**
Against the Subsidiaries	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**

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

Presently, our manufacturing facility operates at an efficiency level in excess of 80% of its installed capacity. In the event that we are unable to fully utilize the increased capacity at the given current level, our cost of production owing to fixed costs may increase substantially which may adversely affect our result of operations.

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

There is no guarantee that the application for registration of our logo will be accepted in favour of the Company. This may affect our ability to protect our trademark in the event of any infringement of our intellectual property. In the absence of such registrations, competitors and other companies may challenge the validity or scope of our intellectual property right over these brands or our corporate name or logo. As a result, we may be required to invest significant resources in developing new brands or names, which could materially and adversely affect our business, financial condition, results of operations and prospects. In case of failure to renew our intellectual property on time, it may adversely affect our business operations

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

The material approvals, licences or permits required for our business include excise, tax, environment approvals among others. See "*Government and other Statutory Approvals*" on page 199 of this Red Herring Prospectus for further details on the required material approvals for the operation of our business.

35. ***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 accomplishbusiness opportunities. To grow our business, we will need to hire, train, supervise and manage newemployees, expand our distribution network and to implement systems capable of effectively accommodatingour growth. However, we cannot assure you that any such employees will contribute to the

success of ourbusiness or that we will implement such systems effectively. Our failure to source business opportunitieseffectively could have a material adverse effect on our business, financial condition and results of operations.It also is possible that the strategies used by us in the future may be different from those presently in use. Noassurance can be given that our analyses of market and other data or the strategies we use or plans in future touse will be successful under various market conditions.

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

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

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

Due to the nature of our business, we expect to be or continue to be subject to extensive and increasingly stringent environmental, health and safety laws and regulations and various labour, workplace and related laws and regulations.

38. Our insurance coverage may not be adequate.

Our Company has obtained insurance coverage in respect of certain risks. These policies generally insure our assets against standard fire and special perils. 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 housebreaking, 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. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected.

For further details, please refer chapter titled "*Our Business*" beginning on page 122 of this Red Herring Prospectus.

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

We have secured our lenders by creating a charge over our movable and immovable properties in respect of loans / facilities availed by us from banks and financial institutions. The total amounts outstanding and payable by us as secured loans were Rs. 498.78 Lakhs as on March 31, 2017. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information on the "*Financial Indebtedness"* please refer to page 190 of this Red Herring Prospectus.

40. Our lenders have imposed certain restrictive conditions on us under our financing arrangements. Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure, formulate a scheme of amalgamation or reconstruction and entering into any other borrowing arrangement. Further, we are required to maintain certain financial ratios. Non receipt of such "No-Objection" certificate could lead to non-compliance of terms of loan agreements entered into by our Company with the said lenders.

There can be no assurance that we will be able to comply with these financial or other loan covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit

our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. For further information, see the chapter titled "*Financial Indebtedness*" on page 190 of the Red Herring Prospectus.

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

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

As on March 31, 2017, our Company has unsecured loans amounting to Rs. 164.88lakhs from related and other parties that are repayable on demand to the relevant lender. Further, some of these loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows. For further details of unsecured loans of our Company, please refer the chapter titled "*Financial Statements as Restated"* beginning on page 174 of this Red Herring Prospectus.

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

As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the issue. We meet our capital requirements through our bank finance, owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further, we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled "*Objects of the Issue*" beginning on page 91 of this Red Herring Prospectus.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements.Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "*Dividend Policy*" on page 173 of this Red Herring Prospectus.

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

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

45. Our success depends largely upon the services of our Directors, Promoters and other Key Managerial Personnel and our ability to attract and retain them. Demand for Key Managerial Personnel in the industry

is intense and our inability to attract and retain Key Managerial Personnel may affect the operations of our Company.

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

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

Our Directors and Key Managerial Personnel ("KMP") are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, some of our Directors and KMP may also be interested to the extent of their shareholding and dividend entitlement in our Company. For further information, see "*Capital Structure*" and "*Our Management*" on page 74 and 148, respectively, of this Red Herring Prospectus.

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

After completion of the Issue, our Promoter and Promoter Group will collectively own 48.07% of the Equity Shares. As a result, our Promoter together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our AoA. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

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

48. We may not be successful in implementing our business strategies.

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

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

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

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

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

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

Our Promoters average cost of acquisition of Equity Shares in our Company may be lower than the Floor Price of the Price Band as may be decided by the Company in consultation with the BRLM. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer chapter title "*Capital Structure*" beginning on page 74 of this Red Herring Prospectus.

Issue Specific Risks

52. We have issued Equity Shares in the last twelve months, the price of which may be lower than the Issue Price.

Our Company has issued 51,34,160 Equity Shares in the last twelve months which may be at a price lower than the issue price. For further details of Equity Shares issued, please refer to chapter titled, "*Capital Structure"* beginning on page 74 of this Red Herring Prospectus.

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

The Issue Price of our Equity Shares will be determined by Book Built method. This price is based on numerous factors (For further information, please refer chapter titled "*Basis for Issue Price*" beginning on page 98 of this Red Herring Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

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

EXTERNAL RISK FACTORS

Industry Risks

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

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

Other Risks

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

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain above Rs. 100,000 realised on the sale of shares on a stock exchange held for more than 12 months will be subject to long term capital gains tax in India even if the securities transaction tax ("STT") has been paid on the transaction as per new Finance Act, 2018. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India, if securities transaction tax has been paid on the transaction.

56. 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 Red Herring Prospectus.

As stated in the reports of the Auditor included in this Red Herring Prospectus under chapter "*Financial Statements as restated*" beginning on page 174, the financial statements included in this Red Herring 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 Red Herring 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 Red Herring Prospectus. Accordingly, the degree to which the financial information included in this Red Herring 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 Red Herring Prospectus should accordingly be limited.

57. Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include:

- custom duties on imports of raw materials and components;
- excise duty on certain raw materials and components;
- central and state sales tax, value added tax and other levies; and
- Other new or special taxes and surcharges introduced on a permanent or temporary basis from time to time.

These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

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

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

59. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and Chemicals industry contained in the Red Herring Prospectus.

While facts and other statistics in the Red Herring Prospectus relating to India, the Indian economy and the chemicals industry has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled *'Our Industry'* beginning on page 104 of this Red Herring Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

60. 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.

61. 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.

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

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

63. 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.

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

India has experienced natural calamities such as earthquakes, tsunami, floods etc. in recent years. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of

abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

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

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

PROMINENT NOTES

1. Public Issue of up to 21,00,000 Equity Shares of face value of Rs. 10 each of our Company for cash at a price of Rs. [●] per Equity Share ("Issue Price") aggregating upto Rs. [●] Lakhs, of which 1,08,000 Equity Shares of face value of Rs. 10 each will be reserved for subscription by Market Maker to the Issue ("Market Maker Reservation Portion"). The Issue less the Market Maker Reservation Portion i.e. Net Issue of 19,92,000 Equity Shares of face value of Rs. 10 each is hereinafter referred to as the "Net Issue". The Issue and the Net Issue will constitute [●] % and [●] %, respectively of the post Issue paid up equity share capital of the Company.
2. Investors may contact the BRLM or the Company Secretary & Compliance Officer for any complaint/clarification/information pertaining to the Issue. For contact details of the Book Running Lead Manager and the Company Secretary & Compliance Officer, please refer to chapter titled "*General Information*" beginning on page 64 of this Red Herring Prospectus.
3. The pre-issue net worth of our Company was Rs. Rs. 237.37 lakhs as of March 31, 2017 and Rs. 155.32 Lakhs for the year ended March 31, 2016. The book value of Equity Share was Rs 7.19 as at March 31, 2017 and Rs. 4.71 as at March 31, 2016 as per the restated financial statements of our Company. For more information, please refer to section titled "*Financial Statements*" beginning on page 174 of this Red Herring Prospectus.
4. The average cost of acquisition per Equity Share by our Promoter is set forth in the table below:

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Miteshkumar Champaklal Gandhi	5,29,528	10.00
Ashishkumar Champaklal Gandhi	17,46,623	11.33
Komal Mitesh Gandhi	8,54,113	10.00

For further details relating to the allotment of Equity Shares to our Promoters, please refer to the chapter titled *"Capital Structure"* beginning on page 74 of this Red Herring Prospectus.

5. For details on related party transactions and loans and advances made to any company in which Directors are interested, please refer *"Related Party Transaction"* under chapter titled *"Financial Statements as restated"* beginning on page 174 of this Red Herring Prospectus.
6. Investors may note that in case of over-subscription in the Issue, allotment to Retail applicants and other applicants shall be on a proportionate basis. For more information, please refer to the chapter titled *"Issue Structure"* beginning on page 224 of this Red Herring Prospectus.
7. Except as disclosed in the chapter titled *"Capital Structure", "Our Promoter and Promoter Group*", "*Our Management*" and *"Related Party Transaction"* beginning on pages 74, 164, 148 and 172 respectively, of

this Red Herring Prospectus, none of our Promoter, Directors or Key Management Personnel has any interest in our Company.

8. Except as disclosed in the chapter titled "Capital Structure" beginning on page 74 of this Red Herring Prospectus, we have not issued any Equity Shares for consideration other than cash.
9. Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.
10. Investors are advised to refer to the chapter titled *"Basis for Issue Price"* beginning on page 98 of the Red Herring Prospectus.
11. There are no financing arrangements whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing of this Red Herring Prospectus with the Stock exchange.
12. Our Company was originally constituted as a partnership firm having Firm Registration Number GUJAMG16841 in the name and style of 'Mahak Dye Chem Industries' vide a Deed of Partnership entered as on June 21, 1994. Subsequently, it was converted into a public limited company pursuant to partners special resolution passed at its Extra-ordinary General Meeting of our firm held on September 05, 2017 and the name of our firm was changed to Mahickra Chemicals Limited vide a fresh Certificate of Incorporation consequent upon conversion dated November 13, 2017 was issued by Central Registration Centre, Manesar. The Corporate Identification Number of our Company is U24304GJ2017PLC099781.
13. Except as stated in the chapter titled "Risk Factors" beginning on page 19, chapter titled "Our Group Companies" beginning on page 169 and chapter titled "Related Party Transactions" beginning on page 172 of this Red Herring Prospectus, our Group Companies have no business interest or other interest in our Company.

SECTION III- INTRODUCTION

SUMMARY OF INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Red Herring Prospectus, including the information contained in the sections titled "Risk Factors" and "Financial Statements" and related notes beginning on page 19 and 174 respectively of this Red Herring Prospectus before deciding to invest in our Equity Shares.

INTRODUCTION TO CHEMICAL INDUSTRY

In terms of value and production volume, Indian chemical industry is the 3rd largest producer in Asia & 6 th by output in the world. Indian chemical industry could grow at 11 percent p.a. to reach size of USD224 billion by 2017In 2016, India chemicals industry had a market size of USD139 billion. By 2025, the Indian chemical industry is projected to reach USD403 billion. The chemical industry in India is a key constituent of Indian economy, accounting forabout 2.11 per cent of the GDP.More than 70,000 commercial products such as petrochemicals & basic chemicals arecovered under chemical sector. India accounts for approximately 16 per cent of the world production of dyestuff & dyeintermediates, particularly for reactive acid & direct dyes.

India is currently the world's 3rd largest consumer of polymers & 3rd largest producer ofAgrochemicals.Indian specialty chemical market is expected to reach USD70 billion by 2020. Value exports of inorganic chemicals from India is estimated at USD1.21 billion in FY16,with the organic chemical market reaching USD11.51 billion in FY16. Exports of organicchemicals from India stood at USD4.02 billion in FY16(1).

(Source: Indian Chemical Industry Analysis - India Brand Equity Foundation - www.ibef.)

GLOBAL ECONOMIC OVERVIEW

For India, three external developments are of significant consequence. In the short run, the change in the outlook for global interest rates as a result of the US elections and the implied change in expectations of US fiscal and monetary policy will impact on India's capital flows and exchange rates. Markets are factoring in a regime change in advanced countries, especially US macroeconomic policy, with high expectations of fiscal stimulus and unwavering exit from unconventional monetary policies. The end of the 20-year bond rally and end to the corset of deflation and deflationary expectations are within sight. Second, the medium-term political outlook for globalisation and in particular for the world's "political carrying capacity for globalisation" may have changed in the wake of recent developments. In the short run a strong dollar and declining competitiveness might exacerbate the lure of protectionist policies. These follow on on-going trends— documented widely—about stagnant or declining trade at the global level. This changed outlook will affect India's export and growth prospects

Third, developments in the US, especially the rise of the dollar, will have implications for China's currency and currency policy. If China is able to successfully re-balance its economy, the spill over effects on India and the rest of the world will be positive. On, the other hand, further declines in the yuan, even if dollar-induced, could interact with underlying vulnerabilities to create disruptions in China that could have negative spill overs for India. For China, there are at least two difficult balancing acts with respect to the currency. Domestically, a declining currency (and credit expansion) props up the economy in the short run but delay rebalancing while also adding to the medium term challenges. Internationally, allowing the currency to weaken in response to capital flight risks creating trade frictions but imposing capital controls discourages FDI and undermines China's ambitions to establish the Yuan as a reserve currency. China with its underlying vulnerabilities remains the country to watch for its potential to unsettle the global economy.

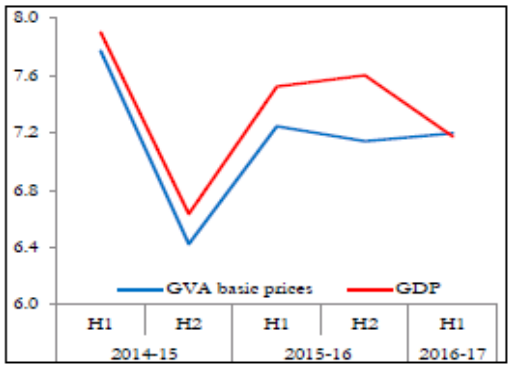
(Source: Economic Survey 2016-17 www.indiabudget.nic.in)

REVIEW OF MAJOR DEVELOPMENTS IN INDIAN ECONOMY

The Indian economy has continued to consolidate the gains achieved in restoring macroeconomic stability. Real GDP growth in the first half of the year was 7.2 percent, on the weaker side of the 7.0-7.75 per cent projection in the Economic Survey 2015-16 and somewhat lower than the 7.6 percent rate recorded in the second half of 2015-16 (Figure 1a). The main problem was fixed investment, which declined sharply as stressed balance sheets in the corporate sector continued to take a toll on firms' spending plans. On the positive side, the economy was buoyed by government consumption, as the 7th Pay Commission salary recommendations were implemented, and by the long-awaited start of an export recovery as demand in advanced countries began to accelerate. Nominal GDP growth recovered to respectable levels, reversing the sharp and worrisome dip that had occurred in the first half of 2015-16 (Figure 1b).

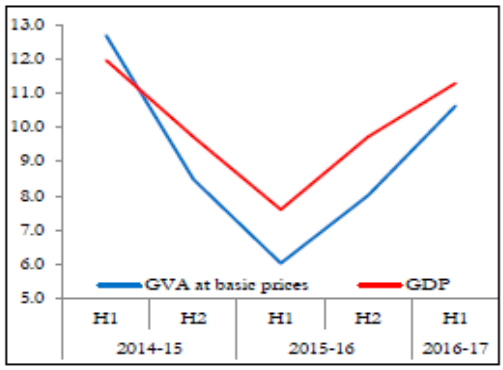
The major highlights of the sectoral growth outcome of the first half of 2016-17 were: (i) moderation in industrial and nongovernment service sectors; (ii) the modest pick-up in agricultural growth on the back of improved monsoon; and (iii) strong growth in public administration and defence services— dampeners on and catalysts to growth almost balancing each other and producing a real GVA growth (7.2 percent), quite similar to the one (7.1 per cent) in H2 2015-16 (Figure 1b).

Figure 1a. GVA and GDP Growth (Constant Prices)



Source: CSO

Figure 1b. GVA and GDP Growth (Current Prices)



Source: CSO

Inflation this year has been characterized by two distinctive features. The Consumer Price Index (CPI)-New Series inflation, which averaged 4.9 per cent during April-December 2016, has displayed a downward trend since July when it became apparent that kharif agricultural production in general, and pulses in particular would be bountiful. The decline in pulses prices has contributed substantially to the decline in CPI inflation which reached 3.4 percent at end-December. The second distinctive feature has been the reversal of WPI inflation, from a trough of (-) 5.1 percent in August 2015 to 3.4 percent at end-December 2016, on the back of rising international oil prices. The wedge between CPI and WPI inflation, which had serious implications for the measurement of GDP discussed in MYEA (Box 3, Chapter 1, MYEA 2015-16), has narrowed considerably. Core inflation has, however, been more stable, hovering around 4.5 percent to 5 percent for the year so far. The outlook for the year as a whole is for CPI inflation to be below the RBI's target of 5 percent, a trend likely to be assisted by demonetisation.

External Sector

Similarly, the external position appears robust having successfully weathered the sizeable redemption of FCNR deposits in late 2016, and the volatility associated with the US election and demonetisation. The current account deficit has declined to reach about 0.3 percent of GDP in the first half of FY2017. Foreign exchange reserves are at comfortable levels, having have risen from around US$350billion at end-January 2016 to US$ 360 billion at end-December 2016 and are well above standard norms for reserve adequacy. In part, surging net FDI inflows,

which grew from 1.7percent of GDP in FY2016 to 3.2 percent of GDP in the second quarter of FY2017, helped the balance-of-payments.

The trade deficit declined by 23.5 per cent in April-December 2016 over corresponding period of previous year. During the first half of the fiscal year, the main factor was the contraction in imports, which was far steeper than the fall in exports. But during October- December, both exports and imports started a long-awaited recovery, growing at an average rate of more than 5 per cent. The improvement in exports appears to be linked to improvements in the world economy, led by better growth in the US and Germany. On the import side, the advantage on account of benign international oil prices has receded and is likely to exercise upward pressure on the import bill in the short to medium term. Meanwhile, the net services surplus declined in the first half, as software service exports slowed and financial service exports declined. Net private remittances declined by $4.5 bn in the first half of 2016-17 compared to the same period of 2015-16, weighed down by the lagged effects of the oil price decline, which affected inflows from the Gulf region.

Fiscal Position

Trends in the fiscal sector in the first half have been unexceptional and the central government is committed to achieving its fiscal deficit target of 3.5 percent of GDP this year. Excise duties and services taxes have benefitted from the additional revenue measures introduced last year. The most notable feature has been the over-performance (even relative to budget estimates) of excise duties in turn based on buoyant petroleum consumption: real consumption of petroleum products (petrol) increased by 11.2 percent during April-December 2016 compared to same period in the previous year. Indirect taxes, especially petroleum excises, have held up even after demonetisation in part due to the exemption of petroleum products from its scope. More broadly, tax collections have held up to a greater extent than expected possibly because of payment of dues in demonetised notes was permitted. Non-tax revenues have been challenged owing to shortfall in spectrum and disinvestment receipts but also to forecast optimism; the stress in public sector enterprises has also reduced dividend payments.

State government finances are under stress. The consolidated deficit of the states has increased steadily in recent years, rising from 2.5 percent of GDP in 2014-15 to 3.6 percent of GDP in 2015-16, in part because of the UDAY scheme. The budgeted numbers suggest there will be an improvement this year. However, markets are anticipating some slippage, on account of the expected growth slowdown, reduced revenues from stamp duties, and implementation of their own Pay Commissions. For these reasons, the spread on state bonds over government securities jumped to 75 basis points in the January 2017 auction from 45 basis points in October 2016. For the general government as a whole, there is an improvement in the fiscal deficit with and without UDAY scheme.
(Source: Economic Survey 2016-17 www.indiabudget.nic.in)

OUTLOOK FOR 2017-18

Turning to the outlook for 2017-18, we need to examine each of the components of aggregate demand: exports, consumption, private investment and government.

As discussed earlier, India's exports appear to be recovering, based on an uptick in global economic activity. This is expected to continue in the aftermath of the US elections and expectations of a fiscal stimulus. The IMF's January update of its World Economic Outlook forecast is projecting an increase in global growth from 3.1 percent in 2016 to 3.4 percent in 2017, with a corresponding increase in growth for advanced economies from 1.6 percent to 1.9 percent. Given the high elasticity of Indian real export growth to global GDP, exports could contribute to higher growth next year, by as much as 1 percentage point.

The outlook for private consumption is less clear. International oil prices are expected to be about 10-15 percent higher in 2017 compared to 2016, which would create a drag of about 0.5 percentage points. On the other hand, consumption is expected to receive a boost from two sources: catch-up after the demonetisation-induced reduction in the last two quarters of 2016-17; and cheaper borrowing costs, which are likely to be lower in 2017 than 2016 by as much as 75 to 100 basis points. As a result, spending on housing and consumer durables and semi-durables could rise smartly. It is too early to predict prospects for the monsoon in 2017 and hence agricultural production. But the higher is agricultural growth this year, the less likely that there would be an extra boost to GDP growth next year.

Since no clear progress is yet visible in tackling the twin balance sheet problem, private investment is unlikely to recover significantly from the levels of FY2017. Some of this weakness could be offset through higher public investment, but that would depend on the stance of fiscal policy next year, which has to balance the short-term requirements of an economy recovering from demonetisation against the medium-term necessity of adhering to fiscal discipline—and the need to be seen as doing so. Putting these factors together, we expect real GDP growth to be in the 6¾ to 7½ percent range in FY2018. Even under this forecast, India would remain the fastest growing major economy in the world.

There are three main downside risks to the forecast. First, the extent to which the effects of demonetisation could linger into next year, especially if uncertainty remains on the policy response. Currency shortages also affect supplies of certain agricultural products, especially milk (where procurement has been low), sugar (where cane availability and drought in the southern states will restrict production), and potatoes and onions (where sowings have been low). Vigilance is essential to prevent other agricultural products becoming in 2017-18 what pulses were in 2015-16.

Second, geopolitics could take oil prices up further than forecast. The ability of shale oil production to respond quickly should contain the risks of a sharp increase, but even if prices rose merely to $60-65/barrel the Indian economy would nonetheless be affected by way of reduced consumption; less room for public investment; and lower corporate margins, further denting private investment. The scope for monetary easing might also narrow, if higher oil prices stoked inflationary pressure.

Third, there are risks from the possible eruption of trade tensions amongst the major countries, triggered by geo-politics or currency movements. This could reduce global growth and trigger capital flight from emerging markets. The one significant upside possibility is a strong rebound in global demand and hence in India's exports. There are some nascent signs of that in the last two quarters. A strong export recovery would have broader spill over effects to investment.

Fiscal outlook

The fiscal outlook for the central government for next year will be marked by three factors. First, the increase in the tax to GDP ratio of about 0.5 percentage points in each of the last two years, owing to the oil windfall will disappear. In fact, excise-related taxes will decline by about 0.1 percentage point of GDP, a swing of about 0.6 percentage points relative to FY2017.

Second, there will be a fiscal windfall both from the high denomination notes that are not returned to the RBI and from higher tax collections as a result of increased disclosure under the Pradhan Mantra Garib Kalyan Yojana (PMGKY). Both of these are likely to be one-off in nature, and in both cases the magnitudes are uncertain.

A third factor will be the implementation of the GST. It appears that the GST will probably be implemented later in the fiscal year. The transition to the GST is so complicated from an administrative and technology perspective that revenue collection will take some time to reach full potential. Combined with the government's commitment to compensating the states for any shortfall in their own GST collections (relative to a baseline of 14 percent increase), the outlook must be cautious with respect to revenue collections. The fiscal gains from implementing the GST and demonetisation, while almost certain to occur, will probably take time to be fully realized. In addition, muted non-tax revenues and allowances granted under the 7th Pay Commission could add to pressures on the deficit.

The macroeconomic policy stance for 2017-18

An economy recovering from demonetisation will need policy support. On the assumption that the equilibrium cash-GDP ratio will be lower than before November 8, the banking system will benefit from a higher level of deposits. Thus, market interest rates—deposits, lending, and yields on g-secs—should be lower in 2017-18 than 2016-17. This will provide a boost to the economy (provided, of course, liquidity is no longer a binding constraint). A corollary is that policy rates can be lower not necessarily to lead and nudge market rates but to validate them. Of course, any sharp uptick in oil prices and those of agricultural products, would limit the scope for monetary easing.

Fiscal policy is another potential source of policy support. This year the arguments may be slightly different from those of last year in two respects. Unlike last year, there is more cyclical weakness on account of demonetisation. Moreover, the government has acquired more credibility because of posting steady and consistent improvements in the fiscal situation for three consecutive years, the central government fiscal deficit declining from 4.5 percent of GDP in 2013-14 to 4.1 percent, 3.9 percent, and 3.5 percent in the following three years. But fiscal policy needs to balance the cyclical imperatives with medium term issues relating to prudence and credibility.

One key question will be the use of the fiscal windfall (comprising the unreturned cash and additional receipts under the PMGKY) which is still uncertain. Since the windfall to the public sector is both one off and a wealth gain not an income gain, it should be deployed to strengthening the government's balance sheet rather than being used for government consumption, especially in the form of programs that create permanent entitlements. In this light, the best use of the windfall would be to create a public sector asset reconstruction company so that the twin balance sheet problem can be addressed, facilitating credit and investment revival; or toward the compensation fund for the GST that would allow the rates to be lowered and simplified; or toward debt reduction. The windfall should not influence decisions about the conduct of fiscal policy going forward.

Perhaps the most important reforms to boost growth will be structural. In addition to those spelt out in Section 1—strategic disinvestment, tax reform, subsidy rationalization—it is imperative to address directly the twin balance sheet problem. The problem is large, persistent and difficult, will not correct itself even if growth picks up and interest rates decline, and current attempts have proved grossly inadequate. It may be time to consider something like a public sector asset reconstruction company.

Another area of reform relates to labour. Given the difficulty of reforming labour laws per se, the thrust could be to move towards affording greater choice to workers which would foster competition amongst service providers. Choices would relate to: whether they want to make their own contribution to the EPFO; whether the employers' contribution should go to the EPFO or the National Pension Scheme; and whether to contribute to the ESI or an alternative medical insurance program. At the same time, there could be a gradual move to ensure that at least compliance with the central labour laws is made paperless, presence less, and cashless. One radical idea to consider is the provision of a universal basic income. But another more modest proposal worth embracing is procedural: a standstill on new government programs, a commitment to assess every new program only if it can be shown to demonstrably address the limitations of an existing one that is similar to the proposed one; and a commitment to evaluate and phase down existing programs that are not serving their purpose.

(Source: Economic Survey 2016-17 www.indiabudget.nic.in)

GLOBAL MANUFACTURING INDUSTRY

World manufacturing growth

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

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

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

well as Brazil. The manufacturing output of China, the world's largest manufacturer, continued to register a high growth rate in the third quarter.

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

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

Figure 1: Growth of world manufacturing output
in % compared to the same quarter of the previous year

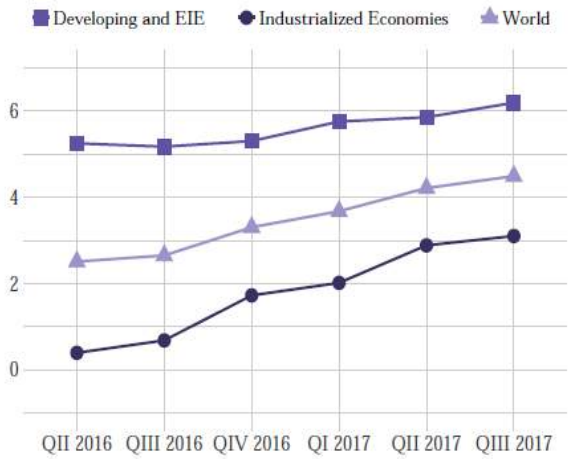
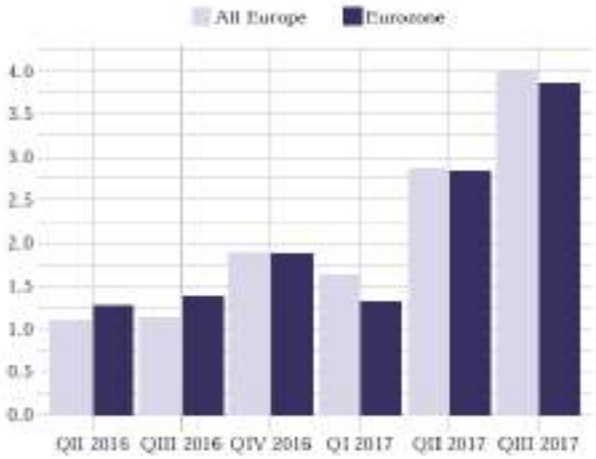


Figure 2: Growth rates of manufacturing output in Europe,
in % to the same period of the previous year



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

Industrialized economies

The manufacturing output of industrialized economies has followed a progressively im -proving upward trend over the last quarters. All industrialized regions, namely Europe, North America and East Asia, were characterized by robust dynamics in the third quarter and took a step towards a steady future.The latest data revealed an acceleration of growth in the manufacturing sector of European economies during the third quarter of 2017 in a year-by-year comparison, beating expectations. Improved business and consumer confidence complemented by strong domestic and external demand resulted in new business and export orders. All of these factors provide tremendous opportunities to investors and signal that Europe's manufacturing sector is gradually stabilizing.

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

The major economies of the Eurozone recorded strong growth in the third quarter of 2017. Manufacturing output rose by 4.6 per cent in Germany, 3.8 per cent in Italy and 2.8 per cent in France comparing year-to-year developments. Spain, another leading Eurozone economy, achieved a 3.3 per cent growth rate.The manufacturing output of other economies of the single currency block seemingly remained healthy in the third quarter and continued on the trajectory of continuous improvement. The highest growth of over 8.0 per cent was observed in Slovenia and Lithuania.
Among other economies, manufacturing output grew by 5.8 per cent in Austria, 4.7 per cent in Belgium, 5.2 per cent in Portugal and 3.8 per cent in Slovakia. Among individual economies beyond the euro zone, the Swiss manufacturing sector experienced the strongest increase in the last 10 years and expanded sharply by 8.7 per cent compared to the same period of the previous year. The rapid surge from an upwardly revised 3.3 per cent gain in the previous quarter was primarily boosted by the manufacturing of pharmaceuticals and of computer, electronic and optical products. The manufacturing output in the United Kingdom rose by 2.7 per cent compared to the same period of the previous year. Another exceptionally positive result was observed in Sweden with a 5.8 per cent growth rate. Higher growth rates above 5.0 per cent were also observed in Czechia and Hungary.

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

Strong global growth continued to drive manufacturing activity in industrialized East Asian economies during the third quarter, leading the manufacturing production to expand by 4.5 per cent. Japan's manufacturing output rose by 4.7 per cent compared to the same period of the previous year. Despite the slightly lower figure in the third quarter, Japan has maintained an uninterrupted period of high growth for several consecutive quarters. Growth momentum strengthened in Malaysia, where manufacturing output recorded a 7.0 per cent increase in the third quarter of 2017. A particularly strong two-digit growth rate was observed in Singapore, while the Republic of Korea and Taiwan, Province of China's manufacturing production expanded only moderately by 1.4 per and 3.3 per cent, respectively.
The manufacturing recovery in Russia remained largely on track in the third quarter of 2017, with a nearly 1.0 per cent expansion recorded on a year-to-year basis. A similar growth rate was also observed in Norway which further reduced its contraction rate.

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

Developing and Emerging Industrial Economies

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

Manufacturing activity in China has stabilized at the same pace of growth since the beginning of 2017 7.3 per cent increase on a year-by-year basis. The development of advanced manufacturing industries and the new investment plan in the environment has led to an overall upgrade of China's manufacturing industry. Latin America has made positive developments in the manufacturing sector, following the resumption of growth in the second quarter. Brazilian manufacturers are finally emerging from the deep recession with an upward trend of 2.8 per cent recorded in the third quarter of 2017. The largest expansion was observed in the manufacturing of motor vehicles, trailers and semi-trailers. Meanwhile, Argentina has overcome a severe decline in economic growth with the country's manufacturing activity recording a growth of 4.4 per cent – its best performance over

the last six years. Looking at other countries in the region, Mexico's manufacturing production retained a positive increase of nearly 3.5 per cent, Chile recorded a moderate upturn of 1.5 per cent, while manufacturing output in Peru and Ecuador decreased in comparison to the same period of 2016.
An impressive growth rate was observed in Asia and the Pacific region. Viet Nam, one of Asia's fast growing economies, continued to attract sizeable foreign direct investment in-ows. Its manufacturing sector was supported by strong demand for electronics and retained a solid pace in the third quarter, expanding by 12.8 per cent. However, the long-term trajectory of double-digit year-to-year growth in manufacturing was interrupted at the beginning of 2017 due to weakened exports. A positive development in growth was also observed in Indonesia, where manufacturing production accelerated and registered a 5.5 per cent gain in the third quarter of 2017. Similarly, the slowed performance of India's manufacturing sector in the last quarter improved slightly, with a moderate 2.2 per cent increase. In Thailand, manufacturing output rose by 4.2 per cent, which was mainly supported by a higher output of the automotive industry. As regards the manufacturing output of other economies from the region, Pakistan and Mongolia performed well, but the Philippines and Jordan's manufacturing sector contracted in a year-by-year comparison.
Among Africa's economies, South Africa, the region's most industrialized country, has been performing below its potential since the final quarter of 2016 and has entered a recession. Following three quarters of depressed manufacturing production in a row, South Africa's manufacturing sector showed marginal positive growth in the third quarter of 2017. However, its current growth is still too weak to project whether the recession will be overcome by the end of the year. Similarly, Tunisia's manufacturing output rose by 2.4 per cent following a period of contraction. A positive growth rate was also registered in Egypt and Morocco, while Senegal and Nigeria's manufacturing output fell compared to the same period of the previous year. However, it should be noted that estimates for Africa are based on limited data, revealing high instability and volatility.

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

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

INDIAN MANUFACTURING SECTOR

Introduction

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

Market Size

The Gross Value Added (GVA) at basic constant (2011-12) prices from the manufacturing sector in India grew 7.9 per cent year-on-year in 2016-17, as per the 2nd provisional estimate of annual national income published by the Government of India. Under the Make in India initiative, the Government of India aims to increase the share of the manufacturing sector to the gross domestic product (GDP) to 25 per cent by 2022, from 16 per cent, and to create 100 million new jobs by 2022. Business conditions in the Indian manufacturing sector continue to remain positive.

Government Initiatives

In a bid to push the 'Make in India' initiative to the global level, Mr Narendra Modi, Prime Minister of India, pitched India as a manufacturing destination at the World International Fair in Germany's Hannover in 2015. Mr Modi showcased India as a business friendly destination to attract foreign businesses to invest and manufacture in the country.

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

- The Government of India has introduced several policy measures in the Union Budget 2017-18 to provide impetus to the manufacturing sector. Some of which include reduction of income tax rate to 25 per cent for MSME companies having turnover up to Rs 50 crore (US$ 7.5 million), MAT credit carry forward extended to 15 years from 10 years and abolishment of Foreign Investment Promotion Board (FIPB) by 2017-18.
- The Government of India has launched a phased manufacturing programme (PMP) aimed at adding more smartphone components under the Make in India initiative thereby giving a push to the domestic manufacturing of mobile handsets.
- The Ministry of Heavy Industries and Public Enterprises, Government of India, has approved the setting up of four Centres of Excellence (CoE) in areas of textile machinery, machine tools, welding technology and smart pumps, which will help raise the technology depth of the Indian Capital Goods Industry.
- The Union Cabinet has approved the Modified Special Incentive Package Scheme (M-SIPS) in which, proposals will be accepted till December 2018 or up to an incentive commitment limit of Rs 10,000 crore (US$ 1.5 billion).
- The Government of India has removed the 12.5 per cent excise duty and 4 per cent special additional duty (SAD) on the manufacturing of point-of-sale (PoS) machines till March 31, 2017, which is expected to give a boost to the cashless economy as more PoS machines will be deployed in the future.
- Ms Nirmala Sitharaman, Minister of State (Independent Charge) for Commerce and Industry, has launched the Technology Acquisition and Development Fund (TADF) under the National Manufacturing Policy (NMP) to facilitate acquisition of Clean, Green and Energy Efficient Technologies, by Micro, Small & Medium Enterprises (MSMEs).
- The Government of Uttar Pradesh has secured investment deals valued at Rs 5,000 crore (US$ 741.2 million) for setting up mobile manufacturing units in the state.
- Government of India has planned to invest US$ 10 billion in two semiconductor plants in order to facilitate electronics manufacturing in the country.

Road Ahead

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

The implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of US$ 2 trillion along with a population of 1.2 billion people, which will be a big draw for investors.

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

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

(Source: Indian Manufacturing Industry Analysis - India Brand Equity Foundation - www.ibef.)

ADVANTAGE OF CHEMICAL INDUSTRY IN INDIA

ROBUST DEMAND

A large population, dependence on agriculture & strong export demand are the key growth drivers for the chemicals industry. Per-capita consumption of chemicals in India is lower relative to Western peers & there exists a large latent demand.

INCREASING INVESTMENTS

Lured by the size & returns of the Indian market, foreign firms have strengthened their presence in India. From April 2000 to December 2016, total FDI inflows into the Indian chemicals industry (excluding fertilisers) were USD12.68 billion.

ATTRACTIVE OPPORTUNITIES

Polymers & agrochemicals industries in India present immense growth opportunities. In FY15, India's construction chemical market was valued at USD589.58 million, thereby representing ample growth opportunity in chemical sector. In 2016, polymer production in India was recorded at around 9 million tons.

POLICY SUPPORT

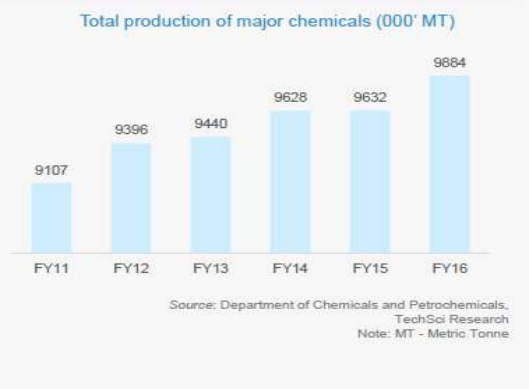
In 2015, CII launched 2nd phase of "Chemistry Everywhere" campaign to boost the growth of Chemical industry in India. 100 per cent FDI is permissible in the Indian chemicals sector; manufacturing of most chemical Products is de-licensed. Setting up of PCPIRs. The Government of India has launched the National Chemical Policy, which aims to increase the share of chemical sector in the country's GDP.

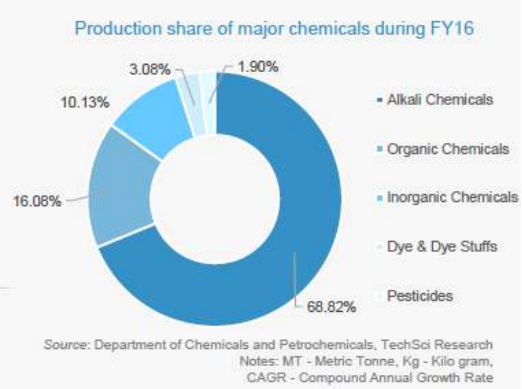
(Source: Indian Chemical Industry Analysis - India Brand Equity Foundation - www.ibef.).

DOMESTIC AND EXTERNAL DEMAND DRIVING GROWTH IN THE SECTOR

·Total chemical production in India was 9632 MT in FY15 & reached to 9884 MT in FY16. The growth of 2.61 per cent was registered from FY15 to FY16

·Favourable demographics & strong economic growth are driving demand for chemicals.





(Source: Indian Chemical Industry Analysis - India Brand Equity Foundation - www.ibef.

·External demand & specialty chemicals have also contributed strongly to the growth of the industry

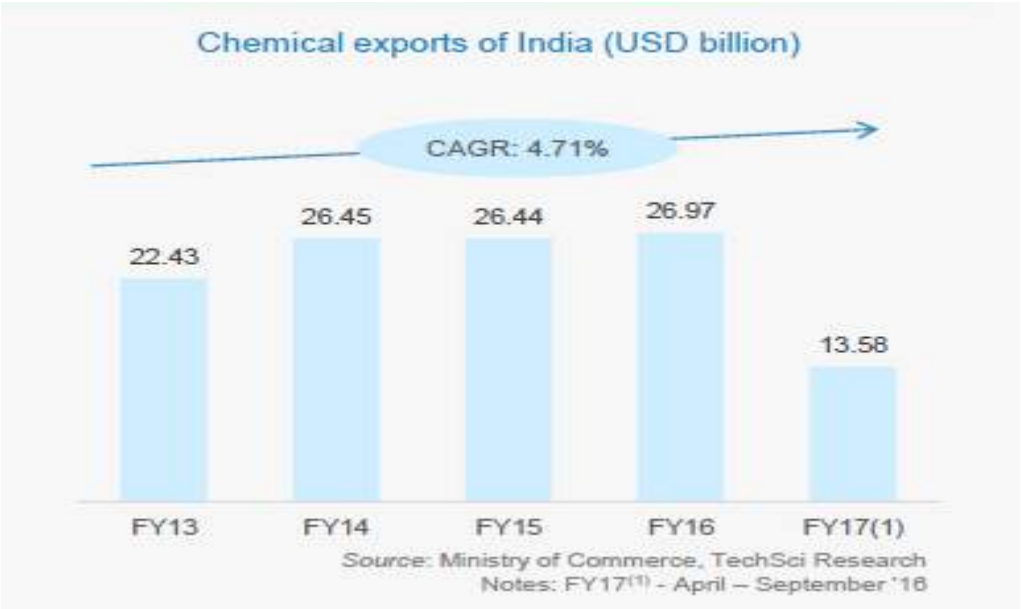
·India's growing per capita consumption & demand for agriculture-related chemicals offers huge scope of growth for the sector in the future.

·With almost 69 per cent share in the total production, alkali chemicals accounted for the largest share in Indian chemical industry in FY16. During FY16, production of alkali chemicals in India stood at 9884 MT.

·In March 2017, ONGC Petro additions Ltd (OPaL) petrochemicals complex, located at Dahej, Gujarat, became operational. Being a single largest petrochemical plant in India, it has a capacity toproduce 14 lakh metric tonnes of polymers, high density polyethylene (HDPE), linear low density polyethylene (LLDPE), polypropylene (PP) & 5 lakh metric tonnes of chemicals like pyrolysis gasoline, benzene & butadiene annually.

(Source: Indian Chemical Industry Analysis - India Brand Equity Foundation - www.ibef.).

EXPORTS HAVE BEEN RISING OVER THE YEARS



(Source: Indian Chemical Industry Analysis - India Brand Equity Foundation - www.ibefDate: April 2017.)

·Chemical exports from India stood at USD13.58 billion for FY17(1).

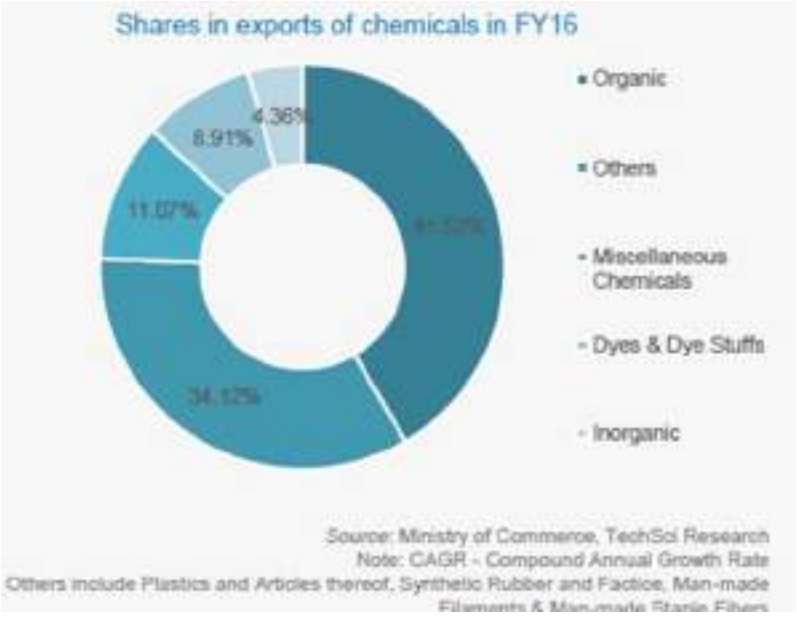
·Exports in the chemical industry grew from USD22.43 billion in FY13 to USD26.97 billion in FY16, registering a growth of 4.71 per cent.

(Source: Indian Chemical Industry Analysis - India Brand Equity Foundation - www.ibef.).

ORGANIC CHEMICALS DOMINATE BOTH EXPORTS AND IMPORTS

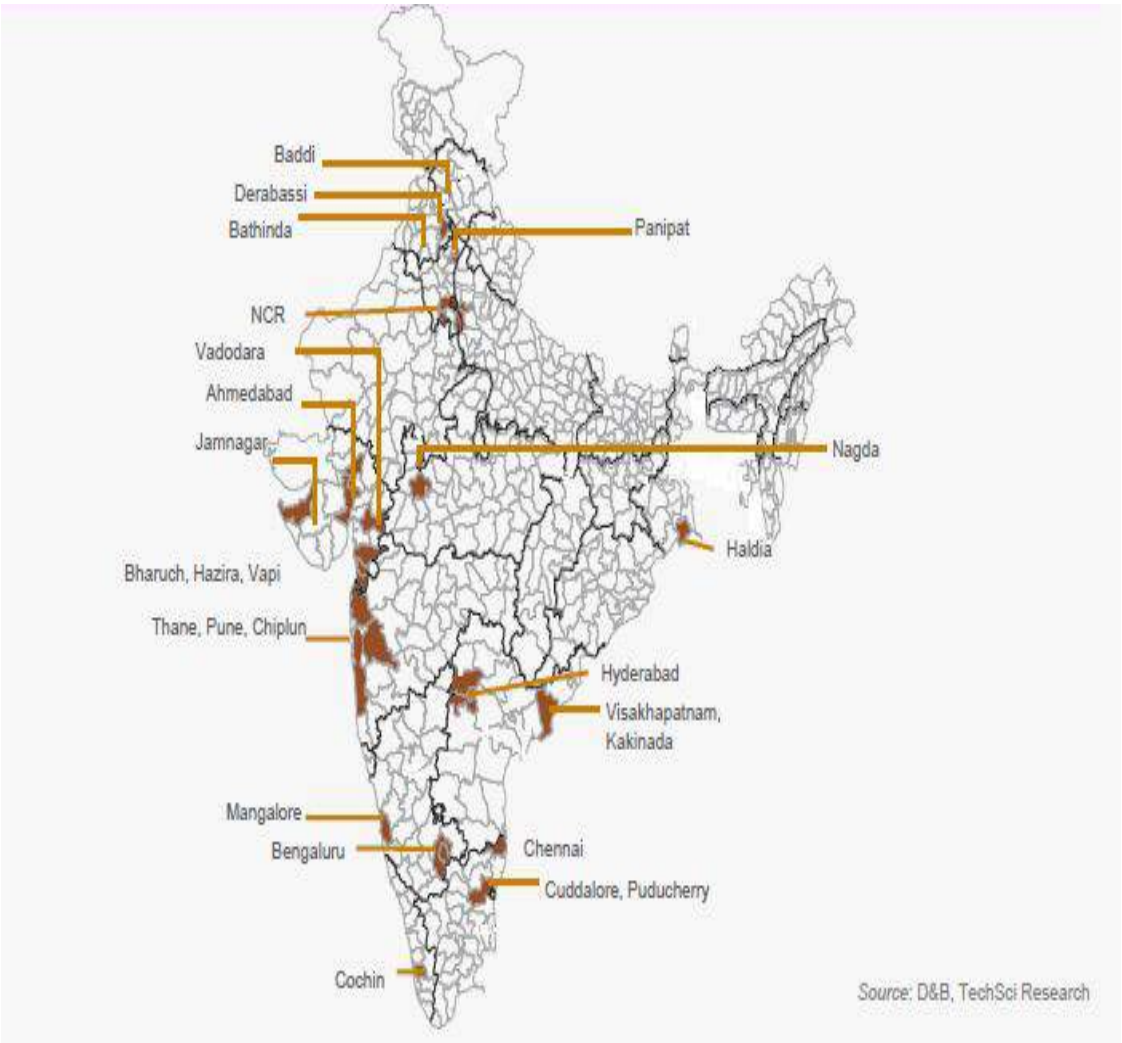
·During FY16, organic chemicals accounted for a share of 41.53 per cent in India's total chemical exports, followed by miscellaneous chemicals which accounted for a share of 11.07 per cent, in overall chemical exports from India.

·Within agrochemicals herbicide is the largest segment globally, however, consumption of insecticides in India is dominating. Growth of agro chemicals is largely driven by export demand.



(Source: Indian Chemical Industry Analysis - India Brand Equity Foundation - www.ibef.).

WIDESPREAD CHEMICAL INDUSTRY INFRASTRUCTURE ACROSS INDIA



(Source: Indian Chemical Industry Analysis - India Brand Equity Foundation - www.ibef.).

GROWTH, COMPETITIVENESS AND PROCESS INITIATIVES

The government has announced a number of measures to improve competitiveness in the sector Share of manufacturing approved by the Cabinet as per the erstwhile Planning Commission would contribute 25 per cent of the GDP by 2025. Approval is granted for FDI up to 100 per cent in the chemicals sector, excise duty reduced from 14 per cent to 10per cent, strong laws on anti-dumping to further promote the industry. Cumulative FDI inflows into chemical industry reached USD12, 683.24 million during April 2000-December 2016 Policies that have been initiated to set up integrated Petroleum, Chemicals & Petrochemicals Investment Regions (PCPIR) are revised by the end of 2015-2016.

The land requirement for a PCPIR would go down from 250 square kilometres to 50 square kilometres. The capital and technology intensive projects under PCPIR that are likely to be operational within 10-15 years are estimated to draw an investment of USD116.54 billion. For setting up of PCPIRs, the government approved states including Odisha (Paradip), Gujarat (Dahej), Tamil Nadu (Cuddalore-Nagapattinam) & Andhra Pradesh (Vishakhapatnam Kakinada).

INDUSTRY-LEVEL INITIATIVES

• The Indian Chemical Council (ICC) is the nodal agency/signatory representing India under the 'Responsible Care Initiative'

• ICC has prepared codes and guidance for implementation of process safety, employee health and safety, pollution prevention, emergency response, and product safety.

• Member companies of ICC are encouraged to interact with local communities and groups such as students, teachers, fire/police personnel**.**

FIRM-LEVEL INITIATIVES

• Indian chemical firms have strived to increase their market share through global presence.

• They have in place technical agreements with multinational firms to keep abreast of technological

Progress in the global chemical industry.

SUMMARY OF OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and Uncertainties. You should read the chapter titled "Forward-Looking Statements" beginning on page 18 of this Red Herring Prospectus, for a discussion of the risks and uncertainties related to those statements and also the section "Risk Factors" for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.

The financial information used in this section, unless otherwise stated, is derived from our Financial Information, as restated prepared in accordance with Indian GAAP, Companies Act and SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Red Herring Prospectus, including the information contained in the sections titled "Risk Factors" and "Financial Information" beginning on pages 19 and 173, respectively.

OVERVIEW

Our Company was originally constituted as a partnership firm by the name of 'Mahak Dye Chem Industries' on June 21, 1994. Consequently, it was converted to public limited company pursuant to special resolution passed at an Extra-ordinary General Meeting held on September 05, 2017 and the name was changed to Mahickra Chemicals Limited and a fresh Certificate of Incorporation consequent upon Conversion Public Limited dated November 13, 2017 was issued by Central Registration Centre, Manesar. The Corporate Identification Number of our Company is U24304GJ2017PLC099781. The registered office of our company is situated at Plot No. 1209, Phase 3, GIDC Vatva, Ahmedabad – 382445, Gujarat, India.

Our Company is in the business of manufacturing of Reactive Dyes since year 1998, while the business of trading in Reactive Dyes was started in year 1994. The Company manufactures Reactive Dyes also known as Synthetic Organic Dyes (S.O.Dyes) and has an integrated process. The company specialises in Black Reactive Dyes. Our company manufactures 40 various types of Reactive Dyes. The product of the company caters to textiles & garments manufacturers. The company also offer specialty performance chemicals to the Textile Dyeing and printing industry. The company has a production capacity of approx. 900 tons per annum. The manufacturing facility of the company is situated at Vatva GIDC in Gujarat. The facility is spread over 2 storeyed 700 sq. meters in area. The company is an ISO 9001:2015, ISO 14001:2015 and GOTS certified company certifying the quality of the product our company manufactures.

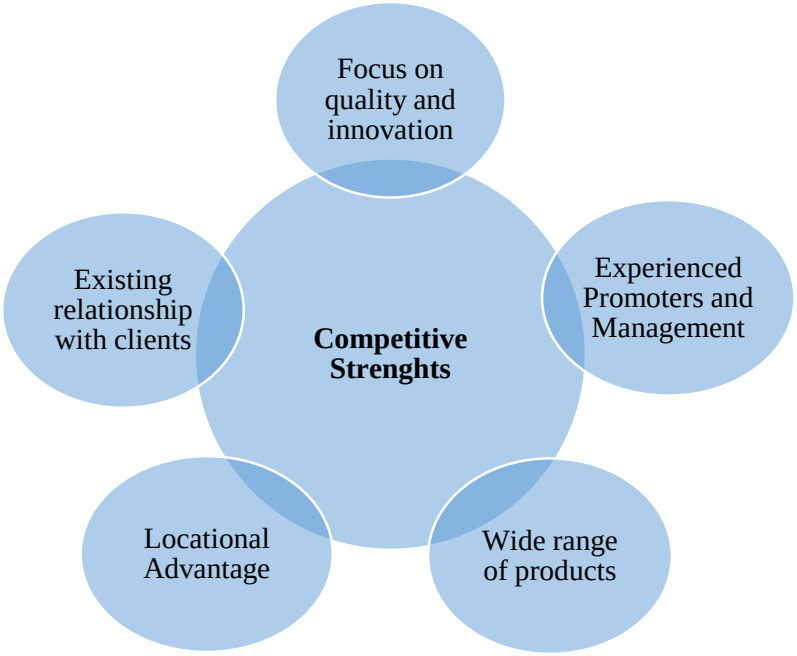
Our Company is promoted and managed by Mr. Miteshkumar Champaklal Gandhi, Mr. Ashishkumar Champaklal Gandhi and Mrs. Komal Mitesh Gandhi. Our promoters are actively and fully involved in the day-to-day affairs of our company's operations. The experience of our company's management is reflected in company's performance where Revenue has grown from Rs. 1,932.93 Lakhs in F.Y. 2012-13 to Rs. 4,225.93 Lakhs in F.Y. 2016-17 and Profit before Tax has grown from Rs. 11.91 Lakhs to Rs. 51.26 Lakhs in the same period. Under the leadership of the promoters, our company have seen remarkable growth both in operations and financial performance.

OUR MAJOR PRODUCTS

S. No.	Product	Image	Description

1.	**Black Reactive Dyes**		Reactive dyes are a class of highly coloured organic substances, primarily used for tinting textiles that attach themselves to their substrates by a chemical reaction that forms a covalent bond between the molecule of dye and fibre. The dyestuff thus becomes a part of the fibre and is much less likely to be removed by washing.

OUR COMPETITIVE STRENGTHS



1. **Focus on quality and innovation**
   We believe our strength and success factor has been our constant focus on quality and innovation. To keep sailing on it, we stress on and constantly strive to improve the quality of our products. We have a dedicated R&D team which constantly works for waste effluent management, improving the quality and the likes. Our technically qualified team ensures that we procure raw materials only from quality suppliers. To ensure high quality production, we test samples from every lot of raw material in our laboratory and only after meeting the quality criteria, it is further used for production. Further, each of our finished products is checked with respect to quality, and only after meeting the quality standards, products are considered for packaging. We have produced a wide range of colours and their combinations meeting wide range of customers' demands.

2. **Experienced Promoters and Management**
   We have an experienced management team including our promoters who have more than 2 decade of experience in dye industry. Our Company is led by our promoter, Mr.Mitesh Gandhi and Mr. Ashish Gandhi who has strong experience and knowledge of the industry. His vision and values have been the foundation of our growth story. We understand quality forms an important aspect in dye industry and hence we have established a strong technical team to ensure quality output. It is through the constant vision and experience of our management team including the promoters, we have been able to build a sustainable business model

and created a strong market reach. We have employed people in different areas of work who have required technical competence and qualifications. We strongly believe that the success of our organization lies in the efforts of our human resources.

3. **Wide range of products**

   Beside manufacturing of numerous types of Black Reactive Dyes products, Our Company has large number of products and offers an entire range of specialty chemicals used in Textiles & Garments Processing namely the Pre-treatment, Printing, Dyeing and Finishing Process. We also offer specialty performance chemicals to the Leather& Agrochemicals industry. We are also trading in some other products for comfort of our Buyers. Those products include Food Colours, Pigment Powder, Paste Acids and Direct Dyes.

4. **Locational Advantage**

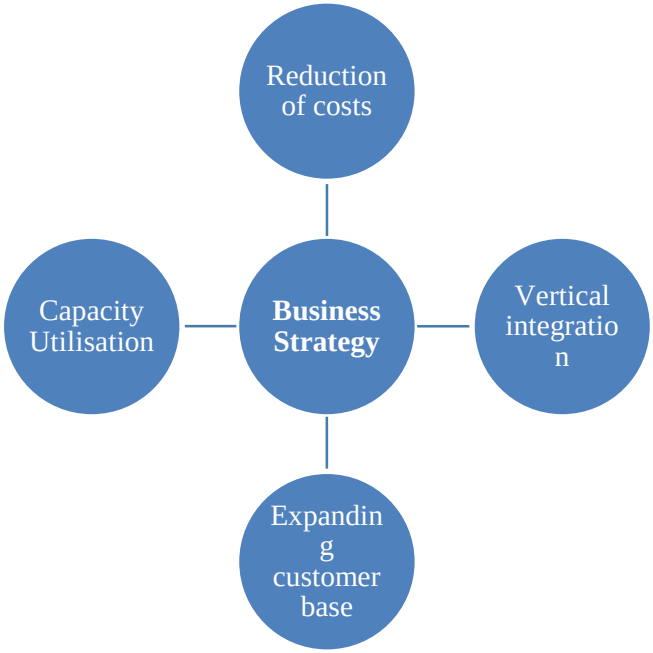
   Reducing cost of production is something which our company has been focussing on since its inception. Procuring raw material at a competitive price effects our financial position quite substantially. We procure more than 30 kind of raw materials which are used in our manufacturing process and they are procured mostly from domestic players having their facility/warehouses in close proximity to our manufacturing facility hence reducing the cost of transportation substantially without compromising on the quality of the raw material procured. It also ensures us a continuous supply of raw materials.

5. **Well established relationship with clients**

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

BUSINESS STRATEGY

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



1. **Reduction of costs**

Our company acknowledges the fact that having a manufacturing facility which will enable manufacture dye intermediates is an effective way of reducing costs substantially. Till date, we have been procuring raw materials and intermediates from third parties. However, our management will be devising a plan of intermediates manufacturing by which we can reduce our cost significantly. This will not only reduce the cost of production but also reduce the dependency on third party suppliers.

2. **Vertical integration of production process**

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

3. **Expanding customer base**

Dye manufacturing is done only in India, China and Indonesia.But most of the global demand is met by India and China, hence the market for us is huge. The company's product is currently marketed majorly in Middle East region. The strategy going forward is to cater the market of other international locations, viz., Vietnam,Mexico,Brazil,Africa, USA and Europe The demand for dye is ever increasing even in India where catering to newer customer will be comparatively an easier task.

4. **Capacity Utilisation**

Our company is currently operating at around 80% of its capacity. With the strong relationship we possess with our customers, marketing our product can be done without much effort. Since, the market with the buyer is readily available, we intend to ramp up our production to boost the revenue. As mentioned in the "Objects of the issue" in Page 90 of RHP, we would be increasing our production capacity from current 900 MT per annum to 1,500 MT per annum which will enable us to enter into new phase of growth

SWOT Analysis

Strengths:

1. Locational Advantage – The manufacturing facility of our company is located at Vatra GIDC, Gujarat which is very close from Mundra Port allowing easy export to major markets. Raw material procurement are mostly done from players within Gujarat which are in near proximity to the manufacturing facility. This reduces our costs significantly.

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

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

Weakness:

1. Presence in one type of colour – Although the company is producing variety of color shades in Reactive Black dyes, we are present only in 1 color, i.e., Black. This restricts us to cater wider category of customers. However, going forward our company would intend to expand its portfolio to multi-colors.

2. Dependent on third party suppliers – Our company procures Dye intermediates from third party producers. It does not have its own manufacturing facility for producing intermediates and hence is largely dependent on third parties. In the past, company has faced cost issues owing to higher prices of intermediates charged by them, we are prone to such threats by them. However, the relationship and the volume of business we generate for them somehow mitigates this weakness of us.

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

Opportunities:

1. Decreasing competition from China –Dye industry has only 2 major players across the globe, India and China. With increasing environmental norms and strict government regulations w.r.t operting a chemical industry, the competition which was being faced by China is slowly eroding. There have been many shutdowns in China posirtively impacting the dye industry in India which has also witnessed growth in Dye prices. There have been a rapid increase in labour cost of late which has given the India a competitive advantage over China. With decrease in total supply, dye manufacturers have huge opportunity both in terms of volume and value.

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

3. Debt-led growth –Our company has a very low level of debt at around Rs. 1 crore for the month ended November, 2017. With such low debts in the books, it gives the company a cushion by which they can use prudent level of debt to foster a new growth phase in future. Our company has been continuously paying off its debt with a view to avoid high finance cost and has kept its financial position healthier.

Threats:

1. Increasing competition – Dye industry is highly competitive which faces competition from both organised and unorganised player. Our company faces tough competition from them in terms of pricing and customer base.Also, there are always the chances of new players entering this sector since barriers to entry are low. Further, there is contingency on how long benefit accruing due to China may be enjoyed. There may be turnaround in China's dye industry which possess huge threat to Indian market. However, our company has been successful enough to compete with them with increasing market share.

2. Regulatory risks – Our company deals in hazardous chemicals. H-acid, one of the products that is used in dye manufacturing is amongst the most polluting industrial effluent. It is toxic and non-biodegradable. Hence here there is huge amount of compliance risk wherein it is obvious to state that if the Company fails to comply with Environmental Laws and Regulations, the results of operations will be adversely affected. However, this can be handled with proper treatment plant in factory and Common Treatment plant

SUMMARY OF FINANCIAL STATEMENTS

Annexure-I

Restated Statements of Assets & Liabilities

(Rs. In Lakhs)

Particulars	As at Dec 31, 2017	As at Nov 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
I. EQUITY AND LIABILITIES							
1. Shareholders' funds							
(a) Share capital	496.75	367.70	237.37	155.32	153.97	133.35	97.46
(b) Reserves and surplus	162.62	-	-	-	-	-	-
Sub-Total	**659.37**	**367.70**	**237.37**	**155.32**	**153.97**	**133.35**	**97.46**
2. Share application money pending allotment	-	-	-	-	-	-	-
Sub-Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**
3. Non-current liabilities							
(a) Long-term borrowings	55.81	100.20	164.88	89.37	75.38	69.66	98.77
(b) Deferred tax liabilities (Net)	-	-	-	-	-	-	-
(c) Other long term liabilities	-	-	-	-	-	-	-
(d) Long-term provisions	10.42	7.41	6.82	6.27	5.92	5.38	6.05
Sub-Total	**66.23**	**107.61**	**171.70**	**95.64**	**81.30**	**75.04**	**104.82**
4. Current liabilities							
(a) Short-term borrowings	604.28	550.75	498.78	506.83	465.44	397.50	174.54
(b) Trade payables	1221.25	1240.34	1,208.18	899.50	998.63	1334.00	555.29
(c) Other current liabilities	453.03	438.17	439.27	156.71	76.23	144.52	125.32
(d) Short-term provisions	23.86	16.67	6.94	3.89	6.37	5.09	6.52
Sub-Total	**2302.42**	**2245.92**	**2153.17**	**1566.93**	**1546.66**	**1881.11**	**861.68**
TOTAL	**3028.02**	**2721.23**	**2562.24**	**1817.89**	**1781.93**	**2089.50**	**1063.96**
II. ASSETS							
1. Non-current assets							
(a) (i) Fixed assets	67.41	68.53	66.90	71.26	75.48	71.59	72.16
(ii) Fixed assets under development	-	-	-	-	-	-	-
(b) Non-current investments	-	-	-	-	-	-	-
(c) Deferred tax assets (net)	3.93	2.90	2.84	1.98	0.88	1.74	2.01
(d) Long-term loans and advances	10.74	10.74	10.74	10.74	12.07	11.89	11.54
Sub-Total	**82.08**	**82.17**	**80.48**	**83.98**	**88.43**	**85.23**	**85.71**
2. Current assets							
(a) Current investments	-	-	-	-	-	-	-
(b) Inventories	683.76	568.79	945.19	738.00	595.86	606.24	252.05

(c) Trade receivables	1436.42	1584.27	1180.01	753.01	867.98	1150.13	616.48
(d) Cash and cash equivalents	347.76	12.53	88.22	70.13	77.56	0.28	0.69
(e) Short-term loans and advances	476.65	472.99	268.34	171.97	149.14	246.81	104.78
(f) Other current assets	1.35	0.48	-	0.80	2.96	0.80	4.24
Sub-Total	**2945.94**	**2639.06**	**2481.76**	**1733.91**	**1693.50**	**2004.27**	**978.24**
TOTAL	**3028.02**	**2721.23**	**2562.24**	**1817.89**	**1781.93**	**2089.50**	**1063.95**

Annexure-II

Restated Statement of Profit and Losses

(Rs. In Lakhs)

Particulars	For the periods 13.11.17 to 31.12.17	For the periods 01.04.17 to 12.11.17	For the FY 2016-17	For the FY 2015-16	For the FY 2014-15	For the FY 2013-14	For the FY 2012-13
I. Revenue from operations	426.08	3,601.21	4136.68	3403.52	4222.62	4314.12	1923.78
II.Other income	8.01	54.39	89.18	75.30	52.53	41.87	9.16
III. Total (I + II)	**434.09**	**3655.59**	**4225.85**	**3478.82**	**4275.15**	**4355.99**	**1932.94**
Total Revenue	**434.09**	**3655.59**	**4225.85**	**3478.82**	**4275.15**	**4355.99**	**1932.94**
IV. Expenses:							
Cost of materials consumed	507.99	3,436.08	3740.47	3284.36	3970.80	4210.79	1753.74
Increase / (Decrease) in Inventories	(114.97)	(96.14)	159.42	(83.54)	23.54	(104.94)	4.18
Employee Benefit Expense	9.57	17.32	28.82	26.85	26.30	25.39	20.68
Financial Costs	11.81	47.66	62.95	61.90	74.46	46.72	41.88
Depreciation & Amortization Expense	1.52	6.81	12.90	13.73	14.77	10.61	11.10
Other Administration Expenses	14.75	190.33	170.03	152.20	149.39	142.15	89.44
Total expenses	**430.67**	**3602.06**	**4174.59**	**3455.50**	**4259.25**	**4330.72**	**1921.02**
V. Profit before exceptional and extraordinary items and tax (III-IV)	**3.42**	**53.53**	**51.26**	**23.32**	**15.90**	**25.28**	**11.91**
VI. Exceptional items	-	-	-	-	-	-	-
VII. Profit before extraordinary items and tax (V - VI)	**3.42**	**53.53**	**51.26**	**23.32**	**15.90**	**25.28**	**11.91**
VIII. Extraordinary Items-	-	-	-	-	-	-	-
IX. Profit before tax (VII-VIII)	**3.42**	**53.53**	**51.26**	**23.32**	**15.90**	**25.28**	**11.91**
X. Tax expense:							
(1) Current tax	2.09	20.11	16.86	9.24	6.44	7.65	4.62
(2) Deferred tax	(1.03)	(0.06)	(0.86)	(1.10)	0.86	0.27	(2.01)
(3) Current tax expense relating to prior years	-	-	-	-	-	-	-
XI. Profit (Loss) for the period from continuing operations (VII-VIII)	**2.36**	**33.48**	**35.27**	**15.17**	**8.60**	**17.36**	**9.31**
XII. Profit/(loss) from discontinuing operations	-	-	-	-	-	-	-
XIII. Tax expense of discontinuing operations	-	-	-	-	-	-	-

XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)	-	-	-	-	-	-	-
XV. Profit (Loss) for the period (XI + XIV)	**2.36**	**33.48**	**35.27**	**15.17**	**8.60**	**17.36**	**9.31**
XVI. Earnings per equity share:							
(1) Basic	0.07	1.01	1.07	0.46	0.26	0.53	0.28
(2) Diluted	0.07	1.01	1.07	0.46	0.26	0.53	0.28

Annexure-III

Restated Statement of Cash Flow

(Rs. In Lakhs)

Particulars	As at December 31, 2017	As at November 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
CASH FLOW FROM OPERATING ACTIVITIES							
Restated Net profit Before Tax and Extraordinary Items	3.42	53.53	51.26	23.32	15.90	25.29	11.91
Adjustments For:							
Depreciation	1.52	6.81	12.90	13.73	14.77	10.61	11.10
Interest Received	-	(0.23)	(0.76)	(1.05)	(1.06)	(1.19)	(0.96)
Provision for Gratuity Expenses	3.09	0.43	0.60	0.41	0.55	(0.68)	2.62
Net (gain) / loss on Foreign Exchanges	(2.04)	(3.99)	(11.82)	(23.37)	(17.17)	(22.08)	(2.42)
Interest and Finance Charges	11.81	47.66	62.95	61.90	74.46	46.72	41.88
Operating Profit before working capital changes	**17.80**	**104.21**	**115.12**	**74.94**	**87.44**	**58.66**	**64.14**
Adjustment For:							
Decrease/(Increase) in Inventories	(114.97)	376.40	(207.19)	(142.14)	10.38	(354.18)	(6.08)
Decrease/(Increase) in Trade receivables	147.85	(404.26)	(427.00)	114.97	282.15	(533.65)	(367.17)
Decrease/(Increase) in Short-term loans and advances	(3.65)	(204.65)	(96.38)	(22.82)	97.67	(142.04)	6.91
Decrease/(Increase) in Long Term Loans and Advances	-	-	-	1.33	(0.18)	(0.35)	(11.54)
Decrease/(Increase) in other current assets	(0.87)	(0.48)	0.80	2.16	(2.16)	3.44	(4.24)
(Decrease)/Increase in Trade Payables	(19.08)	32.16	308.68	(99.13)	(335.37)	778.70	205.17
(Decrease)/Increase in Other Current Liabilities	14.86	(1.10)	282.56	80.48	(68.29)	19.20	125.32
(Decrease)/Increase in Other long term Liabilities	-	-	-	-	-	-	-
(Decrease)/Increase in long Term Provisions	3.01	0.59	0.55	0.35	0.54	(0.67)	6.05
(Decrease)/Increase in Short Term Provisions	5.09	20.37	14.55	5.03	6.19	8.33	4.70
Cash Generated from Operations	**50.04**	**(76.76)**	**(8.30)**	**15.17**	**78.37**	**(162.57)**	**23.27**
Taxes Paid	-	(10.65)	(11.50)	(7.50)	(4.91)	(9.77)	(2.22)

Net Cash From /(Used In) Operating Activities (A)	**50.04**	**(87.41)**	**(19.80)**	**7.67**	**73.46**	**(172.34)**	**21.05**
Cash Flow From Investing Activities							
(Purchase) / Sale of Fixed Assets/ Capital Work In Progress	(0.39)	(8.44)	(8.54)	(9.51)	(18.65)	(10.04)	(0.84)
Interest Received	-	0.23	0.76	1.05	1.06	1.19	0.96
Net Cash From /(Used In) Investing Activities (B)	**(0.39)**	**(8.21)**	**(7.77)**	**(8.46)**	**(17.59)**	**(8.85)**	**0.12**
Cash Flow From Financing Activities							
Interest and Finance Charges	(11.81)	(47.66)	(62.95)	(61.90)	(74.46)	(46.72)	(41.88)
(Decrease)/Increase in Short Term Borrowing	53.54	51.97	(8.05)	41.39	67.94	222.97	174.54
(Decrease)/Increase in Long Term Borrowing	(44.39)	(64.68)	75.51	13.99	5.72	(29.11)	(143.51)
Changes in Capital / Proceeds from Issue / Adjustment in capital	286.22	76.32	29.33	(23.47)	5.03	11.56	(12.86)
Net gain / loss on Foreign Exchanges	2.04	3.99	11.82	23.37	17.17	22.08	2.42
Net Cash From Financing Activities (c)	285.59	19.94	45.66	(6.63)	21.40	180.78	(21.30)
Net Increase / (Decrease) in Cash (A)+(B)+(C)	335.24	(75.69)	18.09	(7.42)	77.27	(0.41)	(0.13)
Cash and Cash equivalents at the beginning of the year	12.53	88.22	70.13	77.56	0.28	0.69	0.82
Cash and Cash equivalents at the end of the year	**347.76**	**12.53**	**88.22**	**70.13**	**77.56**	**0.28**	**0.69**

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

(II) Figures in Brackets represent outflows.

(III) The above statement should be read with the restated statement of profit and loss, cash flow statements, significant accounting policies and notes to restated summary statements as appearing in Annexure I, II and III respectively.

THE ISSUE

The following table summarizes the Issue details:

Particulars	Details of Equity Shares
Issue of Equity Shares by our Company	Upto 21,00,000* Equity Shares of face value of Rs.10 each fully paid of the Company for cash at price of Rs. [•] per Equity Share aggregating Rs. [•] lakhs
Of which:	
Market Maker Reservation Portion	Upto 1,08,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. [•] per Equity Share aggregating Rs. [•] lakhs
Net Issue to the Public**	Upto 19,92,000 Equity Shares of face value of Rs.10 each fully paid of the Company for cash at price of Rs. [•] per Equity Share aggregating Rs.[•] lakhs
	Of which:
	Upto 9,96,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs.[•] per Equity Share aggregating Rs.[•] lakhs will be available for allocation to investors up to Rs. 2.00 Lakhs
	Upto 9,96,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. [•] per Equity Share aggregating Rs. [•] lakhs will be available for allocation to investors above Rs. 2.00 Lakhs
Pre and Post Issue Equity Shares	
Equity Shares outstanding prior to the Issue	51,34,160 Equity Shares of face value of Rs. 10 each
Equity Shares outstanding after the Issue	Upto 72,34,160 Equity Shares of face value of Rs. 10 each
Use of Proceeds	For further details please refer chapter titled *"Objects of the Issue"* beginning on page 90 of this Red Herring Prospectus for information on use of Issue Proceeds.

**subject to finalization of basis of allotment*

Notes:

The Issue has been authorized by the Board of Directors *vide* a resolution passed at its meeting held on January 05, 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 January 30, 2018.

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time.

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

a) Minimum fifty percent to retail individual investors; and

b) Remaining to

i. Individual applicants other than retail individual investors; and

ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

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

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

For further details please refer to section titled *'Issue Information'* beginning on page 217 of this Red Herring Prospectus.

Note: Number of shares may need to be adjusted for lot size upon determination of issue price through book built process.

GENERAL INFORMATION

Our Company was originally constituted as a partnership firm having Firm Registration Number GUJAMG16841 in the name and style of 'Mahak Dye Chem Industries' vide a Deed of Partnership entered as on June 21, 1994.Subsequently, it was converted into a public limited company pursuant to partners special resolution passed at its Extra-ordinary General Meeting of our firm held on September 5, 2017 and the name of our firm was changed to '*Mahickra Chemicals Limited'* vide a fresh Certificate of Incorporation consequent upon conversion dated November 13, 2017. The Corporate Identification Number of our Company is U24304GJ2017PLC099781.

Mitesh Champaklal Gandhi, Ashishkumar Champaklal Gandhi, Komal Mitesh Gandhi, Anitaben Ashishbhai Gandhi, Champaklal Kachralal Gandhi, Jayantilal Sakarchand Shah and Pravin Popatbhai Patel were the initial subscribers to the MoA of the Company.

For details of Business, Incorporation and other details of our company, please refer to chapter titled "*Our Business", "Our History and Certain Other Corporate Matters"* beginning on page 122 and 145 of this Red Herring Prospectus.

REGISTERED OFFICE AND MANUFACTURING UNIT OF OUR COMPANY

Mahickra Chemicals Limited
Plot No. 1209, Phase- 3, GIDC Vatva,
Ahmedabad, Gujarat- 382445, India
Tel: 079-25890811/25832692
Fax: NA
Email: info@mahickra.com
Website: www.mahickra.com
Corporate Identification Number: U24304GJ2017PLC099781

REGISTRAR OF COMPANIES

Registrar of Companies, Ahmedabad, Gujarat
ROC Bhawan, Opp. Rupal Park Society,
Behind Ankur Bus Stop,
Naranpura, Ahmedabad-380013.

DESIGNATED STOCK EXCHANGE

National stock exchange of India Limited
Exchange Plaza, Plot no. C/1, G Block,
Bandra - Kurla Complex, Bandra (E),
Mumbai - 400 051
Maharashtra, India

BOARD OF DIRECTORS OF OUR COMPANY

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

Sr. No.	Name	Age (In Years)	DIN	Address	Designation
1.	Miteshkumar Champaklal Gandhi	46	02142361	29, Suryoday Bunglows, Nr. Gulab Tower, Sola Road, Thaltej, Ahmedabad 380054 Gujarat, India	Chairman & Managing Director
2.	Ashishkumar Champaklal Gandhi	45	02142344	SF 4th Floor, Sun Castel Complex, Gulab Tower Road, Ghatlodia, Ahmedabad 380061 Gujarat, India	Whole-time Director

Sr. No.	Name	Age (In Years)	DIN	Address	Designation
3.	Komal Mitesh Gandhi	45	02137805	29, Suryoday Bunglows, Nr. Gulab Tower, Sola Road, Thaltej, Ahmedabad 380054 Gujarat, India	Whole -time Director
4.	Vrusha Patel	22	07772669	E-20,Vaibhav Appartment, Sardar Chowk, Opp. Maniba School, Krishnanagar, Ahmedabad 382345 Gujarat, India	Independent Director
5.	Akhil Sarabhai Shah	61	08026138	12, New Ashish Flats Paldi, Ellisbridge Ahmedabad 380006 Gujarat, India	Independent Director
6.	Dhanik Jayeshkumar Mehta	26	08028156	C-101, Gaganvihar Flats, Khanpur Ahmedabad 380001 Gujarat, India	Independent Director

For further details of our Directors, please refer to the chapter titled *"Our Management"* beginning on page 148 of this Red Herring Prospectus.

CHIEF FINANCIAL OFFICER

Kinjalben Piyushkumar Vaghasiya
Mahickra Chemicals Limited
Plot No. 1209, Phase 3, GIDC Vatva,
Ahmedabad, Gujarat- 382445, India
Tel: 079-25890811
Fax: NA
Email: cfo@mahickra.com
Website: www.mahickra.com

COMPANY SECRETARY & COMPLIANCE OFFICER

Himali Maheshbhai Thakkar
Mahickra Chemicals Limited
Plot No. 1209, Phase 3, GIDC Vatva,
Ahmedabad, Gujarat- 382445, India
Tel: 079-25890811
Fax: NA
Email: cs@mahickra.com
Website: www.mahickra.com

Investors can contact the Company Secretary and Compliance Officer, the BRLM or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.

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

STATUTORY AUDITOR

S.C. Bohara & Associates
704/5, P.B. Parekh Tower,
Diwan Ballubhai School,
Kankaria, Ahmedabad - 380022
Tel: 079-25471562
Email: cabohras@yahoo.in
Website: NA
Contact Person: Sunil C. Bohara
Firm Registration No: 124182W
Membership No: 103395

PEER REVIEWED AUDITOR

Piyush J. Shah & Co, Chartered Accountant
504, Shikar Building, Nr. Vadilal House,
Netaji Marg, Mithakhali Six Road,
Navrangpura, Ahmedabad – 380009
Tel: 079 40801155/ 40801121
Email: arvind@pjshahca.com
Website: www.pjshahca.com
Contact Person: Arvind S. Vijayvargiya
Firm Registration No: 121172W
Membership No: 165063

Piyush J. Shah & Co., Chartered Accountants holds a peer reviewed certificate dated August 16, 2015 issued by the Institute of Chartered Accountants of India.

BOOK RUNNING LEAD MANAGER

Pantomath Capital Advisors Private Limited
406-408, Keshava Premises, Behind Family Court,
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051, Maharashtra, India
Tel: +91 22 6194 6720
Fax: + 91 22 2659 8690
Email: ipo@pantomathgroup.com
Website: www.pantomathgroup.com
Contact Person: Unmesh Zagade
SEBI Registration No: INM000012110

REGISTRAR TO THE ISSUE

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

LEGAL ADVISOR TO THE ISSUE

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

BANKER TO THE COMPANY

AXIS Bank Ltd.
2nd Floor 3rd Eye One,
C G Road, Ahmedabad – 380009
Gujarat, India
Tel: 079-66147103
Fax: 07966147105
E-mail:manan.bhatt@axisbank.com
Contact Person: Manan Bhatt
Website: www.axisbank.com

PUBLIC ISSUE BANK/ BANKERS TO THE ISSUE AND REFUND BANKER

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

SYNDICATE MEMBER

Pantomath Stock Brokers Private Limited
108, Madhava Premises, Behind Family Court,
Bandra Kurla Complex, Bandra (East), Mumbai 400 051,
Maharashtra, India
Tel: +91 22 42577001
Fax: +91 22 2659 8690
Email: broking@pantomathgroup.com
Contact Person: Mahavir Toshniwal
SEBI Registration Number: INZ000068338

DESIGNATED INTERMEDIARIES

Self Certified Syndicate Banks

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

Registered Brokers

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

Registrar to Issue

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

Collecting Depository Participants

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

CREDIT RATING

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

IPO GRADING

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

APPRAISAL AND MONITORING AGENCY

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

INTER-SE ALLOCATION OF RESPONSIBILITIES

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

EXPERT OPINION

Piyush J. Shah & Co, Chartered Accountants, have provided their written consent for the inclusion of the report on the restated financial statements in the form and context in which it will appear in the Draft Red Herring Prospectus/ Red Herring Prospects and Prospectus and the statement of tax benefits included on page 100, and to be named as an expert in relation hereto, and such consent has not been withdrawn at the time of delivery of this Red Herring Prospectus to Stock Exchange. Except the report of the Peer Reviewed Auditor our Company has not obtained any other expert opinion.

DEBENTURE TRUSTEE

Since this is not a debenture issue, appointment of debenture trustee is not required.

UNDERWRITER

Our Company and Book Running Lead Managers to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated February 16, 2018 and pursuant to the terms of the

underwriting agreement; obligations of the underwriters are subject to certain conditions specified therein. The underwriters have indicated their intention to underwrite following number of specified securities being offered through this Issue.

Name and Address of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten (Rupees in Lakhs)	% of the Total Issue size Underwritten
Pantomath Capital Advisors Private Limited 406-408, Keshava Premises Co-Op Soc. Ltd., Behind Family Court, Bandra Kurla Complex, Bandra East Mumbai 400051 **Tel:** +91 22 61946772 **Fax:** + 91 22 26598690 **Email:** ipo@pantomathgroup.com **Contact Person:** Unmesh Zagade **SEBI Registration Number**: INM000012110	Upto 21,00,000	[•]	100%
Total	**Upto 21,00,000**	[•]	100%

**Includes Upto 1,08,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 106 V (4) of the SEBI (ICDR) Regulations, 2009, as amended.*

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

DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Book Running Lead Manager have entered into an agreement dated February 16, 2018, with the following Market Maker, duly registered with NSE Emerge to fulfil the obligations of Market Making.

Pantomath Stock Brokers Private Limited
108, Madhava Premises, Behind Family Court,
Bandra Kurla Complex, Bandra (East), Mumbai 400 051,
Maharashtra, India
Tel: +91 22 42577001
Fax: +91 22 2659 8690
Email: broking@pantomathgroup.com
Contact Person: Mahavir Toshniwal
SEBI Registration Number: INZ000068338

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

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

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and the buy quote) shall not be more than 10% or as specified by the stock exchange

Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).

2. The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to Issue their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of [•]/- the minimum lot size is [•] Equity Shares thus minimum depth of the quote shall be Rs. [•]/- until the same, would be revised by NSE.

3. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Issue Size (including the 1,08,000 Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduce to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.

4. There shall be no exemption / threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.

5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.

6. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Pantomath Stock Brokers Private Limited is acting as the sole Market Maker.

7. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to Rs. 250 crores, the applicable price bands for the first day shall be:

    i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
    ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.
    iii. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading.

8. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on SME Platform of NSE and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.

9. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily / fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

10. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Book Running 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 Book Running Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period

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

11. NSE SME Exchange will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.

12. NSE 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.

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

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

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

BOOK BUILDING PROCESS

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

- Our Company;
- The Book Running Lead Manager in this case being Pantomath Capital Advisors Private Limited, the Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with NSE and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the BRLM;

- The Registrar to the Issue and;
- The Designated Intermediaries

All Bidders (excluding Anchor Investors) can participate in the Issue only through the ASBA process. Anchor Investors are not permitted to participate through the ASBA process. In accordance with the SEBI Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise or withdraw their Bids prior to the Bid/Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period. Except Allocation to Retail Individual Investors and the Anchor Investors, Allocation in the Issue will be on a proportionate basis We will comply with the SEBI ICDR Regulations and any other ancillary directions issued by SEBI for this Issue. In this regard, we have appointed Pantomath Capital Advisors Private Limited and Indian Overseas Bank as the Book Running Lead Manager, respectively to manage the Issue and procure subscriptions to the Issue.

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

For further details on the method and procedure for Bidding, please see section entitled *"Issue Procedure"* on page 227 of this Red Herring Prospectus.

Illustration of Book Building and Price Discovery Process (Investors should note that this example is solely for illustrative purposes and is not specific to the Issue) Bidders can bid at any price within the price band. For instance, assume a price band of Rs.20.00 to Rs.24.00 per equity share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centres during the bidding period. The illustrative book below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Price (Rs.)	Cumulative Bid Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of shares is the price at which the book cuts off, i.e., Rs. 22.00 in the above example. The issuer, in consultation with the Book Running Lead Manager will finalize the issue price at or below such cut-off price, i.e., at or below Rs.22.00. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

1. Check eligibility for making a Bid (see section titled *"Issue Procedure"* on page 227 of this Red Herring Prospectus);
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
3. Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
4. Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject

to the Depositary Participant's verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims

5. Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form;

BID / ISSUE PROGRAMME

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

Event	**Indicative Date**
Bid/Issue Opening Date	Monday, April 16, 2018
Bid/Issue Closing Date	Wednesday, April 18, 2018
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before Monday, April 23, 2018
Initiation of Refunds	On or before Tuesday, April 24, 2018
Credit of Equity Shares to Demat Accounts of Allottees	On or before Wednesday, April 25, 2018
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Thursday, April 26, 2018

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

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

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

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

CAPITAL STRUCTURE

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

Amount (Rs. in Lakhs except share data)

No.	Particulars	Aggregate nominal value	Aggregate value at Issue Price
A.	**Authorised Share Capital**		
	80,00,000 Equity Shares of face value of Rs. 10/- each	800.00	[•]
B.	**Issued, Subscribed and Paid-Up Share Capital before the Issue**		
	51,34,160 Equity Shares of face value of Rs. 10/- each	513.41	[•]
C.	**Present Issue in terms of this Red Herring Prospectus**		
	Issue of Upto 21,00,000 Equity Shares of face value Rs.10/- each at a price of Rs. [●]/- per Equity Share	Upto 210.00	[•]
	Consisting :		
	Reservation for Market Maker – Upto 1,08,000 Equity Shares of face value of Rs. 10/- each reserved as Market Maker portion at a price of Rs. [●]/- per Equity Share	up to 10.80	[•]
	Net Issue to the Public – Upto 19,92,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. [●]/- per Equity Share	up to 199.20	[•]
	Of the Net Issue to the Public		
	Allocation to Retail Individual Investors- Upto 9,96,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. [●]/- per Equity Share shall be available for allocation for Investors applying for a value of upto Rs. 2 lacs	up to 99.60	[•]
	Allocation to Other than Retail Individual Investors- Upto 9,96,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. [●]/- per Equity Share shall be available for allocation for Investors applying for a value above Rs. 2 lacs	up to 99.60	[•]
D.	**Issued, Subscribed and Paid-Up Share Capital after the Issue**		
	Up to 72,34,160 Equity Shares of face value of Rs. 10/- each	up to 723.42	
E.	**Securities Premium Account**		
	Before the Issue		190.08
	After the Issue		[•]

The Issue has been authorised by the Board of Directors of our Company vide a resolution passed at its meeting held on January 05, 2017 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 January 30, 2018.

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

NOTES TO THE CAPITAL STRUCTURE

1. Details of changes in Authorised Share Capital:

Since the incorporation of our Company, the authorised share capital of our Company has never been altered. The below table provides the authorised share capital of our Company since its incorporation:

Particulars of Change		Date of Shareholders' Meeting	AGM / EGM
From	To		
Rs. 8,00,00,000 consisting of 80,00,000 Equity shares of Rs. 10 each.		On Incorporation	--

2. History of Equity Share Capital of our Company

Date of Allotment / Fully Paid-up	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Paid -up Capital (Rs.)
November13, 2017 (On Incorporation)	33,00,000	10	10	Other than Cash	Subscription to MOA[(i)]	33,00,000	3,30,00,000
December 30, 2017	16,67,500	10	20	Cash	Private Placement[(ii)]	49,67,500	4,96,75,000
January 09, 2018	1,66,660	10	24	Cash	Private Placement[(iii)]	51,34,160	5,13,41,600

(i) Initial Subscribers to Memorandum of Association subscribed 33,00,000 Equity Shares of face value of Rs. 10/- each fully paid *at par* on November 13, 2017, as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
	Ashish Champaklal Gandhi	15,92,163
	Komal Mitesh Gandhi	8,54,113
	Mitesh Champaklal Gandhi	5,29,528
	Anitaben A. Gandhi	1,06,900
	Champaklal Kachralal Gandhi	1,86,799
	Jayantilal Sakarchand Shah	16,534
	Pravin Poptalal Patel	13,963
	Total	33,00,000

(ii) Private Placement of 16,67,500 Equity Shares of face value of Rs. 10/- each fully paid at premium of Rs. 10/- per equity shares on December 30, 2017, as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
	Rajul Bhavesh Doshi	75,000
	Gambhirmal Ramanlal Shah	62,500
	Lalit Tilokchand Shah	62,500
	Ajaybhai Dayaljibhai Patel	25,000
	Yash Chemex Limited	5,00,000
	Yashwantlal Chhanalal Shah	1,00,000
	Dimple Priteshkumar Shah	92,500
	Kotadiya Sulochana Arvind	25,000
	Navin Gordhanbhai Patel	62,500
	Chandresh Gordhanbhai Patel	62,500
	Bhavesh N. Patel	25,000
	Sumitra Bhavesh Patel	25,000

Sr. No	Name of Person	No. of Shares Allotted
	Kamlesh Chandubhai Patel	25,000
	Manjulaben Kamlesh Patel	25,000
	Dr. Hasmukh Karasanbhai Rupareliya	25,000
	Anandiben Gordhanbhai Patel	25,000
	Shardul Narsinhbhai Nanavati	20,000
	Vaibhavkumar Ashokkumar Kalaria	15,000
	Mayankumar Shaileshkumar Rakholiya	50,000
	Jaypraksh K Patel HUF	50,000
	Indo KP Venture LLP	1,50,000
	Dr. Gordhanbhai Narandas Patel	25,000
	Dinesh Nagindas Shah	50,000
	Tejas Dineshbhai Shah	50,000
	Hiteshkumar Babulal Gandhi	25,000
	Navinchandra Babulal Gandhi	15,000
	Total	16,67,500

(iii) Private Placement of 1,66,660 Equity Shares of face value of Rs. 10/- each fully paid at premium of Rs. 14/- per equity shares on January 09, 2018 as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
	Ashish Champaklal Gandhi HUF	50,900
	Champaklal Kachralal Gandhi HUF	42,200
	Ashishkumar Champaklal Gandhi	73,560
	Total	1,66,660

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

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Allottees	No. of Shares Allotted
November 13, 2017	33,00,000	10	10	Shares issued upon conversion of Mahak Dye Chem Industries (Partnership Firm) through subscription of MoA	Ashish Champaklal Gandhi	15,92,163
					Komal Mitesh Gandhi	8,54,113
					Mitesh Champaklal Gandhi	5,29,528
					Anitaben A. Gandhi	1,06,900
					Champaklal Kachralal Gandhi	1,86,799
					Jayantilal Sakarchand Shah	16,534
					Pravin Poptalal Patel	13,963

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

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

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

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Allottees	No. of Shares Allotted
November 13, 2017	33,00,000	10	10	Shares issued upon conversion of Mahak Dye Chem Industries (Partnership Firm) through subscription of MoA	Ashish Champaklal Gandhi	15,92,163
					Komal Mitesh Gandhi	8,54,113
					Mitesh Champaklal Gandhi	5,29,528
					Anitaben A. Gandhi	1,06,900
					Champaklal Kachralal Gandhi	1,86,799
					Jayantilal Sakarchand Shah	16,534
					Pravin Poptalal Patel	13,963
December 30 ,2017	16,67,500	10	20	Private Placement	Rajul Bhavesh Doshi	75,000
					Gambhirmal Ramanlal Shah	62,500
					Lalit Tilokchand Shah	62,500
					Ajaybhai Dayaljibhai Patel	25,000
					Yash Chemex Limited	5,00,000
					Yashwantlal Chhanalal Shah	1,00,000
					Dimple Priteshkumar Shah	92,500
					Kotadiya Sulochana Arvind	25,000
					Navin Gordhanbhai Patel	62,500
					Chandresh Gordhanbhai Patel	62,500
					Bhavesh N. Patel	25,000
					Sumitra Bhavesh Patel	25,000
					Kamlesh Chandubhai Patel	25,000
					Manjulaben Kamlesh Patel	25,000
					Dr. Hasmukh Karasanbhai Rupareliya	25,000
					Anandiben Gordhanbhai Patel	25,000
					Shardul Narsinhbhai Nanavati	20,000
					Vaibhavkumar Ashokkumar Kalaria	15,000
					Mayankumar Shaileshkumar Rakholiya	50,000

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Allottees	No. of Shares Allotted
					Jaypraksh K Patel - HUF	50,000
					Indo KP Venture LLP	1,50,000
					Dr. Gordhanbhai Narandas Patel	25,000
					Dinesh Nagindas Shah	50,000
					Tejas Dineshbhai Shah	50,000
					Hiteshkumar Babulal Gandhi	25,000
					Navinchandra Babulal Gandhi	15,000
January 09, 2018	1,66,660	10	24	Private Placement	Ashish Champaklal Gandhi HUF	50,900
					Champaklal Kachralal Gandhi HUF	42,200
					Ashishkumar Champaklal Gandhi	73,560

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

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

As on the date of this Red Herring Prospectus, our Promoters Miteshkumar Champaklal Gandhi, Ashishkumar Champaklal Gandhi and Komal Mitesh Gandhi hold 31,30,264 Equity Shares, constituting 60.97 % of the issued, subscribed and paid-up Equity Shares Capital of our Company. None of the Equity Shares held by our Promoters are subject to any pledge.

1. Miteshkumar Champaklal Gandhi

Date of Allotment and made fully paid up / Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post – issue shareholding %	Pledge
November 13, 2017	5,29,528	10.00	10.00	Subscription to MOA	10.31%	7.32%	Nil
Total	**5,29,528**				**10.31%**	**7.32%**	

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

2. Ashishkumar Champaklal Gandhi

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	Pledge
November 13, 2017	15,92,163	10.00	10.00	Subscription to MOA	31.01%	22.01%	Nil
January 09, 2018	73,560	10.00	24.00	Private Placement	1.43%	1.02%	Nil
January 10, 2018	50,900	10.00	26.00	Transfer from Ashish Champaklal Gandhi HUF	0.99%	0.70%	Nil
February 22, 2018	30,000	10.00	26.00	Transfer from Champaklal Karachalal Gandhi	0.58%	0.41%	Nil

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	Pledge
Total	**17,46,623**				**34.02%**	**24.14%**	

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

3. Komal Mitesh Gandhi

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	Pledge
November 13, 2017	8,54,113	10.00	10.00	Subscription to MOA	16.64%	11.81%	Nil
Total	**8,54,113**				**16.64%**	**11.81%**	

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

(i) Details of Promoters' Contribution locked in for three years:

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

Our Promoters have given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Promoters' Contribution constituting 20.24% of the post issue Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution, for a period of three years from the date of allotment in the Issue.

Promoters	**No. of Equity Shares Locked in**	**Face Value (in `)**	**Issue/ Acquisition Price**	**Date of Allotment/Acquisition and when made fully paid-up**	**Nature of Allotment/ Transfer**	**Consideration (Cash/other than cash)**	**Percentage of post-Issue paid-up capital**	**Source of Promoter's Contribution**
Ashishkumar Champakalal Gandhi	7,72,917	10.00	10.00	November 13, 2017	Subscription to MOA	Other than Cash	10.68%	Conversion of Mahak Dye Chem Industries (partnership firm)
	73,560	10.00	24.00	January 09, 2018	Private Placement	Cash	1.02%	Owned /Borrowed Fund
	50,900	10.00	26.00	January 10, 2018	Transfer from Ashish Champaklal Gandhi HUF	Cash	0.70%	Owned /Borrowed Fund
	30,000	10.00	26.00	February 22, 2018	Transfer from Champaklal Kacharlal Gandhi	Cash	0.41%	Owned/Borrowed Fund
Komal Mitesh Gandhi	5,36,750	10.00	10.00	November 13, 2017	Subscription to MOA	Other than Cash	7.42%	Conversion of Mahak Dye Chem Industries (partnership firm)
TOTAL	14,64,127						20.24%	

The minimum Promoter's contribution of 14,64,127 equity shares includes equity shares acquired by our Promoter Ashishkumar Champaklal Gandhi which may have been acquired by him at a price lower than the issue price which shall the be decided by the Company in consultation with the BRLM, the details of which are as follows:

8. Acquisition of 73,560 equity shares on January 9, 2018 at an issue price of Rs. 24/- each through Private Placement
9. Acquisition of 30,900 equity shares on January 10, 2018 via transfer from Ashish Champaklal Gandhi HUF at a transfer rice of Rs. 26/- each
10. Acquisition of 50,000 equity shares on January 10, 2018 via transfer from Champaklal Kacharlal Gandhi at a transfer price of Rs. 26/- each

In compliance with regulation 33(1)(b)(i) of the SEBI ICDR Reguations, our Promoter has agreed to bring into the escrow account opened with a scheduled commercial bank, difference between cap price and the price at which the above mentioned shares have been acquired atleast one day prior to the opening of the Issue. However if the issue price determined is less than the cap price then the surplus amount brought in by the Promoter shall be refunded to him.

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

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

b. The minimum Promoters' contribution includes Equity Shares acquired during the one year preceding the date of this Red Herring Prospectus which may be at a price lower than the Issue Price. However, the Promoter has agreed to bring into the escrow account with a scheduled commercial bank, difference between the cap price and the price at which the such Equity Shares have been acquired by the Promoter atleast one day before the opening of Issue. However if the issue price determined is less than the cap price then the surplus amount brought in by the Promoter shall be refunded to him.

c. Our Company has been formed by the conversion of a partnership firm into a Company, so Equity Shares have been issued to our Promoters upon conversion of a partnership firm;

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 Promoter are in the dematerialized form; and

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

(ii) Details of Equity Shares locked-in for one year

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

(iii) Other requirements in respect of lock-in

Pursuant to Regulation 39 of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by the Promoters, as specified above, can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such scheduled commercial banks or public

financial institution, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan.

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

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

We further confirm that our Promoter's Contribution of 20.24 % of the post Issue Equity Share capital does not include any contribution from Alternative Investment Fund.

2. Our Shareholding Pattern

The table below represents the shareholding pattern of our Company:-

i. Summary of Shareholding Pattern as on date of this Red Herring Prospectus:

Category	Category of Shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares**		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
I	II	III	IV	V	VI	VII = IV + V+ VI	VIII	IX		X	XI = VII + X	XII		XIII		XIV
A	Promoter and Promoter Group	7	34,77,697	-	-	34,77,697	67.74 %	34,77,697	-	34,77,697	67.74%	-	-	-	-	3,47,76,97
B	Public	26	16,56,463	-	-	16,56,463	32.36 %	16,56,463	-	16,56,463	32.36%	-	-	-	-	16,56,463
C	Non Promoter- Non Public			-	-				-			-	-	-	-	

Category	Category of Shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares**		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
I	II	III	IV	V	VI	VII = IV + V+ VI	VIII	IX		X	XI = VII + X	XII		XIII		XIV
1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**33**	**51,34,160**	**-**	**-**	**51,34,160**	**100.00%**	**51,34,160**	**100 %**	**51,34,160**	**100.00%**	**-**	**-**	**-**	**-**	**51,34,160**

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

***All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to Listing of Shares on NSE Emerge.*

Note: PAN of the Shareholders will be provided by our Company prior to Listing of Equity Share on the Stock Exchange.

Our Company will file the shareholding pattern or our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of NSE before commencement of trading of such Equity Shares .In terms of SEBI Listing Regulations, the Equity Shares held by the Promoter / members of the Promoter Group are held in dematerialised mode. Further, the Equity Shares held by existing public shareholders are also held in dematerialised mode.

3. Following are the details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Promoter and Promoter Group":

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
	Promoter				
1.	Miteshkumar Champaklal Gandhi	5,29,528	10.31%	5,29,528	7.32%
2.	Ashishkumar Champaklal Gandhi	17,46,623	34.02%	17,46,623	24.14%
3.	Komal Mitesh Gandhi	8,54,113	16.64%	8,54,113	11.81%
	Sub-total (A)	**31,30,264**	**60.97%**	**31,30,264**	**43.27%**
	Promoter Group				
4.	Anitaben A. Gandhi	1,06,900	2.08%	1,06,900	1.48%
5.	Champaklal Kachralal Gandhi	1,98,999	3.88%	1,98,999	2.75%
6.	Jayantilal Sakarchand Shah	16,534	0.32%	16,534	0.23%
7.	Kotadiya Sulochana Arvind	25,000	0.49%	25,000	0.35%
	Sub-total (B)	**3,47,433**	**6.77%**	**3,47,433**	**4.80%**
	Total (A+B)	**34,77,697**	**67.74%**	**34,77,697**	**48.07%**

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

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Miteshkumar Champaklal Gandhi	5,29,528	10.00
Ashishkumar Champaklal Gandhi	17,46,623	11.33
Komal Mitesh Gandhi	8,54,113	10.00

5. Except as mentioned below no person belonging to the category "Public" holds securities (including shares, warrants, convertible securities) of more than 1% of the total number of shares

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
1.	Yash Chemex Limited	5,00,000	9.74%
2.	Indo KP Venture LLP	1,50,000	2.92%
3.	Yashwantlal Chhanalal Shah	1,00,000	1.95%
4.	Dimple Priteshkumar Shah	92,500	1.80%
5.	Rajul Bhavesh Doshi	75,000	1.46%
6.	Gambhirmal Ramanlal Shah	62,500	1.22%
7.	Lalit Tilokchand Shah	62,500	1.22%
8.	Navin Gordhanbhai Patel	62,500	1.22%
9.	Chandresh Gordhanbhai Patel	62,500	1.22%
	Total	11,67,500	22.74%

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

a. Particulars of the top ten shareholders as on the date of filing this Red Herring Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital

1.	Ashish Champaklal Gandhi	17,46,623	34.02%
2.	Komal Mitesh Gandhi	8,54,113	16.64%
3.	Mitesh Champaklal Gandhi	5,29,528	10.31%
4.	Yash Chemex Limited	5,00,000	9.74%
5.	Champaklal Kachralal Gandhi	1,98,999	3.88%
6.	Indo KP Venture LLP	1,50,000	2.92%
7.	Anitaben A. Gandhi	1,06,900	2.08%
8.	Yashwantlal Chhanalal Shah	1,00,000	1.95%
9.	Dimple Priteshkumar Shah	92,500	1.80%
10.	Rajul Bhavesh Doshi	75,000	1.46%
	Total	**43,53,663**	**84.80%**

b. Particulars of top ten shareholders ten days prior to the date of filing this Red Herring Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital
1.	Ashish Champaklal Gandhi	17,46,623	34.02%
2.	Komal Mitesh Gandhi	8,54,113	16.64%
3.	Mitesh Champaklal Gandhi	5,29,528	10.31%
4.	Yash Chemex Limited	5,00,000	9.74%
5.	Champaklal Kachralal Gandhi	1,98,999	3.88%
6.	Indo KP Venture LLP	1,50,000	2.92%
7.	Anitaben A. Gandhi	1,06,900	2.08%
8.	Yashwantlal Chhanalal Shah	1,00,000	1.95%
9.	Dimple Priteshkumar Shah	92,500	1.80%
10.	Rajul Bhavesh Doshi	75,000	1.46%
	Total	**43,53,663**	**84.80%**

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

Sr. No.	Name of Shareholders	Number of Equity Shares	% of the then existing Total Paid-Up Capital
Nil	Nil	Nil	Nil

14. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2016.
15. Neither the Book Running Lead Manager viz. Pantomath Capital Advisors Private Limited, nor their associates hold any Equity Shares of our Company as on the date of this Red Herring Prospectus.
16. Under-subscription in the net issue, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Emerge Platform of National Stock Exchange of India Ltd.
17. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
18. The unsubscribed portion if any, after such *inter se* adjustments among the reserved categories shall be added back to the net offer to the public portion.
19. There are no Equity Shares against which depository receipts have been issued.
20. Other than the Equity Shares, there are no other class of securities issued by our Company.
21. 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 the

Red Herring Prospectus until the Equity Shares have been listed. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the Issue, by way of split / consolidation of the denomination of Equity Shares. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

22. Except as set out below, none of the members of the Promoter Group, the Promoter, our Directors and their immediate relatives have purchased or sold any Equity Shares during the period of six months immediately preceding the date of filing of the Red Herring Prospectus with the Stock Exchange.

Date of Allotment/ Transfer	Name of the Allottee/ Transferor	Name of Transferee	No. of Shares Allotted / Transferred	Face Value	Issue Price	Nature of Allotment
November 13, 2017	Ashish Champaklal Gandhi	-	15,92,163	10	10	Subscription to MoA
	Komal Mitesh Gandhi	-	8,54,113	10	10	
	Mitesh Champaklal Gandhi	-	5,29,528	10	10	
	Anitaben A. Gandhi	-	1,06,900	10	10	
	Champaklal Kachralal Gandhi	-	1,86,799	10	10	
	Jayantilal Sakarchand Shah	-	16,534	10	10	
December 30, 2017	Kotadiya Sulochana Arvind	-	25,000	10	20	Private Placement
January 09, 2018	Ashish Champaklal Gandhi HUF	-	50,900	10	24	Private Placement
	Champaklal Kachralal Gandhi HUF	-	42,200	10	24	
	Ashishkumar Champaklal Gandhi	-	73,560	10	24	
January 10, 2018	Ashish Champaklal Gandhi HUF	Ashishkumar Champaklal Gandhi	50,900	10	26	Transfer
	Champaklal Kachralal Gandhi HUF	Champaklal Kachralal Gandhi	42,200	10	26	Transfer
February 22, 2018	Champaklal Kachralal Gandhi	Ashishkumar Champaklal Gandhi	30,000	10	26	Transfer

23. Our Company, our Promoters, our Directors and the Book Running Lead Manager have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being offered through the Issue from any person.
24. There are no safety net arrangements for this public issue.
25. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest multiple of minimum allotment lot, while finalising the Basis of Allotment. Consequently, the actual Allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-Issue paid up capital after the Issue would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares held by our Promoters and subject to lock-in shall be suitably increased; so as to ensure that a minimum of 20% of the post Issue paid-up capital is locked in.
26. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, as amended from time to time.
27. As on date of this Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments into our Equity Shares.
28. All the Equity Shares of our Company are fully paid up as on the date of the Red Herring Prospectus. Further, since the entire issue price in respect of the Issue is payable on application, all the successful applicants will be issued fully paid-up equity shares and thus all shares offered through this issue shall be fully paid-up.
29. As per RBI regulations, OCBs are not allowed to participate in this Issue.
30. Our Company has not raised any bridge loans against the proceeds of the Issue.
31. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
32. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
33. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
34. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
35. Our Company has 33 (thirty three) shareholders as on the date of filing of this Red Herring Prospectus.
36. Our Promoters and the members of our Promoter Group will not participate in this Public Issue.
37. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Red Herring Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
38. For the details of transactions by our Company with our Promoter Group, Group Companies during the period ended December 31, 2017 and for the financial years ended March 31, 2017, 2016, 2015, 2014, 2013 please refer to paragraph titled "Details of Related Parties Transactions as Restated" in the chapter titled *"Financial Statements as restated"* on page 174 of the Red Herring Prospectus.
39. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated above in this chapter and also in the chapter titled "Our Management" beginning on page 148 of the Red Herring Prospectus.

OBJECT OF THE ISSUE

Requirement of Funds

The proceeds of the Issueafter deducting Issue related expenses, are estimated to be Rs. [●] lakhs (the **—Net Proceeds**)

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

1. Funding the working capital requirements of Our Company;
2. General Corporate Purposes.
   (Collectively, herein referred to as the "**Objects**")

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

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

ISSUE PROCEEDS

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

Particulars	Amount (Rs. In lakhs)*
Gross Proceeds from the Issue	[●]
(Less) Issue related expenses	[●]
Net Proceeds	[●]

**To be finalized on determination of Issue Price*

UTILIZATION OF NET PROCEEDS

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

(Rs in lakhs)

Sr. No.	Particulars	Estimated Amount	Percentage of Gross Proceeds	Percentage of Net Proceeds
1.	Funding the working capital requirements of Our Company;	486.00	[●]	[●]
2.	General Corporate Purpose*	[●]	[●]	[●]

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

SCHEDULE OF IMPLEMENTATION & DEPLOYMENT OF FUNDS:

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

***Amount* (*Rs. In lakhs*)**

Activity	Amount to be funded from the (Net Proceeds)	Estimated Utilisation of Net Proceeds (Financial Year 2019)
Funding the working capital requirements of Our Company;	486.00	486.00
General Corporate Purpose*	[●]	[●]

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

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

MEANS OF FINANCE

The working capital requirements of Our Company will be met through the net proceeds of the issue to the extent of Rs 486.00 lakhs in the fiscal 2019 and balance amount for working capital in the fiscal 2019 will be met through internal accruals/ net worth and bank finance.

(Rs. in lakhs)

Object of the Issue	Amount Required	IPO Proceeds	Internal Accrual/Networth	Bank Finance/ Loan
Funding the working capital requirements of Our Company;	1885.97	486.00	899.97	500.00
General Corporate purposes	[●]	[●]	[●]	[●]

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

APPRAISAL BY APPRAISING AGENCY

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

The fund requirements are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case

of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking debt financing.

Detail of Objects

1. Funding the working capital requirements of our Company

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, net worth, and financing from various banks & financial institutions. As on March 31, 2017, our sanctioned working capital facilities comprised fund based limit of Rs. 500.00 lakhs. For further details, please refer to the chapter titled *"Financial Indebtedness"* beginning on page 190 of this Red Herring Prospectus.

Our Company's existing working capital requirement and funding on the basis of Restated Financial Information as of March 31, 2016 and March 31, 2017:

Basis of estimation of working capital requirement

Amount (Rs in Lakhs)

Particulars	**Fiscal 2016**	**Fiscal 2017**
Current Assets		
Inventories		
-Raw Material	388.17	754.78
-Work In Progress	349.83	190.41
Trade Receivables	753.01	1180.01
Cash and Cash Equivalents	70.13	88.22
Short-term loans and advances&Other Current Assets	172.77	268.34
Total (A)	**1,733.91**	**2,481.76**
Current Liabilities		
Trade Payables	899.49	1208.18
Other Current Liabilities	160.60	446.21
Total (B)	**1,060.09**	**1,654.39**
Total Working Capital (A)-(B)	**673.81**	**827.36**
Existing Funding Pattern		
Working Capital funding from Banks	506.83	498.78
Networth/ Internal Accrual	166.98	328.59
Total	**673.81**	**827.37**

On the basis of our existing working capital requirements and the projected working capital requirements, our Board pursuant to its resolution dated February 20, 2018 has approved the business plan for the Fiscals 2018, 2019, 2020, 2021, 2022 and 2023. The projected working capital requirement for Fiscal 2018 and 2019 is stated below:

Amount (Rs in Lakhs)

Particulars	**Fiscal 2018 (Estimated)**	**Fiscal 2019 (Estimated)**
Current Assets		
Inventories		
-Raw Material	853.05	1210.71
-Work In Progress	222.80	253.25

Particulars	Fiscal 2018 (Estimated)	Fiscal 2019 (Estimated)
Trade Receivables	1375.00	1562.50
Cash and Cash Equivalents	108.22	121.84
Short-term loans and advances&Other Current Assets	78.06	87.34
Total (A)	**2637.13**	**3235.64**
Current Liabilities		
Trade Payables	1304.14	1285.22
Other Current Liabilities and provisions	65.79	64.45
Total (B)	**1369.93**	**1349.67**
Total Working Capital (A)-(B)	**1267.20**	**1885.97**
Funding Pattern		
IPO Proceeds	-	486.00
Internal accruals/Net Worth	767.20	899.97
Bank Finance/Loan	500.00	500.00
Total	**1267.20**	**1885.97**

Assumption for working capital requirements

Assumptions for Holding Levels*

(In months)

Particulars	Holding Level for Fiscal 2016	Holding Level for Fiscal 2017	Holding Level for Fiscal 2018 (Estimated)	Holding Level for Fiscal 2019 (Estimated)
Current Assets				
Raw Material	1.42	2.42	2.00	2.50
Work In Progress	1.17	0.55	0.50	0.50
Trade Receivables	2.65	3.42	3.00	3.00
Current Liabilities				
Trade Payables	3.23	3.53	3.00	2.50

Justification for "Holding Period" levels

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

Current Assets	
Inventory	Raw material- We have assumed raw material level of 2.00 months and 2.50 for the fiscal 2018 and fiscal 2019 as against 2.42 months for the fiscal 2017 which is in line with our current holding level. Work in Progress-We have assumed raw material level of 0.50 month for the fiscal 2018 and fiscal 2019 as against 0.55 months for the fiscal 2017 which is mostly in line with our current holding level.
Trade receivables	Our Company shall give credit facility of around 3.00 months to our debtors for the fiscal 2017-18 and 2018-19 as against 3.42 months as we are expecting to tighten the credit period given to our customer.

Current Liabilities	
Trade Payables	Our creditors for goods based on restated financial statements was 3.53 months for the Fiscal2017. Going forward we have estimated trade payable level of 3.00 months for the fiscal 2017-18 and 2.30 months for the fiscal 2018-19,as we expect to prune our creditors days by infusing funds towards working capital from the net issue proceeds..

Our Company proposes to utilize Rs. 486.00 lakhs of the Net Proceeds in Fiscal 2018-19 towards our working capital requirements. The balance portion of our working capital requirement for the Fiscal Fiscal 2018-19 will be arranged from existingnetworth, , internal accruals and through bank finance/ loan.

2. General Corporate Purposes

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

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

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

ISSUE RELATED EXPENSES

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

Expenses	Expenses (Rs. in Lakhs)*	Expenses (% of total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Bankers etc.	[●]	[●]	[●]
Regulatory fees	[●]	[●]	[●]
Marketing and Other Expenses	[●]	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

As on date of the Red Herring Prospectus, our Company has incurred Rs. 9.00 Lakhs towards Issue Expenses out of internal accruals.

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

Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non Institutional Applicants, would be 0.01 % on the Allotment Amount# or Rs 10/- whichever is less on the Applications wherein shares are allotted.

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

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

BRIDGE FINANCING

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

INTERIM USE OF FUNDS

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

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

MONITORING UTILIZATION OF FUNDS

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

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

VARIATION IN OBJECTS

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

OTHER CONFIRMATIONS

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

BASIS FOR ISSUE PRICE

Since our Company has been incorporated on November 13, 2017 through conversion of partnership firm under Part I of Chapter XXI of the Companies Act, 2013, this chapter has been prepared on the basis of financials information of the erstwhile firm as restated in accordance with the Indian GAAP and for the period November 13, 2017 to December 31, 2017.

The Issue Price will be determined by our Company in consultation with the Book Running Lead Managers, on the basis of an assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is Rs. 10 each and the Issue Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer sections titled*"Risk Factors"* and *"Financial Statements"*and chapter titled *"Our Business"* beginning on pages 19, 174, and 122 respectively of this Red Herring 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:

- Focus on quality and innovation
- Experienced Promoters and management team
- Wide range of products
- Locational Advantage
- Well established relationship with clients

For further details, refer to heading *"Our Competitive Strengths"* under chapter titled *"Our Business"* beginning on page 122 of this Red Herring Prospectus.

QUANTITATIVE FACTORS

The information presented below is based on the restated financial statements of the Company for the Financial Years ended March 31, 2017, 2016 and 2015 and for the period ended November 12, 2017 and December 31, 2017, prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

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

Year/ Period Ended	EPS(Rs.)	Weight
March 31, 2017	1.07	3
March 31, 2016	0.46	2
March 31, 2015	0.26	1
Weighted Average		**0.73**
For the period April 01, 2017 toNovember 12, 2017*		**1.01**
For the period November 13, 2017 to December 31, 2017*		**0.07**

***Not Annualized*

Notes:

- The earnings per share has been computed by dividing net profit as restated, attributable to equity shareholders by restated weighted average number of equity shares outstanding during the period / year. Restated weighted average number of equity shares has been computed as per AS-20. The face value of each Equity Share is Rs. 10/-. Basic EPS is Net profit attributable to equity shareholders divided by weighted average number of equity shares outstanding during the year/ period.
- Pursuant to conversion of the Partnership Firm into Company, the subscribers to the Memorandum of Association subscribed to 33,00,000 Equity Shares of our Company on November 13, 2017.

- Our Company issued 16,67,500 Equity shares on December 30, 2017 on Private Placement basis. For the purpose of calculating weighted average number of shares for EPS above, these shares have also been taken into account.

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

Particulars	P/E Ratio on Cap Price	P/E Ratio on Floor Price
P/E ratio based on Basic EPS for FY 2016-17	[●]	[●]
P/E ratio based on Weighted Average EPS	[●]	[●]
***Industry P/E**		
Highest	59.17	
Lowest	8.74	
Average	27.08	

**Industry Composite comprises of Aksharchem (India) Limited, Kiri Industries Limited, Camex Limited and Meghmani Organics Limited.*

3. Return on Net worth (RoNW)

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

Year/ Period Ended	RoNW (%)	Weight
March 31, 2017	14.86	3
March 31, 2016	9.77	2
March 31, 2015	5.58	1
Weighted average		**11.62**
For the period April 01, 2017 toNovember 12, 2017 (%)*		**9.11**
For the period November 13, 2017 to December 31, 2017 (%)*		**0.36**

**Not annualized*

***Note:** RoNW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year/ period.*

4. Minimum Return on Total Net Worth post Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2017

To maintain pre-issue basic & diluted EPS

a. At the floor price – [●]%

b. At the cap price – [●]%

5. Net Asset Value (NAV)

NAV per Equity Share	Amount (in Rs.)
Net Asset Value per Equity Share as of March 31, 2017	7.19
Net Asset Value per Equity Share as of December 31, 2017	13.27
Net Asset Value per Equity Share after the Issue	[●]
Issue Price per equity share	[●]

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

6. Comparison with other listed companies

Companies	CMP*	EPS	PE Ratio	RONW (%)**	NAV (per share)***	Face Value	Total Income(In Lakhs)
Mahickra Chemicals Limited	[●]	1.07	[●]	14.86	7.19	10.00	4,225.85
Peer Groups**							
Aksharchem (India) Limited	620.30	71.00	8.74	38.79	183.03	10.00	26,546.22
Kiri Industries Limited	513.75	34.20	15.02	35.33	96.81	10.00	96,683.37
Camex Limited	40.35	1.59	25.38	6.70	23.77	10.00	10,376.28
Meghmani Organics Limited	96.45	1.63	59.17	6.56	24.89	1.00	1,12,842.92

**Source: www.bseindia.com*

**Money received against share warrants and Preference Share Capital have not been considered in Net Worth for the purpose of calculating RoNW and NAV Per Share of Kiri Industries Limited.

Notes:

- Considering the nature of business of our Company the peers are not strictly comparable. However, same have been included for broad comparison.
- The figures for Mahickra Chemicals Limited are based on the restated results for the year ended March 31, 2017.
- The figures for the peer group are based on the standalone audited results for the year ended March 31, 2017.
- Current Market Price (CMP) are the closing prices of respective scrips as on February 20, 2018 on BSE.
- The Issue Price of Mahickra Chemicals Limited is Rs. [●]/- per Equity Share. Mahickra Chemicals Limited is a Book Built issue and price band for the same shall be published 5 working days before opening of the issue in English and Hindi National newspapers and one regional newspaper with wide circulation.

For further details see section titled *"Risk Factors"* beginning on page 19 of this Red Herring Prospectus and the financials of the Company including profitability and return ratios, as set out in the section titled *"Financial Statements"* beginning on page 174 of this Red Herring Prospectus for a more informed view.

STATEMENT OF POSSIBLE TAX BENEFITS

Statement of possible tax benefits available to the company and its shareholders

The Board of Directors
Mahickra Chemicals Limited
Plot No: 1209, Phase-3,
GIDC Vatva,
Ahmedabad 382445, Gujarat, India.

Dear Sir,

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

We hereby report that the enclosed annexure, prepared by Management of **Mahickra Chemicals Limited** ('the Company'), states the possible tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act') as amended by the Finance Act, 2016 (i.e. applicable to Financial Year 2016-17 relevant to Assessment Year 2017-18), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions which, based on the business imperatives which the company may face in the future, the company may or may not choose to fulfill.

The benefits discussed in the enclosed annexure cover only special tax benefits available to the company and its shareholders and do not cover any general tax benefits available to the Company or its Shareholders. This statement is only intended to be a substitute for professional tax advice. A shareholder is advised to consult his/her/its own tax consultant with respect to the tax implications arising out of his /her/its participation in the proposed issue, particularly in view of ever changing tax laws in India.

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

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

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

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

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

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

For, Piyush J. Shah & Co.
Chartered Accountants
Firm Reg no: 121172W

CA Arvind Vijayvargiya
Designation: Partner **Place: Ahmedabad**
Membership No.: 165063 **Date: 15th February, 2018**

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO MAHICKRA CHEMICALS LIMITED AND ITS SHAREHOLDERS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

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

A. SPECIAL TAX BENEFITS TO THE COMPANY

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

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

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

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees agreed for this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement

Market Size

India‘s manufacturing sector has the potential to touch US$ 1 trillion by 2025. There is potential for the sector to account for 25-30 per cent of the country‘s GDP and create up to 90 million domestic jobs by 2025. Business conditions in the Indian manufacturing sector continue to remain positive.

SECTION IV- ABOUT THE COMPANY

OUR INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Red Herring Prospectus, including the information contained in the sections titled "Risk Factors" and "Financial Statements" and related notes beginning on page 19 and 174 respectively of this Red Herring Prospectus before deciding to invest in our Equity Shares.

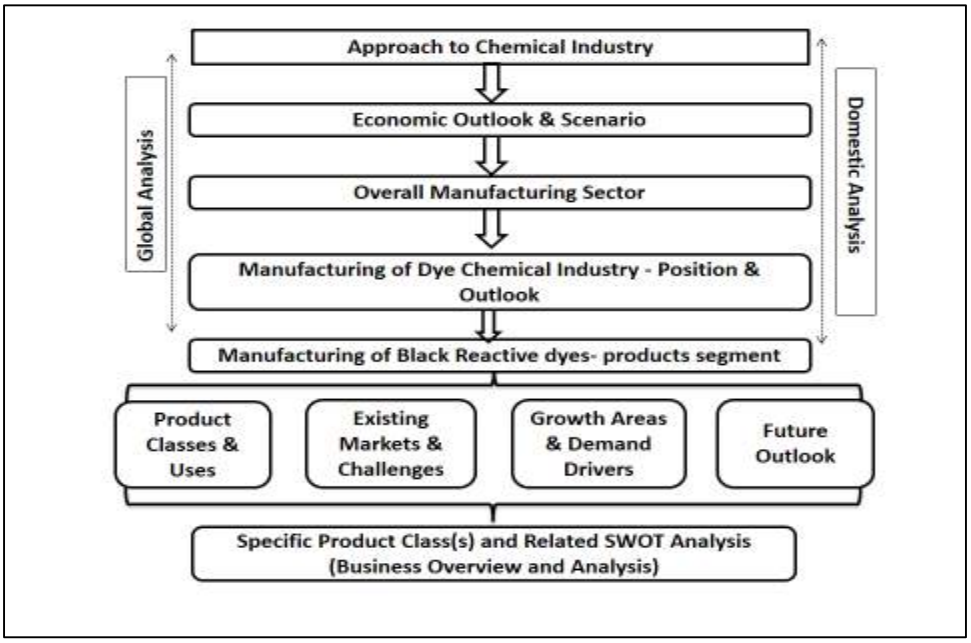
INTRODUCTION TO CHEMICAL INDUSTRY

In terms of value and production volume, Indian chemical industry is the 3rd largest producer in Asia & 6 th by output in the world. Indian chemical industry could grow at 11 percent p.a. to reach size of USD224 billion by 2017. In 2016, India chemicals industry had a market size of USD139 billion. By 2025, the Indian chemical industry is projected to reach USD403 billion. The chemical industry in India is a key constituent of Indian economy, accounting for about 2.11 per cent of the GDP.More than 70,000 commercial products such as petrochemicals & basic chemicals are covered under chemical sector. India accounts for approximately 16 per cent of the world production of dyestuff & dye intermediates, particularly for reactive acid & direct dyes.

India is currently the world's 3rd largest consumer of polymers & 3rd largest producer of Agrochemicals. Indian specialty chemical market is expected to reach USD70 billion by 2020. Value exports of inorganic chemicals from India is estimated at USD1.21 billion in FY16, with the organic chemical market reaching USD11.51 billion in FY16. Exports of organic chemicals from India stood at USD4.02 billion in FY16 (1).

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

APPROACH TO DYE CHEMICAL INDUSTRY ANALYSIS



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

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

Manufacturing Sector comprises various industries, which in turn, have numerous sub-classes or products. One such major industry in the overall Manufacturing Sector is "Dye Chemical Manufacturing Industry", which in turn encompasses various segments such as Manufacturing of Black Reactive Dyes Products.

Thus, the micro analysis of segments such as manufacturing of Black Reactive Dye Products should be analysed in the light of "Manufacturing Sector" at large. An appropriate view on Black Reactive Dyes Products Segment, then, calls for the overall economic outlook, performance and expectations of Manufacturing Sector, position of Chemical Products Manufacturing and Marketing Industry and micro analysis thereof

GLOBAL ECONOMIC OVERVIEW

For India, three external developments are of significant consequence. In the short run, the change in the outlook for global interest rates as a result of the US elections and the implied change in expectations of US fiscal and monetary policy will impact on India's capital flows and exchange rates. Markets are factoring in a regime change in advanced countries, especially US macroeconomic policy, with high expectations of fiscal stimulus and unwavering exit from unconventional monetary policies. The end of the 20-year bond rally and end to the corset of deflation and deflationary expectations are within sight. Second, the medium-term political outlook for globalisation and in particular for the world's "political carrying capacity for globalisation" may have changed in the wake of recent developments. In the short run a strong dollar and declining competitiveness might exacerbate the lure of protectionist policies. These follow on on-going trends— documented widely—about stagnant or declining trade at the global level. This changed outlook will affect India's export and growth prospects

Third, developments in the US, especially the rise of the dollar, will have implications for China's currency and currency policy. If China is able to successfully re-balance its economy, the spill over effects on India and the rest of the world will be positive. On, the other hand, further declines in the yuan, even if dollar-induced, could interact with underlying vulnerabilities to create disruptions in China that could have negative spill overs for India. For China, there are at least two difficult balancing acts with respect to the currency. Domestically, a declining currency (and credit expansion) props up the economy in the short run but delay rebalancing while also adding to the medium term challenges. Internationally, allowing the currency to weaken in response to capital flight risks creating trade frictions but imposing capital controls discourages FDI and undermines China's ambitions to establish the Yuan as a reserve currency. China with its underlying vulnerabilities remains the country to watch for its potential to unsettle the global economy.

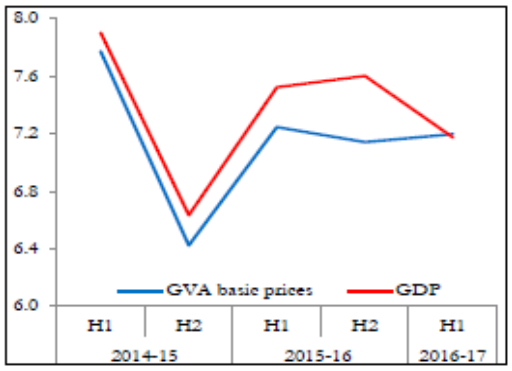
(Source: Economic Survey 2016-17 www.indiabudget.nic.in)

REVIEW OF MAJOR DEVELOPMENTS IN INDIAN ECONOMY

The Indian economy has continued to consolidate the gains achieved in restoring macroeconomic stability. Real GDP growth in the first half of the year was 7.2 percent, on the weaker side of the 7.0-7.75 per cent projection in the Economic Survey 2015-16 and somewhat lower than the 7.6 percent rate recorded in the second half of 2015-16 (Figure 1a). The main problem was fixed investment, which declined sharply as stressed balance sheets in the corporate sector continued to take a toll on firms' spending plans. On the positive side, the economy was buoyed by government consumption, as the 7th Pay Commission salary recommendations were implemented, and by the long-awaited start of an export recovery as demand in advanced countries began to accelerate. Nominal GDP growth recovered to respectable levels, reversing the sharp and worrisome dip that had occurred in the first half of 2015-16 (Figure 1b).

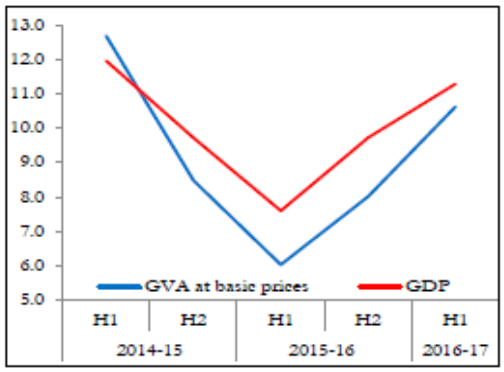
The major highlights of the sectoral growth outcome of the first half of 2016-17 were: (i) moderation in industrial and nongovernment service sectors; (ii) the modest pick-up in agricultural growth on the back of improved monsoon; and (iii) strong growth in public administration and defence services—dampeners on and catalysts to growth almost balancing each other and producing a real GVA growth (7.2 percent), quite similar to the one (7.1 per cent) in H2 2015-16 (Figure 1b).

Figure 1a. GVA and GDP Growth (Constant Prices)



Source: CSO

Figure 1b. GVA and GDP Growth (Current Prices)



Source: CSO

Inflation this year has been characterized by two distinctive features. The Consumer Price Index (CPI)-New Series inflation, which averaged 4.9 per cent during April-December 2016, has displayed a downward trend since July when it became apparent that kharif agricultural production in general, and pulses in particular would be bountiful. The decline in pulses prices has contributed substantially to the decline in CPI inflation which reached 3.4 percent at end-December. The second distinctive feature has been the reversal of WPI inflation, from a trough of (-) 5.1 percent in August 2015 to 3.4 percent at end-December 2016, on the back of rising international oil prices. The wedge between CPI and WPI inflation, which had serious implications for the measurement of GDP discussed in MYEA (Box 3, Chapter 1, MYEA 2015-16), has narrowed considerably. Core inflation has, however, been more stable, hovering around 4.5 percent to 5 percent for the year so far. The outlook for the year as a whole is for CPI inflation to be below the RBI's target of 5 percent, a trend likely to be assisted by demonetisation.

External Sector

Similarly, the external position appears robust having successfully weathered the sizeable redemption of FCNR deposits in late 2016, and the volatility associated with the US election and demonetisation. The current account deficit has declined to reach about 0.3 percent of GDP in the first half of FY2017. Foreign exchange reserves are at comfortable levels, having have risen from around US$350billion at end-January 2016 to US$ 360 billion at end-December 2016 and are well above standard norms for reserve adequacy. In part, surging net FDI inflows, which grew from 1.7percent of GDP in FY2016 to 3.2 percent of GDP in the second quarter of FY2017, helped the balance-of-payments.

The trade deficit declined by 23.5 per cent in April-December 2016 over corresponding period of previous year. During the first half of the fiscal year, the main factor was the contraction in imports, which was far steeper than the fall in exports. But during October- December, both exports and imports started a long-awaited recovery, growing at an average rate of more than 5 per cent. The improvement in exports appears to be linked to improvements in the world economy, led by better growth in the US and Germany. On the import side, the advantage on account of benign international oil prices has receded and is likely to exercise upward pressure on the import bill in the short to medium term. Meanwhile, the net services surplus declined in the first half, as software service exports slowed and financial service exports declined. Net private remittances declined by $4.5 bn in the first half of 2016-17 compared to the same period of 2015-16, weighed down by the lagged effects of the oil price decline, which affected inflows from the Gulf region.

Fiscal Position

Trends in the fiscal sector in the first half have been unexceptional and the central government is committed to achieving its fiscal deficit target of 3.5 percent of GDP this year. Excise duties and services taxes have benefitted from the additional revenue measures introduced last year. The most notable feature has been the over-performance (even relative to budget estimates) of excise duties in turn based on buoyant petroleum consumption: real consumption of petroleum products (petrol) increased by 11.2 percent during April-December 2016 compared to same period in the previous year. Indirect taxes, especially petroleum excises, have held up even after demonetisation in part due to the exemption of petroleum products from its scope. More broadly, tax collections have held up to a greater extent than expected possibly because of payment of dues in demonetised notes was permitted. Non-tax revenues have been challenged owing to shortfall in spectrum and disinvestment receipts but also to forecast optimism; the stress in public sector enterprises has also reduced dividend payments.

State government finances are under stress. The consolidated deficit of the states has increased steadily in recent years, rising from 2.5 percent of GDP in 2014-15 to 3.6 percent of GDP in 2015-16, in part because of the UDAY scheme. The budgeted numbers suggest there will be an improvement this year. However, markets are anticipating some slippage, on account of the expected growth slowdown, reduced revenues from stamp duties, and implementation of their own Pay Commissions. For these reasons, the spread on state bonds over government securities jumped to 75 basis points in the January 2017 auction from 45 basis points in October 2016. For the general government as a whole, there is an improvement in the fiscal deficit with and without UDAY scheme.

(Source: Economic Survey 2016-17 www.indiabudget.nic.in)

OUTLOOK FOR 2016-17

This year's outlook must be evaluated in the wake of the November 8 action to demonetize the high denomination notes. But it is first important to understand the analytics of the demonetisation shock in the short run. Demonetisation affects the economy through three different channels. It is potentially: 1) an aggregate demand shock because it reduces the supply of money and affects private wealth, especially of those holding unaccounted money; 2) an aggregate supply shock to the extent that economic activity relies on cash as an input (for example, agricultural production might be affected since sowing requires the use of labour traditionally paid in cash); and 3) an uncertainty shock because economic agents face imponderables related to the magnitude and duration of the cash shortage and the policy responses (perhaps causing consumers to defer or reduce discretionary consumption and firms to scale back investments).

Demonetisation is also very unusual in its monetary consequences. It has reduced sharply, the supply of one type of money— cash—while increasing almost to the same extent another type of money—demand deposits. This is because the demonetized cash was required to be deposited in the banking system. In the third quarter of FY2017 (when demonetisation was introduced), cash declined by 9.4 percent, demand deposits increased by 43 percent, and growth in the sum of the two by 11.3 percent.

The price counterparts of this unusual aspect of demonetisation are the surge in the price of cash (inferred largely through queues and restrictions), on the one hand; and the decline in interest rates on the lending rate (based on the marginal cost of funds) by 90 basis points since November 9; on deposits (by about 25 basis points); and on g-secs on the other (by about 32 basis points).

There is yet another dimension of demonetisation that must be kept in mind. By definition, all these quantity and price impacts will self-correct by amounts that will depend on the pace at which the economy is remonetized and policy restrictions eased. As this occurs, consumers will run down their bank deposits and increase their cash holdings. Of course, it is possible, even likely that the self-correction will not be complete because in the new equilibrium, aggregate cash holdings (as a share of banking deposits and GDP) are likely to be lower than before.

Anecdotal and other survey data abound on the impact of demonetisation. But we are interested in a macro-assessment and hence focus on five broad indicators: Agricultural (Rabi) sowing; Indirect tax revenue, as a broad gauge of production and sales; Auto sales, as a measure of discretionary consumer spending and two-wheelers, as the best indicator of both rural and less affluent demand; Real credit

growth; and Real estate prices. Contrary to early fears, as of January 15, 2017 aggregate sowing of the two major rabbi crops—wheat and pulses (gram)—exceeded last year's planting by 7.1 percent and 10.7 percent, respectively. Favourable weather and moisture conditions presage an increase in production. To what extent these favourable factors will be attenuated will depend on whether farmers' access to inputs—fertilizer, credit, and labour—was affected by the cash shortage.

To estimate a demonetisation effect, one needs to start with the counterfactual. Our best estimate of growth in the absence of demonetisation is 11¼ percent in nominal terms (slightly higher than last year's Survey forecast because of the faster rebound in WPI inflation, but lower than the CSO's advance estimate of 11.9 percent) and 7 percent in real terms (in line with both projections).

Finally, demonetisation will afford an interesting natural experiment on the substitutability between cash and other forms of money. Demonetisation has driven a sharp and dramatic wedge in the supply of these two: if cash and other forms are substitutable, the impact will be relatively muted; if, on the other hand, cash is not substitutable the impact will be greater.

(Source: Economic Survey 2016-17 www.indiabudget.nic.in)

OUTLOOK FOR 2017-18

Turning to the outlook for 2017-18, we need to examine each of the components of aggregate demand: exports, consumption, private investment and government.

As discussed earlier, India's exports appear to be recovering, based on an uptick in global economic activity. This is expected to continue in the aftermath of the US elections and expectations of a fiscal stimulus. The IMF's January update of its World Economic Outlook forecast is projecting an increase in global growth from 3.1 percent in 2016 to 3.4 percent in 2017, with a corresponding increase in growth for advanced economies from 1.6 percent to 1.9 percent. Given the high elasticity of Indian real export growth to global GDP, exports could contribute to higher growth next year, by as much as 1 percentage point.

The outlook for private consumption is less clear. International oil prices are expected to be about 10-15 percent higher in 2017 compared to 2016, which would create a drag of about 0.5 percentage points. On the other hand, consumption is expected to receive a boost from two sources: catch-up after the demonetisation-induced reduction in the last two quarters of 2016-17; and cheaper borrowing costs, which are likely to be lower in 2017 than 2016 by as much as 75 to 100 basis points. As a result, spending on housing and consumer durables and semi-durables could rise smartly. It is too early to predict prospects for the monsoon in 2017 and hence agricultural production. But the higher is agricultural growth this year, the less likely that there would be an extra boost to GDP growth next year.

Since no clear progress is yet visible in tackling the twin balance sheet problem, private investment is unlikely to recover significantly from the levels of FY2017. Some of this weakness could be offset through higher public investment, but that would depend on the stance of fiscal policy next year, which has to balance the short-term requirements of an economy recovering from demonetisation against the medium-term necessity of adhering to fiscal discipline—and the need to be seen as doing so. Putting these factors together, we expect real GDP growth to be in the 6¾ to 7½ percent range in FY2018. Even under this forecast, India would remain the fastest growing major economy in the world.

There are three main downside risks to the forecast. First, the extent to which the effects of demonetisation could linger into next year, especially if uncertainty remains on the policy response. Currency shortages also affect supplies of certain agricultural products, especially milk (where procurement has been low), sugar (where cane availability and drought in the southern states will restrict production), and potatoes and onions (where sowings have been low). Vigilance is essential to prevent other agricultural products becoming in 2017-18 what pulses were in 2015-16.

Second, geopolitics could take oil prices up further than forecast. The ability of shale oil production to respond quickly should contain the risks of a sharp increase, but even if prices rose merely to $60-65/barrel the Indian economy would nonetheless be affected by way of reduced consumption; less room

for public investment; and lower corporate margins, further denting private investment. The scope for monetary easing might also narrow, if higher oil prices stoked inflationary pressure.

Third, there are risks from the possible eruption of trade tensions amongst the major countries, triggered by geo-politics or currency movements. This could reduce global growth and trigger capital flight from emerging markets. The one significant upside possibility is a strong rebound in global demand and hence in India's exports. There are some nascent signs of that in the last two quarters. A strong export recovery would have broader spill over effects to investment.

Fiscal outlook

The fiscal outlook for the central government for next year will be marked by three factors. First, the increase in the tax to GDP ratio of about 0.5 percentage points in each of the last two years, owing to the oil windfall will disappear. In fact, excise-related taxes will decline by about 0.1 percentage point of GDP, a swing of about 0.6 percentage points relative to FY2017.

Second, there will be a fiscal windfall both from the high denomination notes that are not returned to the RBI and from higher tax collections as a result of increased disclosure under the Pradhan Mantra Garib Kalyan Yojana (PMGKY). Both of these are likely to be one-off in nature, and in both cases the magnitudes are uncertain.

A third factor will be the implementation of the GST. It appears that the GST will probably be implemented later in the fiscal year. The transition to the GST is so complicated from an administrative and technology perspective that revenue collection will take some time to reach full potential. Combined with the government's commitment to compensating the states for any shortfall in their own GST collections (relative to a baseline of 14 percent increase), the outlook must be cautious with respect to revenue collections. The fiscal gains from implementing the GST and demonetisation, while almost certain to occur, will probably take time to be fully realized. In addition, muted non-tax revenues and allowances granted under the 7th Pay Commission could add to pressures on the deficit.

The macroeconomic policy stance for 2017-18

An economy recovering from demonetisation will need policy support. On the assumption that the equilibrium cash-GDP ratio will be lower than before November 8, the banking system will benefit from a higher level of deposits. Thus, market interest rates—deposits, lending, and yields on g-secs—should be lower in 2017-18 than 2016-17. This will provide a boost to the economy (provided, of course, liquidity is no longer a binding constraint). A corollary is that policy rates can be lower not necessarily to lead and nudge market rates but to validate them. Of course, any sharp uptick in oil prices and those of agricultural products, would limit the scope for monetary easing.

Fiscal policy is another potential source of policy support. This year the arguments may be slightly different from those of last year in two respects. Unlike last year, there is more cyclical weakness on account of demonetisation. Moreover, the government has acquired more credibility because of posting steady and consistent improvements in the fiscal situation for three consecutive years, the central government fiscal deficit declining from 4.5 percent of GDP in 2013-14 to 4.1 percent, 3.9 percent, and 3.5 percent in the following three years. But fiscal policy needs to balance the cyclical imperatives with medium term issues relating to prudence and credibility.

One key question will be the use of the fiscal windfall (comprising the unreturned cash and additional receipts under the PMGKY) which is still uncertain. Since the windfall to the public sector is both one off and a wealth gain not an income gain, it should be deployed to strengthening the government's balance sheet rather than being used for government consumption, especially in the form of programs that create permanent entitlements. In this light, the best use of the windfall would be to create a public sector asset reconstruction company so that the twin balance sheet problem can be addressed, facilitating credit and investment revival; or toward the compensation fund for the GST that would allow the rates to be lowered and simplified; or toward debt reduction. The windfall should not influence decisions about the conduct of fiscal policy going forward.

Perhaps the most important reforms to boost growth will be structural. In addition to those spelt out in Section 1—strategic disinvestment, tax reform, subsidy rationalization—it is imperative to address directly the twin balance sheet problem. The problem is large, persistent and difficult, will not correct itself even if growth picks up and interest rates decline, and current attempts have proved grossly inadequate. It may be time to consider something like a public sector asset reconstruction company.

Another area of reform relates to labour. Given the difficulty of reforming labour laws per se, the thrust could be to move towards affording greater choice to workers which would foster competition amongst service providers. Choices would relate to: whether they want to make their own contribution to the EPFO; whether the employers' contribution should go to the EPFO or the National Pension Scheme; and whether to contribute to the ESI or an alternative medical insurance program. At the same time, there could be a gradual move to ensure that at least compliance with the central labour laws is made paperless, presence less, and cashless. One radical idea to consider is the provision of a universal basic income. But another more modest proposal worth embracing is procedural: a standstill on new government programs, a commitment to assess every new program only if it can be shown to demonstrably address the limitations of an existing one that is similar to the proposed one; and a commitment to evaluate and phase down existing programs that are not serving their purpose.

(Source: Economic Survey 2016-17 www.indiabudget.nic.in)

GLOBAL MANUFACTURING INDUSTRY

World manufacturing growth

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

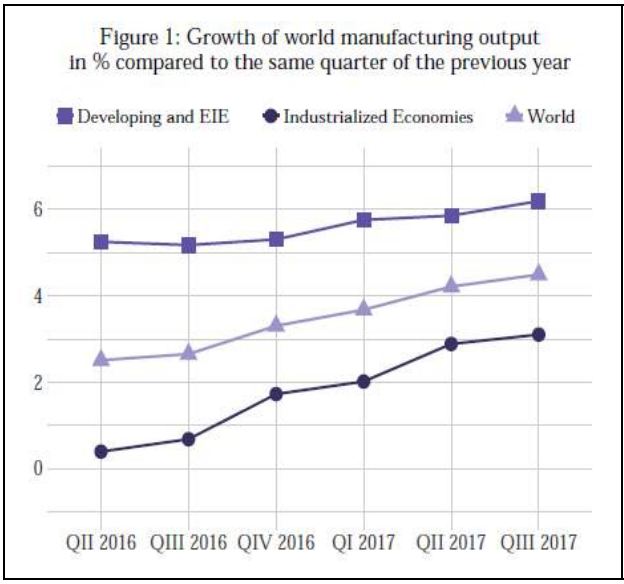
The driving forces behind the positive developments in global manufacturing were improving business conditions, rising consumer spending, promising investment plans directed towards developing economies and healthy external demand support activities. On the other hand, risks for global growth such as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

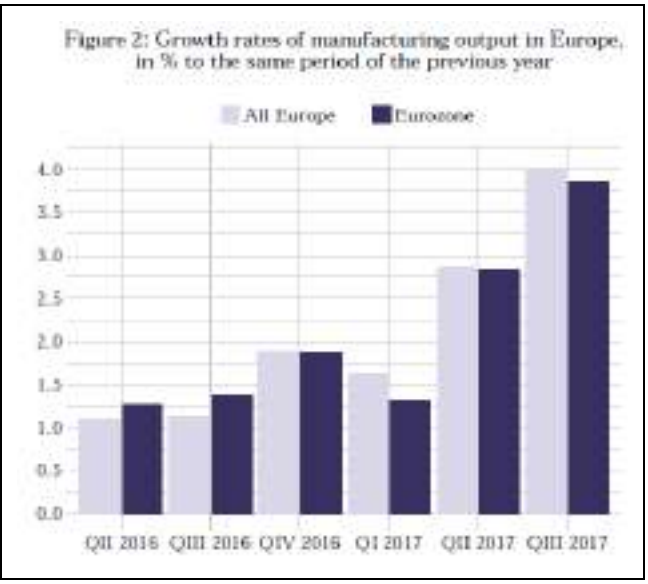
Global manufacturing output rose by 4.5 per cent in the third quarter of 2017 compared to the same period of the previous year .This impressive gain was based on an already strong growth throughout the first half of 2017. The disaggregated data points to the thriving performance of major industrialized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

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

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

African manufacturing experienced a 6.4 per cent year-to-year gain in the third quarter of 2017. Entering the second half of the year 2017,recovery in global manufacturing has evolved from being relatively modest to becoming more dynamic. Improvements were recorded in both industrialized economies and developing and emerging industrial economies.





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

Industrialized economies

The manufacturing output of industrialized economies has followed a progressively improving upward trend over the last quarters. All industrialized regions, namely Europe, North America and East Asia, were characterized by robust dynamics in the third quarter and took a step towards a steady future.The latest data revealed an acceleration of growth in the manufacturing sector of European economies during the third quarter of 2017 in a year-by-year comparison, beating expectations. Improved business and consumer confidence complemented by strong domestic and external demand resulted in new business and export orders. All of these factors provide tremendous opportunities to investors and signal that Europe's manufacturing sector is gradually stabilizing.

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

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

Among other economies, manufacturing output grew by 5.8 per cent in Austria, 4.7 per cent in Belgium, 5.2 per cent in Portugal and 3.8 per cent in Slovakia. Among individual economies beyond the euro zone, the Swiss manufacturing sector experienced the strongest increase in the last 10 years and expanded sharply by 8.7 per cent compared to the same period of the previous year. The rapid surge from an upwardly revised 3.3 per cent gain in the previous quarter was primarily boosted by the manufacturing of pharmaceuticals and of computer, electronic and optical products. The manufacturing output in the United Kingdom rose by 2.7 per cent compared to the same period of the previous year.

Another exceptionally positive result was observed in Sweden with a 5.8 per cent growth rate. Higher growth rates above 5.0 per cent were also observed in Czech and Hungary.

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

Strong global growth continued to drive manufacturing activity in industrialized East Asian economies during the third quarter, leading the manufacturing production to expand by 4.5 per cent. Japan's manufacturing output rose by 4.7 per cent compared to the same period of the previous year. Despite the slightly lower figure in the third quarter, Japan has maintained an uninterrupted period of high growth for several consecutive quarters. Growth momentum strengthened in Malaysia, where manufacturing output recorded a 7.0 per cent increase in the third quarter of 2017. A particularly strong two-digit growth rate was observed in Singapore, while the Republic of Korea and Taiwan, Province of China's manufacturing production expanded only moderately by 1.4 per and 3.3 per cent, respectively.

The manufacturing recovery in Russia remained largely on track in the third quarter of 2017, with a nearly 1.0 per cent expansion recorded on a year-to-year basis. A similar growth rate was also observed in Norway which further reduced its contraction rate.

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

Developing and Emerging Industrial Economies

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

Manufacturing activity in China has stabilized at the same pace of growth since the beginning of 2017 7.3 per cent increase on a year-by-year basis. The development of advanced manufacturing industries and the new investment plan in the environment has led to an overall upgrade of China's manufacturing industry. Latin America has made positive developments in the manufacturing sector, following the resumption of growth in the second quarter. Brazilian manufacturers are finally emerging from the deep recession with an upward trend of 2.8 per cent recorded in the third quarter of 2017. The largest expansion was observed in the manufacturing of motor vehicles, trailers and semi-trailers. Meanwhile, Argentina has overcome a severe decline in economic growth with the country's manufacturing activity recording a growth of 4.4 per cent – its best performance over the last six years. Looking at other countries in the region, Mexico's manufacturing production retained a positive increase of nearly 3.5 per cent, Chile recorded a moderate upturn of 1.5 per cent, while manufacturing output in Peru and Ecuador decreased in comparison to the same period of 2016.

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

Pakistan and Mongolia performed well, but the Philippines and Jordan's manufacturing sector contracted in a year-by-year comparison.

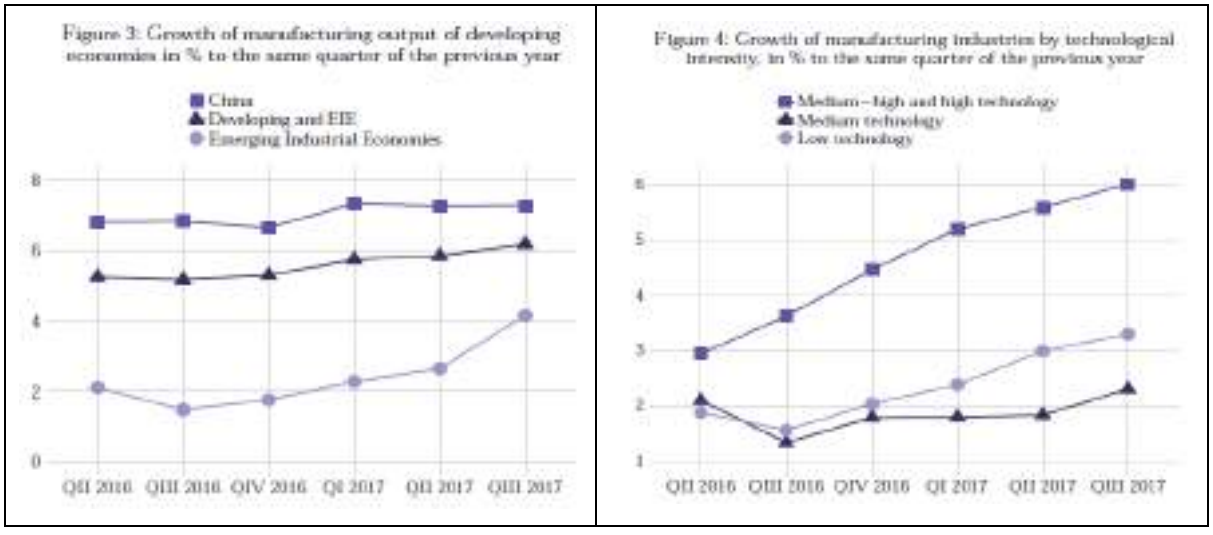
Among Africa's economies, South Africa, the region's most industrialized country, has been performing below its potential since the final quarter of 2016 and has entered a recession. Following three quarters of depressed manufacturing production in a row, South Africa's manufacturing sector showed marginal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

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

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

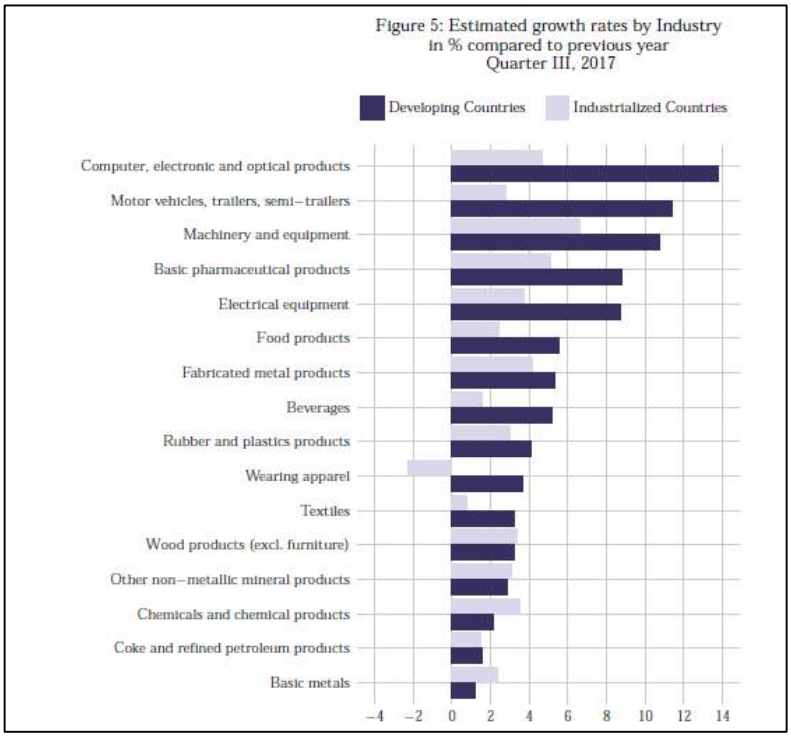
Findings by Industry Groups

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



Medium high and high technology manufacturing industries have repeatedly held top positions when looking at year-by-year comparisons - these industries witnessed a 6.0 per cent growth rate, a record-breaking result in the last Five years. When reviewing the individual top industries, the manufacturing of computers, electronics and optical products grew by 8.3 per cent, the production of machinery and equipment rose by 8.0 per cent, the manufacturing of pharmaceutical products by 6.7 per cent (which recorded a visibly accelerated growth rate compared to the results of the previous quarter), the

production of electrical equipment by 6.1 per cent and the manufacturing of motor vehicles by 5.9 per cent. The production in all of the above- mentioned industries was dominated by developing and emerging industrial economies compared with industrialized economies (Figure 5).



As regards medium technology manufacturing industries, 2.3 per cent growth was registered worldwide in the third quarter of 2017. The global manufacturing of rubber and plastic products increased by 3.4 per cent in a year-by-year comparison, while the manufacturing of non-metallic mineral products recorded a growth rate of 3.0 per cent. The global manufacturing of basic metals rose at a moderate pace of 1.6 per cent. In low technology manufacturing industries, overall global production rose by 3.3 per cent in the third quarter of 2017 compared to the same period of the previous year. The global manufacturing of fabricated metal products grew by 4.6 per cent, followed by the manufacturing of furniture with a 4.3 per cent increase. Relatively high growth rates were maintained worldwide in the production of basic consumer goods - the global manufacturing of food products rose by 3.8 per cent, beverages by 3.4 per cent and the global manufacturing of both textile and wearing apparel increased by slightly over 2.5 per cent. The growth rate of the manufacturing of paper products expanded by 2.4 per cent, while coke and refined petroleum products and printing remained below 2.0 per cent.

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

INDIAN MANUFACTURING SECTOR

Introduction

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

Market Size

The Gross Value Added (GVA) at basic constant (2011-12) prices from the manufacturing sector in India grew 7.9 per cent year-on-year in 2016-17, as per the 2nd provisional estimate of annual national income published by the Government of India. Under the Make in India initiative, the Government of India aims to increase the share of the manufacturing sector to the gross domestic product (GDP) to 25

per cent by 2022, from 16 per cent, and to create 100 million new jobs by 2022. Business conditions in the Indian manufacturing sector continue to remain positive.

Investments

With the help of Make in India drive, India is on the path of becoming the hub for hi-tech manufacturing as global giants such as GE, Siemens, HTC, Toshiba, and Boeing have either set up or are in process of setting up manufacturing plants in India, attracted by India's market of more than a billion consumers and increasing purchasing power.Foreign Direct Investment (FDI) inflows in India's manufacturing sector grew by 82 per cent year-on-year to US$ 16.13 billion during April-November 2016.

India has become one of the most attractive destinations for investments in the manufacturing sector. Some of the major investments and developments in this sector in the recent past are:

- IKEA, a Swedish furniture company, aims to manufacture more than 30 per cent of its products in India in the coming years, stated Mr Patrik Antoni, Deputy Country Manager, IKEA.
- Volvo India Pvt Ltd, Swedish luxury car manufacturer, will start assembly operations near Bengaluru in India by the end of 2017. The company is targeting to double its share in India's luxury car segment to 10 per cent by 2020.
- Berger Paints has entered into a partnership with Chugoku Marine Paints (CMP), thereby marking its entry into the marine paints segment, which has an estimated market size of Rs 250 crore (US$ 38.82 million) and is expected to grow at 25 per cent annually for the next five years.
- SAIC Motor Corp, China's largest automaker, has signed a deal to buy General Motors (GM) India's Halol plant in Gujarat.
- Dabur India Ltd set up its largest manufacturing plant globally, spread over 30 acres, at a cost of Rs 250 crore (US$ 38.82 million), in Tezpur, Assam, which will produce Dabur's complete range of ayurvedic medicines, health supplements, and personal care products among others.
- Apple Inc is looking to expand its Taiwanese contract manufacturer, Wistron's, production facility in Bengaluru, India, where it started manufacturing iPhone SE in May, 2017.
- Panasonic Corporation, the Japan-based electronics company, plans to set up a new plant at Jhajjar, Haryana, to manufacture refrigerators for the Indian market, and a Research and Development (R&D) center for appliances consisting of two technical divisions to strengthen its product development in the country.
- BSH Home Appliances Group, the leading home appliances manufacturer in Europe, inaugurated its first technology centre in India at Adugodi, Bengaluru, which will enable the company to further develop localised technologies for the Indian market.
- China based LCD and touchscreen panel manufacturer, Holitech Technology, has announced plans to investing up to US$ 1 billion in India by the end of 2017.
- Ashok Leyland Ltd has launched its circuit series electric bus, the first ever electric bus designed and engineered entirely in India specifically for Indian road conditions, with a capacity to travel over 150 km on a single charge.
- Tristone Flowtech Group, the Germany-based flow technology systems specialist, has set up a new facility in Pune, which will manufacture surge tank as well as engine cooling and aircharge hose for the Indian market. The company plans to start the production at the plant in the fourth quarter of 2017.
- Honda Motorcycle & Scooter India plans to invest around Rs 600 crore (US$ 90 million) to add a new line to produce additional 600,000 units at its Narsapura facility in Karnataka.
- Hindustan Coca-Cola Beverages plans to set up a bottling plant with an investment of Rs 750 crore (US$ 112.5 million) in phases at the first industrial area being developed by Government

of Madhya Pradesh under the public private partnership in Babai village of Hoshangabad, Bhopal.

Government Initiatives

In a bid to push the 'Make in India' initiative to the global level, Mr Narendra Modi, Prime Minister of India, pitched India as a manufacturing destination at the World International Fair in Germany's Hannover in 2015. Mr Modi showcased India as a business friendly destination to attract foreign businesses to invest and manufacture in the country.

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

- The Government of India has introduced several policy measures in the Union Budget 2017-18 to provide impetus to the manufacturing sector. Some of which include reduction of income tax rate to 25 per cent for MSME companies having turnover up to Rs 50 crore (US$ 7.5 million), MAT credit carry forward extended to 15 years from 10 years and abolishment of Foreign Investment Promotion Board (FIPB) by 2017-18.
- The Government of India has launched a phased manufacturing programme (PMP) aimed at adding more smartphone components under the Make in India initiative thereby giving a push to the domestic manufacturing of mobile handsets.
- The Ministry of Heavy Industries and Public Enterprises, Government of India, has approved the setting up of four Centres of Excellence (CoE) in areas of textile machinery, machine tools, welding technology and smart pumps, which will help raise the technology depth of the Indian Capital Goods Industry.
- The Union Cabinet has approved the Modified Special Incentive Package Scheme (M-SIPS) in which, proposals will be accepted till December 2018 or up to an incentive commitment limit of Rs 10,000 crore (US$ 1.5 billion).
- The Government of India has removed the 12.5 per cent excise duty and 4 per cent special additional duty (SAD) on the manufacturing of point-of-sale (PoS) machines till March 31, 2017, which is expected to give a boost to the cashless economy as more PoS machines will be deployed in the future.
- Ms Nirmala Sitharaman, Minister of State (Independent Charge) for Commerce and Industry, has launched the Technology Acquisition and Development Fund (TADF) under the National Manufacturing Policy (NMP) to facilitate acquisition of Clean, Green and Energy Efficient Technologies, by Micro, Small & Medium Enterprises (MSMEs).
- The Government of Uttar Pradesh has secured investment deals valued at Rs 5,000 crore (US$ 741.2 million) for setting up mobile manufacturing units in the state.
- Government of India has planned to invest US$ 10 billion in two semiconductor plants in order to facilitate electronics manufacturing in the country.

Road Ahead

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

The implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of US$ 2 trillion along with a population of 1.2 billion people, which will be a big draw for investors.

With impetus on developing industrial corridors and smart cities, the government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing

a conducive environment for the industrial development and will promote advance practices in manufacturing.

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

(Source: Indian Manufacturing Industry Analysis - India Brand Equity Foundation - www.ibef.)

ADVANTAGE OF CHEMICAL INDUSTRY IN INDIA

ROBUST DEMAND

A large population, dependence on agriculture & strong export demand are the key growth drivers for the chemicals industry.Per-capita consumption of chemicals in India is lower relative to Western peers & there exists a large latent demand.

INCREASING INVESTMENTS

Lured by the size & returns of the Indian market, foreign firms have strengthened their presence in India.From April 2000 to December 2016, total FDI inflows into the Indian chemicals industry (excluding fertilisers) were USD12.68 billion.

ATTRACTIVE OPPORTUNITIES

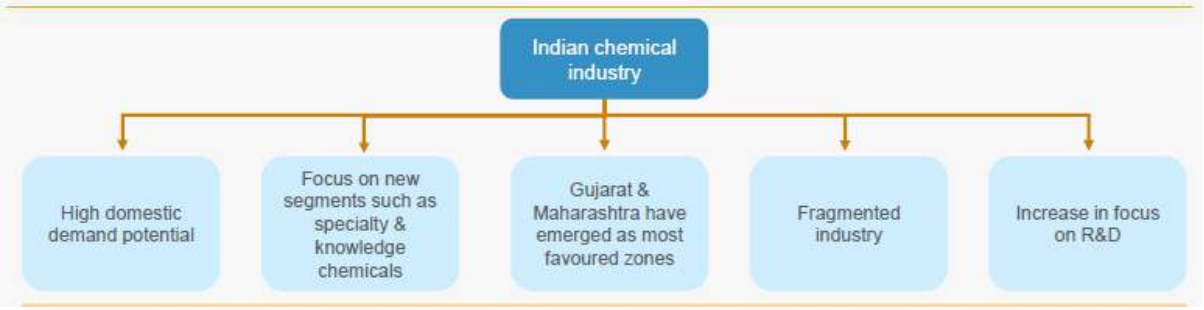
Polymers & agrochemicals industries in India present immense growth opportunities. In FY15, India's construction chemical market was valued at USD589.58 million, thereby representing ample growth opportunity in chemical sector.In 2016, polymer production in India was recorded at around 9 million tons.

POLICY SUPPORT

In 2015, CII launched 2nd phase of "Chemistry Everywhere" campaign to boost the growth ofChemical industry in India.100 per cent FDI is permissible in the Indian chemicals sector; manufacturing of most chemical Products is de-licensed.Setting up of PCPIRs. The Government of India has launched the Draft National Chemical Policy, which aims to increasethe share of chemical sector in the country's GDP.

(Source: Indian Chemical Industry Analysis - India Brand Equity Foundation - www.ibef)

CHARACTERISTICS OF THE INDIAN CHEMICAL INDUSTRY



(Source: Indian Chemical Industry Analysis - India Brand Equity Foundation - www.ibef)

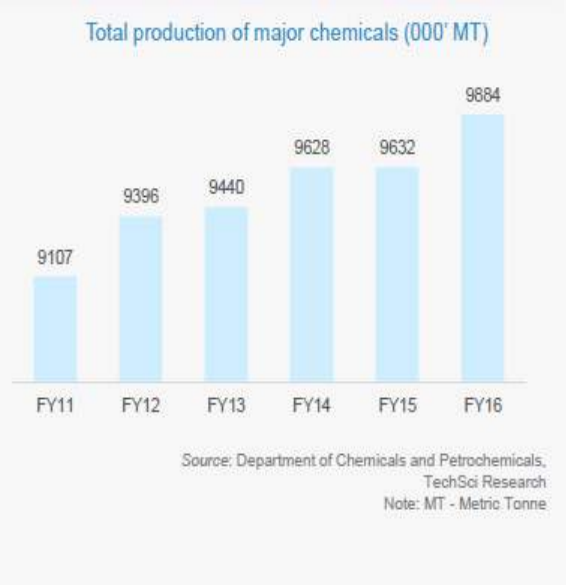
As on 2015, the National Chemicals Policy of India which is expected to help in improving the chemical industry is in final stages & as a part of this, the Government is planning to launch Indian Bureau of Corrosion Control & setting up National Chemical Centre that could prevent losses from corrosion & act as a repository information centre for the chemical industry.Strong economic growth & rise in per-capita income has meant a steady increase in demand for chemicals. Expected to clock a growth of 10-13 per cent over the coming years. The industry has left behind a low-growth and regulated environment to emerge more mature. There is strong government support towards R&D; this would benefit the sector. In 2015, Department of Chemicals & Petrochemicals added 3 new chemical & petrochemical products under its supervision.In 2016, Department of Chemicals & Petrochemicals, Ministry of

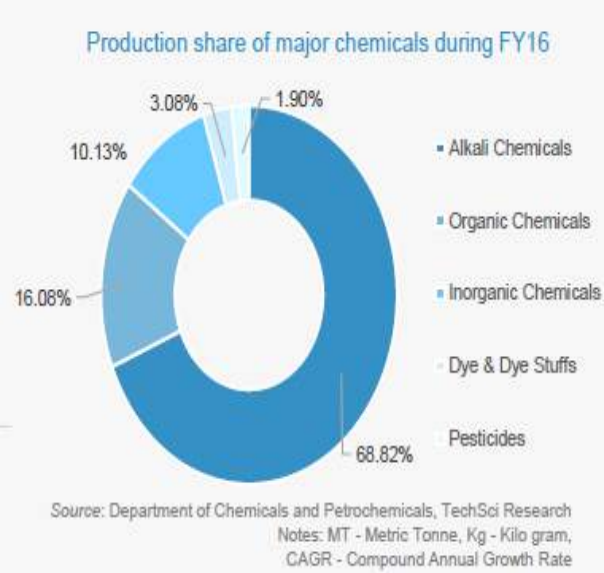
Chemicals & Fertilizers, Govt. of India & Federation of Indian Chambers of Commerce & Industry (FICCI) launched, 'India Chemical 2016' to develop Indian Chemical & Petrochemical Industry.

DOMESTIC AND EXTERNAL DEMAND DRIVING GROWTH IN THE SECTOR

Total chemical production in India was 9632 MT in FY15 & reached to 9884 MT in FY16. The growth of 2.61 per cent was registered from FY15 to FY16

Favourable demographics & strong economic growth are driving demand for chemicals.





(Source: Indian Chemical Industry Analysis - India Brand Equity Foundation - www.ibef).

·External demand & specialty chemicals have also contributed strongly to the growth of the industry

·India's growing per capita consumption & demand for agriculture-related chemicals offers huge scope of growth for the sector in the future.

·With almost 69 per cent share in the total production, alkali chemicals accounted for the largest share in Indian chemical industry in FY16. During FY16, production of alkali chemicals in India stood at 9884 MT.

·In March 2017, ONGC Petro additions Ltd (OPaL) petrochemicals complex, located at Dahej, Gujarat, became operational. Being a single largest petrochemical plant in India, it has a capacity to produce 14 lakh metric tonnes of polymers, high density polyethylene (HDPE), linear low density polyethylene (LLDPE), polypropylene (PP) & 5 lakh metric tonnes of chemicals like pyrolysis gasoline, benzene & butadiene annually.

EXPORTS HAE BEEN RISING OVER THE YEARS



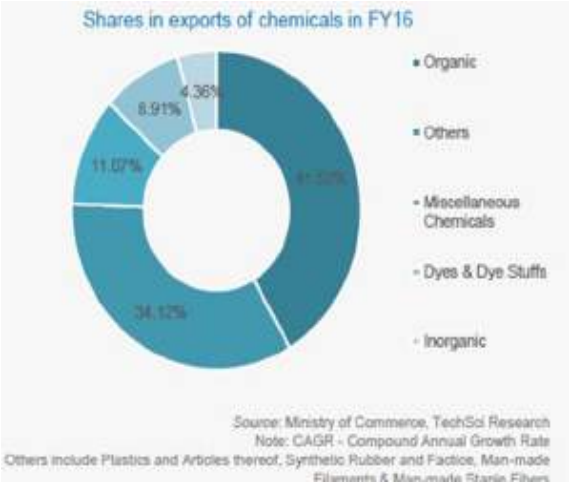
(Source: Indian Chemical Industry Analysis - India Brand Equity Foundation - www.ibef).

·Chemical exports from India stood at USD13.58 billion for FY17 (1).

·Exports in the chemical industry grew from USD22.43 billion in FY13 to USD26.97 billion in FY16, registering a growth of 4.71 per cent.

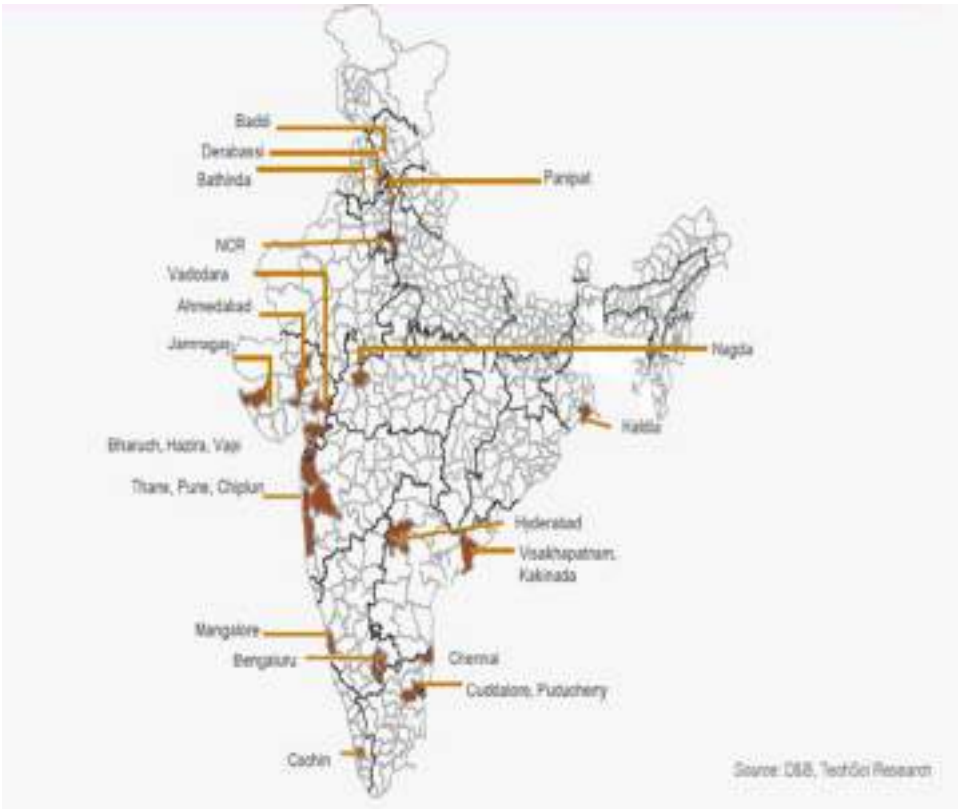
ORGANIC CHEMICALS DOMINATE BOTH EXPORTS AND IMPORTS

During FY16, organic chemicals accounted for a share of 41.53 per cent in India's total chemical exports, followed by miscellaneous chemicals which accounted for a share of 11.07 per cent, in overall chemical exports from India.Within agrochemicals herbicide is the largest segment globally, however, consumption of insecticides in India is dominating. Growth of agro chemicals is largely driven by export demand.



(Source: Indian Chemical Industry Analysis - India Brand Equity Foundation - www.ibef)

WIDESPREAD CHEMICAL INDUSTRY INFRASTRUCTURE ACROSS INDIA



(Source: Indian Chemical Industry Analysis - India Brand Equity Foundation - www.ibef).

GROWTH, COMPETITIVENESS AND PROCESS INITIATIVES

The government has announced a number of measures to improve competitiveness in the sector Share of manufacturing approved by the Cabinet as per the erstwhile Planning Commission would contribute 25 per cent of the GDP by 2025. Approval is granted for FDI up to 100 per cent in the chemicals sector, excise duty reduced from 14 per cent to 10per cent, strong laws on anti-dumping to further promote the industry. Cumulative FDI inflows into chemical industry reached USD12, 683.24 million during April 2000-December 2016 Policies that have been initiated to set up integrated Petroleum, Chemicals & Petrochemicals Investment Regions (PCPIR) are revised by the end of 2015-2016.

The land requirement for a PCPIR would go down from 250 square kilometres to 50 square kilometres. The capital and technology intensive projects under PCPIR that are likely to be operational within 10-15 years are estimated to draw an investment of USD116.54 billion. For setting up of PCPIRs, the government approved states including Odisha (Paradip), Gujarat (Dahej), Tamil Nadu (Cuddalore-Nagapattinam) & Andhra Pradesh (Vishakhapatnam Kakinada)

INDUSTRY-LEVEL INITIATIVES

- The Indian Chemical Council (ICC) is the nodal agency/signatory representing India under the 'Responsible Care Initiative'
- ICC has prepared codes and guidance for implementation of process safety, employee health and safety, pollution prevention, emergency response, and product safety.
- Member companies of ICC are encouraged to interact with local communities and groups such as students, teachers, fire/police personnel**.**

FIRM-LEVEL INITIATIVES

- Indian chemical firms have strived to increase their market share through global presence.

- They have in place technical agreements with multinational firms to keep abreast of technologicalProgress in the global chemical industry.

OUR BUSINESS

In this section, unless otherwise stated, references to "Company" or to "we", "us" and "our" refers to Mahickra Chemicals Limited. Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Statements.

OUR BUSINESS STRUCTURE

Industry Segments –

Dyes, Dye Intermediates and Chemicals



Business –

Produce and Market Reactive Dyes



Manufacturing Units –

Synthetic Organic Dyes – Vatva, Ahmedabad

OVERVIEW

Our Company was originally constituted as a partnership firm by the name of 'Mahak Dye Chem Industries' on June 21, 1994. Consequently, it was converted to public limited company pursuant to special resolution passed at an Extra-ordinary General Meeting held on September 05, 2017 and the name was changed to Mahickra Chemicals Limited and a fresh Certificate of Incorporation consequent upon Conversion Public Limited dated November 13, 2017 was issued by Central Registration Centre, Manesar. The Corporate Identification Number of our Company is U24304GJ2017PLC099781. The registered office of our company is situated at Plot No. 1209, Phase 3, GIDC Vatva, Ahmedabad – 382445, Gujarat, India.

Our Company is in the business of manufacturing of Reactive Dyes since year 1998, while the business of trading in Reactive Dyes was started in year 1994. The Company manufactures Reactive Dyes also known as Synthetic Organic Dyes (S.O.Dyes) and has an integrated process. The company specialises in Black Reactive Dyes. Our company manufactures 40 various types of Reactive Dyes. The product of the company caters to textiles & garments manufacturers. The company also offer specialty performance chemicals to the Textile Dyeing and printing industry. The company has a production capacity of approx. 900 tons per annum. The manufacturing facility of the company is situated at Vatva GIDC in Gujarat. The facility is spread over 2 storeyed 700 sq. meters in area. The company is an ISO 9001:2015, ISO 14001:2015 and GOTS certified company certifying the quality of the product our company manufactures.

Our Company is promoted and managed by Mr. Miteshkumar Champaklal Gandhi, Mr. Ashishkumar Champaklal Gandhi and Mrs. Komal Mitesh Gandhi. Our promoters are actively and fully involved in the day-to-day affairs of our company's operations. The experience of our company's management is reflected in company's performance where Revenue has grown from Rs. 1,932.93 Lakhs in F.Y. 2012-13 to Rs. 4,225.93 Lakhs in F.Y. 2016-17 and Profit before Tax has grown from Rs. 11.91 Lakhs to Rs. 51.26 Lakhs in the same period. Under the leadership of the promoters, our company have seen remarkable growth both in operations and financial performance.

Our Company manufactures dyes of various concentrations which is the deciding factor for the pricing of the product. We procure quality raw materials from Chemical industries like, Bodal Chemicals Ltd. and Kiri Chemicals Ltd. Our focus on Black Dyes have allowed us to be become a specialised player in that particular segment. Our company generates most of its revenue from export operations and

products of the company are exported to countries like, Turkey, Egypt, Bangladesh, etc. We have a dedicated technical team which looks after the quality and consistency of the product we manufacture. Our customers are mostly traders and importers who sell directly to textile manufacturers. Our relationship with our traders and esteemed customer base are key factors of our success in the industry.

Our brand image which is the effort of the industry experience we have is well received by the market and we shall continue to strengthen our brand by supplying qualitative products at competitive prices across the globe.

Our Financial Snapshot is as under:

Amount in Lakhs:

Particulars	For the period ended 31st Dec, 2017	F.Y. 2016-17	F.Y 2015-16	F.Y. 2014-15
Domestic Sales	686.27	175.88	355.75	357.56
Export Sales	3341.01	3960.80	3047.77	3865.06
Revenue*	4,089.68	4,225.85	3,478.82	4,275.15
EBITDA	329.83	297.15	251.15	254.52
Profit After Tax	35.84	35.27	15.17	8.60

**revenue is inclusive of other income*

Our Company's location and manufacturing facilities are as below:

Registered Office: Plot No. 1209, Phase 3, GIDC Vatva, Ahmedabad – 382445, Gujarat, India

Manufacturing facility: Plot No. 1209, Phase 3, GIDC Vatva, Ahmedabad – 382445, Gujarat, India

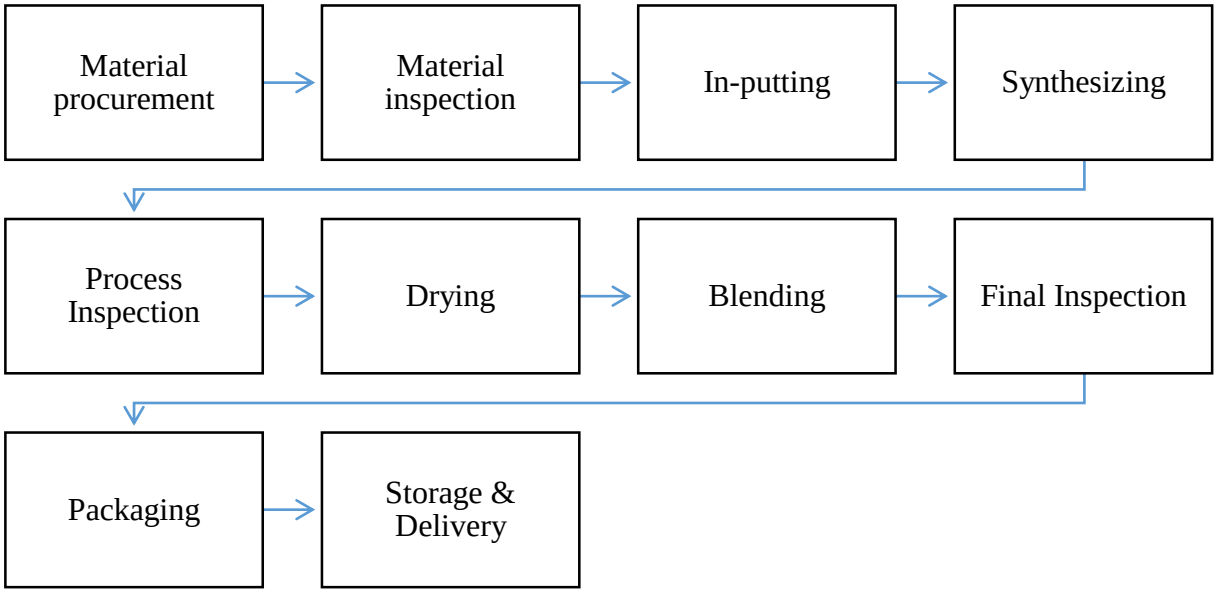
OUR MAJOR PRODUCTS

S. No.	Product	Image	Description
1.	**Black Reactive Dyes**		Reactive dyes are a class of highly coloured organic substances, primarily used for tinting textiles that attach themselves to their substrates by a chemical reaction that forms a covalent bond between the molecule of dye and fibre. The dyestuff thus becomes a part of the fibre and is much less likely to be removed by washing.

RAW MATERIALS

Our company procures more than 30 raw materials of different types and nature. Major raw material of the company are Sodium Bicarbonate, Sodium Nitrite, H-Acid, Cynuric Chloride, J Acid, Vinyle Sulfone, etc. We meet our raw material requirements by procuring such materials from established companies in Gujarat. Raw material storage facility is situated at Plot No. 1209, Phase-3, GIDC Vatva, Ahmedabad-382445, Gujarat, India.

OUR PRODUCTION PROCESS



The manufacturing of dyes requires a numerous process to obtain a complete powder form product. The major steps include:

1. **Material procurement:**

   We intend to maintain low-cum-sufficient level of inventory. To achieve this, we plan and forecast our productions and accordingly the order for raw material is placed. Our production team and sales team are in constant sync which helps us to order optimal level of raw material. Further, our technical team ensures that the raw material we procure are meeting the quality standards. Once the raw materials are procured from nearby suppliers, it is stores in our manufacturing facility having adequate storage capacity.

2. **Material Inspection:**

   A materials-inspection prior to processing aims to identify the characteristics accurately. The inspection team of the our company inspects materials thoroughly according to ISO-9001 Inspection procedure manual, with the result of which, if necessary, all the technicians concerned review whether to change the synthesizing recipe or not.

3. **In-putting:**

   According to the synthesizing recipe, an appropriate quantity of materials are put in the process. Meters, measuring instruments & apparatus are regularly inspected and corrected according to the ISO-9001 Inspection equipment-management procedure manual so as to minimize errors.

4. **Synthesizing:**

   To maintain the optimum reaction conditions at every reaction stage, the engineering team controls the whole synthesizing process according to the procedure manual. Synthesis is the process in which all the elements of the dye are mixed together with required technical and chemical criteria.

5. **Process Inspection:**

   To maintain the primary product after synthesizing in best quality, the in-house inspection team with requisite technical expertise in the quality-management department makes strict inspections of important items and assesses them to determine whether they are good enough for further processing.

6. **Drying:**

In the spray drying process, moisture from the dye is evaporated through heating while the powder form of dye is separated and collected in a separate tank. Spray-drying machines are usually large in size where heating and the entire process of separating dye is continuously followed.

7. **Blending:**

   The skilled technicians of production team sort out good and homogeneous materials by group and use them for manufacturing into products so as to result in the optimum matching & combinations.

8. **Final Inspection:**

   The inspection team of the quality management department collects samples from all manufactured items by lot to compare with the standard samples through the spectrophotometer and dyeing test, and thereby in case their coloring, penetration, fastness, etc. fall within the minimum allowable limits of error, the manufactured items shall be allowed to be packaged as final products.

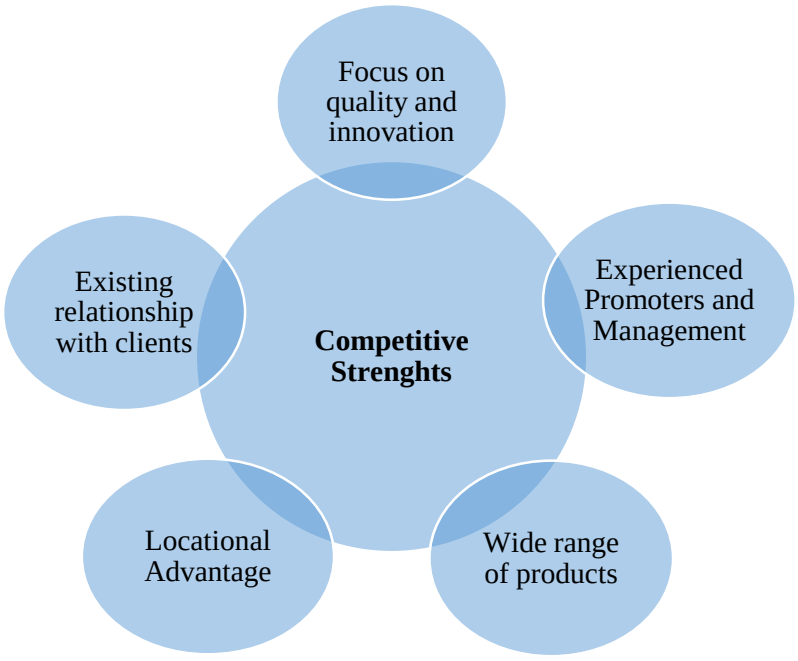
9. **Packaging:**

   Once the product meets all the required quality criteria, they are packed into baggage like container, cartoons, and boxes as per the requirement of the customer. Packaging is done keeping in mind the safety of the product and at the same time ensures its leakages into open environment.

10. **Storage & Delivery:**

    After proper packaging as per the customer's order, they are either directly loaded into trucks for shipment or they are stored in the warehouse inside the premises itself. Necessary care is taken to avoid any defect in the product. Exports order are made through Mundra Port which is in close proximity to our manufacturing.

OUR COMPETITIVE STRENGTHS



1. **Focus on quality and innovation**

   We believe our strength and success factor has been our constant focus on quality and innovation. To keep sailing on it, we stress on and constantly strive to improve the quality of our products. We have a dedicated R&D team which constantly works for waste effluent management, improving the

quality and the likes. Our technically qualified team ensures that we procure raw materials only from quality suppliers. To ensure high quality production, we test samples from every lot of raw material in our laboratory and only after meeting the quality criteria, it is further used for production. Further, each of our finished products is checked with respect to quality, and only after meeting the quality standards, products are considered for packaging. We have produced a wide range of colours and their combinations meeting wide range of customers' demands.

2. Experienced Promoters and Management

We have an experienced management team including our promoters who have more than 2 decade of experience in dye industry. Our Company is led by our promoter, Mr.Mitesh Gandhi and Mr. Ashish Gandhi who has strong experience and knowledge of the industry. His vision and values have been the foundation of our growth story. We understand quality forms an important aspect in dye industry and hence we have established a strong technical team to ensure quality output. It is through the constant vision and experience of our management team including the promoters, we have been able to build a sustainable business model and created a strong market reach. We have employed people in different areas of work who have required technical competence and qualifications. We strongly believe that the success of our organization lies in the efforts of our human resources.

3. Wide range of products

Beside manufacturing of numerous types of Black Reactive Dyes products, Our Company has large number of products and offers an entire range of specialty chemicals used in Textiles & Garments Processing namely the Pre-treatment, Printing, Dyeing and Finishing Process. We also offer specialty performance chemicals to the Leather& Agrochemicals industry. We are also trading in some other products for comfort of our Buyers. Those products include Food Colours, Pigment Powder, Paste Acids and Direct Dyes.

4. Locational Advantage

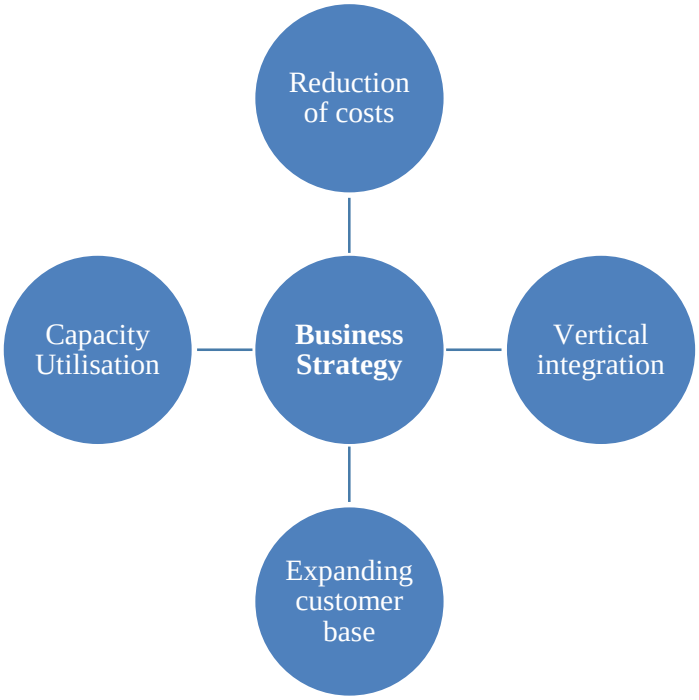
Reducing cost of production is something which our company has been focussing on since its inception. Procuring raw material at a competitive price effects our financial position quite substantially. We procure more than 30 kind of raw materials which are used in our manufacturing process and they are procured mostly from domestic players having their facility/warehouses in close proximity to our manufacturing facility hence reducing the cost of transportation substantially without compromising on the quality of the raw material procured. It also ensures us a continuous supply of raw materials.

5. Well established relationship with clients

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

BUSINESS STRATEGY

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



1. **Reduction of costs**

   Our company acknowledges the fact that having a manufacturing facility which will enable manufacture dye intermediates is an effective way of reducing costs substantially. Till date, we have been procuring raw materials and intermediates from third parties. However, our management will be devising a plan of intermediates manufacturing by which we can reduce our cost significantly. This will not only reduce the cost of production but also reduce the dependency on third party suppliers.

2. **Vertical integration of production process**

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

3. **Expanding customer base**

   Dye manufacturing is done only in India, China and Indonesia.But most of the global demand is met by India and China, hence the market for us is huge. The company's product is currently marketed majorly in Middle East region. The strategy going forward is to cater the market of other international locations, viz., Vietnam,Mexico,Brazil,Africa, USA and Europe The demand for dye is ever increasing even in India where catering to newer customer will be comparatively an easier task.

4. **Capacity Utilisation**

   Our company is currently operating at around 80% of its capacity. With the strong relationship we possess with our customers, marketing our product can be done without much effort. Since, the market with the buyer is readily available, we intend to ramp up our production to boost the revenue. As mentioned in the "*Objects of the issue*" in *Page 90 of RHP*, we would be increasing our production capacity from current 900 MT per annum to 1,500 MT per annum which will enable us to enter into new phase of growth.

SWOT Analysis

Strengths:

1. Locational Advantage – The manufacturing facility of our company is located at Vatra GIDC, Gujarat which is very close from Mundra Port allowing easy export to major markets. Raw material procurement are mostly done from players within Gujarat which are in near proximity to the manufacturing facility. This reduces our costs significantly.

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

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

Weakness:

1. Presence in one type of colour – Although the company is producing variety of color shades in Reactive Black dyes, we are present only in 1 color, i.e., Black. This restricts us to cater wider category of customers. However, going forward our company would intend to expand its portfolio to multi-colors.

2. Dependent on third party suppliers – Our company procures Dye intermediates from third party producers. It does not have its own manufacturing facility for producing intermediates and hence is largely dependent on third parties. In the past, company has faced cost issues owing to higher prices of intermediates charged by them, we are prone to such threats by them. However, the relationship and the volume of business we generate for them somehow mitigates this weakness of us.

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

Opportunities:

1. Decreasing competition from China –Dye industry has only 2 major players across the globe, India and China. With increasing environmental norms and strict government regulations w.r.t operting a chemical industry, the competition which was being faced by China is slowly eroding. There have been many shutdowns in China posirtively impacting the dye industry in India which has also witnessed growth in Dye prices. There have been a rapid increase in labour cost of late which has given the India a competitive advantage over China. With decrease in total supply, dye manufacturers have huge opportunity both in terms of volume and value.

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

3. Debt-led growth –Our company has a very low level of debt at around Rs. 1 crore for the month ended November, 2017. With such low debts in the books, it gives the company a cushion by which they can use prudent level of debt to foster a new growth phase in future. Our company has been continuously paying off its debt with a view to avoid high finance cost and has kept its financial position healthier.

Threats:

1. Increasing competition – Dye industry is highly competitive which faces competition from both organised and unorganised player. Our company faces tough competition from them in terms of pricing and customer base.Also, there are always the chances of new players entering this sector since barriers to entry are low. Further, there is contingency on how long benefit accruing due to China may be enjoyed. There may be turnaround in China's dye industry which possess huge threat to Indian market. However, our company has been successful enough to compete with them with increasing market share.

2. Regulatory risks – Our company deals in hazardous chemicals. H-acid, one of the products that is used in dye manufacturing is amongst the most polluting industrial effluent. It is toxic and non-biodegradable. Hence here there is huge amount of compliance risk wherein it is obvious to state that if the Company fails to comply with Environmental Laws and Regulations, the results of operations will be adversely affected. However, this can be handled with proper treatment plant in factory and Common Treatment plant.

UTILITIES & INFRASTRUCTURE FACILITIES

Infrastructure Facilities

Our registered office and manufacturing unit are well equipped with computer systems, internet connectivity, other communications equipment, security and other facilities, which are required for our business operations to function smoothly. It is equipped with requisite utilities and facilities including the following:

Power

Our Company meets its power requirements by purchasing electricity from Torrent Power Limited.

Water

Our Company procures water from a GIDC bore well situated in nearby vicinity.

CAPACITY UTILIZATION

Our manufacturing unit is engaged in manufacturing and sale of reactive dyes. The production and utilized capacities of our Company for these products for the past three years and also the projected capacities and utilizations for the subsequent three years are set forth in the following table:

Product	Installed	Existing			Projected		
		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Black-B	900 M.T./ per annum	80 m.t.	50 m.t.	55 m.t.	62 m.t.	71 m.t.	82 m.t.
Black-Mix		300 m.t.	400 m.t.	448 m.t.	515 m.t.	607 m.t.	730 m.t.
Yellow		30 m.t.	40 m.t.	46 m.t.	55 m.t.	65 m.t.	76 m.t.
Orange		10 m.t.	10 m.t.	12 m.t.	15 m.t.	17 m.t.	20 m.t.
Red		40 m.t.	60 m.t.	72 m.t.	86 m.t.	101 m.t.	119 m.t.
Blue		60 m.t.	80 m.t.	92 m.t.	109 m.t.	130 m.t.	153 m.t.

Top 5 customers for F.Y. 2016-17

Customer Name	Export/Domestic	Amount (in Rs.)	Percentage to Total Sales
T GARANTI BANK AS	Export	8,70,88,326	21.05%
TURKIYE HALK BANK ASI A.S.	Export	4,53,54,402	10.96%
ALBARAKA BANK	Export	3,21,21,536	7.76%
ARIHANT IMPEX	Export	2,83,49,093	6.85%
ARHAM EXPORTS	Domestic	1,22,98,661	2.97%
Total		**20,52,12,088**	**49.59%**

Plant and Machinery

The major plant and machinery of our Company is as follows:-

Name of Major Machinery	Qty	Vendor
Spray Dryer	1	AcmefilEngg. & Industries
Open Vessel	3	Krishna Industries
Gear Box	1	Crompton Greaves ltd.
Blender	1	D.K.Engineers
Ball Mill	1	Krishna Industries
JEE Pumps Gland Type	1	JEE Pumps
Ball Mill	1	Krishna Industries
Electronic Digital Scale	1	Shree Bhagyalakshmi Marketing
Filter Press	1	Amar Plastic
R.O.Machine	1	Dev Enterprise
Ice Crusher	2	Krishna Industries
E.T.P. Plant	1	Krishna Industries

COLLABORATIONS

As on the date of this Red Herring Prospectus, our Company has not entered into any technical or other collaboration.

EXPORT AND EXPORT OBLIGATION

The company confirms that they do not have any export related obligations as on the date of filing Red Herring Prospectus.

HUMAN RESOURCES

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

As on January 31, 2018 we have 18 employees at our manufacturing facility and registered office, who look after our business operations, factory management, administrative, secretarial, legal, marketing and accounting functions in accordance with their respective designated goals. Apart from these we also employ casual labour or temporary labour on need basis. Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work progress and skilled/ semi-skilled/ unskilled resources together with our strong management team have enabled us to successfully implement our growth plans.

Company imparts training to the employees regarding handing of the chemicals and equipment's which are used in the manufacturing process. Further, in order to minimize exposure to chemicals, appropriate protective gears (gloves, safety glasses and masks) are provided and adequate number of fire extinguishers in compliance with the applicable laws are placed by the company to avoid any in case fire incidents.

MARKETING

The efficiency of the marketing and sales network is critical success of our Company. Our success lies in the strength of our relationship with the traders who have been associated with our Company. Our team through their vast experience and good rapport with these traders owing to timely and quality delivery of service plays an instrumental role in creating and expanding a work platform for our Company. Our Domestic as well as Export Marketing is handled by industry experts who have experience of more than 2 decades. We believe the relationship with our business partners is strong and established, as we receive repeated orders. To retain our customers, our team having adequate

experience and competencies, regularly interact with them and focus on gaining an insight into the additional needs of customers.

END USERS

We cater to International and Domestic customers. Currently we offer our products through traders and importers. We manufacture dyes that are used for dying cloths in textile and garment industry and are sold as per the orders received by parties either directly from manufacturers or importers. However, some of our customers are Arham Exports, Arihant impex, Palash Colours Private Limited, Spectra, Enterprises and SNRM Marketing (India) Private Limited

COMPETITION

Dye industry being a large and concentrated industry, we face competition from various domestic players and international players from China. The Industry which we cater to is highly competitive, unorganized and fragmented with many small and medium-sized companies and entities and we compete with organized as well as unorganized sector on the basis of pricing of product, product quality and product range.

Most of our competitors in the regional level are from the unorganized sector of the chemical industry.

We intend to continue competing vigorously to capture more market share and manage our growth in an optimal way.

INSURANCE

Our Company has insurance coverage which we consider reasonably sufficient to cover all normal risks associated with our operations and which we believe is in accordance with the industry standards. Further, our contractual obligations to our lenders also require us to obtain specific insurance policies.

We have taken Standard Fire & Special Perils Policy for a substantial majority of our assets at our office and factory. These policies also insure us against the risk of earthquakes with plinth and foundation. We also have a Marine Cargo Open Policy that covers our products while in transit. Further we have Workman Compensation Insurance to cover our employees. Our policies are subject to customary exclusions and customary deductibles.

We believe that our insurance coverage is adequate for our business needs and operations. We will continue to review our policies to ensure adequate insurance coverage is maintained.

LAND AND PROPERTY

Owned Properties:

We have our properties located at following:

Sr No	Address of the Property	Area of the Property	Current Usage
1.	Plot No. 1209, Phase 3 GIDC Vatva, Ahmedabad – 382445, Gujarat, India.	703 sq.meter (mutli-storeyed building)	Registered Office and Manufacturing facility

INTELLECTUAL PROPERTY RIGHTS

We have applied for registration of the following Trademarks with the Trademarks Registry, Government of India. The details of trademark applications are as under:

S. No.	Trademark	Trademark Type	Class	Applicant	Application No.	Date of Application	Registration status
1.	MAHICKRA 	Device	1	Mahickra Chemicals Limited	3740786	January 31, 2018	Accepted and Advertised
2.	MAHICKRA 	Device	2	Mahickra Chemicals Limited	3740787	January 31, 2018	Accepted and Advertised

Our Company confirms that no other applications have been made by the Company nor has it registered any type of intellectual property including trademarks/copyrights/patents etc.

KEY INDUSTRY REGULATIONS AND POLICIES

Except as otherwise specified in this Red Herring 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, supplying and exporting dye stuff industry. 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 ourCompany, ourCompany 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 199 of this Red Herring Prospectus.

APPLICABLE LAWS AND REGULATIONS

BUSINESS/TRADE RELATED LAWS/REGULATIONS

The Micro, Small and Medium Enterprises Development Act, 2006

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the Micro, Small and Medium Enterprises Development Act, 2006 is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhiin the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951 as "micro enterprise", where the investment in plant and machinery does not exceed twenty-five lakh rupees; "Small enterprise", where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a medium enterprise , where the investment in plant and machinery is more than five crore but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, "Micro – enterprise" , where the investment in equipment does not exceed ten lakh rupees, "Small Enterprise" where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or " Medium Enterprise" where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

Industrial Policy of Relevant State

The Gujarat Industrial Policy 2015

Gujarat has witnessed strong growth in Micro, Small & Medium Enterprises (MSMEs) sector which covers the medium sector of Gujarat. MSME sector has a special importance as this is the sector which belongs to common man. Gujarat Government wishes to strengthen the sector by making it more technology-driven. This type of support will come by bay of interest subsidy for manufacturing and service sector, venture capital assistance, quality certification, technology acquisition fund, patent assistance for national and international, energy and water conservation audit, market development assistance and support, MSMEs for credit rating, raising capital through MSE exchange, reimbursement of CGTSME scheme for collateral free loan, state awards under MSMEs and skill development etc. Support would also be extended for development of ancillary and auxiliary enterprises for labour intensive industries.

The Government of Gujarat will constitute separate awards for MSMEs. The awards will be for achieving excellence through growth and production profit, quality improvement measures, Environment improvement measures and Innovation and new product/process/technology development. The policy encourages adoption of new and innovative technologies by providing financial support to each cluster for every innovative technology, setting up R&D Institutions, setting new laboratories, financial support through partial reimbursement of cost for filing domestic patents and international patents.

Gujarat government shall be taking market development initiatives with the intention of giving enhanced visibility to local produce from large industries and specifically from MSMEs. Government of Gujarat stresses on "Zero Defect" to produce globally-competitive, locally manufactured goods. One of the expansive marketing practices around the globe is participation in international and domestic trade fairs to show one's products or wares. Government of Gujarat will make market credit available to MSMEs.

Quality improvement is strongly envisaged in the new industrial policy. The assistance will be granted by national (approved by quality council of India) and international certification. The policy also intends to encourage use of enterprise resources planning system (ERP) for MSMEs. Government of Gujarat also provides assistance for raising capital through SME exchange on one-time basis.

Anti-Trust Laws

Competition Act, 2002

An act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of agreements and Anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

The prima facie duty of the commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. The commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General he shall be punishable with a fine which may exceed to Rs. 1 lakh for each day during such failure subject to maximum of Rupees One Crore.

GENERAL CORPORATE COMPLIANCE

The Companies Act 1956 and the Companies Act, 2013

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013. The Companies Act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a One-Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.

Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager

of the firm. The provisions relating to remuneration of the directors' payable by the companies is under Part II of the said schedule.

EMPLOYMENT AND LABOUR LAWS

Contract Labour (Regulation and Abolition) Act, 1970("CLRA")

The Contract Labour (Regulation and Abolition) Act, 1970 has been enacted to regulate the employment of contract labour in certain establishments, the regulation of their conditions and terms of service and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. The CLRA vests the responsibility on the principal employer of an establishment to which the CLRA applies to make an application to the registered officer in the prescribed manner for registration of the establishment. In the absence of registration, a contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. To ensure the welfare and health of the contract labour, the CLRA imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

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

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

Employees Deposit Linked Insurance Scheme, 1976

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

The Employees Pension Scheme, 1995

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

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

It is an act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation there to.It shall apply to all factories

(including factories belonging to the Government) other than seasonal factories.Provided that nothing contained in this sub-section shall apply to a factory or establishment belonging to or under the control of the Government whose employees are otherwise in receipt of benefits substantially similar or superior to the benefits provided under thisAct.The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

Payment of Bonus Act, 1965

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

Payment of Gratuity Act, 1972

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

Minimum Wages Act, 1948("MWA")

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

Maternity Benefit Act, 1961

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

Equal Remuneration Act, 1979

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

Child Labour Prohibition and Regulation Act, 1986

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

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

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

The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

In order to curb the rise in sexual harassment of womenat workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an "Internal Complaints Committee"and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

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

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

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

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

for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment.

TAX RELATED LEGISLATIONS

Value Added Tax ("VAT")

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

Gujarat Value Added Tax Act, 2003

Gujarat Value Added Tax, 2003 (GVAT Act) is made effective in the state of Gujarat from 1st April, 2006. On its implementation, the following Acts are repealed.

- The Gujarat Sales Tax Act, 1969,
- The Bombay Sales of Motor Spirit Taxation Act, 1958,
- The Purchase Tax on Sugarcane Act, 1989.

However, provisions relating to pending assessment, appeals, recovery etc., under the above Acts will survive. The basic requirement of charging tax under GVAT Act is that where any sale in the course of business is affected, in the State of Gujarat, VAT is payable under GVAT Act. Transactions made in the course of business only are covered under the GVAT Act.

The Gujarat (Panchayats, Municipalities, Municipal Corporations and State) Tax on Professions, Traders, Callings and Employments Act, 1976

Professional tax in Gujarat is governed by the Gujarat Panchayats, Muncipalities, Muncipal Corporation and State Tax on Professions, Traders, Callings and Employment Act, 1976 and rules of 1976. All registered partnership firms, all factory owners, all shops or establishment owners (if the shop has employed on an average five employees per day during the year), all businesses covered under the definition of 'dealer' defined in the Gujarat Value Added Tax Act, 2003 whose annual turnover is more than Rs. 2.50 lakhs, all transport permit holders, money lenders, petrol pump owners, all limited companies, all banks, all district or state level co-operative societies, estate agents, brokers, building contractors, video parlours, video libraries, members of associations registered under Forward Contract Act, members of stock exchange, other professionals, like legal consultants, solicitors, doctors, insurance agents, etc are covered under this Act. It is duty of the employers to deduct tax from the person earning any salary/wage in the organisation. For the purpose of this act, employer means in relation to an employee earning any salary or wages on regular basis under him, means the person or the officer who is responsible for disbursement of such salary or wages, and includes the head of the office or any establishment as well as the manager of agent of the employer.

Monthly Salary	Amount payable in Gujarat
Less than Rs. 5999	Nil
Rs. 6000 to Rs. 8999	Rs. 80 per month

Rs. 9000 to Rs. 11999	Rs. 150 per month
Rs. 12000 & above	Rs. 200 per month

Service Tax

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of 'taxable services',as specified in entry 39 defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 5th / 6thof the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the Company is required to file a half yearly return in Form ST 3 by the 25th of the month immediately following the half year to which the return relates.

Central Sales Tax Act, 1956 ("CST")

The main object of this act is to formulate principles for determining (a) when a sale or purchase takes place in the course of trade or commerce (b) when a sale or purchase takes place outside a State (c) when a sale or purchase takesplace in the course of imports into or export from India, to provide for levy, collection and distribution of taxes onsales of goods in the course of trade or commerce, to declare certain goods to be of special importance trade or commerceand specify the restrictions and conditions to which State Laws imposing taxes on sale or purchase of such goods ofspecial importance (called as declared goods) shall be subject. CST Act imposes the tax on interstate sales and states theprinciples and restrictions as per the powers conferred by Constitution.

Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e.bringing into India from a place outside India or at the time of export of goods i.e. takingout of India to a place outsideIndia. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC(Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess.The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on thetransaction value of the goods. Customs duties are administrated by Central Board of Excise and Customs under theMinistry of Finance.

The Central Excise Act, 1944

The Central Excise Act, 1944 ("Central Excise Act") consolidates and amends the law relating to Central Duties of Exciseon goods manufactured or produced in India. Excisable goods under the Act means goods specified in the Schedule to theCentral Excise Tariff Act, 1985 as being subject to duty of excise. Factory means any premises, including the precinctsthereof, wherein or in any part of which excisable goods are manufactured, or wherein or in any part of which anymanufacturing process connected with the production of these goods being carried on or is ordinarily carried out. Underthe Act a duty of excise is levied on all excisable goods, which are produced or manufactured in India as and at the rates,set forth in the First Schedule to the Central Excise Tariff Act, 1985.

Goods and Service Tax (GST)

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by Centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A

destination based consumption tax GST would be a dual GST with the centre and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise – goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

It is applicable on all goods except for alcohol for human consumption and five petroleum products.

Taxpayers with an aggregate turnover of Rs. 20 lakhs would be exempt from tax. The exemption threshold for special category of states like North-East shall be Rs. 10 lakhs. Small taxpayers with an aggregate turnover in preceding financial year upto Rs. 75 lakhs (50 lakhs in case of special category states) may opt for composition levy. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. There is a special rate of 0.25% on rough precious and semi-precious stones and 3% on gold. In addition, a cess of 15% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products. Export and supplies to SEZ shall be treated as zero-rated supplies. Import of goods and services would be treated as inter-state supplies. Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen-digit registration number known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple location in a state, a separate application will be made for registration of each and every location. The registered assessee are then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

OTHER LAWS

The Factories Act, 1948("Factories Act")

The Factories Act, 1948 aims at regulating labour employed in factories. A "factory" is defined as "any premises...whereon ten or more workers are working or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power, or is ordinarily so carried on, or whereon twenty or more workers are working, or were 81 working on any day of the preceding twelve months, and in any part of which a manufacturing process is carried on without the aid of power, or is ordinarily so carried on...". The main aim of the said Act is to ensure adequate safety measures and to promote the health and welfare of the workers employed in factories initiating various measures from time to time to ensure that adequate standards of safety, health and welfare are achieved at all the places.

Under the Factories Act, the State Government may make rules mandating approval for proposed factories and requiring licensing and registration of factories. The Factories Act makes detailed provision for ensuring sanitary conditions in the factory and safety of the workers and also lays down permissible working hours, leave etc. In addition, it makes provision for the adoption of worker welfare measures. The prime responsibility for compliance with the Factories Act and the rules thereunder rests on the "occupier", being the person who has ultimate control over the affairs of the factory. The Factories Act states that save as otherwise provided in the Factories Act and subject to provisions of the Factories Act which impose certain liability on the owner of the factory, in the event there is any contravention of any of the provisions of the Factories Act or the rules made thereunder or of any order in writing given thereunder, the occupier and the manager of the factory shall each be guilty of the offence and punishable with imprisonment or with fine. The occupier is required to submit a written

notice to the chief inspector of factories containing all the details of the factory, the owner, manager and himself, nature of activities and such other prescribed information prior to occupying or using any premises as a factory. The occupier is required to ensure, as far as it is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory.

Shops and establishments laws in various states

Under the provisions of local Shops and Establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

ENVIRONMENTAL LEGISLATIONS

The Environment Protection Act, 1986 ("Environment Protection Act")

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a frame work for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to (a) prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

The Air Act was enacted with an objective to protect the environment from smoke and other toxic effluents released in the atmosphere by industries. With a view to curb air pollution, the Air Act has declared several areas as air pollution control area and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Air Act, if a person intends to commence an industrial plant in a pollution control area.

Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Water Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution control boards constituted under the Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain prior consent of the board constituted under the Water Act.

Hazardous Waste (Management and Handling) Rules, 1989 ("Hazardous Waste Rules")

The Hazardous Waste Rules, as amended, impose an obligation on each occupier and operator of any facility generating hazardous waste to dispose of such hazardous wastes properly and also imposes obligations in respect of the collection, treatment and storage of hazardous wastes. Each occupier and operator of any facility generating hazardous waste is required to obtain an approval from the relevant state pollution control board for collecting, storing and treating the hazardous waste.

The Public Liability Insurance Act, 1991

This Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the

legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

National Environmental Policy, 2006

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

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

INTELLECTUAL PROPERTY LEGISLATIONS

In general, the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- Indian Copyright Act, 1957
- The Trade Marks Act, 1999

Indian Patents Act, 1970

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

The Copyright Act, 1957

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

Trade Marks Act, 1999 ("TM Act")

The Trade Marks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of

deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

GENERAL LAWS

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881,The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986 are also applicable to the company.

OTHER LAWS:

Foreign Trade (Development and Regulation) Act, 1992

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

If any person makes any contravention to any law or commits economic offence or imports/exportsin 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. DGFTis 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, 1999and 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 aperson resident in India and also to any contravention there under committed outside India by anyperson 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 suchmanner as may be specified, containing true and correct material particulars, including theamount representing the full export value or, if the full export value of the goods is not ascertainableat the time of export, the value which the exporter, having regard to the prevailing marketconditions, 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 forthe 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 orsuch reduced value of the goods as the Reserve Bank determines, having regard to the prevailingmarket conditions, is received without any delay, direct any exporter to comply with suchrequirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities adeclaration in such form and in such manner as may be specified, containing the true and correctmaterial particulars in relation to payment for such services.

FEMA Regulations

As laid down by the FEMA Regulations, no priorconsents 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 theautomatic 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, hasnotified 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 personresident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relatesto regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed bythe Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India

THE FOREIGN DIRECT INVESTMENT

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment **("FDI")** through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India **("DIPP"),** has issued consolidated FDI Policy Circular of 2017**("FDI Policy 2017")**, which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India **("RBI")** also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore, applicable foreign investment up to 100% is permitted in our company under automatic route.

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

CORPORATE PROFILE AND BRIEF HISTORY

Our Company was originally constituted as a partnership firm having Firm Registration Number GUJAMG16841 in the name and style of 'Mahak Dye Chem Industries' vide a Deed of Partnership entered as on June 21, 1994.Subsequently, it was converted into a public limited company pursuant to partners special resolution passed at its Extra-ordinary General Meeting of our firm held on September 05, 2017 and the name of our firm was changed to Mahickra Chemicals Limited vide a fresh Certificate of Incorporation consequent upon conversion dated November 13, 2017 was issued by Central Registration Centre, Manesar. The Corporate Identification Number of our Company is U24304GJ2017PLC099781.

Miteshkumar Champaklal Gandhi, Ashishkumar Champaklal Gandhi, Komal Mitesh Gandhi, Anitaben Ashishbhai Gandhi, Champaklal Kachralal Gandhi, Jayantilal Sakarchand Shah and Pravin Popatbhai Patel were the initial subscribers to our Company.

The details of their shareholding have been disclosed in the chapter titled, "Capital Structure" beginning on page 74 of this Red Herring Prospectus.

For information on our Company's profile, activities, products, market, growth, managerial competence, standing with reference to prominent competitors, major suppliers and customers, see the sections "*Our Management*", "*Our Business*" and "*Our Industry*" beginning on pages 148, 122 and 104 respectively

CHANGES IN REGISTERED OFFICE OF OUR COMPANY

Except as mentioned below, there has been no change in our Registered Office since incorporation:

Date of Resolution	From	To
February 14, 2018	Plot No. 1209, Phase III, GIDC Vatva, Ahmedabad, Gujarat 382440	Plot No. 1209, Phase-3, GIDC Vatva, Ahmedabad, Gujarat 382445

KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

Financial Year	Events
1994	Formed as a Partnership Firm in the name and style of 'Mahak Dye Chem Industries'
2017	ISO certification for Quality Management System
2017	ISO certification for Environment Management System
2017	Conversion of Partnership Firm to Public Company in the name and style of "Mahickra Chemicals Limited"

The main object of our Company, as contained in our MoA, is as set forth below:

To carry on business as manufacturers, formulators, processors, producers, makers, buyers, sellers, re-sellers, importers, exporters, distributors, suppliers, fermentations, distillers, refiners, stockiest, agents, merchants, developers, consultants and dealers, in all types, forms (solid, liquid and gaseous) and of all kinds of chemicals and chemical compounds (organic and inorganic) heavy chemicals, acids, alkalis, tannis, tannin extracts, solvents, dyestuffs, dyes, pigments, colors, resins, chemicals auxiliaries, bio chemicals, microcrystalline, bio and colloidal chemicals, including coating materials natural and synthetic depolymerised products, spray dried products synthesized coating spreads, carbon and intermediates, derivatives suspensions, gels, powders, formulations, downstream, ingredients and by-products and their related preparations articles and products.

OUR HOLDING COMPANY

Our Company does not have any holding company.

OUR SUBSIDIARY COMPANY

We do not have any subsidiary as on the date of this Red Herring Propectus.

AMENDMENTS TO THE MOA OF OUR COMPANY SINCE INCORPORATION

Since incorporation, no changes have been made to our MoA.

PROMOTERS OF OUR COMPANY

The promoters of our Company are Miteshkumar Champaklal Gandhi and Ashishkumar Champaklal Gandhi. For details, see "*Our Promoter and Promoter Group*" beginning on page 164 of this Red Herring Prospectus.

CAPITAL RAISING ACTIVITIES THROUGH EQUITY OR DEBT

For details regarding our capital raising activities through equity and debt, refer to the section titled "*Capital Structure*" beginning on page 74 of this Red Herring Prospectus.

INJUNCTIONS OR RESTRAINING ORDERS

The Company is not operating under any injunction or restraining order.

MERGERS AND ACQUISITIONS IN THE HISTORY OF OUR COMPANY

Our Company has not merged/amalgamated itself nor has acquired any business/undertaking, since incorporation.

SHAREHOLDERS AGREEMENTS

Our Company has not entered into any shareholders agreement as on date of filing of this Red Herring Prospectus.

OTHER AGREEMENTS

Our Company has not entered into any agreements/arrangement except under normal course of business of the Company, as on the date of filing of this Red Herring Prospectus.

STRATEGIC/ FINANCIAL PARTNERS

Our Company does not have any strategic/financial partner as on the date of filing of this Red Herring Prospectus.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS OR BANKS

There have been no defaults or rescheduling of borrowings with financial institutions or banks as on the date of this Red Herring Prospectus.

CONVERSION OF LOANS INTO EQUITY SHARES

There have been no incident of conversion of loans availed from financial institutions and banks into Equity Shares as on the date of this Red Herring Prospectus.

CHANGE IN ACTIVITIES OF OUR COMPANY IN THE LAST FIVE YEARS

There has been no change in the activities of our Company during the last five years.

STRIKES AND LOCKOUTS

There have been no strikes or lockouts in our Company since incorporation.

REVALUATION OF ASSETS

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

TIME AND COST OVERRUNS IN SETTING UP PROJECTS

As on the date of this Red Herring Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

NUMBER OF SHAREHOLDERS

Our Company has 33 (thirty three) shareholders as on date of this Red Herring Prospectus.

DETAILS OF PAST PERFORMANCE

For details in relation to our financial performance in the previous five financial years, including details of non-recurring items of income, refer to section titled "Financial Statements" beginning on page 174 of this Red Herring Prospectus.

BUSINESS INTEREST BETWEEN OUR COMPANY AND OUR SUBSIDIARIES

Except as disclosed in "Related Party Transactions" on page 172 we do not have any Subsidiary, Holding Company which has any business interest in our Company.

SIGNIFICANT SALE/ PURCHASE BETWEEN OUR SUBSIDIARY/ ASSOCIATE/ HOLDING/ JV AND OUR COMPANY

We do not have any Subsidiary, Holding, Joint Venture and Associate Company as on date of filing this Red Herring Prospectus.

DEFUNCT / STRUCK-OFF COMPANY

None of our group company was struck off.

OUR MANAGEMENT

BOARD OF DIRECTORS

Under our AoA our Company is required to have not less than 3 (three) directors and not more than 15 (fifteen) directors, subject to the applicable provisions of the Companies Act, 2013. We currently have 6 (six) directors on our Board.

The following table sets forth details regarding our Board of Directors as on the date of Red Herring Prospectus:

Sr. No.	Name, Father's/, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment/ Reappointment as Director	Other Directorship
1.	**Name:** Miteshkumar Champaklal Gandhi **Father's Name:** Champaklal Kacharalal Gandhi **Age:** 46 Years **Designation:** Chairman and Managing Director **Address**: 29, Suryoday Bunglows, Nr. Gulab Tower, Sola Road, Thaltej, Ahmedabad 380054 Gujarat, India **Occupation:** Business **Nationality:** Indian **DIN:** 02142361 **Term**: 3 years w.e.f. December 20, 2017	Appointment as Executive Director on November 13, 2017 Designated as Chairman on December 18, 2017 Designated as Managing Director on December 20, 2017	**Public Limited Company** Nil **Private Limited Company** Palash Colours Private Limited
2.	**Name:** Ashishkumar Champaklal Gandhi **Father's Name:** Champaklal Kacharalal Gandhi **Age:** 45 years **Designation:** Whole Time Director **Address**: SF 4th Floor, Sun Castel Complex, Gulab Tower Road, Ghatlodia, Ahmedabad 380061 Gujarat, India **Occupation:** Business	Appointment as Executive Director on November 13, 2017 Designated as Whole Time Director on December 20, 2017	**Public Limited Company** – Nil **Private Limited Company** Nil

Sr. No.	Name, Father's/, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment/ Reappointment as Director	Other Directorship
	Nationality: Indian **DIN**: 02142344 **Term**: 3 years w.e.f. December 20, 2017		
3.	**Name:** Komal Mitesh Gandhi **Father's Name:** Jayantilal Sakarchand Shah **Age:** 45 years **Designation:** Whole Time Director **Address**: 29, Suryoday Bunglows, Nr. Gulab Tower, Sola Road, Thaltej, Ahmedabad 380054 Gujarat, India **Occupation:** Business **Nationality:** Indian **DIN**: 02137805 **Term**: 3 years w.e.f. January 02, 2018	Appointment as Executive Director on November 13, 2017 Designated as Whole Time Director on January 02, 2018	**Public Limited Company** Nil **Private Limited Company** Nil
4.	**Name:** Vrusha Patel **Father's Name:** Arvindbhai Mathurdas Patel **Age:** 22 years **Designation:** Independent Director **Address**: E-20,Vaibhav Appartment, Sardar Chowk, Opp. Maniba School, Krishnana Gar Ahmedabad 382345 Gujarat, India **Occupation:** Service **Nationality:** Indian **DIN**: 07772669 **Term**: 3 years w.e.f. December 20, 2017	Appointment as Additional Independent Director on December 18, 2017 Regularised as Independent Director on December 20, 2017	**Public Limited Company** 1. Yash Chemex Limited; 2. A & M Febcon Limited. **Private Limited Company** Nil

Sr. No.	Name, Father's/, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment/ Reappointment as Director	Other Directorship
5.	**Name:** Akhil Sarabhai Shah **Father's Name:** Sarabhai Haribhai Shah **Age:** 61 years **Designation:** IndependentDirector **Address**: 12, New Ashish Flats Paldi, Ellisbridge Ahmedabad 380006 Gujarat, India **Occupation:** Business **Nationality:** Indian **DIN**: 08026138 **Term**: 3 years w.e.f. December 20, 2017	Appointment as Additional Independent Director on December 18, 2017 Regularised as Independent Director on December 20, 2017	**Public Limited Company** Nil **Private Limited Company** Nil
6.	**Name:** Dhanik Jayeshkumar Mehta **Father's Name:** Jayeshkumar Tarachand Mehta **Age:** 26 years **Designation:** IndependentDirector **Address**: C-101, Gaganvihar Flats, Khanpur Ahmedabad 380001 Gujarat, India **Occupation:** Business **Nationality:** Indian **DIN**: 08028156 **Term**: 3 years w.e.f. December 20, 2017	Appointment as Additional Independent Director on December 18, 2017 Regularised as Independent Director on December 20, 2017	**Public Limited Company** Nil **Private Limited Company** Nil

BRIEF BIOGRAPHIES OF OUR DIRECTORS

i. Miteshkumar Champaklal Gandhi

Miteshkumar Champaklal Gandhi, aged 46 years, is Promoter, Chairman & Managing Director of our company. He has been an Executive Director of the Company from November 13, 2017 and thereafter has been designated as Chairman of the Company from December 18, 2017 and as Managing Director of the Company from December 20, 2017. He holds a Bachelor's degree in Engineering in chemical branch from Gujarat University and has a rich

knowledge in chemical industry and is presently looking after sales, marketing, production and quality control department in company. He is guiding force behind all the corporate decisions of the company.

ii. Ashishkumar Champaklal Gandhi

Ashishkumar Champaklal Gandhi, aged 45 years, is the Promoter & Whole Time Director of our Company. He has been an Executive Director of the Company from November 13, 2017 and thereafter has been designated Whole-time Director of the Company from December 20, 2017. He holds a Bachelor's degree in Engineering in electrical branch from Sardar Patel University, Gujarat. He currently looks after finance, exports, administration and accounting department in the company.

iii. Komal Mitesh Gandhi

Komal Mitesh Gandhi, aged 45 years, is the Promoter & Whole Time Director of our Company. She has been an Executive Director of the Company from November 13, 2017 and thereafter has been designated Whole-time Director of the Company from January 02, 2018. She holds Diploma in Banking from Technical Examination Board, Gujarat and also holds Bachelor's degree in Commerce from Gujarat University.

iv. Vrusha Patel

Vrusha Patel, aged 22 years, is the Independent Director of our Company. She was appointed as an Additional Independent Director as on December 18, 2017 and thereafter has been appointed as an Independent Director of the Company w.e.f. December 20, 2017. She is a qualified Company Secretary and holds a Bachelor's degree in Commerce from Gujarat University.

v. Akhil Sarabhai Shah

Akhil Sarabhai Shah, aged 61 years, is the Independent Director of our Company He was appointed as an Additional Independent Director as on December 18, 2017 and thereafter has been appointed as an Independent Director of the Company w.e.f. December 20, 2017.

vi. Dhanik Jayeshkumar Mehta

Dhanik Jayeshkumar Mehta, aged 26 years, is the Independent Director of our Company. He was appointed as an Additional Independent Director as on December 18, 2017 and thereafter has been appointed as an Independent Director of the Company w.e.f. December 20, 2017. He holds Bachelor's degree in Commerce from Gujarat University.

CONFIRMATIONS

As on the date of this Red Herring Prospectus:

1. Except as stated below; none of the Directors of the Company are related to each other as per section 2(77) of the Companies Act, 2013

Director	Other Director	Relation
Miteshkumar Champaklal Gandhi	Ashishkumar Champaklal Gandhi	Brothers
Komal Mitesh Gandhi	Miteshkumar Champaklal Gandhi	Spouse

2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of our Directors are on the RBI List of willful defaulters.

5. 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.

6. None of the Promoters, persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

REMUNERATION/COMPENSATION/COMMISSION PAID TO DIRECTORS

During the last financial year ended on March 31, 2017, none of the directors have been paid gross remuneration.

Terms and conditions of employment of our Managing Director:

Miteshkumar Champaklal Gandhi

Miteshkumar Champaklal Gandhi has been appointed as Managing Director of our Company for a period of 3 years with effect from December 20, 2017. He is paid remuneration as per the terms and conditions mentioned in the resolution dated December 20, 2017.

Remuneration	Rs 7,20,000/- p.a.

However, the total managerial remuneration payable to the director shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time (i.e as per section 1 of Part II of Schedule V) or whether in case in any financial year, during his currency of tenure of a managerial person, the Company has no profits or its profits are inadequate, it may without approval of Central Government pay, the remuneration to above managerial personnel not exceeding the ceiling (not exceeding the highest of the limit prescribed under section 2 of Part II of Schedule V of the Act.

Terms and conditions of employment of our Whole Time Directors:

i. Ashishkumar Champaklal Gandhi

Ashishkumar Champaklal Gandhi has been appointed as Whole Time Director of our Company for a period of 3 years with effect from December 20, 2017. He is paid remuneration as per the terms and conditions mentioned in the resolution dated December 20, 2017.

Remuneration	Rs 14,40,000/- p.a.

However, the total managerial remuneration payable to the director shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time (i.e as per section 1 of Part II of Schedule V) or whether in case in any financial year, during his currency of tenure of a managerial person, the Company has no profits or its profits are inadequate, it may without approval of Central Government pay, the remuneration to above managerial personnel not exceeding the ceiling (not exceeding the highest of the limit prescribed under section 2 of Part II of Schedule V of the Act.

ii. Komal Mitesh Gandhi

Komal Mitesh Gandhi has been appointed as Whole Time Director of our Company for a period of 3 years with effect from January 02, 2018. She is paid remuneration as per the terms and conditions mentioned in the resolution dated January 02, 2018.

Remuneration	Rs 7,20,000/- p.a.

However, the total managerial remuneration payable to the director shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time (i.e as per section 1 of Part II of Schedule V) or whether in case in any financial year, during his currency of tenure of a managerial person, the Company

has no profits or its profits are inadequate, it may without approval of Central Government pay, the remuneration to above managerial personnel not exceeding the ceiling (not exceeding the highest of the limit prescribed under section 2 of Part II of Schedule V of the Act.

Terms and conditions of employment of our Non-Executive Director and Independent Directors

Non-Executive and Independent Directors of our Company may be paid sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act, 2013 and other applicable laws and regulations.

SHAREHOLDING OF OUR DIRECTORS IN THE COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares.

The following table details the shareholding of our Directors as on the date of this Red Herring Prospectus:

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Miteshkumar Champaklal Gandhi	5,29,528	10.31%	7.32%
2.	Ashishkumar Champaklal Gandhi	17,46,623	34.02%	24.14%
3.	Komal Mitesh Gandhi	8,54,113	16.64%	11.81%

INTERESTS OF DIRECTORS

Interest in Promotion of the Company

Our Director, Miteshkumar Champaklal Gandhi, Ashishkumar Champaklal Gandhi and Komal Mitesh Gandhi may be deemed to be interested to the extent of being Promoter of our Company. They may also be deemed to be interested to the extent of any dividend payable to him and other distributions in respect of the Equity Shares held by them. For further details, refer to chapters titled *"Our Promoter and Promoter Group"* and *"Related Party Transaction* beginning on page 164 and 172 of this Red Herring Prospectus.

Interest by way of Remuneration from the Company

Our Executive Directors, Miteshkumar Champaklal Gandhi, Ashishkumar Champaklal Gandhi and Komal Mitesh Gandhi may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses payable to them. For details, see *"Remuneration/Compensation of Directors"* above. Further, our Independent Directors are entitled to receive sitting fees for attending meetings of our Board within the limits laid down in the Companies Act, 2013 and as decided by our Board subject to Articles of Association. Further, except as disclosed above none of our Directors hold any Equity Shares in our Company. Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue. 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, if any. Except as stated in the chapters *"Our Management"* and *"Related Party Transactions"* beginning on pages 148 and 172 respectively of this Red Herring Prospectus and described herein above, our Directors do not have any other interest in the business of our Company.

Interest by way of sitting fees.

The Articles of Association of our Company provides that payment of sitting fees to Directors for attending a meeting of the Board or a Committee thereof and shall be decided by the Board of Directors from time to time.

PROPERTY INTEREST

Except as stated/referred to in the heading titled *"Land and Property"* under the chapter titled *"Our Business"* beginning on page 122 and chapter titled *"Related Party Transaction"* on page 172 of the Red Herring Prospectus, our Directors have not entered into any contract, agreement or arrangements within a period of two years preceding the date of Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them. Further our Directors do not have any interest in any immovable property to be acquired by the Company except other wise disclosed in the heading titled *"Land and Property"* under the chapter titled *"Our Business"* beginning on page 122 of the Red Herring Prospectus.

INTEREST IN THE BUSINESS OF OUR COMPANY

Save and except as stated otherwise in *"Related Party Transactions"* in the chapter titled *"Financial Statements as Restated"* beginning on page 174 of this Red Herring Prospectus, our Directors do not have any other interests in our Company as on the date of this Red Herring Prospectus.

SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES

Our Company does not have any subsidiary or associate Company as on date of filing this Red Herring Prospectus.

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Following are the changes in directors of our Company in last three years prior to the date of this Red Herring Prospectus:

Name	Date of event	Nature of event	Reason
Miteshkumar Champaklal Gandhi	November 13, 2017	Appointment	Appointment as Executive Director of Company
Ashishkumar Champaklal Gandhi	November 13, 2017	Appointment	Appointment as Executive Director of Company
Komal Mitesh Gandhi	November 13, 2017	Appointment	Appointment as Executive Director of Company
Vrusha Patel	December 18, 2017	Appointment	Appointment as Additional Independent Director of Company
Akhil Sarabhai Shah	December 18, 2017	Appointment	Appointment as Additional Independent Director of Company
Dhanik Jayeshkumar Mehta	December 18, 2017	Appointment	Appointment as Additional Independent Director of Company
Miteshkumar Champaklal Gandhi	December 18, 2017	Change in Designation	Designated as Chairman of Board of Directors
Miteshkumar Champaklal Gandhi	December 20, 2017	Change in Designation	Designated as Managing Director
Ashishkumar Champaklal Gandhi	December 20, 2017	Change in Designation	Designated as Whole Time Director
Vrusha Patel	December 20, 2017	Regularization	Regularized as Independent Director
Akhil Sarabhai Shah	December 20, 2017	Regularization	Regularized as Independent Director

Name	Date of event	Nature of event	Reason
Dhanik Jayeshkumar Mehta	December 20, 2017	Regularization	Regularized as Independent Director
Komal Mitesh Gandhi	January 02, 2018	Change of Designation	Designated as Whole Time Director

BORROWING POWERS OF THE BOARD

Pursuant to a special resolution passed at an Extra- Ordinary General Meeting of our Company held on December 20, 2017 and pursuant to Section 180(1)(c) and any other applicable provisions, of the Companies Act, 2013 and the rules made thereunder, consent of Members be and is hereby accorded to borrow from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the company and free reserve, that is to say, reserves not set apart for any specific purposes, provided that the total outstanding amount so borrowed, shall not at any time exceed the limit of 200 crores.

CORPORATE GOVERNANCE

The provisions of the SEBI Listing Regulations will be applicable to our Company immediately upon the listing of our Equity Shares with NSE. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of Chapter IV of the SEBI Listing Regulations as may be applicable.

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Currently our Board has 6 (six) directors out of which 3 (three) are Independent Directors. The constitution of our Board is in compliance with the requirements of Regulation 17 of the SEBI Listing Regulations and as per section 149 of the Companies Act, 2013.

The following committees have been formed in compliance with the corporate governance norms:

A) Audit Committee

B) Stakeholders Relationship Committee

C) Nomination and Remuneration Committee

A) Audit Committee

Our Company has constituted an audit committee ("Audit Committee"), as per section 177 of the Companies Act 2013 vide resolution passed in the meeting of the Board of Directors date January 05, 2018. The constituted Audit Committee comprises following members:

Name of the Director	Status	Nature of Directorship
Vrusha Patel	Chairman	Independent Director
Dhanik Jayeshkumar Mehta	Member	Independent Director
Akhil Sarabhai Shah	Member	Independent Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

I. The Audit Committee shall have following powers/responsibilities:
   a. To investigate any activity within its terms of reference.
   b. To seek information from any employee.
   c. To obtain outside legal or other professional advice, and
   d. To secure attendance of outsiders with relevant expertise if it considers necessary

II. The Audit Committee shall mandatorily review the following information:
   a. Management discussion and analysis of financial condition and results of operations Statement of significant related party transactions (as defined by the audit committee), submitted by management;
   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.

   The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

III. The role of the Audit Committee not limited to but includes:

1. Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approving payment to statutory auditors for any other services rendered by the statutory auditors;
4. Approving initial or any subsequent modification of transactions of the Company with related parties;
5. Scrutinizing inter-corporate loans and investments;
6. Valuation of undertakings or assets of the Company, wherever it is necessary;
7. Evaluation of internal financial controls and risk management systems;
8. Monitoring the end use of funds raised through public offers and related matters;
9. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
   a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 314 of the Companies Act, 2013;
   b) Changes, if any, in accounting policies and practices along with reasons for the same;

c) Major accounting entries involving estimates based on the exercise of judgment by management;

d) Significant adjustments made in the financial statements arising out of audit findings;

e) Compliance with listing and other legal requirements relating to financial statements;

f) Disclosure of any related party transactions; and

g) Qualifications in the draft audit report.

10. Reviewing, with the management, the half yearly financial statements before submission to the board for approval;
11. 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;
12. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussing with the internal auditors any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussing with the 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. Looking 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. Reviewing the functioning of the Whistle Blower mechanism, in case the same is existing;
19. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
20. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or contained in the equity listing agreements as and when amended from time to time.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Meeting of Audit Committee and relevant Quorum

The committee shall meet at least four times in a year and not more than four months 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.

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.

D) **Stakeholder's Relationship Committee**

Our Company has constituted a shareholder / investors grievance committee *("Stakeholders' Relationship Committee")* to redress complaints of the shareholders. The Stakeholders Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on January 05, 2018.

The Stakeholder's Relationship Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Vrusha Patel	Chairman	Independent Director
Dhanik Jayeshkumar Mehta	Member	Independent Director
Akhil Sarabhai Shah	Member	Independent Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholder's Relationship Committee.

The scope and function of the Stakeholder's Relationship Committee and its terms of reference shall include the following:

A. **Tenure:** The Stakeholder/ Investor Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder / Investor Relationship Committee as approved by the Board.

B. **Meetings:** The Stakeholder/ Investor Relationship Committee shall meet at least at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher

C. **Terms of Reference:** Redressal of shareholders' and investors' complaints, including and in respect of:

1. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized;
2. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and
3. Review the process and mechanism of redressal of Shareholders /Investors grievance and suggest measures of improving the system of redressal of Shareholders /Investors grievances;
4. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties;

5. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them;
6. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Probation of insider Trading) Regulations, 1992 as amended from time to time;
7. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting;
8. Carrying out any other function contained in the SME equity listing agreement as and when amended from time to time.

E) **Nomination and Remuneration Committee**

Our Company has constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on January 05, 2018. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Vrusha Patel	Chairman	Independent Director
Dhanik Jayeshkumar Mehta	Member	Independent Director
Akhil Sarabhai Shah	Member	Independent Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

A. **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 Nomination and Remuneration/Compensation Committee shall be called by at least seven days' notice in advance.

The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. Meeting of the Nomination and Remuneration Committee shall be called by at least seven days' notice in advance.

C. **Terms of Reference:**

- Identify persons who are qualified to become Directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment ad removal and shall carry out evaluations of every director's performance;
- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for directors, Key Managerial Personnel and other employees;
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- 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;

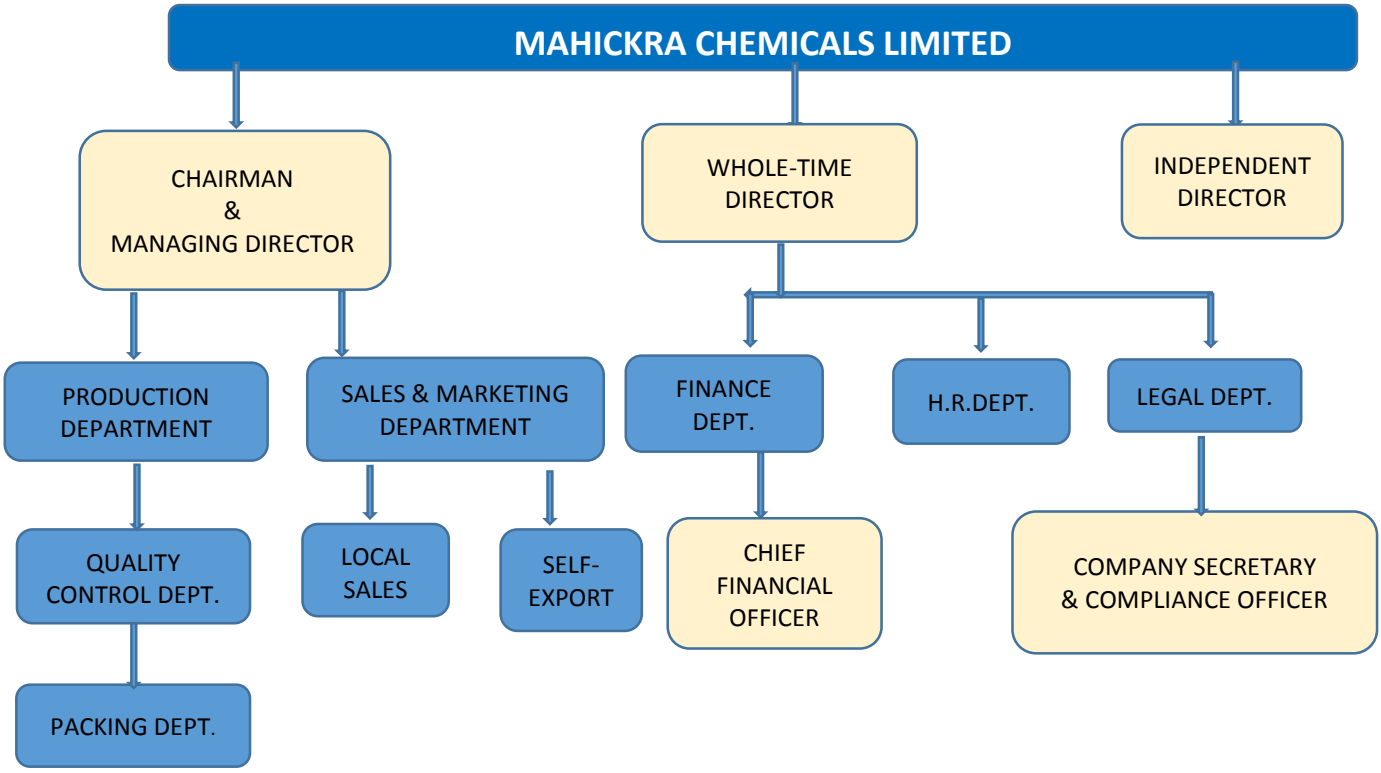
- Decide the amount of Commission payable to the Whole time Directors;
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc;
- To formulate and administer the Employee Stock Option Scheme.
- Formulate the assessment/evaluation criteria for performance evaluation of the Directors of the Company;
- Devise a policy on the Board diversity;
- 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;

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on. NSE Emerge. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges.

Himali Maheshbhai Thakkar, Company Secretary & Compliance Officer, will be responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

ORGANIZATIONAL STRUCTURE



KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

The details of our Key Managerial Personnel are set out below:

a. **Miteshkumar Champaklal Gandhi, Managing Director**
Miteshkumar Champaklal Gandhi, aged 46 years, is Promoter, Chairman & Managing Director of our company. He has been an Executive Director of the Company from November 13, 2017 and thereafter has been designated as Chairman of the Company from December 18, 2017 and as Managing Director of the Company from December 20, 2017. He holds a Bachelor's degree in Engineering in chemical branch from Gujarat University and has a rich knowledge in chemical industry and is presently looking after sales, marketing, production and quality control department in company. He is guiding force behind all the corporate decisions of the Company.

b. **Ashishkumar Champaklal Gandhi, Whole Time Director**
Ashishkumar Champaklal Gandhi, aged 45 years, is the Promoter & Whole Time Director of our Company. He has been an Executive Director of the Company from November 13, 2017 and thereafter has been designated Whole-time Director of the Company from December 20, 2017. He holds a Bachelor's degree in Engineering in electrical branch from Sardar Patel University, Gujarat. He currently looks after finance, exports, administration and accounting department in the Company.

c. **Komal Mitesh Gandhi, Whole Time Director**
Komal Mitesh Gandhi, aged 45 years, is the Promoter & Whole Time Director of our Company. She has been an Executive Director of the Company from November 13, 2017 and thereafter has been designated Whole-time Director of the Company from January 02, 2018. She holds Diploma in Banking from Technical Examination Board, Gujarat and also holds Bachelor's degree in Commerce from Gujarat University.

d. **Kinjalben Piyushkumar Vaghasiya, Chief Financial Officer**
Kinjalben Piyushkumar Vaghasiya, aged 25 years, has been appointed as the Chief Financial Officer of our company w.e.f December 20, 2017. She holds a Master's degree in Commerce from Gujarat University and has experience of more than 1 year in the field of accounting. She is currently responsible for handling the financial, accounting and taxation matters of the Company.

e. **Himali Maheshbhai Thakkar, Company Secretary**
Himali Maheshbhai Thakkar, aged 27 years, has been appointed as the Company Secretary of our company w.e.f December 20, 2017. She is qualified Company Secretary and an associate member of the Institute of Company Secretaries of India. She handles Corporate Secretarial and legal department in the Company.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

Except as disclosed below, none of the Key Managerial Personnel's are related to each other within the meaning of Section 2 (77) of the Companies Act, 2013. All of the Key Managerial Personnel are permanent employees of our company.

Key Managerial Personnel	Key Managerial Personnel	Relation
Ashishkumar Champaklal Gandhi	Miteshkumar Champaklal Gandhi	Brothers
Komal Mitesh Gandhi	Miteshkumar Champaklal Gandhi	Spouse

RELATIONSHIPS OF DIRECTORS/ AND PROMOTERS WITH KEY MANAGERIAL PERSONNEL

Except as disclosed below, none of our Directors of the Company are related to the Key Managerial Personnel within the meaning of section 2(77) of the Companies Act, 2013.

Director/Promoter	Key Managerial Personnel	Relation
Miteshkumar Champaklal Gandhi	Ashishkumar Champaklal Gandhi	Brothers
Komal Mitesh Gandhi	Miteshkumar Champaklal Gandhi	Spouse

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

None of our Directors have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Except as disclosed below, none of the Key Managerial Personnel hold any Equity Shares of our Company as on the date of this Red Herring Prospectus.

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Miteshkumar Champaklal Gandhi	5,29,528	10.31%	7.32%
2.	Ashishkumar Champaklal Gandhi	17,46,623	34.02%	24.14%
3.	Komal Mitesh Gandhi	8,54,113	16.64%	11.81%

REMUNERATION/ COMPENSATION TO KEY MANAGERIAL PERSONNEL

Except as disclosed below, none of the Key Managerial Personnel have been paid gross remuneration as on the date of this Red Herring Prospectus.

Name of the Key Managerial Personnel	Remuneration paid during FY 2016-17 (Rupees in Lakhs)
Miteshkumar Champaklal Gandhi	N.A.
Ashishkumar Champaklal Gandhi	N.A.
Komal Mitesh Gandhi	N.A.

BONUS OR PROFIT SHARING PLAN OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Directors, Key Managerial Personnel.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

LOANS TO KEY MANAGERIAL PERSONNEL

The Company has not given any loans and advances to the Key Managerial Personnel as on the date of this Red Herring Prospectus.

INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company have interest in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and

reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any and dividends payable thereon, if any.

Except as disclosed in this Red Herring Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration.

Except as stated in the heading titled *"Related Party Transactions"* under the Section titled "Financial Statements as Restated" beginning on page 174 of this Red Herring Prospectus and described herein above, our key managerial personnel do not have any other interest in the business of our Company.

CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS

The Changes in the Key Managerial Personnel in the last three years are as follows:

Name	Date of appointment	Nature of event	Reason
Miteshkumar Champaklal Gandhi	December 20, 2017	Change in Designation	Designated as Managing Director
Ashishkumar Champaklal Gandhi	December 20, 2017	Change in Designation	Designated as Whole Time Director
Kinjalben Piyushkumar Vaghasiya	December 20, 2017	Appointment	Appointed as Chief Financial Officer
Himali Maheshbhai Thakkar	December 20, 2017	Appointment	Appointed as Company Secretary
Komal Mitesh Gandhi	January 02, 2017	Change in Designation	Designated as Whole Time Director

Other than the above changes, there have been no changes to the KMP of our company that are not in the normal cause of employment.

ESOP/ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOP/ESPS Scheme for employees.

PAYMENT OR BENEFIT TO OUR OFFICERS (NON SALARY RELATED)

Except as disclosed in the heading titled "*Related Party Transactions*" in the section titled "*Financial Statements as Restated*" beginning on page 174 of this Red Herring Prospectus, no amount or benefit has been paid or given within the three preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.

OUR PROMOTER AND PROMOTER GROUP

Our Company is promoted by Miteshkumar Champaklal Gandhi, Ashishkumar Champaklal Gandhi and Komal Mitesh Gandhi. As on date of this Red Herring Prospectus, our promoter holds, in aggregate 31,30,264 Equity Shares representing 60.97% of the pre-issue paid up Capital of our Company.

Brief profile of our Promoter is as under:

<table>
<tr><td rowspan="2"></td><td>Miteshkumar Champaklal Gandhi, Promoter, Chairman & Managing Director</td></tr>
<tr><td>Miteshkumar Champaklal Gandhi, aged 46 years, is the Promoter, Chairman and Managing Director of our Company. He holds a Bachelor’s degree in Engineering in chemical branch from Gujarat University and has a rich knowledge in chemical industry and is presently looking after sales, marketing, production and quality control department in company. He is guiding force behind all the corporate decisions of the company.

Passport No: Z4143810

Driving License: GJ01 20060120911

Voters ID: Not Avaliable

Address: 29, Suryoday Bunglows, Nr. Gulab Tower, Sola Road, Thaltej, Ahmedabad 380054 Gujarat, India

For further details relating to Miteshkumar Champaklal Gandhi, including terms of appointment as our Chairman and Managing Director, other directorships, please refer to the chapter titled “Our Management” beginning on page 148 of this Red Herring Prospectus.</td></tr>
<tr><td rowspan="2"></td><td>Ashishkumar Champaklal Gandhi, Promoter & Whole Time Director</td></tr>
<tr><td>Ashishkumar Champaklal Gandhi, aged 45 years, is the Promoter and Whole Time Director of our Company. He holds a Bachelor’s degree in Engineering in electrical branch from Sardar Patel University, Gujarat. He currently looks after finance, exports, administration and accounting department in the company.

Passport No: J0714960

Driving License: GJ01 20050073661

Voters ID: LBR3439080

Address: SF 4th Floor, Sun Castel Complex, Gulab Tower Road, Ghatlodia, Ahmedabad 380061 Gujarat, India

For further details relating to Ashishkumar Champaklal Gandhi, including terms of appointment as our Whole Time Director, other directorships, please refer to the chapter titled “Our Management” beginning on page 148 of this Red Herring Prospectus.</td></tr>
<tr><td rowspan="2"></td><td>Komal Mitesh Gandhi, Promoter & Whole Time Director</td></tr>
<tr><td>Komal Mitesh Gandhi, aged 45 years, is the Promoter and Whole Time Director of our Company. She holds Diploma in Banking from</td></tr>
</table>

	Technical Examination Board, Gujarat and also holds Bachelor's degree in Commerce from Gujarat University. **Passport No:** R4030126 **Driving License:** Not Avaliable **Voters ID:** Not Avaliable **Address**: 29, Suryoday Bunglows, Nr. Gulab Tower, Sola Road, Thaltej, Ahmedabad 380054 Gujarat, India For further details relating to Komal Mitesh Gandhi, including terms of appointment as our Whole Time Director, other directorships, please refer to the chapter titled "*Our Management"* beginning on page 148 of this Red Herring Prospectus.

DECLARATION

Our Company confirms that the permanent account number, bank account number and passport number of our Promoters shall be submitted to the Stock Exchange at the time of filing of this Red Herring Prospectus with it.

INTEREST OF PROMOTERS

Our Promoters, Miteshkumar Champaklal Gandhi, Ashishkumar Champaklal Gandhi and Komal Mitesh Gandhi are interested in our Company to the extent that they promoted and formed our Company and are interested to the extent of their shareholding and the dividend receivable, if any and other distributions in respect of the Equity Shares held by them. For details regarding shareholding of our promoters in our Company, please refer *"Capital Structure"* on page 74 of this Red Herring Prospectus.

Our Promoters may also be deem to be interested in our Company to the extent of their shareholding/ interest in our group company /or ventures promoted by them with which our Company transacts during the course of its operations.

Our Promoters are Directors and KMP of our Company and may be deemed to be interested to the extent of remuneration and/ or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act, 2013 and in terms of the agreements entered into with our company, if any and AoA of our Company. For details please see *"Our Management", 'Financial Statements"* and *"Capital Structure"* beginning on pages 148, 174 and 74 respectively of this Red Herring Prospectus.

Except as stated in this section and *"Related Party Transactions"* and *"Our Management"* on page 172 and 148 of this Red Herring Prospectus respectively, there has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the filing of this Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group.

COMMON PURSUITS

Ventures promoted by our Promoters viz. Miteshkumar Champaklal Gandhi, Ashishkumar Champaklal Gandhi and Komal Mitesh Gandhi in which they have any business interests / other interests deals in the similar business activities as that of our Company. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and in circumstances where our respective interests diverge. In cases of conflict, our Promoter may favour itself or other ventures in which our Promoters have interests. Except as disclosed in this Red Herring Prospectus, our promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

RELATED PARTY TRANSACTIONS

For the transactions with our Promoters, Promoter Group and Group Company, please refer to chapter titled "*Related Party Transactions"* on page 172 of this Red Herring Prospectus.

Except as stated in *"Related Party Transactions"* beginning on page 172 of this Red Herring Prospectus, and as stated therein, our Promoter or any of the Promoter Group Entities do not have any other interest in our business.

PAYMENT OR BENEFITS TO PROMOTERS

Except as stated otherwise in the chapter titled "*Related Party Transactions*" on page 172 of this Red Herring Prospectus, there have been no payments or benefits to the Promoters during the two years prior to filing of this Red Herring Prospectus.

OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1) (zb) of the SEBI (ICDR) Regulations is as under:

A. Natural Persons who are part of the Promoter Group:

Relationship with Promoters	Miteshkumar Champaklal Gandhi	Ashishkumar Champaklal Gandhi	Komal Mitesh Gandhi
Father	Champaklal Kacharalal Gandhi	Champaklal Kacharalal Gandhi	Jayantilal Sakarchand Shah
Mother	Indiraben Champaklal Gandhi	Indiraben Champaklal Gandhi	Lalitaben Jayantilal Shah
Spouse	Komal Miteshkumar Gandhi	Anita Ashishkumar Gandhi	Miteshkumar Champaklal Gandhi
Brother	Ashishkumar Champaklal Gandhi	Miteshkumar Champaklal Gandhi	Dhaval Jayantilal Shah
			Nayan Jayantilal Shah
Sister	Meena Mitesh Shah	Meena Mitesh Shah	-
Son(s)	Romil Miteshkumar Gandhi	Chintan Ashish Gandhi	Romil Miteshkumar Gandhi
	Nimit Miteshkumar Gandhi		Nimit Miteshkumar Gandhi
Spouse's Father	Jayantilal Sakarchand Shah	Arvindbhai C. Kotadiya	Champaklal Kacharalal Gandhi
Spouse's Mother	Lalitaben Jayantilal Shah	Sulochanaben Arvindbhai Kotadiya	Indiraben Champaklal Gandhi
Spouse's Brother	Dhaval Jayantilal Shah	Dharmesh Arvind Kotadiya	Ashishkumar Champaklal Gandhi
	Nayan Jayantilal Shah		
Spouse's Sister	-	Purvi Shah	Meena Mitesh Shah

B. Companies, Firms, Entities and HUFs forming part of our Promoter Group:

1. Palash Colours Private Limited
2. Arham Exports.
3. Aadee International
4. Mitesh C Gandhi HUF.
5. Gandhi Ashishkumar Champaklal HUF.
6. Champakbhai K Gandhi HUF.
7. Arvind C Kotadiya HUF.

Our Company has issued letters dated February 16, 2018 to relatives of our Individual promoters, **Miteshkumar Champaklal Gandhi** and **Komal Mitesh Gandhi** i.e. Dhaval Jayantilal Shah, Nayan Jayantilal Shah, Meena Mitesh Shah, **Ashishkumar Jayantilal Shah** i.e. Dharmesh Arvind Kotadiya, Purvi Shah asking for details of entity(ies) in which they severally or jointly may have an interest. Our Company has sent a letter to each relative demanding their personal documents for identification of promoter group. However, we have not received reply from any of these relatives. Therefore, the disclosures made in this Red Herring Prospectus are limited to the extent of information that has been made available by our Promoters in relation to Promoter Group and Group Companies.

RELATIONSHIP OF PROMOTERS WITH OUR DIRECTORS

Except as disclosed herein, our Promoter is not related to any of our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

Promoter	Director	Relationship
Miteshkumar Champaklal Gandhi	Komal Mitesh Gandhi	Spouse
Ashishkumar Champaklal Gandhi	Miteshkumar Champaklal Gandhi	Brother

DISASSOCIATION BY THE PROMOTERS IN THE LAST THREE YEAR

None of our Promoter has disassociated themselves from any company during the last three years.

CHANGES IN CONTROL

There was no change in management of our Company during five years immediately preceding the date of filing of this Red Herring Prospectus.

LITIGATION INVOLVING OUR PROMOTERS

For details of legal and regulatory proceedings involving our Promoters, please refer *"Outstanding Litigation and Material Developments"* on page 193 of this Red Herring Prospectus.

CONFIRMATIONS

Our Company, our Promoters and members of promoter group are not Wilful Defaulters and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against them.

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Our Promoters and members of the Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters are not and has never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except as disclosed in *"Related Party Transactions"* on page 172 of this Red Herring Prospectus, our Promoters are not related to any of the sundry debtors nor to the beneficiaries of Loans and Advances given by/to our Company.

OTHER VENTURES OF OUR PROMOTERS

Save and except as disclosed in the chapter titled "Our Promoter and Promoter Group" and "Our Group Companies" beginning on page 164 and 169, of this Red Herring Prospectus, there are no ventures promoted by our Promoter in which they have any business interests / other interests.

DEFUNCT / STRUCK-OFF COMPANY

None of our group Company has struck off.

OUR GROUP COMPANIES

In accordance with the provisions of the SEBI (ICDR) Regulations, for the purpose of identification of 'Group Companies', our Company has considered companies as covered under the applicable accounting standards, i.e. Accounting Standard 18 issued by the Institute of Chartered Accountant of India and other companies as per the policy adopted by our Board. Pursuant to a resolution dated February 14, 2018, our Board vide a policy of materiality has resolved that except as mentioned in the list of related parties prepared in accordance with Accounting Standard 18, no other Company is material in nature. For the purpose of clarification, we have not included promoters as our group companies.

Our Group Companies:

The details of our Group Companies are provided below:

1. Palash Colours Private Limited

Palash Colours Private Limited ("**Palash Colours**") is a Private Company incorporated on July 13, 2011 under the provisions of Companies Act, 1956 and has its registered office at Plot No. 483, Phase II, GIDC, Estate Vatva, Ahmedabad 382445, Gujarat, India. The Corporate Identification Number of Palash Colours is U24220GJ2011PTC066313. The current paid up capital of Palash Colours is Rs. 10,00,000 (Rupees ten lakhs only).

Board of Directors as on the date of this Red Herring Prospectus:

1. Miteshkumar Champaklal Gandhi; and
2. Pravin Popatbhai Patel.

Main object of the Company:

"To carry on business manufacturing, selling, marketing, of all types and description of agrochemicals, bio-chemicals, pesticides, insecticides, weedicides, dye-stuffs, intermediates, colors, acids and allied products."

Financial Performance

(Rs. in Lakhs) *except EPS and NAV*

Particulars	2014-15	2015-16	2016-17
Equity Paid Up Capital	10.00	10.00	10.00
Reserves and Surplus (excluding revaluation reserve if any)	22.90	31.24	42.12
Total Income	1,085.60	978.75	1,135.19
Profit/ (Loss) after tax	9.66	9.33	11.39
Earnings Per Share (Basic & Diluted) (In Rs.)	9.66	9.33	11.40
Net worth	32.90	41.24	52.12
Net Asset Value (In Rs.)	32.90	41.24	52.13

Nature and extent of Interest of Promoters

As on March 31, 2017, our Promoter Miteshkumar Champaklal Gandhi holds 51,000 Equity Shares constituting to 51% of total paid up share capital of Palash Colours Private Limited.

DISSOCIATION BY THE PROMOTERS IN THE LAST THREE YEAR

Our Promoters have not disassociated themselves from any of the companies, firms or other entities during the last three years preceding the date of this Red Herring Prospectus.

NEGATIVE NET WORTH

None of our Group Company has negative net worth as on the date of filing this Red Herring Prospectus.

DEFUNCT / STRUCK-OFF COMPANY

None of our Group Company has become defunct or struck – off in the five years preceding the filing of this Red Herring Prospectus.

INTEREST OF OUR PROMOTERS, GROUP COMPANIES

In the promotion of our Company

None of our Group Companies have any interest in the promotion or any business interest or other interest in our Company. For details in this regard, kindly refer to the Chapter titled "*Capital Structure*" beginning on page 74 of this Red Herring Prospectus.

In the properties acquired or proposed to be acquired by our Company in the past two years before filing this Red Herring Prospectus

None of our Group Companies have any interest in the properties acquired or proposed to be acquired by our Company in the two years preceding the date of filing of this Red Herring Prospectus or proposed to be acquired by it.

In transactions involving acquisition of land, construction of building and supply of machinery.

None of our Group Companies is interested in any transactions involving acquisition of land, construction of building or supply of machinery.

Interest of our Promoters in Group Companies

Other than as disclosed in "Group Companies" beginning on page 168 of this Red Herring Prospectus, our Promoters have certain transactions with the Group Companies in the ordinary course of business which are typically in the nature of inter alia purchase or sale of goods, sale of fixed assets, etc.

COMMON PURSUITS

Except Palash Colors Private Limited, which is authorized to carry similar activities as those conducted by our company none of our group company has common pursuits with our company and also these companies do not have any non–compete agreements in place amongst themselves and hence there is a conflict of interest between our Company and Group Company.

SALES/PURCHASES BETWEEN OUR COMPANY AND PROMOTER COMPANY & GROUP COMPANIES

Other than as disclosed in the chapter titled *"Related Party Transactions"*beginning on page 172 of this Red Herring Prospectus, there are no sales/purchases between the Company and the Group Companies.

RELATED BUSINESS TRANSACTIONS WITHIN THE GROUP COMPANIES AND SIGNIFICANCE OF THE FINANCIAL PERFORMANCE OF OUR COMPANY

For details, please refer to the section titled *"Related Party Transactions"* beginning on page 172 of this Red Herring Prospectus.

CONFIRMATIONS

None of the securities of our Group Companies are listed on any Stock Exchange and none of our Group Companies have made any public or rights issue of securities in the preceding 3 (three) years.

Our Group Company has not been declared as willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them.

Our Group Companies have become not been declared sick companies under the SICA. Additionally, our Group Company has not been restrained from accessing the capital markets for any reasons by SEBI or any other authorities.

LITIGATIONS INVOLVING OUR GROUP COMPANIES

For details related to litigations and regulatory proceedings involving our group companies, please refer to the chapter titled "*Outstanding Litigation and Material Developments"* beginning on page 193 of this Red Herring Prospectus.

PAYMENT OR BENEFIT TO OUR GROUP COMPANIES

Except as stated in chapter titled "*Related Party Transactions*" beginning on page 172 of this Red Herring Prospectus, there has been no payment of benefits to our Group Companies during the period/financial years ended March 31, 2017 nor is any benefit proposed to be paid to them.

RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to Annexure XXXII of restated financial statement under the section titled, '*Financial Statements*' beginning on page 174 of this Red Herring Prospectus.

DIVIDEND POLICY

The declaration and payment of dividends, if any, will be recommended by our Board of Directors and approved by our shareholders, at their discretion, subject to the provisions of the AoA and the Companies Act, 2013. In addition, our ability to pay dividends may be impacted by a number of factors, including the results of operations, financial condition, contractual restrictions, and restrictive covenants under the loan or financing arrangements we may enter into to finance our various projects and also the fund requirements for our projects. Our Company has no formal dividend policy. Our Company has not declared dividends during the last five Fiscals. For further details, please refer to chapter titled "*Financial Statements, as restated*" in the section titled "*Financial Information*" beginning on page 174 of this Red Herring Prospectus. Our Company may also, from time to time, pay interim dividends.

SECTION V- FINANCIAL STATEMENTS

FINANCIAL STATEMENTS AS RESTATED

Particulars	Page No.
Restated Financial Statements	F1-F42

Piyush J. Shah & Co.
Chartered Accountants

Piyush J. Shah
B. Com, FCA, D.I.S.A. (ICA)

SECTION V-FINANCIAL STATEMENTS

FINANCIAL STATEMENT AS RESTATED

Independent Auditor's Report for the Restated Financial Statements of
Mahickra Chemicals Limited

Report of Auditors on the Restated Financial Information of Mahickra Chemicals Limited for each of the years/period ended on December 31, 2017, November 12, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013.

To,
The Board of Directors,
Mahickra Chemicals Limited
Plot No. 1209, Phase - III Vatva GIDC,
Ahmedabad - 382445,
Gujarat.

Dear Sir,

1. We Piyush J. Shah & Co. has examined the attached Restated Statement of Asset and Liabilities of Mahickra Chemicals Limited (The Company) as at December 31, 2017, November 12, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013 and the related Profit & Loss and the related Restated Statement of Cash Flow for the financial years /periods ended on December 31, 2017, November 12, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013 (collectively the "Restated Summary Statements" or "Restated Financial Statements"). These Restated Summary Statements have been prepared by the Company and approved by the Board of Directors of the company in connection with the Initial Public Offer (IPO) in Emerge Platform of National Stock Exchange Limited (NSE).
2. Such Financial information , which has been approved by the Board of Directors of the Company , has been prepared in accordance with the requirements of:
   a. Section 26 read with the applicable provisions within Rule - 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of the Companies Act, 2013, AS amended (hereinafter referred to as the "Act");
   b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2009 ("SEBI Regulations") ("SEBI ICDR Regulations") issued by the SEBI in pursuance of Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications made thereto from time to time;

Office : 504, Shikhar Building, Nr. Vadilal House, Netaji Marg, Mithakali Cross Road, Navrangpura, Ahmedabad-380009.
Ph. : (O) +91 - 079 - 40801155, 40801121 (M) 9825027370
E-Mail : pjshahca@rediffmail.com - piyush@pjshahca.com Website : www.pjshahca.com

Your Growth Partner.....

c. The terms of reference to our engagements with the Company, requesting us to examine the financial information referred to above and proposed to be included in this Draft offer Document / offer Document of the Company in connection with its proposed initial public offer of equity shares in Emerge Platform of NSE.

3. The Restated Summary Statements of the Company have been extracted by the Management from the Audited Financial Statements of the Company for the financial years /periods ended on December 31, 2017, November 12, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013 which have been approved by the Board of Directors.
4. Financial Statement for the Financial Period ended on December 31, 2017 has been audited by S.C Bohra & Associates, as required under the Companies Act, 2013. This report in so far as it relates to the amounts included for the Financial Year /periods November 12, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013 is based on the audited financial statements of the Company.
5. In accordance with the requirements of Part I of Chapter III of Act, ICDR Regulations , Guidance Note and Engagement Letter , We report that;
   a. The "Restated statement of Assets and Liabilities" as set out in Annexure I to this report of the company as at years ended on December 31, 2017, November 12, 2017, March 31, 2017, March 31,2016, March 31, 2015, March 31, 2014, and March 31, 2013 are prepared by the Company and approved by the Board of Directors. These Statement of Assets and Liabilities as restated have been arrived at after making such adjustment and regroupings to the Individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure IV to this Report.
   b. The "Restated statement of Profit & Loss" as set out in Annexure II to this report of the company for the financial years ended on December 31, 2017, November 12, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013 are prepared by the Company and approved by the Board of Directors. These Statement of Profit & Loss as restated have been arrived at after making such adjustment and regroupings to the Individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure IV to this Report.
   c. The "Restated statement of Cash Flow" as set out in Annexure III to this report of the company for the financial year ended on December 31, 2017, November 12, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow as restated have been arrived at after making such adjustment and regroupings to the Individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure IV to this Report.
6. Based on the above, we are of the opinion that the Restated Financial Statements Have been made after incorporating :
   a. Adjustments if any, for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all the reporting periods.



b. Adjustments for prior period and other material amounts in the respective financial years to which they relate and there are not qualifications which require adjustments.

c. There are no exceptional and extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments.

d. These Profits / (Losses) have been arrived at after charging all expenses including depreciation and after making such adjustments / restatement and regroupings as in our opinion are appropriate and are to be read in accordance with Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure IV to this Report.

7. We have examined the following regrouped / rearranged financial information relating to the Company Proposed to be included in this Draft offer Document / offer Document ("Offer Document") as approved by the Board of Directors of the Company and attached to this report for the financial years /periods ended on December 31, 2017, November 12, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013.

8. We, M/s. Piyush J. Shah & Co., Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the "Peer Review Board" of the ICAI.

9. The report should not in any way be constructed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of Chartered Accountants nor this report be constructed as a new opinion on any of the financial statements referred to therein.

10. In our opinion, the above financial information contained in Annexure I to Annexure XXXIV read with respective Significant Accounting Policies and Notes to Restated Summary Statements as set out in Annexure IV are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.

11. This report is intended solely for the use of Management and for the inclusion in the offer Document in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

12. **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the restated financial statements read together with the notes thereon, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable;

a. In the case of "Restated statement of Assets and Liabilities" of the company as at December 31, 2017, November 12, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013.

b. In the case of the "Restated statement of Profit & Loss" of the profit of the company for the years ended on that date; and

c. In the case of "Restated statement of Cash Flow" of the cash flows of the Company for the years ended on that date.



Annexure to the Restated Financial Statements

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2. Restated Summary Statement of Accounting Ratios as per Annexure V
3. Restated Statement of Share Capital as per Annexure VI
4. Restated Statement of Reserves and Surplus as per Annexure VII
5. Restated Statement of Long Term Borrowings as per Annexure VIII
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For, Piyush J. Shah & Co.
Chartered Accountants
Firm Registration No.: 121172W

Name of Partner: Mr. Piyush J. Shah
Designation: Partner
Membership No.: 108670
Date: 15th February, 2018
Place: Ahmedabad

Annexure-I

Restated Statements of Assets & Liabilities

(Rs. In Lakhs)

Particulars	As at Dec 31, 2017	As at Nov 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
I. EQUITY AND LIABILITIES							
1. Shareholders' funds							
(a) Share capital	496.75	367.70	237.37	155.32	153.97	133.35	97.46
(b) Reserves and surplus	162.62	-	-	-	-	-	-
Sub-Total	659.37	367.70	237.37	155.32	153.97	133.35	97.46
2. Share application money pending allotment	-	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-	-
3. Non-current liabilities							
(a) Long-term borrowings	55.81	100.20	164.88	89.37	75.38	69.66	98.77
(b) Deferred tax liabilities (Net)	-	-	-	-	-	-	-
(c) Other long term liabilities	-	-	-	-	-	-	-
(d) Long-term provisions	10.42	7.41	6.82	6.27	5.92	5.38	6.05
Sub-Total	66.23	107.61	171.70	95.64	81.30	75.04	104.82
4. Current liabilities							
(a) Short-term borrowings	604.28	550.75	498.78	506.83	465.44	397.50	174.54
(b) Trade payables	1221.25	1240.34	1,208.18	899.50	998.63	1334.00	555.29
(c) Other current liabilities	453.03	438.17	439.27	156.71	76.23	144.52	125.32
(d) Short-term provisions	23.86	16.67	6.94	3.89	6.37	5.09	6.52
Sub-Total	2302.42	2245.92	2153.17	1566.93	1546.66	1881.11	861.68
TOTAL	3028.02	2721.23	2562.24	1817.89	1781.93	2089.50	1063.96
II. ASSETS							
1. Non-current assets							
(a) (i) Fixed assets	67.41	68.53	66.90	71.26	75.48	71.59	72.16
(ii) Fixed assets under development	-	-	-	-	-	-	-
(b) Non-current investments	-	-	-	-	-	-	-
(c) Deferred tax assets (net)	3.93	2.90	2.84	1.98	0.88	1.74	2.01
(d) Long-term loans and advances	10.74	10.74	10.74	10.74	12.07	11.89	11.54
Sub-Total	82.08	82.17	80.48	83.98	88.43	85.23	85.71
2. Current assets							
(a) Current Investments	-	-	-	-	-	-	-
(b) Inventories	683.76	568.79	945.19	738.00	595.86	606.24	252.05
(c) Trade receivables	1436.42	1584.27	1180.01	753.01	867.98	1150.13	616.48
(d) Cash and cash equivalents	347.76	12.53	88.22	70.13	77.56	0.28	0.69

(e) Short-term loans and advances	476.65	472.99	268.34	171.97	149.14	246.81	104.78
(f) Other current assets	1.35	0.48	-	0.80	2.96	0.80	4.24
Sub-Total	2945.94	2639.06	2481.76	1733.91	1693.50	2004.27	978.24
TOTAL	3028.02	2721.23	2562.24	1817.89	1781.93	2089.50	1063.95

Annexure-II

Restated Statement of Profit and Losses

(Rs. In Lakhs)

Particulars	For the periods 13.11.17 to 31.12.17	For the periods 01.04.17 to 12.11.17	For the FY 2016-17	For the FY 2015-16	For the FY 2014-15	For the FY 2013-14	For the FY 2012-13
I. Revenue from operations	426.08	3,601.21	4136.68	3403.52	4222.62	4314.12	1923.78
II.Other income	8.01	54.39	89.18	75.30	52.53	41.87	9.16
III. Total (I + II)	**434.09**	**3655.59**	**4225.85**	**3478.82**	**4275.15**	**4355.99**	**1932.94**
Total Revenue	**434.09**	**3655.59**	**4225.85**	**3478.82**	**4275.15**	**4355.99**	**1932.94**
IV. Expenses:							
Cost of materials consumed	507.99	3,436.08	3740.47	3284.36	3970.80	4210.79	1753.74
Increase / (Decrease) in Inventories	(114.97)	(96.14)	159.42	(83.54)	23.54	(104.94)	4.18
Employee Benefit Expense	9.57	17.32	28.82	26.85	26.30	25.39	20.68
Financial Costs	11.81	47.66	62.95	61.90	74.46	46.72	41.88
Depreciation & Amortization Expense	1.52	6.81	12.90	13.73	14.77	10.61	11.10
Other Administration Expenses	14.75	190.33	170.03	152.20	149.39	142.15	89.44
Total expenses	**430.67**	**3602.06**	**4174.59**	**3455.50**	**4259.25**	**4330.72**	**1921.02**
V. Profit before exceptional and extraordinary items and tax (III-IV)	**3.42**	**53.53**	**51.26**	**23.32**	**15.90**	**25.28**	**11.91**
VI. Exceptional items	-	-	-	-	-	-	-
VII. Profit before extraordinary items and tax (V - VI)	**3.42**	**53.53**	**51.26**	**23.32**	**15.90**	**25.28**	**11.91**
VIII. Extraordinary Items-	-	-	-	-	-	-	-
IX. Profit before tax (VII-VIII)	**3.42**	**53.53**	**51.26**	**23.32**	**15.90**	**25.28**	**11.91**
X. Tax expense:							
(1) Current tax	2.09	20.11	16.86	9.24	6.44	7.65	4.62
(2) Deferred tax	(1.03)	(0.06)	(0.86)	(1.10)	0.86	0.27	(2.01)
(3) Current tax expense relating to prior years	-	-	-	-	-	-	-
XI. Profit (Loss) for the period from continuing operations (VII-VIII)	**2.36**	**33.48**	**35.27**	**15.17**	**8.60**	**17.36**	**9.31**
XII. Profit/(loss) from discontinuing operations	-	-	-	-	-	-	-
XIII. Tax expense of discontinuing operations	-	-	-	-	-	-	-

XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)	-	-	-	-	-	-	-
XV. Profit (Loss) for the period (XI + XIV)	2.36	33.48	35.27	15.17	8.60	17.36	9.31
XVI. Earnings per equity share:							
(1) Basic	0.07	1.01	1.07	0.46	0.26	0.53	0.28
(2) Diluted	0.07	1.01	1.07	0.46	0.26	0.53	0.28

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Annexure-III

Restated Statement of Cash Flow

(Rs. In Lakhs)

Particulars	As at December 31, 2017	As at November 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
CASH FLOW FROM OPERATING ACTIVITIES							
Restated Net profit Before Tax and Extraordinary Items	3.42	53.53	51.26	23.32	15.90	25.29	11.91
Adjustments For:							
Depreciation	1.52	6.81	12.90	13.73	14.77	10.61	11.10
Interest Received	-	(0.23)	(0.76)	(1.05)	(1.06)	(1.19)	(0.96)
Provision for Gratuity Expenses	3.09	0.43	0.60	0.41	0.55	(0.68)	2.62
Net (gain) / loss on Foreign Exchanges	(2.04)	(3.99)	(11.82)	(23.37)	(17.17)	(22.08)	(2.42)
Interest and Finance Charges	11.81	47.66	62.95	61.90	74.46	46.72	41.88
Operating Profit before working capital changes	**17.80**	**104.21**	**115.12**	**74.94**	**87.44**	**58.66**	**64.14**
Adjustment For:							
Decrease/(Increase) in Inventories	(114.97)	376.40	(207.19)	(142.14)	10.38	(354.18)	(6.08)
Decrease/(Increase) in Trade receivables	147.85	(404.26)	(427.00)	114.97	282.15	(533.65)	(367.17)
Decrease/(Increase) in Short-term loans and advances	(3.65)	(204.65)	(96.38)	(22.82)	97.67	(142.04)	6.91
Decrease/(Increase) in Long Term Loans and Advances	-	-	-	1.33	(0.18)	(0.35)	(11.54)
Decrease/(Increase) in other current assets	(0.87)	(0.48)	0.80	2.16	(2.16)	3.44	(4.24)
(Decrease)/Increase in Trade Payables	(19.08)	32.16	308.68	(99.13)	(335.37)	778.70	205.17
(Decrease)/Increase in Other Current Liabilities	14.86	(1.10)	282.56	80.48	(68.29)	19.20	125.32
(Decrease)/Increase in Other long term Liabilities	-	-	-	-	-	-	-
(Decrease)/Increase in long Term Provisions	3.01	0.59	0.55	0.35	0.54	(0.67)	6.05
(Decrease)/Increase in Short Term Provisions	5.09	20.37	14.55	5.03	6.19	8.33	4.70
Cash Generated from Operations	**50.04**	**(76.76)**	**(8.30)**	**15.17**	**78.37**	**(162.57)**	**23.27**
Taxes Paid	-	(10.65)	(11.50)	(7.50)	(4.91)	(9.77)	(2.22)
Net Cash From /(Used In) Operating Activities (A)	**50.04**	**(87.41)**	**(19.80)**	**7.67**	**73.46**	**(172.34)**	**21.05**
Cash Flow From Investing							

Activities							
(Purchase) / Sale of Fixed Assets/ Capital Work In Progress	(0.39)	(8.44)	(8.54)	(9.51)	(18.65)	(10.04)	(0.84)
Interest Received	-	0.23	0.76	1.05	1.06	1.19	0.96
Net Cash From /(Used In) Investing Activities (B)	**(0.39)**	**(8.21)**	**(7.77)**	**(8.46)**	**(17.59)**	**(8.85)**	**0.12**
Cash Flow From Financing Activities							
Interest and Finance Charges	(11.81)	(47.66)	(62.95)	(61.90)	(74.46)	(46.72)	(41.88)
(Decrease)/Increase in Short Term Borrowing	53.54	51.97	(8.05)	41.39	67.94	222.97	174.54
(Decrease)/Increase in Long Term Borrowing	(44.39)	(64.68)	75.51	13.99	5.72	(29.11)	(143.51)
Changes in Capital / Proceeds from Issue / Adjustment in capital	286.22	76.32	29.33	(23.47)	5.03	11.56	(12.86)
Net gain / loss on Foreign Exchanges	2.04	3.99	11.82	23.37	17.17	22.08	2.42
Net Cash From Financing Activities (c)	285.59	19.94	45.66	(6.63)	21.40	180.78	(21.30)
Net Increase / (Decrease) in Cash (A)+(B)+(C)	335.24	(75.69)	18.09	(7.42)	77.27	(0.41)	(0.13)
Cash and Cash equivalents at the beginning of the year	12.53	88.22	70.13	77.56	0.28	0.69	0.82
Cash and Cash equivalents at the end of the year	**347.76**	**12.53**	**88.22**	**70.13**	**77.56**	**0.28**	**0.69**

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

(II) Figures in Brackets represent outflows.

(III) The above statement should be read with the restated statement of profit and loss, cash flow statements, significant accounting policies and notes to restated summary statements as appearing in Annexure I, II and III respectively.

Annexure-IV

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

A. Corporate Information :

Mahickra Chemicals Limited is engaged in the business of Manufacturing & Supply of all kind of chemicals and chemical product. The Factory is located at Plot No. 1209, Phase - III Vatva GIDC, Ahmedabad - 382445 (India).

Mahickra Chemicals Limited was originally formed and registered as a partnership firm under the Partnership Act, 1932 (—Partnership Act) in the name and style of — "M/s Mahak Dye Chem Industries" pursuant to a deed of partnership dated June 21, 1994. The constitution and capital of the partnership firm was changed pursuant to supplementary agreement modifying the partnership deeds dated February 3, 1998, April 12, 2004, March 28, 2009 & July 05, 2017. Thereafter, Mahak Dye Chem Industries was converted from a partnership firm to a public limited company under Part I of chapter XXI of the Companies Act, 2013 with the name of "Mahickra Chemicals Limited" whereby the partners of the partnership firm became shareholders with the shareholdings as agreed amongst the partners and received a fresh certificate of incorporation from the Registrar of Companies, Central Registration Centre on November 13, 2017.

The Company's products adhere to high quality standards and it has got ISO 14001:2015 certification.

B. The Restated Summary Statements of Assets and Liabilities of the Company as at December 31, 2017, November 12, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013, and the related Restated Summary Statements of Profits and Losses and Cash Flows Statement as at December 31, 2017, November 12, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013, (herein collectively referred to as "Restated Summary Statements) have been complied by management from the financial statements of the company for the period ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013.

The Restated financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), Accounting Standards issued by the Institute of Chartered Accountants of India, as applicable, and the relevant provisions of the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India. The Unconsolidated financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the company and are consistent with those used for the purpose of preparation of financial statements for the period ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013.

Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filled by the company with the Securities and Exchange Board of India ('SEBI') in connection with its proposed Initial Public Offering.

Restated Summary Statements of assets and liabilities, profits and losses and cash flows have been prepared to comply in all material respect with the requirements of Sub-clause (i), (ii) and (iii) of clause (b) of Sub-Section (1) of Section 26 of Chapter III of the Companies Act, 2013 read with rule 4

of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Guidelines") issued by SEBI on August 26,2009 as amended from time to time.

C. Significant Accounting Policies :

a. Use of Estimates :

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reported period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the Carrying amounts of Assets or Liabilities in future periods.

b. Fixed Assets :

a. Tangible Fixed Assets are stated at cost less accumulated depreciation / amortization and impairment loss, if any, except freehold land which is carried at cost. The cost of Tangible Fixed Assets comprises its purchases price, borrowing cost and any cost directly attributable to the bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustment arising from exchange rate variations attributable to the assets. Subsequent expenditures related to an item of Fixed Assets are added to its book value only if they increases the future benefits from the existing asset beyond its previously assessed standard of performance. Projects under which assets are not ready for their intended use are disclosed under Capital Work in Progress, comprising direct cost, related incidental expenses and attributable interest.

b. All other expenses on fixed assets, including repair and maintenance expenditure and replacement expenditure of parts, are charged to Statement of Profit and Loss for the period during, which such expenses are incurred.

c. Gains or losses that arise on disposal or retirement of an asset are measured as between net disposal proceeds and the carrying value of an asset and are recognized in the statement of profit and loss when the asset is derecognized.

c. Depreciation:

a. Due to unavailability of the data of the previous years, Fixed Assets have been restated taking into account the brought forward balance of fixed assets as on 01st April, 2012 as per the Tax Audit Report for the relevant period under the Income Tax Act, 1961. Since Mahickra Chemicals Limited was formerly a partnership firm with name 'Mahak Dye Chem Industries', therefore, the provisions of the Companies Act were not applicable.

b. Schedule II to Companies Act, 2013 prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile schedule XIV. However, schedule II allows companies to use higher / lower useful lives and residual values if such

useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

c. Depreciation on the assets till March 31, 2014 (Based on the Brought forward balance as on 01st April, 2012) is calculated as per Schedule III to the companies Act, 1956 and from April 01, 2014 depreciation on the assets is calculated as per useful life mentioned in Schedule II to the companies Act, 2013.

d. Revenue Recognition:

a. Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue from sale of goods is recognized on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for price, significant risk and rewards of ownership are transferred to the customers and no effective ownership is retained. Sales comprises sale of goods and services, net of trade discounts and include exchange differences arising on sales transactions.

b. Dividend income is recognized when the right to receive dividend is established, if any.

c. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

d. Revenue in respect of other income is recognized when no significant uncertainty as to its determination or realization exits.

e. Foreign Currency Transactions :

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. Monetary foreign currency assets and liabilities are translated into Rupees at the exchange rate prevailing at the Balance Sheet Date. All exchange differences are dealt with in Profit and Loss Account except in cases where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

f. Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of investments.

On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

g. Employee Benefits:

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when an employee renders the related services.

Gratuity:

Gratuity is payable as and when due as per AS - 15 "Employee Benefits", which has become mandatory. The quantum of Gratuity payable is worked out and the effect of the same is given on profit and loss account.

h. Taxation:

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the Tax Authorities in accordance with the Income Tax Act'1961 enacted or substantively enacted at the reporting date.

Deferred Tax Assets or Deferred Tax Liability is recognized on timing difference being the difference between taxable incomes and accounting income. Deferred Tax Assets or Deferred Tax Liability is measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future.

I. Borrowing Cost :

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they are incurred.

j. Segment Reporting :

Considering the nature of Business and financial reporting of the company the company does not have more than one reportable segment as per the provisions of AS - 17 "Segment Reporting". Hence segment information is not provided.

k. Provisions and Contingent Liabilities :

A provision is recognized when the company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its

present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

l. Earnings per share :

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

The status of the Company prior to 13th November, 2017 was that of partnership firm. However, EPS and NAV per share have been computed based on the shares outstanding as on 13th November, 2017 on conversion of firm into company.

m. Inventories:

Inventories are valued at lower of cost or net realizable value. Inventories are taken as valued and certified by the management of the company.

n. Excise Duty :

Excise Duty is charged on ad-valorem basis and is accounted for when the goods are cleared from factory site.

o. Lease :

Operating Lease:
Rentals are expensed with reference to Lease term and other consideration.

p. Related Party Disclosures:

The related party relationships have been determined on the basis of the requirements of the Accounting Standard (AS)-18 "Related Party Disclosures" and the same have been relied upon by the auditors. Name of the related party disclosed are those related parties with whom transactions have taken place during the period, except where control exist, in which case the relationships have been mentioned irrespective of transactions with the related party.
Details of related parties and transactions with related parties are given in Annexure XXXII.

D. Notes to Restated Financial Statements

a. The financial statements including financial information have been reworked, regrouped, and reclassified wherever considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in financial



statements/information may not be necessarily same as those appearing in the respective audited financial statements for the relevant period/years.

b. Credit and Debit balances of Sundry Creditors, Sundry Debtors, Loans and Advances are subject to confirmation and therefore the effect of the same on profit could not be ascertained.

c. The status of the company up to 12th November, 2017 was partnership firm. For the purpose of Restated Financial Statements, the accounts of the partnership firm for the year ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and for the period ended on 12th November, 2017 have been recast in accordance with the requirements of Schedule III of the Companies Act, 2013. Thus Share Capital disclosed in this report for these years / period represents Partners' Capital in the partnership firm.

d. The current maturities of the Secured long Term Borrowings have been correctly reclassified Current maturities of Long Term Debt (which is shown in other Current Liabilities) and Long Term Borrowings.

e. Partnership firm has not recognized gratuity liability as per actuarial valuation as required by Accounting Standard 15 for the financial years / period ended on November 12, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013. However, on conversion to Company, gratuity liability is recognized and effect of the same is given in respective years for the purpose of restatement.

f. During the period ended December 31, 2017, the Company has charged company registration expenses (Preliminary expenses) fully to profit and loss account to comply with Accounting Standard (AS)-26 —Intangible Assets.

g. No provision for income tax & deferred tax was made in the books of account of the firm for the years / period ended on November 12, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013. Accordingly provision for income tax has been made for the year on the basis of return of income filed by the company for the said years, after necessary adjustments (if any).

h. The firm was converted into Company under Chapter XXI of Companies Act w.e.f. 13th November, 2017 in evening. Therefore, the sales and purchases done and expenses incurred before receipt of Certificate of Incorporation from the MCA, the same has been considered as transaction carried out by Partnership firm and not that of Company. The company is in process to intimate about this amendment to various authorities, banks, customers and suppliers.



ANNEXURE-V

RESTATED SUMMARY STATEMENT OF ACCOUNTING RATIOS

(Rs. In Lakhs) (No. of Shares)

	Ratio	As at Dec 31, 2017	As at Nov 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
A	**Basic Earnings per Share**							
	Restated PAT as per statement of profit and loss (Including Extra Ordinary Items)(B-1)	2.36	33.48	35.27	15.17	8.60	17.36	9.31
	Restated PAT as per statement of profit and loss (Excluding Extra Ordinary Items)(B-2)	2.36	33.48	35.27	15.17	8.60	17.36	9.31
	Weighted average number of equity shares at the end of the year/ period(C)	33.68	33.00	33.00	33.00	33.00	33.00	33.00
	Add: Impact of Capital Structure undergoing change on account of capitalization of reserves Prior to 31st March, 2017 on account of Bonus Shares Issued to Existing Equity Shareholders	-	-	-	-	-	-	-
	Add: Impact of Capital Structure undergoing change on account of capitalization of reserves subsequent to 31st March, 2017 on account of Bonus Shares Issued to Existing Equity Shareholders	-	-	-	-	-	-	-
	Weighted average number of equity shares considered for calculating basic EPS(C)	33.68	33.00	33.00	33.00	33.00	33.00	33.00
	Share capital as at the end of the year	496.75	330.00	330.00	330.00	330.00	330.00	330.00
	Earnings Per Share							
	Basic & Diluted (Rs)* (Including Extra Ordinary Items)	0.07	1.01	1.07	0.46	0.26	0.53	0.28
	Basic & Diluted (Rs)* (Excluding Extra Ordinary Items)	0.07	1.01	1.07	0.46	0.26	0.53	0.28



B	Net Asset value per Equity Share							
	Net Worth , as Restated	659.37	367.70	237.37	155.32	153.97	133.35	97.46
	No. of Equity Share Outstanding	49.68	33.00	33.00	33.00	33.00	33.00	33.00
	Add: Impact of Capital Structure undergoing change on account of capitalization of reserves Prior to 30th September, 2015 on account of Bonus Shares Issued to Existing Equity Shareholders	-	-	-	-	-	-	-
	Add: Impact of Capital Structure undergoing change on account of capitalization of reserves subsequent to 30th September, 2015 on account of Bonus Shares Issued to Existing Equity Shareholders	-	-	-	-	-	-	-
	No. of Equity Share Outstanding, Considered	49.68	33.00	33.00	33.00	33.00	33.00	33.00
	Net Asset value per Equity Share	13.27	11.14	7.19	4.71	4.67	4.04	2.95

C	Return on net worth							
	Net Profit after Tax As Restated (Including Extra Ordinary Items)	2.36	33.48	35.27	15.17	8.60	17.36	9.31
	Net Profit after Tax As Restated (Excluding Extra Ordinary Items)	2.36	33.48	35.27	15.17	8.60	17.36	9.31
	Net Worth , as Restated	659.37	367.70	237.37	155.32	153.97	133.35	97.46
	Return on net worth (%) (Including Extra Ordinary Items)	0.36%	9.11%	14.86%	9.77%	5.58%	13.02%	9.55%
	Return on net worth (%) (Excluding Extra Ordinary Items)	0.36%	9.11%	14.86%	9.77%	5.58%	13.02%	9.55%
	Nominal value per equity share (Rs.)	10.00	10.00	10.00	10.00	10.00	10.00	10.00

Notes:

1. The ratios have been Computed as per the following formulas:

   (i) Basic Earning per Share

$$\frac{\text{Net Profit after tax, as restated for the year, attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the year}}$$

(ii) Net Asset Value (NAV)

$$\frac{\text{Net Asset Value, as restated, at the end of the year}}{\text{Number of equity shares outstanding at the end of the year}}$$

(iii) Return on Net Worth (%)

$$\frac{\text{Net Profit after tax, as restated for the year, attributable to equity shareholders}}{\text{Net worth as restated, at the end of the year}}$$

2. 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.

3. Earning per share calculations are done in accordance with Accounting Standard 20 "Earning Per Share", issued by the Institute of Chartered Accountants of India.

4. During the years under reporting in the Restated Financial Statement, company has not undergone any change in its capital structure.

PIYUSH J. SHAH & CO. MEMBERSHIP NO. 108570 CHARTERED ACCOUNTANTS

ANNEXURE-VI

Restated Statement of Share Capital

1. Statement of Share Capital

(Rs. In Lakhs)

Particulars	As at Decem 31, 2017	As at Novem 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Authorized							
Equity shares of RS. 10/- each	800.00	-	-	-	-	-	-
Issued , Subscribed and Fully paid up Capital	496.75	-	-	-	-	-	-

Terms/rights attached to equity shares:

The company has only one class of Equity Shares having par value of Rs. 10/-per share. Each holder of Equity shares is entitled to one Vote per share.

In the Liquidation of the company, the holders of Equity Shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

2. Reconciliation of Shares outstanding at the beginning and at the end of the Period

(No. of Shares)

Particulars	As at Decem 31, 2017	As at Novem 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
At the beginning of the period	3300000	-	-	-	-	-	-
Issued during the year	1667500	-	-	-	-	-	-
Redeemed or bought back during the period	-	-	-	-	-	-	-
Outstanding at the end of the Period	4967500	-	-	-	-	-	-

Note: As the company has been incorporated by converting Partnership firm into Company under Chapter XXI of the Companies Act, 2013, the balance standing in Fixed Capital of the Partners on that day the same has been taken as Equity Shares at the beginning of the period.

PIYUSH J. SHAH & CO. MEMBERSHIP NO. 108120 CHARTERED ACCOUNTANTS

3. For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

(No. of Shares)

Particulars	As at Decem 31, 2017	As at Novem 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.	3300000	-	-	-	-	-	-
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) with payment being received in cash.	1667500	-	-	-	-	-	-
Aggregate number and class of shares allotted as fully paid up by way of bonus shares.	-	-	-	-	-	-	-
Aggregate number and class of shares bought back.	-	-	-	-	-	-	-

4. Details of Shareholders holding more than 5% shares in the company:

(No. of Shares)

Particulars	As at December 31, 2017	In %
Name of Shareholders	Holding	Holding
Ashish C. Gandhi	1592163	32.05
Komal M. Gandhi	854113	17.19
Mitesh C. Gandhi	529528	10.66

The company was incorporated on 13th November, 2017 by converting Partnership firm into company under Part-I of the Companies Act, 2013. Therefore, the details before it is not mentioned.

ANNEXURE-VII

Restated Statement of Reserves and Surplus (Rs. in Lakhs)

Particulars	As at Decem 31, 2017	As at Novem 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
A. Security premium account							
Opening Balance	-	-	-	-	-	-	-
Add: Securities premium accounts credited on account of share issue	166.75	-	-	-	-	-	-
Less : Deletion for issue of Bonus Shares	-	-	-	-	-	-	-
Closing Balance	166.75	-	-	-	-	-	-
B. Profit loss account							
Opening Balance	-	-	-	-	-	-	-
Add: Net Profit/(Loss) for the year	2.36	-	-	-	-	-	-
Add: Transfer from Reserves	-	-	-	-	-	-	-
Less: Proposed Dividend	-	-	-	-	-	-	-
Less: Interim Dividend	-	-	-	-	-	-	-
Less: Transfer to Reserves	-	-	-	-	-	-	-
Less: Issuing Bonus Shares	-	-	-	-	-	-	-
Add / Less: Other Adjustment	(6.49)	-	-	-	-	-	-
Closing Balance	(4.13)	-	-	-	-	-	-
Total (A+B)	162.62	-	-	-	-	-	-

The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure I, II and III.



Annexure VIII

Restated Statement of Long Term Borrowings

(Rs. in Lakhs)

Particulars	As at Decem 31, 2017	As at Novem 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
A. From Banks (Secured)	-	-	-	-	-	-	9.54
Total	-	-	-	-	-	-	9.54
B. From Directors							
Loan from Director	55.81	-	-	-	-	-	-
Total	55.81	-	-	-	-	-	-
C. From Related Party, Shareholder, NBFCs and Others							
Loan from Related Parties, Shareholders and NBFCs	-	100.20	164.88	89.37	75.38	69.66	89.23
Total	-	100.20	164.88	89.37	75.38	69.66	89.23
Total (A+B+C)	55.81	100.20	164.88	89.37	75.38	69.66	98.77

1. The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure I, II and III.

Sub Note : 1

The company have accepted Interest free long term loans amounting to ₹ 55.81/- from directors.

Annexure IX

Restated Statement of Long Term Provisions

(Rs. In Lakhs)

Particulars	As at Decem 31, 2017	As at Novem 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Provisions for Employee Benefits	10.42	7.41	6.82	6.27	5.92	5.38	6.05
Total	10.42	7.41	6.82	6.27	5.92	5.38	6.05

Sub Note: 1

The company have provided for the gratuity based on AS-15 "Employee Benefits" as per actuarial valuation.

PIYUSH J. SHAH & CO. CHARTERED ACCOUNTANTS

Annexure X

Restated Statement of Short Term Borrowings

(Rs. in Lakhs)

Particulars	As at Decem 31, 2017	As at Novem 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Loan Repayable on Demand							
A. From Banks (Secured)							
Working Capital Loans	574.28	550.75	498.78	506.83	465.44	397.50	174.54
B. From Corporate							
Unsecured Short Term Loan	30.00	-	-	-	-	-	-
Total (A+B)	604.28	550.75	498.78	506.83	465.44	397.50	174.54

Sub Note: 1

Axis Bank Cash Credit outstanding as on December 31, 2017 is secured against hypothecation of stock with netting off of sundry creditors and Book Debts i.e. entire current assets (present and future) of the company including stock of raw material, stock in process, finished goods, consumables, receivables, stores, spares, at the rate of 10.25%.

Annexure XI

Restated Statement of Trade Payable

(Rs. in Lakhs)

Particulars	As at Decem 31, 2017	As at Novem 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Sundry Creditors for Goods	1221.25	1240.34	1208.18	899.50	998.63	1334.00	555.29
Total	1221.25	1240.34	1208.18	899.50	998.63	1334.00	555.29

Sub Note: 1

The company is not in position to identify the amount of balances due to MSME undertakings in absence of sufficient information from suppliers regarding their status as MSME undertakings.

Sub Note: 2

Sundry creditors for goods as on December 31, 2017 has been taken as certified by the management of the company and as mentioned in the report of Statutory Auditors.



Annexure XII

Restated Statement of Other Current Liabilities

(Rs. in Lakhs)

Particulars	As at Decem 31, 2017	As at Novem 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
TDS Payable	0.92	0.45	1.28	0.89	0.85	0.91	0.56
Sundry Creditors for Expenses	423.47	436.47	420.62	144.86	52.24	127.23	110.21
Current maturities of long term loans	-	-	-	-	-	9.54	8.78
Interest due on Deposits/Borrowings	-	0.37	12.60	10.92	8.27	4.79	5.69
Advance from Debtors / Others	28.39	0.75	4.61	-	14.73	1.96	-
Payable towards Funds	0.25	0.12	0.16	0.04	0.14	0.09	0.08
Total	453.03	438.17	439.27	156.71	76.23	144.52	125.32

Sub Note: 1

Sundry creditors for expenses as on December 31, 2017 has been taken as certified by the management of the company and as mentioned in the report of Statutory Auditors.

Sub Note: 2

Advanced received from customer as on December 31, 2017 is taken as certified by the management. No security has been given against the same.

Annexure XIII

Restated Statement of Short Term Provisions

(Rs. in Lakhs)

Particulars	As at Decem 31, 2017	As at Novem 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Payable to Government	17.89	15.81	5.34	1.64	3.23	1.55	3.66
Provision - others (give details)							
- Provision for Gratuity	0.25	0.16	0.32	0.28	0.21	0.20	0.21
- Provision for Expenses	5.72	0.70	1.28	1.98	2.92	3.34	2.65
Total	23.86	16.67	6.94	3.89	6.37	5.09	6.52



Annexure XIV

Restated Statement of Fixed Assets

(Rs. in Lakhs)

Particulars	Building	Ele. Install.	Office Equip.	Plant & Machinery	Furnit & Fixtures	Motor Vehicles	Computer	Total
Gross Block :								
As at April 1, 2012	31.07	1.13	0.27	43.03	1.38	5.47	0.06	82.42
Additions / (Deletion)	-	0.45	-	0.39	-	-	-	0.84
As at March 31, 2013	**31.07**	**1.58**	**0.27**	**43.42**	**1.38**	**5.47**	**0.06**	**83.26**
As at April 1, 2013	31.07	1.58	0.27	43.42	1.38	5.47	0.06	83.26
Additions / (Deletion)	-	-	-	10.04	-	-	-	10.04
As at March 31, 2014	**31.07**	**1.58**	**0.27**	**53.46**	**1.38**	**5.47**	**0.06**	**93.30**
As at April 1, 2014	31.07	1.58	0.27	53.46	1.38	5.47	0.06	93.30
Additions / (Deletion)	-	-	-	18.40	-	-	0.25	18.65
As at March 31, 2015	**31.07**	**1.58**	**0.27**	**71.87**	**1.38**	**5.47**	**0.31**	**111.95**
As at April 1, 2015	31.07	1.58	0.27	71.87	1.38	5.47	0.31	111.95
Additions / (Deletion)	4.56	-	1.30	3.66	-	-	-	9.51
As at March 31, 2016	**35.63**	**1.58**	**1.57**	**75.53**	**1.38**	**5.47**	**0.31**	**121.47**
As at April 1, 2016	35.63	1.58	1.57	75.53	1.38	5.47	0.31	121.47
Additions / (Deletion)	-	-	0.63	7.91	-	-	-	8.54
As at March 31, 2017	**35.63**	**1.58**	**2.20**	**83.43**	**1.38**	**5.47**	**0.31**	**130.01**
As at April 1, 2017	35.63	1.58	2.20	83.43	1.38	5.47	0.31	130.01
Additions / (Deletion)	2.24	-	-	6.21	-	-	-	8.44
As at Nov 12, 2017	**37.86**	**1.58**	**2.20**	**89.64**	**1.38**	**5.47**	**0.31**	**138.45**
As at Nov 13, 2017	37.86	1.58	2.20	89.64	1.38	5.47	0.31	138.45
Additions / (Deletion)	-	-	-	0.39	-	-	-	0.39
As at Dec 31, 2017	**37.86**	**1.58**	**2.20**	**90.03**	**1.38**	**5.47**	**0.31**	**138.84**
Accumulated Depreciation :								
As at April 1, 2012	-	-	-	-	-	-	-	-
Charge for the year	3.11	0.27	0.04	5.99	0.25	1.42	0.02	11.10
As at March 31, 2013	**3.11**	**0.27**	**0.04**	**5.99**	**0.25**	**1.42**	**0.02**	**11.10**
As at April 1, 2013	3.11	0.27	0.04	5.99	0.25	1.42	0.02	11.10
Charge for the year	2.80	0.26	0.03	6.25	0.21	1.05	0.01	10.61
As at March 31, 2014	**5.90**	**0.53**	**0.07**	**12.24**	**0.46**	**2.47**	**0.04**	**21.71**
As at April 1, 2014	5.90	0.53	0.07	12.24	0.46	2.47	0.04	21.71
Charge for the year	2.33	0.26	0.12	10.87	0.25	0.75	0.18	14.77
As at March 31, 2015	**8.23**	**0.79**	**0.20**	**23.12**	**0.71**	**3.22**	**0.22**	**36.47**
As at April 1, 2015	8.23	0.79	0.20	23.12	0.71	3.22	0.22	36.47
Charge for the year	2.55	0.20	0.63	9.55	0.18	0.56	0.06	13.73
As at March 31, 2016	**10.78**	**0.98**	**0.83**	**32.67**	**0.89**	**3.78**	**0.27**	**50.21**
As at April 1, 2016	10.78	0.98	0.83	32.67	0.89	3.78	0.27	50.21
Charge for the period	2.31	0.15	0.62	9.24	0.13	0.42	0.02	12.90
As at March 31, 2017	**13.09**	**1.13**	**1.45**	**41.91**	**1.02**	**4.20**	**0.29**	**63.11**

As at April 1, 2017	13.09	1.13	1.45	41.91	1.02	4.20	0.29	63.11
Charge for the period	1.34	0.07	0.21	4.93	0.06	0.20	-	6.81
As at Nov 12, 2017	14.43	1.20	1.66	46.84	1.08	4.40	0.29	69.91
As at Nov 13, 2017	14.43	1.20	1.66	46.84	1.08	4.40	0.29	69.91
Charge for the period	0.31	0.01	0.03	1.11	0.01	0.04	-	1.52
As at Dec 31, 2017	14.74	1.21	1.69	47.95	1.10	4.44	0.29	71.43
Net Block :								
As at March 31, 2013	27.96	1.31	0.24	37.43	1.13	4.05	0.04	72.16
As at March 31, 2014	25.16	1.05	0.20	41.22	0.93	3.00	0.02	71.59
As at March 31, 2015	22.83	0.79	0.08	48.75	0.68	2.25	0.09	75.48
As at March 31, 2016	24.85	0.60	0.74	42.86	0.49	1.69	0.04	71.26
As at March 31, 2017	22.53	0.45	0.75	41.52	0.36	1.27	0.02	66.90
As at Nov 12, 2017	23.43	0.38	0.54	42.79	0.30	1.07	0.02	68.53
As at Dec 31, 2017	23.12	0.36	0.51	42.08	0.29	1.03	0.02	67.41

Note: Due to unavailability of the data of the previous years, Fixed Assets have been restated taking into account the brought forward balance of fixed assets as on 01st April, 2012 as per the Tax Audit Report for the relevant period under the Income Tax Act, 1961. Since Mahickra Chemicals Limited was formerly a partnership firm with name 'Mahak Dye Chem Industries', therefore, the provisions of the Companies Act were not applicable.

Annexure XV

Restated Statement of Deferred Tax Assets

(Rs. in Lakhs)

Particulars	As at Decem 31, 2017	As at Novem 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Deferred tax assets	3.93	2.90	2.84	1.98	0.88	1.74	2.01
Net deferred tax liability	3.93	2.90	2.84	1.98	0.88	1.74	2.01

Annexure XVI

Restated Statement of Long Term Loans and Advances

(Rs. in Lakhs)

Particulars	As at Decem 31, 2017	As at Novem 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Security Deposits, considered good	10.74	10.74	10.74	10.74	12.07	11.89	11.54
Total	10.74	10.74	10.74	10.74	12.07	11.89	11.54

Sub Note: 1

Security Deposits includes amount given to suppliers of Gas, Electricity and others.

Annexure XVII
Restated Statement of Inventories

(Rs. in Lakhs)

Particulars	As at Decem 31, 2017	As at Novem 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
a. Raw Materials and components (Valued at Cost or NRV unless otherwise stated)	282.25	282.25	754.78	388.17	329.57	316.41	67.17
	282.25	282.25	754.78	388.17	329.57	316.41	67.17
b. Work-in-progress (Valued at Cost or NRV unless otherwise stated)	401.52	286.54	190.41	349.83	266.28	289.82	184.88
	401.52	286.54	190.41	349.83	266.28	289.82	184.88
c. Finished goods (Valued at Cost or NRV unless otherwise stated)	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Total	683.76	568.79	945.19	738.00	595.86	606.24	252.05

Sub Note: 1
Inventories as on December 31, 2017 has been taken as certified by the management of the company and as mentioned in the report of Statutory Auditors.

Annexure XVIII
Restated Statement of Trade Receivables

(Rs. in Lakhs)

Particulars	As at Decem 31, 2017	As at Novem 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Trade receivables outstanding for a period less than six months from the date they are due for payment.							
Secured, considered good	-	-	-	-	-	-	-
Unsecured, considered good	1436.42	1406.06	1034.82	635.27	768.04	1136.79	556.82
Unsecured, considered doubtful	-	-	-	-	-	-	-
	1436.42	1406.06	1034.82	635.27	768.04	1136.79	556.82

Less: Provision for doubtful debts	-	-	-	-	-	-	-
	1436.42	1406.06	1034.82	635.27	768.04	1136.76	556.82
Trade receivables outstanding for a period exceeding six months from the date they are due for payment							
Secured, considered good	-	-	-	-	-	-	-
Unsecured, considered good	-	178.21	145.19	117.74	99.95	13.35	59.66
Unsecured, considered doubtful	-	-	-	-	-	-	-
	-	178.21	145.19	117.74	99.95	13.35	59.66
Less: Provision for doubtful debts	-	-	-	-	-	-	-
	-	178.21	145.19	117.74	99.95	13.35	59.66
Total	1436.42	1584.27	1180.01	753.01	867.98	1150.13	616.48

Sub Note: 1

Sundry Debtors as on December 31, 2017 has been taken as certified by the management of the company and as mentioned in the report of Statutory Auditors.

Sub Note: 2

Sundry Debtors includes balance outstanding from related parties, as follows:

Name of related Party	As at Decem 31, 2017	As at Novem 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Arham Exports	271.30	101.44	86.30	59.83	71.35	273.72	2.31
Aadee International	-	-	-	50.79	31.16	106.05	41.11

Annexure XIX

Restated Statement of Cash and cash equivalents

(Rs. in Lakhs)

Particulars	As at Decem 31, 2017	As at Novem 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Balances with banks - Current A/c	335.86	0.15	86.85	52.67	74.07	-	-
Balances with banks - Fixed Deposit	-	-	-	7.06	-	-	-
Cash on hand	11.90	12.38	1.37	10.41	3.49	0.28	0.69
Total	347.76	12.53	88.22	70.13	77.56	0.28	0.69

Annexure XX

Restated Statement of Short-term loans and advances

(Rs. in Lakhs)

Particulars	As at Decem 31, 2017	As at Novem 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
A. Balances with government authorities							
(i) CENVAT	34.43	68.05	62.07	22.61	24.83	31.53	0.24
(ii) Advances against assessment	1.00	1.00	2.75	2.75	2.75	1.00	-
(iii) GST Receivable	263.60	209.79	-	-	-	-	-
(iv) VAT Receivable	176.54	194.06	202.62	143.90	118.33	214.29	104.27
	475.56	472.90	267.43	169.26	145.91	246.81	104.52
B. Others (specify nature)							
- Prepaid Insurance	1.08	0.09	0.91	0.71	0.88	-	0.25
- Advance to Others (Unsecured & Considered Good)	-	-	-	2.00	2.35	-	0.01
	1.08	0.09	0.91	2.71	3.23	-	0.26
Total (A+B)	476.65	472.99	268.34	171.97	149.14	246.81	104.78

Annexure XXI

Restated Statement of Other Current Assets

(Rs. in Lakhs)

Particulars	As at Decem 31, 2017	As at Novem 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Advance to Suppliers	1.35	0.48	-	0.80	2.96	0.80	4.24
Total	1.35	0.48	-	0.80	2.96	0.80	4.24



Annexure XXII

Restated Statement of Revenue from operations

(Rs. in Lakhs)

Particulars	For the 13.11.17 to 31.12.17	For the 01.04.17 to 12.11.17	For the FY 2016-17	For the FY 2015-16	For the FY 2014-15	For the FY 2013-14	For the FY 2012-13
Sale of products							
Revenue from sale of products:- Mfg.							
Domestic Sales	221.28	967.40	521.51	692.45	761.55	794.69	531.79
Export Sales (including against H Form)	281.49	3,059.52	3,960.80	3,047.77	3,865.06	3,963.54	1,592.85
Revenue from sale of products	502.77	4,026.93	4,482.31	3,740.22	4,626.61	4,758.22	2,124.64
Less:							
Sales Return	-	-	-	-	-	-	-
Excise Duty /CGST, IGST and SGST on Sales	76.69	425.72	345.63	336.70	403.99	444.10	200.86
	76.69	425.72	345.63	336.70	403.99	444.10	200.86
Revenue from sale of traded goods/services	-	-	-	-	-	-	-
Net revenue from operations	426.08	3,601.21	4,136.68	3,403.52	4,222.62	4,314.12	1,923.78

Annexure XXIII

Restated Statement of Other Income

(Rs. in Lakhs)

Particulars	For the 13.11.17 to 31.12.17	For the 01.04.17 to 12.11.17	For the FY 2016-17	For the FY 2015-16	For the FY 2014-15	For the FY 2013-14	For the FY 2012-13
Interest Income	-	0.23	0.76	1.05	1.06	1.19	0.96
Foreign Exchange Rate Difference	2.04	3.99	11.82	23.37	17.17	22.08	2.42
Rate Difference Expenses	2.43	0.77	(0.08)	3.74	5.94	1.64	-
Sundry Balances written off	0.01	0.03	0.32	(0.49)	0.02	0.49	(0.04)
Incentive Income	3.53	49.37	76.35	47.62	28.33	16.48	5.82
Total	8.01	54.36	89.18	75.30	52.53	41.87	9.16

PITUSH J. SHAH & CO. MEMBERSHIP NO. 135920 CA CHARTERED ACCOUNTANTS

Annexure XXIV

Restated Statement of Cost of Material Consumed

(Rs. in Lakhs)

Particulars	For the 13.11.17 to 31.12.17	For the 01.04.17 to 12.11.17	For the FY 2016-17	For the FY 2015-16	For the FY 2014-15	For the FY 2013-14	For the FY 2012-13
Inventory at the beginning							
Raw Material	282.25	754.78	388.17	329.57	316.41	67.17	56.91
Add: Purchase							
Raw Material	507.99	2963.54	4107.08	3342.96	3983.96	4460.03	1764.01
Less: Inventory at the end							
Raw Material	282.25	282.25	754.78	388.17	329.57	316.41	67.17
Total	507.99	3436.08	3740.47	3284.36	3970.80	4210.79	1753.74

Annexure XV

Restated Statement of Changes In Inventories

(Rs. in Lakhs)

Particulars	For the 13.11.17 to 31.12.17	For the 01.04.17 to 12.11.17	For the FY 2016-17	For the FY 2015-16	For the FY 2014-15	For the FY 2013-14	For the FY 2012-13
Inventory at the end of the year							
Work-In-Progress	401.52	286.54	190.41	349.83	266.28	289.82	184.88
	401.52	**286.54**	**190.41**	**349.83**	**266.28**	**289.82**	**184.88**
Inventory at the beginning of the year							
Work-In-Progress	286.54	190.41	349.83	266.28	289.82	184.88	189.06
	286.54	**190.41**	**349.83**	**266.28**	**289.82**	**184.88**	**189.06**
(Increase)/Decrease in Inventories							
Work-In-Progress	(114.97)	(96.14)	159.42	(83.54)	23.54	(104.94)	4.18
Total	**(114.97)**	**(96.14)**	**159.42**	**(83.54)**	**23.54**	**(104.94)**	**4.18**

Annexure XXVII

Restated Statement of Finance Cost

(Rs. in Lakhs)

Particulars	For the 13.11.17 to 31.12.17	For the 01.04.17 to 12.11.17	For the FY 2016-17	For the FY 2015-16	For the FY 2014-15	For the FY 2013-14	For the FY 2012-13
Interest Expenses	9.83	47.35	59.66	58.39	67.88	40.23	40.08
Bank Charges	1.98	0.31	3.29	3.52	6.58	6.49	1.80
Total	11.81	47.66	62.95	61.90	74.46	46.72	41.88

Annexure XXVIII

Restated Statement of Depreciation & Amortization Expenses

(Rs. in Lakhs)

Particulars	For the 13.11.17 to 31.12.17	For the 01.04.17 to 12.11.17	For the FY 2016-17	For the FY 2015-16	For the FY 2014-15	For the FY 2013-14	For the FY 2012-13
Depreciation	1.52	6.81	12.90	13.73	14.77	10.61	11.10
Total	1.52	6.81	12.90	13.73	14.77	10.61	11.10

Annexure XXVI

Restated Statement of Employee Benefit Expenses

(Rs. in Lakhs)

Particulars	For the 13.11.17 to 31.12.17	For the 01.04.17 to 12.11.17	For the FY 2016-17	For the FY 2015-16	For the FY 2014-15	For the FY 2013-14	For the FY 2012-13
Salaries and Wages							
Salary and wages	2.28	7.91	12.27	12.70	11.08	10.21	5.93
Gratuity Expenses	3.09	0.43	0.60	0.41	0.55	(0.68)	2.62
Director's Remuneration	3.84	7.99	13.00	13.00	13.00	13.75	11.50
Bonus / Staff Welfare Expenses	-	0.47	1.81	-	0.98	1.53	-
	9.22	16.80	27.67	26.11	25.61	24.81	20.06
Contribution to provident and other fund							
Contribution to provident and other funds for others	0.35	0.52	1.15	0.74	0.69	0.59	0.62
	0.35	0.52	1.15	0.74	0.69	0.59	0.62
Total	9.57	17.32	28.82	26.85	26.30	25.39	20.68

Annexure XXIV

Restated Statement of Other Administration Expenses

(Rs. in Lakhs)

Particulars	For the 13.11.17 to 31.12.17	For the 01.04.17 to 12.11.17	For the FY 2016-17	For the FY 2015-16	For the FY 2014-15	For the FY 2013-14	For the FY 2012-13
Advertisement & Business Promotion Expenses	1.96	6.10	8.13	7.93	1.88	4.16	4.66
Bad Debt/Loss Expenses	-	-	-	-	-	6.47	5.44
Chemical Processing Expenses	-	-	-	-	-	-	1.96
Commission Expenses	-	-	-	0.10	-	10.56	1.08
Conveyance Expenses	-	0.80	1.30	1.21	1.16	1.06	-
Discount Expenses	-	-	-	-	0.80	1.07	-
Factory Expenses	0.36	11.83	5.33	5.18	5.35	4.02	4.46
Freight and Loading/Unloading Expenses	0.44	5.54	9.60	6.07	20.87	24.25	20.81
General Expenses	-	-	-	-	-	-	-
Import/Export related Expenses	3.90	109.88	82.39	69.88	58.10	14.36	5.43
Indirect Duty related Expenses	-	1.79	4.38	2.98	1.56	4.70	3.62
Insurance Expenses	0.92	3.41	5.44	7.42	8.08	15.02	1.33
Legal & Professional Expense	0.69	13.59	4.14	2.64	5.16	10.18	1.12
Membership / License Expense	-	0.07	0.35	0.07	0.47	-	3.80
Municipal Tax Expenses	-	0.41	0.44	0.47	0.54	-	-
Office Expenses	0.14	1.37	3.48	3.28	2.27	2.86	1.10
Packing & Forwarding Expenses	0.01	0.12	-	-	1.06	0.63	0.20
Postage & Courier Expenses	0.68	1.47	2.70	3.32	3.35	2.33	2.10
Power & Fuel Expenses	4.43	18.67	23.26	23.85	23.57	21.37	21.30
Printing & Stationery Expenses	0.28	3.82	1.97	0.40	0.73	-	0.25
Repair & Maintenance Expense	0.51	4.51	7.22	4.77	3.49	10.77	0.91
Telephone expenses	0.04	0.35	0.49	0.46	0.37	0.50	0.39
Testing Expenses	0.26	1.43	3.07	2.93	1.20	0.96	2.75
Travelling Expenses	0.15	5.16	6.33	9.23	9.39	6.87	6.70
Total	**14.75**	**190.33**	**170.03**	**152.20**	**149.39**	**142.15**	89.44

PIYUSH J. SHAH & CO. MEMBERSHIP NO. 105570 CHARTERED ACCOUNTANTS

Annexure – XXX
Capitalization Statement as at 31st December, 2017

(Rs. in Lakhs)

Particulars	Pre Issue	Post Issue
Borrowings:		
Short-term	604.28	604.28
Long-term (A)	55.81	55.81
Total debts (B)	660.09	660.09
Shareholders' funds		
Share capital	496.75	-
Reserve and surplus	162.62	-
Total shareholders' funds (C)	659.37	-
Long term debt / shareholders' funds (A/C)	8.46%	-
Total debt / shareholders' funds (B/C)	100.11%	-

1. Short term debts represent debts which are due within 12 months from December 31, 2017.
2. Long term debts represent debts other than short term debts, as defined above.
3. The company has allotted 166,660 Equity Shares at Rs. 24.00/- after the date of reporting i.e. 31st December, 2017.

Annexure - XXXI
Statement of Tax Shelters

(Rs. in Lakhs)

Particulars	As at Decem 31, 2017	As at Novem 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Profit before tax, as restated (A)	3.42	53.53	51.26	23.32	15.90	25.28	11.91
Tax Rate (%)	30.90	30.90	30.90	30.90	30.90	30.90	30.90
Adjustments :							
Permanent differences							
Expenses disallowed under Income Tax Act, 1961	-	11.36	0.50	3.05	0.79	0.36	0.06
Prior Period Expenses	-	-	-	-	-	-	0.06
Total permanent differences(B)	-	11.36	0.50	3.05	0.79	0.36	0.13
Income considered separately (C.)	-	-	-	-	-	-	-
Timing differences							
Depreciation as per Books	1.52	6.81	12.90	13.73	14.77	10.61	11.10
Provision for Gratuity Expenses	3.09	0.43	0.60	0.41	0.55	(0.68)	2.62
Depreciation as per IT Act	(1.27)	(7.05)	(10.71)	(10.60)	(11.17)	(10.80)	(10.82)
Total timing differences (D)	3.34	0.19	2.79	3.55	4.15	(0.87)	(2.90)
Net adjustments E = (B+C+D)	3.34	11.54	3.29	6.60	4.94	(0.51)	3.02

Tax expense / (saving) thereon	1.03	3.57	1.02	2.04	1.53	(0.16)	0.93
Income from other sources (F)	-	-	-	-	-	-	-
Exempt Income (G)	-	-	-	-	-	-	-
Taxable Income/(loss) (A+E+F-G+H)	6.76	65.08	54.55	29.92	20.84	24.77	14.94
Tax as per Normal Provision	2.09	20.11	16.86	9.24	6.44	7.65	4.62
Taxable Income/(loss) as per MAT	3.42	53.53	51.26	23.32	15.90	25.28	11.91
Income tax as per MAT	0.70	10.91	10.45	4.75	3.18	5.06	2.38
Tax paid as per "MAT" or "Normal Provisions"	Normal Provision	Normal Provision	Normal Provision	Normal Provision	Normal Provision	Normal Provision	Normal Provision

PITUSH J. SHAH & CO. CHARTERED ACCOUNTANTS

Annexure - XXXII

Details of Related Party Transactions as Restated

(Rs. in Lakhs)

Name of the Party	Nature of Transaction	Amount of Transaction till December 31, 2017	Amount Outstanding as on 31.12.17 Payable/ (Receivable)	Amount of Transaction till November 12, 2017	Amount Outstanding as on 12.11.17 Payable/ (Receivable)	Amount of Transaction till March 31, 2017	Amount Outstanding as on 31.03.17 Payable / (Receivable)	Amount of Transaction in 2015-16	Amount Outstanding as on 31.03.16 Payable/ (Receivable)	Amount of Transaction in 2014-15	Amount Outstanding as on 31.03.15 Payable/ (Receivable)	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.14 Payable/ (Receivable)	Amount of Transaction in 2012-13	Amount Outstanding as on 31.03.13 Payable/ (Receivable)
Shri Mitesh C. Gandhi	Director's / Partner Remuneration	0.96	-	-	-	-	-	-	-	-	-	-	-	-	-
	Long / Short Term Borrowing	9.93	9.93	-	-	-	-	-	-	-	-	-	-	-	-
	Interest	-	-	1.71	-	-	-	-	-	-	-	-	-	-	-
	Interest Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Allotment of Shares (In Nos)	5.30	-	-	-	-	-	-	-	-	-	-	-	-	-
Shri Ashish C. Gandhi	Director's / Partner Remuneration	1.92	1.92	4.29	-	7.00	-	7.00	-	7.00	-	7.50	-	6.33	-
	Long / Short Term Borrowing	10.27	30.47	20.20	20.20	-	-	-	-	-	-	-	-	-	-
	Interest	-	-	12.17	-	10.53	-	10.16	-	9.78	-	6.52	-	6.22	-
	Interest Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Allotment of Shares (In Nos)	15.92	-	-	-	-	-	-	-	-	-	-	-	-	-

Ashish C. Gandhi HUF	Long / Short Term Borrowing	-	-	(9.31)	-	1.30	9.31	-	8.01	2.98	8.01	5.03	5.03	-	-
	Interest	-	-	0.85	-	1.13	-	1.03	-	0.70	-	0.05	-	-	-
	Interest Payable	-	-	(2.07)	-	1.01	2.07	0.39	1.06	0.62	0.67	0.05	0.05	-	-
Smt. Komal M. Gandhi	Director's / Partner Remuneration	0.96	0.96	3.70	-	6.00	-	6.00	-	6.00	-	6.25	-	5.18	-
	Long / Short Term Borrowing	15.41	15.41	-	-	-	-	-	-	-	-	-	-	-	-
	Interest	-	-	6.22	-	7.07	-	6.02	-	5.59	-	4.40	-	3.81	-
	Interest Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Allotment of Shares (In Nos)	8.54	-	-	-	-	-	-	-	-	-	-	-	-	-
Smt. Anita A. Gandhi	Long / Short Term Borrowing	-	-	-	-	4.39	10.56	(5.51)	6.18	-	11.69	(0.20)	11.69	-	11.89
	Interest	-	-	0.75	-	1.02	-	1.32	-	1.53	-	1.46	-	1.43	-
	Other Payable	-	0.42	-	-	(0.27)	0.92	(0.51)	1.19	0.38	1.70	-	1.32	-	1.28
	Allotment of Shares (In Nos)	106,900	-	-	-	-	-	-	-	-	-	-	-	-	-
Shri Champaklal K. Gandhi	Long / Short Term Borrowing	-	-	-	-	2.21	18.18	-	15.97	1.50	15.97	12.00	14.47	-	2.47
	Interest	-	-	1.51	-	2.07	-	2.09	-	1.88	-	0.58	-	0.33	-
	Other Payable	-	3.81	-	-	(0.81)	1.86	0.37	2.67	-	2.30	0.52	0.81	-	0.30

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	Allotment of Shares (In Nos)	186,799	-	-	-	-	-	-	-	-	-	-	-	-	-
Champaklal K. Gandhi HUF	Long / Short Term Borrowing	-	-	-	-	-	7.75	-	7.75	(0.73)	7.75	4.87	8.48	-	3.61
	Interest	-	-	0.70	-	1.04	-	0.96	-	1.06	-	0.63	-	0.43	-
	Interest Payable	-	-	-	-	0.67	1.69	0.06	1.01	(0.04)	0.95	0.57	1.00	-	0.43
Shri Indiraben C. Gandhi	Long / Short Term Borrowing	-	-	-	-	0.70	14.08	-	13.38	3.47	13.38	7.10	9.91	-	2.81
	Interest	-	-	1.15	-	2.00	-	1.82	-	1.39	-	0.63	-	0.34	-
	Interest Payable	-	-	-	-	1.54	4.97	1.64	3.43	0.88	1.79	0.57	0.91	-	0.34
Shri Jayantilal S. Shah	Interest	-	-	0.08	-	-	-	-	-	-	-	-	-	-	-
	Other Payable	-	0.43	-	-	-	-	-	-	-	-	-	-	-	-
	Allotment of Shares (In Nos)	16,534	-	-	-	-	-	-	-	-	-	-	-	-	-
Shri Pravin Patel	Interest	-	-	0.03	-	-	-	-	-	-	-	-	-	-	-
	Other Payable	-	0.38	-	-	-	-	-	-	-	-	-	-	-	-
	Allotment of Shares (In Nos)	13,963	-	-	-	-	-	-	-	-	-	-	-	-	-
Arham Exports	Sales	169.86	-	94.57	-	148.16	-	305.15	-	1120.03	-	480.97	-	9.70	-
	Sundry Debtors	169.86	271.30	15.14	101.44	26.48	86.30	(11.52)	59.83	(202.38)	71.35	271.41	273.72	-	2.31

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Aadee international	Sales	-	-	-	-	3.68	-	170.49	-	427.71	-	229.24	-	341.60	-
	Sundry Debtors	-	-	1.49	-	(52.27)	(1.49)	19.62	50.79	(74.89)	31.16	64.94	106.05	-	41.11

Note: The Capital account of Partners has not been considered for Related Party Transactions. Only remuneration / Interest on Partner's Capital account accounted into the Partner's account have been mentioned in transactions during the particular year / period(s).

Annexure – XXXIII

Reconciliation of Restated Profit

Adjustments for	As at Decem 31, 2017	As at Novem 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Net profit/(loss) after tax as per audited statement of profit & loss	2.26	33.18	38.15	18.36	13.60	16.83	10.48
Adjustments for:							
Depreciation Expenses	0.25	0.24	(2.19)	(3.14)	(3.60)	0.19	(0.27)
Gratuity Expenses	(3.09)	(0.43)	(0.60)	(0.41)	(0.55)	0.68	(2.62)
Effect of Deferred Tax on Depreciation	3.09	0.06	0.86	1.10	(0.86)	(0.27)	2.01
Prior period Expenses	-	0.43	(0.43)	-	-	-	-
Excess / (Short) Provision for Tax (Refer Note 2)	(0.16)	-	(0.53)	(0.74)	0.01	(0.08)	(0.29)
Net profit/ (loss) after tax as restated	2.36	33.48	35.27	15.17	8.60	17.36	9.31

Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years/ period

Adjustments having impact on Profit

Note: 1
The company has provided Excess or Short Provision in the year in which the income tax return has been filled. But in restated account, the company has provided Excess or Short Provision in the year to which it relates.

To give explanatory notes regarding adjustments

Adjustments having no impact on Profit Material Regrouping
Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2009.

CHANGES IN SIGNIFICANT ACCOUNTING POLICIES IN LAST THREE YEARS:
Not Applicable

PIYUSH J. SHAH & CO. MEMBERSHIP NO 108578 CHARTERED ACCOUNTANTS

Annexure - XXXIV

Restated Statement of Contingent Liability

Particulars	As at December 31, 2017	As at November 12, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Nil							

PIYUSH J. SHAH & CO. MEMBERSHIP NO. 108270 CHARTERED ACCOUNTANTS

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our Restated Financial Statements which have been included in this Red Herring Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Restated Financial Statements for the years ended March 31, 2017, 2016, 2015,for the period ended April 01, 2017 to November 12 ,2017 and for the period ended November 13, 2017 to December 31 ,2017 including the related notes and reports, included in this Red Herring Prospectus have been prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited financial statements for the respective years,for the period ended April 01, 2017 to November 12, 2017 and for the period ended November 13, 2017 to December 31, 2017. Accordingly, the degree to which our Restated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "Risk Factors" and "Forward Looking Statements" beginning on pages 19 and 17, respectively, and elsewhere in this Red Herring Prospectus.

Our FY ends on March 31 of each year. Accordingly, all references to a particular FY are to the 12 months ended March 31 of that year.

OVERVIEW

Our Company was originally constituted as a partnership firm by the name of 'Mahak Dye Chem Industries' on June 21, 1994. Consequently, it was converted to public limited company pursuant to special resolution passed at an Extra-ordinary General Meeting held on September 05, 2017 and the name was changed to Mahickra Chemicals Limited and a fresh Certificate of Incorporation consequent upon Conversion Public Limited dated November 13, 2017 was issued by Central Registration Centre, Manesar. The Corporate Identification Number of our Company is U24304GJ2017PLC099781. The registered office of our company is situated at Plot No. 1209, Phase 3, GIDC Vatva, Ahmedabad – 382445, Gujarat, India.

Our Company is in the business of manufacturing of Reactive Dyes since year 1998, while the business of trading in Reactive Dyes was started in year 1994. The Company manufactures Reactive Dyes also known as Synthetic Organic Dyes (S.O.Dyes) and has an integrated process. The company specialises in Black Reactive Dyes. Our company manufactures 40 various types of Reactive Dyes. The product of the company caters to textiles & garments manufacturers. The company also offer specialty performance chemicals to the Textile Dyeing and printing industry. The company has a production capacity of approx. 900 tons per annum. The manufacturing facility of the company is situated at Vatva GIDC in Gujarat. The facility is spread over 2 storeyed 703 sq. meters in area. The company is an ISO 9001:2015 and ISO 14001:2015 certified company certifying the quality of the product our company manufactures.

Our Company is promoted and managed by Mr. Miteshkumar Champaklal Gandhi, Mr. Ashishkumar Champaklal Gandhi and Mrs. Komal Mitesh Gandhi. Our promoters are actively and fully involved in the day-to-day affairs of our company's operations. The experience of our company's management is reflected in company's performance where Revenue has grown from Rs. 1,923.94 Lakhs in F.Y. 2012-13 to Rs. 4,225.85 Lakhs in F.Y. 2016-17 and Profit before Tax has grown from Rs. 11.91 Lakhs to Rs. 51.26 Lakhs in the same period. Under the leadership of the promoters, our company have seen remarkable growth both in operations and financial performance.

Our Company manufactures dyes of various concentrations which is the deciding factor for the pricing of the product. We procure quality raw materials from Chemical industries like, Bodal Chemicals Ltd. and Kiri Chemicals Ltd. Our focus on Black Dyes have allowed us to be become a specialised player in that

particular segment. Our company generates most of its revenue from export operations and products of the company are exported to countries like, Turkey, Egypt, Bangladesh, etc. We have a dedicated technical team which looks after the quality and consistency of the product we manufacture.Our customers are mostly traders and importers who sell directly to textile manufacturers. Our relationship with our traders and esteemed customer base are key factors of our success in the industry.

Our brand image which is the effort of the industry experience we have is well received by the market and we shall continue to strengthen our brand by supplying qualitative products at competitive prices across the globe.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Red Herring Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:

1. The company got converted into public limited company vide a Certificate of Incorporation dated November 13, 2017.
2. The Board of Directors passed a resolution for the Initial Public Offer in their meeting held on January 05, 2018 and the Shareholders of the Company passed a special resolution for the Initial Public Offer in their meeting held on January 30, 2018.
3. The Company increased the borrowing power to Rs 200 Crores passed at an Extra- Ordinary General Meeting of our Company held on December 20, 2017.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "*Risk Factor*" beginning on page *19* of this Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Change in general business and economic Condition;
- Intense competition from China;
- Change in laws & regulations relating to chemical industry;
- Volatile prices of raw material;
- Any problems in geographies to which our country have export operations.

OVERVIEW OF REVENUE AND EXPENSES

Revenue and Expenses

Our revenue and expenses are reported in the following manner:

Total Revenue

Our Total Revenue comprises of revenue from operations and other income.

*Revenue from operations:*Our revenue from operations comprises of revenue from domestic & export sale of manufactured products which include dyes of various concentration.

*Other Income:*Our other income comprises of incentive income, interest income, income from foreign exchange rate difference and income from sundry balances written off.

Expenses

Our expenses comprise of cost of material consumed, changes in inventories of stock in trade, employee benefit expenses, finance costs, depreciation and amortisation expenses and other expenses.

Cost of material consumed: Cost of material consumed primarily consist of consumption of sodium bicarbonate, sodium nitrite, H-Acid, cynuric chloride, J Acid, vinyle sulfone, etc.

*Change in Inventory of Stock in Trade:*Changes in inventory of stock in trade consist of change in our

inventory of work in progress as at the beginning and end of the year.

*Employee benefit expense:*Our employee benefit expenses include salary & wages, gratuity expenses, director's remuneration, bonus & staff welfare expenses, and contribution to provident and other funds.

*Finance costs:*Our finance costs comprise of interest expenses and bank charges.

*Depreciation and amortisation expenses:*Depreciation and amortisation expenses comprise of depreciation on tangible fixed assets and intangible assets.

Other expenses: Our other expenses comprise of advertisement & business promotion expenses,bad debt/loss expenses, chemical processing expenses, commission expenses, conveyance expenses, discount expenses, factory expenses, freight and loading/unloading expenses, general expenses, import/export, indirect duty related expenses, insurance expenses, legal & professional expense,membership / license expense, municipal tax expenses, office expenses, packing & forwarding expenses, postage & courier expenses, power & fuel expenses, printing & stationery expenses, repair & maintenance expense, telephone expenses, testing expenses and travelling expenses.

Our Results of Operations

The following table sets forth select financial data from our restated financial statement of profit and loss for the financial years 2017, 2016, 2015,for the period April 01, 2017 to November 12, 2017 and for the period November 13, 2017 to December 31, 2017 and the components of which are also expressed as a percentage of total revenue for such periods:

(Rs. in Lakhs)

Particulars`	**For the period ended November 13, 2017 to December 31 ,2017**	**For the period ended April 01, 2017 to November 12 ,2017**	**For the Year ended March 31,**		
			2017	**2016**	**2015**
Total Revenue:					
Revenue from operations	426.08	3,601.21	4,136.68	3,403.52	4,222.62
As a % of Total Revenue	98.16%	98.51%	97.89%	97.84%	98.77%
Other income	8.01	54.39	89.18	75.30	52.53
As a % of Total Revenue	1.84%	1.49%	2.11%	2.16%	1.23%
Total Revenue	**434.09**	**3,655.59**	**4,225.85**	**3,478.82**	**4,275.15**
Expenses:					
Cost of material consumed	507.99	3,436.08	3,740.47	3,284.36	3,970.80
As a % of Total Revenue	117.03%	94.00%	88.51%	94.41%	92.88%
Changes in inventories of work-in-progress and finished goods	(114.97)	(96.14)	159.42	(83.54)	23.54
As a % of Total Revenue	(26.49)%	(2.63)%	3.77%	(2.40)%	0.55%
Employee benefit expenses	9.57	17.32	28.82	26.85	26.30
As a % of Total Revenue	2.21%	0.47%	0.68%	0.77%	0.62%
Finance costs	11.81	47.66	62.95	61.90	74.46
As a % of Total Revenue	2.72%	1.30%	1.49%	1.78%	1.74%
Depreciation and amortization expense	1.52	6.81	12.90	13.73	14.77
As a % of Total Revenue	0.35%	0.19%	0.31%	0.40%	0.35%
Other expenses	14.75	190.33	170.03	152.20	149.39
As a % of Total Revenue	3.40%	5.21%	4.02%	4.37%	3.49%
Total Expenses	**430.67**	**3,602.06**	**4,174.59**	**3,455.50**	**4,259.25**

Particulars`	For the period ended November 13, 2017 to December 31 ,2017	For the period ended April 01, 2017 to November 12 ,2017	For the Year ended March 31,		
			2017	2016	2015
As a % of Total Revenue	99.21%	98.54%	98.79%	99.33%	99.63%
Profit before exceptional, extraordinary items and tax	**3.42**	**53.53**	**51.26**	**23.32**	**15.90**
As a % of Total Revenue	0.79%	1.46%	1.21%	0.67%	0.37%
Exceptional items	-	-	-	-	-
As a % of Total Revenue	-	-	-	-	-
Profit before extraordinary items and tax	**3.42**	**53.53**	**51.26**	**23.32**	**15.90**
As a % of Total Revenue	0.79%	1.46%	1.21%	0.67%	0.37%
Extraordinary items	-	-	-	-	-
As a % of Total Revenue	-	-	-	-	-
Profit before tax	**3.42**	**53.53**	**51.26**	**23.32**	**15.90**
PBT Margin	0.79%	1.46%	1.21%	0.67%	0.37%
Tax expense :					
(i) Current tax	2.09	20.11	16.86	9.24	6.44
(ii) Deferred tax	(1.03)	(0.06)	(0.86)	(1.10)	0.86
(iii) MAT Credit	-	-	-	-	-
Total Tax Expense	**1.06**	**20.05**	**16.00**	**8.15**	**7.30**
% of total income	**0.24%**	**0.55%**	**0.38%**	**0.23%**	**0.17%**
Profit for the year/ period	**2.36**	**33.48**	**35.27**	**15.17**	**8.60**
PAT Margin	**0.54%**	**0.92%**	**0.83%**	**0.44%**	**0.20%**

Review of Operation for the Period ended November 13, 2017 to December 31, 2017

Total Revenue

Revenue from operations

Revenue from operations for the period ended November 13, 2017 to December 31, 2017 amounted to Rs. 426.08 which was primarily on account of revenue from domestic & export sale of manufactured products. Our gross revenue from domestic sales were Rs 221.28 lakhs and from export sales were Rs 281.49 lakhs.

Other income

Other income of Rs. 8.01 lakhs for the period ended November 13, 2017 to December 31, 2017 primarily comprised of interest income of Rs 2.04 lakhs, income from rate difference of Rs 2.43 lakhs, income from sundry balance written off Rs 0.01 lakhs and incentive income of Rs 3.53 lakhs. Our other income was 1.84 % of our total revenue for the period ended November 13, 2017 to December 31, 2017.

Total Expenses

Total expenses amounted to Rs. 430.67 lakhs for the period ended November 13, 2017 to December 31, 2017

Cost of material consumed

Cost of material consumed for the period ended November 13, 2017 to December 31, 2017 were Rs. 507.99 lakhs. Our Cost of material consumed was 117.03 % of our total revenue for the period ended November 13, 2017 to December 31, 2017.

Changes in inventories of stock in trade

Changes in inventories of stock in trade amounted to (Rs. 114.97) lakhs for the period ended November 13, 2017 to December 31, 2017.Our changes in inventories of stock in trade was (26.49) % of our total revenue for the period ended November 13, 2017 to December 31, 2017.

Employee Benefit Expenses

Our employee benefit expenses for the period ended November 13, 2017 to December 31, 2017 were Rs. 9.57 lakhs which primarily comprised of salary & wages, contribution to PF and other funds, gratuity expense and directors remuneration. Our employee benefit expenses was 2.21 % of our total revenue for the period ended November 13, 2017 to December 31, 2017

Finance Costs

Our Finance costs for the period ended November 13, 2017 to December 31, 2017 were Rs. 11.81 lakhs primarily consisting of interest expenses & bank charges.Our finance cost was2.72 % of our total revenue for the period ended November 13, 2017 to December 31, 2017

Depreciation and Amortization Expenses

Depreciation and amortization expenses were Rs. 1.52 lakhs for the period ended November 13, 2017 to December 31, 2017 comprising of depreciation on tangible fixed assets. Our depreciation and amortization expense was 0.35 % of our total revenue for the period ended November 13, 2017 to December 31, 2017.

Other expenses

Our other expenses for the period ended November 13, 2017 to December 31, 2017 were Rs. 14.75 lakhs comprising of advertisement & business promotion expenses, factory expenses, freight and loading/unloading expenses, import/export related expenses, insurance expenses, legal & professional expense, office expenses, packing & forwarding expenses, postage & courier expenses, power & fuel expenses, printing & stationery expenses, repair & maintenance expense, telephone expenses, testing expenses and travelling expenses among others.Our other expenses was 3.40 % of our total revenue for the period ended November 13, 2017 to December 31, 2017.

Profit before Tax

Our Profit before tax for the period ended November 13, 2017 to December 31, 2017 was Rs. 3.42 lakhs.Our profit before tax was 0.79 % of our total revenue for the period ended November 13, 2017 to December 31, 2017.

Tax Expenses

Our tax expenses for the period ended November 13, 2017 to December 31, 2017 were Rs. 1.06 lakhs.Our tax expense was 0.24 % of our total revenue for the period ended November 13, 2017 to December 31, 2017.

Profit after Tax

Our profit after tax for the period ended November 13, 2017 to December 31, 2017 was Rs. 2.36 lakhs.Our profit after tax was 0.54 % of our total revenue for the period ended November 13, 2017 to December 31, 2017.

Review of Operation forthe period ended April 01, 2017 to November 12, 2017

Total Revenue

Revenue from operations

Revenue from operations for the period ended April 01, 2017 to November 12, 2017amounted to Rs. 3601.21 lakhs which was primarily on account of revenue from domestic & export sale of manufactured products. Our gross revenue from domestic sales were Rs 967.40 lakhs and from export sales were Rs 3059.52 lakhs.

Other income

Other income of Rs. 54.39 lakhs for the period ended April 01, 2017 to November 12, 2017 primarily consisting of interest income of Rs 0.23 lakhs, rate difference income of Rs 0.77 lakhs, income from foreign exchange rate difference of Rs 3.99 lakhs, income from sundry balance written off Rs 0.03 lakhs and incentive income of Rs 49.37 lakhs. Our other income was 1.47 % of our total revenue for the period ended April 01, 2017 to December 12, 2017.

Total Expenses

Total expenses amounted to Rs. 3601.29 lakhs for the period ended April 01, 2017 to November 12, 2017.

Cost of material consumed

Cost of material consumed for the period ended April 01, 2017 to November 12, 2017 were Rs. 3436.08 lakhs. Our Cost of material consumed was 88.51 % of our total revenue for the period ended April 01, 2017 to November 12, 2017.Our cost of material consumed was 94.00 % of our total revenue for the period ended April 01, 2017 to November 12, 2017.

Changes in inventories of stock in trade

Changes in inventories of stock in trade amounted to Rs. (96.14) lakhs for the period ended April 01, 2017 to November 12, 2017.Our change in inventory was (2.63) % of our total revenue for the period ended April 01, 2017 to November 12, 2017.

Employee Benefit Expenses

Our employee benefit expenses for the period ended April 01, 2017 to November 12, 2017 were Rs. 17.32 lakhs which primarily comprised of salary & wages, contribution to PF and other funds, gratuity expense, staff welfare expenses and directors remuneration. Our employee benefit expenses was 0.47 % of our total revenue for the period ended April 01, 2017 to November 12, 2017.

Finance Costs

Our Finance costs for the period ended April 01, 2017 to November 12, 2017 were Rs. 47.66 lakhs primarily consisting of interest expenses & bank charges.Our finance cost was 1.30 % of our total revenue for the period ended April 01, 2017 to November 12, 2017.

Depreciation and Amortization Expenses

Depreciation and amortization expenses were Rs. 6.81 lakhs for the period ended April 01, 2017 to November 12, 2017 comprising of depreciation on tangible fixed assets. Our depreciation and amortization expenses were0.19 % of our total revenue for the period ended April 01, 2017 to November 12, 2017.

Other expenses

Our other expenses for the period ended April 01, 2017 to November 12, 2017 were Rs. 190.33 lakhs comprising of advertisement & business promotion expenses, factory expenses, freight and loading/unloading expenses, import/export related expenses, insurance expenses, legal & professional expense, office expenses, packing & forwarding expenses, postage & courier expenses, power & fuel expenses, printing & stationery expenses, repair & maintenance expense, telephone expenses, testing expenses and travelling expenses among others.Our other expenses was 5.21 % of our total revenue for the period ended April 01, 2017 to November 12, 2017.

Profit before Tax

Our Profit before tax for the period ended April 01, 2017 to November 12, 2017 was Rs. 53.53 lakhs.Our employee benefit expenses was 1.46 % of our total revenue for the period ended April 01, 2017 to November 12, 2017.

Tax Expenses

Our tax expenses for the period ended April 01, 2017 to November 12, 2017 were Rs. 20.05 lakhs.Our employee benefit expenses was 0.55 % of our total revenue for the period ended April 01, 2017 to November 12, 2017.

Profit after Tax

Our profit after tax for the period ended April 01, 2017 to November 12, 2017 was Rs. 33.48 lakhs.Our employee benefit expenses was 0.92 % of our total revenue for the period ended April 01, 2017 to November 12, 2017.

FINANCIAL YEAR 2016-17 COMPARED WITH FINANCIAL YEAR 2015-16

Total Revenue

Our total revenue increased by 21.47 % to Rs. 4225.85 lakhs for the financial year 2016-17 from Rs. 3478.82 lakhs for the financial year 2015-16 due to the factors described below:

Revenue from operations: Our revenue from operations increased by 21.54 % to Rs. 4136.68 lakhs for the financial year 2016-17 from Rs. 3403.52 lakhs for the financial year 2015-16. The increase was mainly due to increase in revenue from export sales of our manufactured products by Rs. 913.03 lakhs in the financial year 2016-17. However, this increase was primarily offset by decrease in our gross revenue from domestic sale of manufactured products by Rs 170.94 lakhs in the financial year 2016-17.

Other income: Our other income increased by 18.44 % to Rs. 89.18 lakhs for the financial year 2016-17 from Rs. 75.30 lakhs for the financial year 2015-16 mainly due to increase in incentive income by Rs 28.73 lakhs and sundry balance written off by Rs 0.81 lakhs. However, this increase was offset by decrease in income from foreign exchange rate difference by Rs 11.55 lakhs, rate difference income of Rs 3.81 lakhs and interest income by Rs 0.29 lakhs in the financial year 2016-17.

Total Expenses

Our total expenses increased by 20.81 % to Rs. 4174.59 lakhs for the financial year 2016-17 from Rs.3455.50lakhs for the financial year 2015-16, due to the factors described below:

Cost of material consumed

Our Cost of consumed increased by 13.89 % to Rs 3740.47 lakhs in the financial year 2016-17 from Rs. 3284.36 lakhs in the financial year 2015-16. The increase was primarily due to decrease in our revenue from sale of manufactured products.

Changes in inventories of finished goods: The amount ofchanges in inventories of finished goods was Rs. 159.24 lakhs for the financial year 2016-17 as against Rs. (83.54) lakhs for the financial year 2015-16.

Employee benefits expenses: Our employee benefit expenses increased by 7.35 % to Rs. 28.82 lakhs for the financial year 2016-17 from Rs. 26.85 lakhs for the financial year 2015-16. The increase was mainly due to increase in bonus & staff welfare expenses by Rs 1.81 lakhs and contribution to statutory fund by Rs 0.41 lakhs. However, the increase was offset by decrease in salary and wages expense by Rs 0.43 lakhs.

Finance costs: Our finance costs increased by 1.70 % to Rs. 62.95 lakhs for the financial year 2016-17 from Rs. 61.90 lakhs for the financial year 2015-16. The increase was mainly on account of increase in interest expense by Rs 1.27 lakhs. However, the increase was offset by decrease in bank charges by Rs 0.22 lakhs.

Depreciation and amortisation expense: Our depreciation and amortisation decreased by 6.06 % to Rs. 12.90 lakhs for the financial year 2016-17 from Rs. 13.73 lakhs for the financial year 2015-16.

Other expenses: Our other expenses increased by 11.72 % to Rs. 170.03 lakhs for the financial year 2016-17 from Rs. 152.20 lakhs for the financial year 2015-16. The increase was mainly due to increase in freight and loading/unloading expenses by Rs 3.54, import/export related expenses, by Rs 12.50

lakhs,indirect duty related expenses by Rs 1.40 lakhs, legal & professional expense by Rs 1.50 lakhs, printing & stationery expenses by Rs 1.57 lakhs, rate difference expenses by Rs 3.81 lakhs and repair & maintenance expenses by Rs 2.45 lakhs among others. However, the increase was offset by decrease in travelling expense by Rs 2.90 lakhs, insurance expense by Rs 1.98 lakhs, power and fuel expenses by Rs 0.59 lakhs and postage and courier expenses by Rs 0.61 lakhs among others.

Profit before tax: Our profit before tax increased by 119.83 % to Rs. 51.26 lakhs for the financial year 2016-17 from Rs. 23.32 lakhs for the financial year 2015-16. The increase was mainly due to increase in our revenue from operation.

Tax expenses: Our tax expenses increased by 96.33 % to Rs. 16.00 lakhs for the financial year 2016-17 from Rs. 8.15 lakhs for the financial year 2015-16 mainly due to increase in our current tax expense by Rs 7.61 lakhs in the financial year 2016-17.

Profit after tax: Our profit after tax increased by 132.44 % to Rs. 35.27 lakhs for the financial year 2016-17 from Rs. 15.17 lakhs for the financial year 2015-16.

FINANCIAL YEAR 2015-16 COMPARED WITH FINANCIAL YEAR 2014-15

Total Revenue

Our total revenue decreased by 18.63 % from Rs. 4275.15 lakhs for the financial year 20114-15 to Rs. 3478.82 lakhs for the financial year 2015-16 due to the factors described below:

Revenue from operations: Our revenue from operations decreased by 19.40 % to Rs. 3403.52 lakhs for the financial year 2015-16 from Rs. 4222.62 lakhs for the financial year 2014-15. The decrease was mainly due to increase in revenue from export sales by Rs 817.29 lakhs and decrease in our gross revenue from domestic sale of manufactured products by Rs 69.10 lakhs in the financial year 2015-16.

Other income: Our other income increased by 43.33 % to Rs. 75.30 lakhs for the financial year 2015-16 from Rs. 52.53 lakhs for the financial year 2014-15 mainly due to increase in incentive income by Rs 19.29 lakhs and foreign exchange rate difference by Rs 6.20 lakhs. However, thisincrease was offset by decrease in sundry balance written off by Rs 0.51 lakhs, rate difference income of Rs 2.21 lakhsand interest income by Rs 0.01 lakhs in the financial year 2015-16.

Total Expenses

Our total expenses decreased by 18.87 % to Rs. 3455.50 lakhs for the financial year 2015-16 from Rs.4259.25lakhs for the financial year 2014-15, due to the factors described below:

Cost of material consumed

Our Cost of consumed decreased by 17.29 % to Rs 3284.36 lakhs in the financial year 2015-16 from Rs. 3970.80 lakhs in the financial year 2014-15. The decrease was primarily due to decrease in our revenue from sale of manufactured products.

Changes in inventories of finished goods: The amount ofchanges in inventories of finished goods was Rs. (83.54) lakhs for the financial year 2015-16 as against Rs. 23.54 lakhs for the financial year 2014-15.

Employee benefits expenses: Our employee benefit expenses increased by 2.09 % to Rs. 26.85 lakhs for the financial year 2015-16 from Rs. 26.30 lakhs for the financial year 2014-15. The increase was mainly due to increase in salary and wages by Rs 1.62 lakhs and contribution to statutory fund by Rs 0.05 lakhs. However, the increase was offset by decrease bonus & staff welfare expenses by Rs 0.98 lakhs and gratuity expenses by Rs 0.14 lakhs.

Finance costs: Our finance costs decreased by 16.87 % to Rs. 61.90 lakhs for the financial year 2015-16 from Rs. 74.46 lakhs for the financial year 2014-15. The decrease was mainly on account of decrease in interest expense by Rs 9.49 lakhs and decrease in bank charges by Rs 3.06 lakhs.

Depreciation and amortisation expense: Our depreciation and amortisation decreased by 7.00 % to Rs. 13.73 lakhs for the financial year 2015-16 from Rs. 14.77 lakhs for the financial year 2014-15.

Other expenses: Our other expenses increased by 1.88 % to Rs. 152.20 lakhs for the financial year 2015-16 from Rs. 149.39 lakhs for the financial year 2014-15. The increase was mainly due to increase in advertisement & business promotion expenses by Rs 6.06 lakhs, import/export related expenses by Rs 11.78 lakhs, indirect duty related expenses by Rs 1.42 lakhs, office expenses by Rs 1.01 lakhs, rate difference expenses by Rs 2.21 lakhs, repair & maintenance expenses by Rs 1.27 lakhs and testing expenses by Rs 1.74 lakhs among others. However, the increase was offset by decrease in packing and forwarding expenses by Rs 1.06 lakhs, legal & professional expenses by Rs 2.51 lakhs and freight loading and unloading expenses by Rs 14.80 lakhs among others.

Profit before tax: Our profit before tax increased by 46.67 % to Rs. 23.32 lakhs for the financial year 2015-16 from Rs. 15.90 lakhs for the financial year 2014-15.

Tax expenses: Our tax expenses increased by 11.59 % to Rs. 8.15 lakhs for the financial year 2015-16 from Rs. 16.00 lakhs for the financial year 2014-15 mainly due to increase in our current tax expense by Rs 2.81 lakhs in the financial year 2015-16.

Profit after tax: Our profit after tax increased by 76.46 % to Rs. 15.17 lakhs for the financial year 2015-16 from Rs. 8.60 lakhs for the financial year 2014-15.

Other Key Ratios

The table below summaries key ratios in our Restated Financial Statements for the financial years ended March 31, 2017, 2016, 2015, for the period ended April 01, 2017 to November 12, 2017 and for the period ended November 13, 2017 to December 31, 2017:

Particulars	**For the period ended November 13, 2017 to December 31 ,2017**	**For the period ended April 01, 2017 to November 12 ,2017**	**For the year ended March 31,**		
			2017	**2016**	**2015**
Fixed Asset Turnover Ratio	6.32	52.55	61.83	47.76	55.94
Debt Equity Ratio	1.00	1.77	2.80	3.84	3.51
Current Ratio	1.28	1.18	1.15	1.11	1.09
Inventory Turnover Ratio	0.68	4.76	4.92	5.10	7.03

Fixed Asset Turnover Ratio: This is defined as revenue from operations divided by total fixed assets, based on Restated Financial Statements.

Debt Equity Ratio: This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings and current maturity of long term debt, based on Restated Financial Statements.

Current Ratio: This is defined as current assets divided by current liabilities, based on Restated Financial Statements.

Inventory Turnover Ratio: This is defined as revenue from operations divided by average inventory. Average inventory is computed by dividing the sum of opening inventory and closing inventory by two, based on Restated Financial Information.

Cash Flow

The table below summaries our cash flows from our Restated Financial Information for the financial years 2017, 2016, 2015, for the period ended April 01, 2017 to November 12, 2017 and for the period ended November 13, 2017 to December 31, 2017:

(Rs. in lakhs)

Particulars	For the period ended November 13, 2017 to December 31 ,2017	For the period ended April 01, 2017 to November 12 ,2017	For the year ended March 31,		
			2017	2016	2015
Net cash (used in)/ generated from operating activities	50.03	(87.41)	(19.80)	7.67	73.46
Net cash (used in)/ generated from investing activities	(0.39)	(8.21)	(7.77)	(8.46)	(17.59)
Net cash (used in)/ generated from financing activities	285.59	19.94	45.66	(6.63)	21.40
Net increase/ (decrease) in cash and cash equivalents	335.23	(75.69)	18.09	(7.42)	77.27
Cash and Cash Equivalents at the beginning of the period	12.53	88.22	70.13	77.56	0.28
Cash and Cash Equivalents at the end of the period	347.76	12.53	88.22	70.13	77.56

Operating Activities

For the period November 13, 2017 to December 31,2017

Our net cash generated from operating activities was Rs. 50.04 lakhs for the period ended November 13, 2017 to December 31,2017. Our operating profit before working capital changes was Rs. 17.80 lakhs for the period ended November 13, 2017 to December 31,2017which was primarily adjusted by increase in inventories by Rs 114.97 lakhs, decrease in trade receivables by Rs. 147.85 lakhs, increase in short –term loans and advances by Rs 3.65 lakhs, increase in other current assets by Rs 0.87 lakhs, decrease in trade payables by Rs 19.08 lakhs, increase in other current liabilities by Rs. 14.86 lakhs, increase in long term provision by Rs 3.01 lakhs andincrease in short term provision by Rs 5.09 lakhs.

For the period April 01, 2017 to November 12,2017

Our net cash used in operating activities was Rs. 87.41 lakhs for the period April 01, 2017 to November 12, 2017. Our operating profit before working capital changes was Rs. 104.21 lakhs for the period April 01, 2017 to November 12, 2017 which was primarily adjusted by income tax paid of Rs 10.65 lakhs, decrease in inventories by Rs 376.40 lakhs, increase in trade receivables by Rs. 404.25 lakhs, increase in short –term loans and advances by Rs 204.66 lakhs, increase in other current assets by Rs 0.48 lakhs, increase in trade payables by Rs 32.16 lakhs, decrease in other current liabilities by Rs. 1.10 lakhs, increase in long term provision by Rs 0.59 lakhs andincrease in short term provision by Rs 20.37 lakhs.

Financial year 2016-17

Our net cash used in operating activities was Rs. 19.80 lakhs for the financial year 2016-17. Our operating profit before working capital changes was Rs. 115.12 lakhs for the financial year 2016-17which was primarily adjusted by income tax paid of Rs 11.50 lakhs, increase in inventories by Rs 207.19 lakhs, increase in trade receivables by Rs. 427.00 lakhs, increase in short –term loans and advances by Rs 96.37 lakhs, increase in other current assets by Rs 0.80 lakhs, increase in trade payables by Rs 308.68 lakhs, increase in other current liabilities by Rs. 282.56 lakhs, increase in long term provision by Rs 0.55 lakhs andincrease in short term provision by Rs 14.55 lakhs.

Financial year 2015-16

Our net cash generated from operating activities was Rs. 7.66 lakhs for the financial year 2015-16. Our operating profit before working capital changes was Rs. 74.94 lakhs for the financial year 2015-16 which was primarily adjusted by income tax paid of Rs 7.66 lakhs, increase in inventories by Rs 142.14 lakhs, decrease in trade receivables by Rs. 114.97 lakhs, increase in short –term loans and advances by Rs 22.82 lakhs, decrease in long term loans & advances by Rs 1.32 lakhs, decrease in other current assets by Rs 2.17 lakhs, decrease in trade payables by Rs 99.13 lakhs, increase in other current liabilities by Rs. 80.48 lakhs, increase in long term provision by Rs 0.35 lakhs andincrease in short term provision by Rs 5.02 lakhs.

Financial year 2014-15

Our net cash generated from operating activities was Rs. 73.47 lakhs for the financial year 2014-15. Our operating profit before working capital changes was Rs. 87.44 lakhs for the financial year 2014-15 which was primarily adjusted by income tax paid of Rs 4.92 lakhs, decrease in inventories by Rs 10.38 lakhs, decrease in trade receivables by Rs. 282.15 lakhs, decrease in short –term loans and advances by Rs 97.67 lakhs, increase in long term loans & advances by Rs 0.17 lakhs, increase in other current assets by Rs 2.16 lakhs, decrease in trade payables by Rs 335.37 lakhs, decrease in other current liabilities by Rs. 68.29 lakhs, increase in long term provision by Rs 0.54 lakhs andincrease in short term provision by Rs 6.20 lakhs.

Investing Activities

For the period November 13, 2017 to December 31,2017

Net cash used in investing activities was Rs. 0.39 lakhs for the period*November*13, 2017 to December 31, 2017. This was primarily on account of purchase of fixed assets of Rs. 0.39 lakhs.

For the period April 01, 2017 to November12, 2017

Net cash used in investing activities was Rs. 8.21 lakhs for the period April 01, 2017 to November12, 2017. This was primarily on account of purchase of fixed assets of Rs. 8.44 lakhs and interest income of Rs 0.23 lakhs.

Financial year 2016-17

Net cash used in investing activities was Rs. 7.77 lakhs for the financial year 2016-17. This was primarily on account of purchase of fixed assets of Rs. 8.54 lakhs and interest income of Rs 0.76 lakhs.

Financial year 2015-16

Net cash used in investing activities was Rs. 8.46 lakhs for the financial year 2015-16. This was primarily on account of purchase of fixed assets of Rs. 9.51 lakhs and interest income of Rs 1.05 lakhs.

Financial year 2014-15

Net cash used in investing activities was Rs. 17.59 lakhs for the financial year 2014-15. This was primarily on account of purchase of fixed assets of Rs. 18.65 lakhs and interest income of Rs 1.06 lakhs.

Financing Activities

For the period November 13, 2017 to December 31,2017

Net cash generated from financing activities for the period November13, 2017 to December 31, 2017was Rs. 285.59 lakhs primarily consisting of interest and finance charges of Rs 11.81 lakhs, proceeds from short term borrowings of Rs 53.54 lakhs, repayment of long term borrowing of Rs 44.39 lakhs, change in capital of Rs 286.22 lakhs and net gains on foreign exchange of Rs 2.04 lakhs

For the period April 01, 2017 to November 12,2017

Net cash generated from financing activities for the period April 01, 2017 to November12, 2017was Rs. 19.93 lakhs primarily consisting of interest and finance charges of Rs 47.66 lakhs, proceeds from

short term borrowings of Rs 51.97 lakhs, repayment of long term borrowing of Rs 64.67 lakhs, change in capital of Rs 76.31 lakhs and net gains on foreign exchange of Rs 3.99 lakhs.

Financial year 2016-17

Net cash generated from financing activities for the financial year 2016-17 was Rs. 45.65 lakhs primarily consisting of interest and finance charges of Rs 62.95 lakhs, repayment of short term borrowings of Rs 8.05 lakhs, proceeds from long term borrowing of Rs 75.51 lakhs, change in capital of Rs 29.32 lakhs and net gains on foreign exchange of Rs 11.82 lakhs.

Financial year 2015-16

Net cash used in financing activities for the financial year 2015-16 was Rs. 6.63 lakhs primarily consisting of interest and finance charges of Rs 61.90 lakhs, proceeds from short term borrowings of Rs 41.39 lakhs, proceeds from long term borrowing of Rs 13.39 lakhs, change in capital of Rs 23.47 lakhs and net gains on foreign exchange of Rs 23.37 lakhs.

Financial year 2014-15

Net generated from financing activities for the financial year 214-15 was Rs. 21.40 lakhs primarily consisting of interest and finance charges of Rs 74.46 lakhs, proceeds from short term borrowings of Rs 67.94 lakhs, proceeds from long term borrowing of Rs 5.72 lakhs, change in capital of Rs 5.03 lakhs and net gains on foreign exchange of Rs 17.17 lakhs.

Financial Indebtedness

As on December 31, 2017, the total outstanding borrowings of our Company includes long-term borrowings of Rs. 55.81lakhs and short-term borrowings of Rs. 604.28 lakhs. For further details, refer chapter titled *"Financial Indebtedness"* beginning on page 190 of this Red Herring Prospectus.

(Rs. in lakhs)

Particulars	**As at December 31, 2017**
Long Term Borrowings (A)	
Secured	
- From Directors	55.81
Sub Total (A)	**55.81**
Short Term Borrowings (B)	
Secured	
- Working Capital Loans	574.28
- From Corporates	30.00
Sub Total (B)	**604.28**
Total (A)+(B)	**660.09**

In the event, any of our lenders declare an event of default, such current and any future defaults could lead to acceleration of our repayment obligations, termination of one or more of our financing agreements or force us to sell our assets, any of which could adversely affect our business, results of operations and financial condition.

Related Party Transactions

Related party transactions with certain of our promoters, directors and their entities and relatives primarily relates to remuneration payable, loans & advances given and taken and Issue of Equity Shares. For further details of such related parties under AS18, refer chapter titled *"Financial Statements"* beginning on page 174 of this Red Herring Prospectus.

Contingent Liabilities

As on December 31, 2017 and March 31, 2017 our Company is not having any contingent liability as per restated financial statements.

Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

Qualitative Disclosure about Market Risk

Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

Interest Rate Risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

Effect of Inflation

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

Credit Risk

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

Reservations, Qualifications and Adverse Remarks

Except as disclosed in chapter titled *"Financial Statements"* beginning on page 174 of this Red Herring Prospectus, there have been no reservations, qualifications and adverse remarks.

Details of Default, if any, Including Therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution

Except as disclosed in chapter titled *"Financial Statements"* beginning on page 174 of this Red Herring Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company during the period April 1, 2015 up to December 31, 2017.

Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last five Fiscals.

Unusual or Infrequent Events or Transactions

As on date, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations

Indian rules and regulations as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company's operations or are likely to affect income from continuing operations except as described in chapter titled *"Risk Factors"* beginning on page 19 of this Red Herring Prospectus.

Known Trends or Uncertainties that have had or are expected to have a Material Adverse Impact on Sales, Revenue or Income from Continuing Operations

Other than as described in the section titled *"Risk Factors"* beginning on page 19 of this Red Herring Prospectus and in this chapter, to our knowledge there are no known trends or uncertainties that are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

Future Changes in Relationship between Costs and Revenues, in Case of Events Such as Future Increase in Labour or Material Costs or Prices that will Cause a Material Change are known

Other than as described in chapter titled *"Risk Factors"* beginning on page 19 of this Red Herring Prospectus and in this section, to our knowledge there are no known factors that might affect the future relationship between cost and revenue.

Extent to which Material Increases in Net Sales or Revenue are due to Increased Sales Volume, Introduction of New Products or Services or Increased Sales Prices

Changes in revenue in the last three financial years are as explained in the part *"Financial Year 2016-17 compared with financial year 2015-16 and Financial Year 2015-16 Compared With Financial Year 2014-15"* above.

Total Turnover of Each Major Industry Segment in Which the Issuer Operates

Our business is limited to a single reportable segment.

Competitive Conditions

We have competition with Indian and international manufacturers and our results of operations could be affected by competition in the chemical industry in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies / entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled "Risk Factors" beginning on page 19 of this Red Herring Prospectus.

Increase in income

Increases in our income are due to the factors described above in in this chapter under "*Significant Factors Affecting Our Results of Operations"* and chapter titled "*Risk Factors"* beginning on page 19 of this Red Herring Prospectus.

Status of any Publicly Announced New Products or Business Segments

Except as disclosed elsewhere in the Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

Significant Dependence on a Single or Few Suppliers or Customers

Significant proportion of our revenues have historically been derived from a limited number of customers The % of Contribution of our Company's customer and supplier vis a vis the total revenue from operations respectively as March 31, 2017 is as follows:

Particulars	Customers	Suppliers
Top 5 (%)	49.59%	56.84%
Top 10 (%)	54.07%	75.97%

Seasonality of Business

The nature of business is not seasonal.

Significant Developments after December 31, 2017 that May Affect Our Results of Operations

Except as set out in this Red Herring Prospectus and as mentioned below, in the opinion of the Board of Directors of our Company and to our knowledge, no circumstances have arisen since the date of the last financial statements as disclosed in this Red Herring Prospectus which materially or adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

FINANCIAL INDEBTEDNESS

In terms of the AoA of the Company, the Board is authorized to accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) or up to such amount as may be approved by the shareholders from time to time.

Our Company has obtained the necessary consents required under the relevant loan documentation with banks and financial institutions for undertaking activities, such as change in its capital structure, change in its shareholding pattern and change in promoter's shareholding which has a possible change in the management control of our Company.

As on 31st December, 2017our Company has total outstanding secured borrowings from banks and financial institutions aggregating to Rs. 500.00 lakhs.

Set forth below is a brief summary of our aggregate borrowing from Axis Bank Limited on a consolidated basis as per the Sanction Letter dated November 30, 2017.

Sr. No.	Facility	Limits (Rs. In lacs)	Purpose
1.	Cash Credit Limit	500.00	Working Capital Requirement
	Sub-Limit to Cash Credit Limit		
a.	Export Limit (EPC/PSC/FBP/PCFC/EBRD)	(500.00)	Working Capital Requirement
b.	Letter of Credit	(75.00)	For Import/Purchase of Raw Material
c.	LER	(40.00)	For Hedging Foreign Exchange Transactions
Total		500.00	

(A) Principal terms of the borrowings availed by us from banks and financial institutions:

I. Cash Credit Limit

- **Rate of Interest:**
  At 2.25% above Axis Bank's 3M MCLR (the 3M MCLR applicable at present being 8.00% p.a.) i.e. with present applicable rate of 10.25% per annum or at such other rate as the Bank may fix from time to time, in relation to the Bank's MCLR

  Interest will be applied and will be payable at the end of each calendar month. The rate of interest would be subject to review & change from time to time at the sole discretion of the Bank.
- **Repayment** : On Demand
- **Tenor**: 12 Months.
- **Margin**: Stocks-25%, Receivables-40%.

II. Export Limit (EPC/PSC/FBP/PCFC/EBRD)

- **Rate of Interest:**

A. Pre-shipment**:** (Indian Currency)

1. Upto to 180 days: 3M MCLR* + 1.00% i.e. 9.00 % p.a.
2. Above 180 days: 3M MCLR* + 2.00% i.e. 10.00% p.a..
3. Overdue EPC/Bills: 1Y MCLR* + 6.00% i.e. 14.25% p.a.

B. Post-shipment: (Indian Currency)

1. Upto to 180 days: 3M MCLR* + 1.50% i.e. 9.50 % p.a.
2. Above 180 days: 3M MCLR* + 2.00% i.e. 10.00% p.a..
3. Overdue EPC/Bills: 1Y MCLR* + 6.00% i.e. 14.25% p.a.

C. Pre & Post shipment: (Foreign Currency)

1. Upto 180 days: 6M LIBOR+2.65%
2. Above 180 days: 6M LIBOR + 3.50%

***Presently 3M MCLR is 8.00%, 1Y MCLR is 8.25%.**

- **Repayment:** On Demand
- **Tenor:** Maximum 180 days
- **Margin:**EPC/PCFC/PSCFC- 15% of the FOB value of the confirmed export under L/C, PSC - 15% of the bills value.

III. Export Limit (EPC/PSC/FBP/PCFC/EBRD)

- **Cash Margin:** 15% Cash Margin and 100% cash margin in case of disputed liabilities
- **Repayment:** On due date
- **Tenor:** 1 Year
- **Usance Period:** Not more than 180 days

IV. LER

- **Margin:** Nil
- **Tenor:** As per schedule of shipment & but not exceeding 6 months.

(B) SECURITY: In terms of our borrowings where security needs to be created, our Company has created following security:

- **Primary Security:**
  Hypothecation of entire current assets including book debts and receivables of company, both present & future.
- **Collateral Security:**

1. Equitable mortgage of property situated at Plot No. 1209, Vatva Industrial Area, Phase III, GIDC, Vatva, Ahmedabad belonging to M/s. Mahak Dye Chem Industries now converted to Mahickra Chemicals Limited.
2. Equitable mortgage of self-occupied residential property situated at Flat No. S.F. 4, 4th Floor, The Sun Castel Complex of Muktipark Co-operative Housing Society Ltd. Vibhag-3, Gulab Tower Road, Ghatlodia, Ahmedabad belonging to Mr. Ashishbhai Gandhi & Mr. Miteshbhai Gandhi.

- **Guarantors:** PersonalGuaranteeof :-

1. Mr. Ashishkumar Gandhi (Director & Security Provider).
2. Mrs. Komalben Gandhi(Director).
3. Mr. Miteshkumar Champaklal Gandhi (Director & Security Provider).

(C) Key Restrictive Covenants:

Borrowing arrangements entered into by our Company contain standard events of default and during the currency of the Bank's credit facility(s), the borrower will not without the Bank's prior permission in writing:

- conclude any fresh secured borrowing arrangement with any other Bank or Financial Institutions, borrower or otherwise, not create any further charge over their fixed assets without our prior approval in writing;
- undertake any expansion or fresh project or acquire fixed assets, while normal capital expenditure e.g. replacement of parts, can be incurred;
- invest by way of share capital in or lend or advance funds to or place deposits with any advances to employees etc., are, however not covered by this covenant;
- formulate any scheme of amalgamation with any other borrower or reconstruction, acquire any borrower;
- undertake guarantee obligations on behalf of any other borrower/ firm/ concern/ company or any third party, except in the ordinary course of business;
- declare dividend for any year except out of profits relating to that year after making all the due and necessary provisions provided that no default had occurred in any repayment obligations and Bank's permission is obtained;
- make any repayment of the loans and deposits and discharge other liabilities except those shown in the funds flow statement submitted from time to time;
- make any substantial change in their management set-up;
- effect any major change in its capital structure; and
- grant loans to promoters/ partners.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except, as stated in this section and mentioned elsewhere in this Red Herring Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Subsidiaries, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters, Subsidiaries or Group Companies.

Except as disclosed below there are no (i) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years; (ii) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action; (iii) pending proceedings initiated against our Company for economic offences; (iv) default and non-payment of statutory dues by our Company; (v) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company and Subsidiaries including fines imposed or compounding of offences done in those five years; or (vi) material frauds committed against our Company in the last five years.

Except as stated below there are no Outstanding Material Dues (as defined below) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on February 14, 2018 determined that outstanding dues to creditors in excess of Rs. 5.00 lakhs as per last audited financial statements shall be considered as material dues ("Material Dues").

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies, would be considered 'material' for the purposes of disclosure if the monetary amount of claim by or against the entity or person in any such pending matter exceeds Rs. 0.50 lakhs as determined by our Board, in its meeting held on February 14, 2018.

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered 'material' only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company.

Unless otherwise stated to the contrary, the information provided is as of the date of this Red Herring Prospectus.

LITIGATIONS INVOLVING OUR COMPANY

LITIGATIONS AGAINST OUR COMPANY

Our Company was a partnership firm carrying on business in the name of "Mahak Dye Chem Industries" (referred to as the Assessee).

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Proceedings against Our Company for economic offences/securities laws/ or any other law

Nil

Penalties in Last Five Years

Nil

Pending Notices against our Company

Nil

Past Notices to our Company

Nil

Disciplinary Actions taken by SEBI or stock exchanges against Our Company

Nil

Defaults including non-payment or statutory dues to banks or financial institutions

Nil

Details of material frauds against the Company in last five years and action taken by the Companies.

Nil

LITIGATIONS FILED BY OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

1. INCOME TAX PROCEEDINGS FOR AY 2014-15

The Assessee filed e-return of income dated October 30, 2015 declaring his total income at Rs. 20,82,540/-. The return of income was processed under Section 143 (1) of the I.T. Act. The case was selected for "Limited Scrutiny under CASS" and notice was issued dated July 27, 2016 under Section 143 (2) of the I.T. Act. In response to these notices issued, the duly authorised representative of the Assessee appeared for the matter. The Assessee declared a total turnover of Rs. 42.23 Crores and G.P. and N.P. ratio declared thereon @ 5.0% and @ 0.32% respectively for the year under consideration. The Deputy Commissioner of Income Tax, Circle 3 (2), Ahmedabad (hereinafter referred to as the "**Assessing Authority**") passed an Assessment Order dated December 11, 2017 under Section 143 (3) of the I.T. Act adding an amount of Rs. 2,54,614/- as short declaring under duty drawback scheme. Further, an order is passed under Section 234A, B, C or D, after giving due credit to the pre-paid taxes, if any and issues the demand notice & challan/refund. An Appeal against the impugned order was filed by the Assessee dated January 10, 2018 before the Commissioner of Income Tax (Appeals), Ahmedabad – 3 (hereinafter referred to as "the Appellate Authority"). The matter is currently pending.

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Details of any enquiry, inspection or investigation initiated under Companies Act, 2013 or any previous Company Law

Nil

LITIGATIONS INVOLVING DIRECTOR/S OF OUR COMPANY

LITIGATIONS AGAINST DIRECTOR/S OF OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Past Penalties imposed on our Directors

Nil

Proceedings initiated against our directors for Economic Offences/securities laws/ or any other law

Nil

Directors on list of wilful defaulters of RBI

Nil

LITIGATIONS FILED BY DIRECTOR/S OF OUR COMPANY

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

LITIGATIONS INVOLVING PROMOTER/S OF OUR COMPANY

LITIGATIONS AGAINST OUR PROMOTER/S

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Past Penalties imposed on our Promoters

Nil

Proceedings initiated against our Promoters for Economic Offences/securities laws/ or any other law

Nil

Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Promoter in last five years

Nil

Penalties in Last Five Years

Nil

Litigation /defaults in respect of the companies/Firms/ventures/ with which our promoter was associated in the past.

Nil

Adverse finding against Promoter for violation of Securities laws or any other laws

Nil

LITIGATIONS FILED BY OUR PROMOTER/S

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

LITIGATIONS INVOLVING OUR GROUP COMPANIES

LITIGATIONS AGAINST OUR GROUP COMPANIES

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

Past Penalties imposed on our Group Companies

Nil

Proceedings initiated against our Group Companies for Economic Offences/securities laws/ or any other law

Nil

Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Group Companies

Nil

Adverse finding against Group Companies for violation of Securities laws or any other laws

Nil

LITIGATIONS FILED BY OUR GROUP COMPANIES

Criminal Litigations

Nil

Civil Proceedings

Nil

Taxation Matters

Nil

Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016

Nil

LITIGATIONS INVOLVING OUR SUBSIDIARY COMPANIES

AS ON DATE OF THIS RED HERRING PROSPECTUS, OUR COMPANY DOES NOT HAVE ANY SUBSIDIARY

OTHER MATTERS

Nil

DETAILS OF ANY INQUIRY, INSPECTION OR INVESTIGATION INITIATED UNDER PRESENT OR PREVIOUS COMPANIES LAWS IN LAST FIVE YEARS AGAINST THE COMPANY OR ITS SUBSIDIARIES

Nil

OUTSTANDING LITIGATION AGAINST OTHER COMPANIES OR ANY OTHER PERSON WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY

Nil

MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET

Except as mentioned under the chapter — "Management Discussion and Analysis of Financial Condition and Result of Operation" on page 174 of this Red Herring Prospectus, there have been no material developments, since the date of the last audited balance sheet.

OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

As of December 31, 2017, our Company had 33 creditors, to whom a total amount of Rs. 1,221.24 lakhs was outstanding. As per the requirements of SEBI Regulations, our Company, pursuant to a resolution of our Board dated February 14, 2018, considered creditors to whom the amount due exceeds Rs. Five lakhs as per our Company's restated financials for the purpose of identification of material creditors. Based on the above, the following are the material creditors of our Company.

Creditors	Amount (Rs. in Lakhs)
D.K.DYES & CHEMICALS	302.01
PALASH COLOURS PVT.LTD	171.80
HINDPRAKASH TRADELINK PVT LTD	110.93
BODAL CHEMICALS LTD	109.20
YASH CHEMEX LIMITED	74.84
BANSAL ALKALIES PVT.LTD	72.36
SHREE HARI CHEMICALS	68.74
AASTHA IMPEX	61.90
HARSH ORGANO CHEM (I) PVT LTD	40.44
SHRIRAJ INDUSTRIES	33.62
PRATIK DYES & INTERMEDIATES	24.34
SHUKAN COLOTEX CHEMISTRY PVT LTD	21.97
CAMEX LIMITED	20.75
AKSHARCHEM(INDIA)LTD.-VS DIV	16.85
D.K. TRADE LINK	13.88
NATIONAL COLOUR CHEM	12.26
MAYUR DYECHEM INTERMEDIATES LLP	11.30
MAHAVIR CHEMICALS	10.48
ANJANI DYES & INTERMEDIATES P LTD	9.09
RANUJA IMPEX	8.74
DHANLAXMI INDUSTRIES	8.28

Further, none of our creditors have been identified as micro enterprises and small scale undertakings by our Company based on available information. For complete details about outstanding dues tocreditors of our Company, please see the website of our Company *www.mahickra.com*.

Information provided on the website of our Company is not a part of this Red Herring 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.mahickra.com*, would be doing so at their own risk.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government/RBI, various Government agencies and other statutory and/ or regulatory authorities required for carrying on our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Red Herring Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. In order to operate our business manufacturing, trading and exporting of dyestuff, we require various approvals and/ or licenses under various laws, rules and regulations. For further details in connection with the applicable regulatory and legal framework, please refer to the chapter titled "*Key Industry Regulations and Policies*" on page 133 of this Red Herring Prospectus.

The Company has its business located at:

Registered Office, Manufacturing Unit, Branch Office, Sales and Corporate Office, Warehouse and Raw Material storage are all located at Plot No. 1209, Phase-3 GIDC Vatva, Ahmedabad- 382445, Gujarat India.

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

APPROVALS FOR THE ISSUE

Corporate Approvals:

1. The Board of Directors have, pursuant to Section 62(1)(c) of Companies Act, 2013, by a resolution passed at its meeting held on January 05, 2018, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1) (c) of the Companies Act 2013, by a special resolution passed in the Extra-Ordinary General Meeting held on January 30, 2018 authorized the Issue.

In- principle approval from the Stock Exchange

We have received in-principle approvals from the stock exchange for the listing of our Equity Shares pursuant to letter dated March 19, 2018 bearing reference no.NSE/LIST/52.

Agreements with NSDL and CDSL

1. The Company has entered into an agreement dated December 29, 2017 with the Central Depository Services (India) Limited ("CDSL") and the Registrar and Transfer Agent, who in this case is, Bigshare Services Private Limited for the dematerialization of its shares.
2. Similarly, the Company has also entered into an agreement dated December 13, 2017 with the National Securities Depository Limited ("NSDL") and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
3. The Company's International Securities Identification Number ("ISIN") is INE961Y01015.

INCORPORATION AND OTHER DETAILS

1. Our Company was a partnership firm in the name of "Mahak Dye Chem Industries" before incorporating as a limited company.
2. The Certificate of Incorporation dated November 13, 2017 issued by the Registrar of Companies, Gujarat, in the name of "MAHICKRA CHEMICALS LIMITED".
3. The Corporate Identification Number (CIN) of the Company is U24304GJ2017PLC099781

APPROVALS/LICENSES RELATED TO OUR BUSINESS ACTIVITIES

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

Sr. No.	Description	Authority	Registration No./ Reference No./ License No.	Date of Issue	Date of Expiry
1	Certificate of Importer-Exporter Code (IEC)	Foreign Trade Development Officer, Ministry of Commerce and Industry, Government of India	0801006058	October 03, 2001	In case of change in name/address or constitution of IEC holder, the IEC holder shall cease to be eligible to Import or Export against the IEC after the expiry of 90 days from the date of such a change unless in the meantime, the consequential changes are effected in the IEC by the concerned licensing authority.
2	Entrepreneurs Memorandum for setting micro, small and medium Enterprises Unit	District Industries Centre, Ahmedabad	24-007-12-47600	December 05, 2012	NA
3	Udyog Aadhar Memorandum/	Ministry of Micro, Small and Medium Enterprises, Government of India	GJ01B0092341	January 20, 2018	NA
4	Grant of Authorisation (Merchandise Exports from India Scheme - MEIS)	Foreign Trade Development Officer, Office of Additional Directorate General of Foreign Trade, Ministry of	Authorisation Number - 0819025344	July 07, 2017	NA

		Commerce and Industry, Government of India.			
5	Import/Export Licence (under Foreign Trade (Development and Regulations) Act, 1992)	Foreign Trade Development Officer, Office of Additional Directorate General of Foreign Trade, Ministry of Commerce and Industry, Government of India.	0819025344/0/36/003A-094843	July 07, 2017	January 31, 2019

TAX RELATED APPROVALS/LICENSES/REGISTRATIONS

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
1	Permanent Account Number (PAN)	Income Tax Department, Government of India	AAEFM5172F	July 23, 2015	Perpetual
2	Tax Deduction Account Number (TAN)	Income Tax Department through National Securities Depository Limited (NSDL), Ministry of Finance, Government of India	AHMM01823D	**Not traceable**	Perpetual
3	Certificate of Registration and Goods and Service Tax Identification Number (GSTIN)	Government of Gujarat and Government of India	24AAEFM5172F1ZH and 24AALCM4505G1ZN	December 06, 2017	NA
3	Certificate of Registration (under Gujarat Value Added Tax Act, 2003 read with Rule 6 of the Gujarat Value Added Tax Rules, 2005)	Assistant Commercial Tax Officer, Commercial Tax Department, Government of Gujarat.	24075700545	August 19, 2015 Effective from: July 01, 2002	NA
4	Certificate of Registration of Service Tax (under Chapter V	Deputy Commissioner of Service Tax	AAEFM5172FST001	April 18, 2005	NA

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
	of the Finance Act, 1994 read with the Service Tax Rules, 1994)				
5	Certificate of Registration Central Sales Tax (under Rule 5(1) of Central Sales Tax (Registration and Turnover) Rules, 1957)	Assistant Commercial Tax Officer, Commercial Tax Department, Government of Gujarat.	24575700545	Valid from: October 11, 2000	NA
6	Central Excise Registration Certificate (under Rule 9 of the Central Excise Rules, 2002)	Deputy Commissioner of Central Excise, Division IV, Ahmedabad – I, Central Board of Excise and Customs, Ministry of Finance, Department of Revenue	Old: 2307023428 New: AAEFM5127FXM001 Or AAEFM5127FMI001	January 25, 2000 Effective from: April 01, 2000	NA

LABOUR RELATED APPROVALS/REGISTRATIONS

Sr. No.	Description	Authority	Registration No./Reference No./License No.	Date of Issue
1.	Employees Provident Fund Registration (under Employees' Provident Funds and Miscellaneous Provisions Act, 1952)	Regional Provident Fund Commissioner, Sub-regional office, Vatva, Employees Provident Fund Organisation, Ministry of Labour, Government of India	GJ/VAT/70311	December 31, 2010
2	Registration for Employees State Insurance (under Employees State Insurance Act, 1948)	Employees State Insurance Corporation	Code No.: 37000244160000304	July 22, 2010

ENVIRONMENT RELATED LICENSES /APPROVALS/ REGISTRATIONS

Sr. No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1	Consent to Operate issued by State Pollution Control Board under Section	Gujarat Pollution Control Board, Gandhinagar	AWH-65509 GPCB/ABD/CCA/VT-198(2)/ID-12341/228913	October 09, 2014	August 01, 2019

	25 of the Water (Prevention & Control of Pollution) Act, 1974 & under Section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and Authorisation / Renewal of Authorisation under Rule 5 of the Hazardous Wastes (Management, handling & Transboundary movement) Rules 2008				

OTHER BUSINESS RELATED APPROVALS

Sr. No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1	Certificate of Registration for Environment Management system standard for manufacture, export and supply of Dyes and Chemicals AS/NZS ISO 14001:2015/ISO 14001:2015	KVQA Certification Services Private Limited	IESC201703012	March 21, 2017	March 20, 2020
2	Certificate of Registration for Quality Management System Standard Certificate AS/NZS ISO 9001:2015/ISO 9001:2015	KVQA Certification Services Private Limited	IQSC201703021	March 21, 2017	March 20, 2020
3	Registration-cum-Membership Certificate	CHEMEXCIL Basic chemicals, cosmetics &	CHEM/AHD/M-239/P-I/16-17/15281	June 27, 2016	March 31, 2021 Valid for 5 years from date of

		dyes export promotion council			issue unless revoked/ amended earlier, subject to the condition of membership with Council is renewed from year to year
4	Certificate - Investment Intention	VC & MD, GIDC, Government of Gujarat, Vibrant Gujarat 2013	NA	NA	NA
5	Letter of Approval for Colourants/ Textile auxiliaries according to Global Organic Textile Standards (GOTS)	CU Inspections and certifications India Private Limited	C 827595-02.2017	June 21, 2017	May 01, 2018
6	Membership certificate for integrated common hazardous waste management facility at Kutch	Saurashtra Enviro Projects Private Limited	SEPPL/MKTG/Gen.Mktg/Maha/ 13-14	March 01, 2014	NA
7	Certificate of Membership of Society to avail interim solid waste storage facility	Vice-Chairman, Solid Waste, Green Environment Services Co-operative Society Limited	GESCSL/SWM/CERT/2016-17/924	July 09, 2016	Life member (perpetual)
8	Certificate of Membership to Association	Gujarat Dyestuff Manufacture	L-766	January 30, 2018	NA

		s' Association			
9	Membership of Gujarat Chamber of Commerce & Industry	Assistant Secretary, Service Centre	31268	February 07, 2018	NA
10	Registration – cum – Membership Certificate of CHEMEXCIL	Regional Director, CHEMEXIL	CHEM/AHD/M-146/P-I/11-12/15281	June 28, 2011	March 31, 2021
11	Membership certificate of Ecocare Infrastructures Private Limited	Managing Director, Ecocare Infrastructures Private Limited	ECIPL-254	February 01, 2017	March 02, 2020

INTELLECTUAL PROPERTY RELATED APPROVALS/REGISTRATIONS

TRADEMARKS

Sr. No.	Trademark	Trademark Type	Class	Applicant	Application No.	Date of Application	Validity/ Renewal	Registration status
1.		Device	1	Mahickra Chemicals Limited	3740786	January 31, 2018	-	Accepted and Advertised
2.		Device	2	Mahickra Chemicals Limited	3740787	January 31, 2018	-	Accepted and Advertised

Company has confirmed that no other applications have been made by the Company nor has it registered any type of intellectual property including trademarks/copyrights/patents etc.

PENDING APPROVALS:

1. All the approvals are in the name of 'Mahak Dye Chem Industries' and are yet to be transferred to the name of 'Mahickra Industries Limited.';
2. Application for renewal of Factory License has been made by the company dated September 20, 2017.

MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY

1. Consent to Establish the Unit for a product at a particular production capacity issued by State Pollution Control Board;
2. Professional Tax Enrollment Certificate;
3. Professional Tax Registration Certificate;
4. Registration of establishment under the Inter-State Migrant Workmen Act 1979.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution passed by our Board of Directors at its meeting held on January 05, 2018 and by the shareholders of our Company by a special resolution, pursuant to Section 62(1) (c) of the Companies Act, 2013 passed at the EGM of our Company held on January 30, 2018 at registered office of the Company.

PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Neither Company, nor our Directors, our Promoters or the relatives (as defined under the Companies Act) of Promoters, our Promoter Group, and our Group Companies have been declared as wilful defaulter(s) by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoters, Promoter Group, Directors or Group Companies have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

Neither our Promoters, nor any of our Directors or persons in control of our Company are / were associated as promoter, directors or persons in control of any other company which is debarred from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.

None of our Directors are in any manner associated with the securities market. There has been no action taken by SEBI against any of our Directors or any entity our Directors are associated with as directors.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in accordance with Regulation 106(M) (1) and other provisions of Chapter XB of the SEBI (ICDR) Regulations, as we are an Issuer whose post-issue face value capital is more than ten crore and upto twenty five crore and we shall hence issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the "EMERGE Platform of the National Stock Exchange of India Limited")

We confirm that:

1. In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this Issue will be hundred per cent underwritten and that the Lead Manager to the Issue will underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled "*General Information*" beginning on page 64 of this Red Herring Prospectus.
2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight working days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable laws. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Book Running Lead Manager submits the copy of Red Herring Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Red Herring Prospectus with Stock Exchange and the Registrar of Companies.
4. In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we have entered into an agreement with the Book Running Lead Manager and Market Maker to ensure compulsory Market

Making for a minimum period of three years from the date of listing of equity shares offered in this Issue. For further details of the arrangement of market making please refer to the chapter titled "*General Information"* beginning on page 64 of this Red Herring Prospectus.

5. The Company has track record of 3 Years and positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and
6. Net worth of the Company is positive.
7. The Company has not been referred to Board for Industrial and Financial Reconstruction.
8. No petition for winding up is admitted by a court of competent jurisdiction against the Company.
9. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
10. The Company has a website www.mahickra.com.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3),Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub-regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS FOR THE TIME BEING IN FORCE. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, SHALL FURNISHED TO STOCK EXCHANGE/SEBI A DUE DILIGENCE CERTIFICATE IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992 AFTER FILING OF RED HERRING PROSPECTUS WITH ROC AND BEFORE OPENING OF ISSUE.

"WE, THE UNDER NOTED BOOK RUNNING LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, CIVIL LITIGATIONS, DISPUTES WITH COLLABORATORS, CRIMINAL LITIGATIONS ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRFAT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**
2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
   A. **THE DRFAT RED HERRING PROSPECTUS FILED WITH THE EXCHANGE / BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
   B. **ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
   C. **THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF COMPANIES ACT, 1956, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.- NOTED FOR COMPLIANCE**
5. **WE CERTIFY THAT WRITTEN CONSENTS FROM PROMOTERS HAVE BEEN OBTAINED FOR INCLUSION OF HIS SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.**
6. **WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING**

PROSPECTUS.

7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOTED FOR COMPLIANCE.**

8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. – COMPLIED TO THE EXTENT APPLICABLE**

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE**

10. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE- NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013 EQUITY SHARES IN THE ISSUE WILL BE ISSUED IN DEMATERIALISED FORM ONLY.**

11. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**

12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:**

    A. **AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND**

    B. **AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.**

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF**

INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE. – NOTED FOR COMPLIANCE

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.**

15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. – NOTED FOR COMPLIANCE**

16. **WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR – DETAILS ARE ENCLOSED IN "ANNEXURE A"**

17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTION HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS."- *COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT RED HERRING PROSPECTUS***

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

(1) "WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.

(2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT RED HERRING PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.

(3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. – NOTED FOR COMPLIANCE

(4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.

(5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISO TO SUB-REGULATION 4 OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE OFFER DOCUMENT-NOTED FOR COMPLIANCE

(6) WE CONFIRM THAT UNDERWRITING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.

(7) WE CONFIRM THAT MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.

Note:

The filing of this Red Herring Prospectus does not, however, absolve our Company from any liabilities under section 34, 35 and 36(1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Book Running Lead Manager any irregularities or lapses in the Red Herring Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Red Herring Prospectus and Prospectus with the Registrar of Companies, Ahmedabad, in terms of Section 26, 30, 32 and 33 of the Companies Act, 2013.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER

Our Company, our Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Red Herring 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 websitewww.mahickra.com would be doing so at his or her own risk.

Caution

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the Book Running Lead Manager and our Company dated February 16, 2018 the Underwriting Agreement dated February 16, 2018, entered into among the Underwriter and our Company and the Market Making Agreement dated February 16, 2018, entered into among the Market Maker, Book Running Lead Manager and our Company.

Our Company and the Book Running Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres, etc.

The Book Running Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Pantomath Capital Advisors Private Limited is not an 'associate' of the Company and is eligible to Book Running Lead Manager this Issue, under the SEBI (Merchant Bankers) Regulations, 1992.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Book Running Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

For details regarding the price information and track record of the past issue handled by M/s. Pantomath Capital Advisors Private Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer "Annexure A" to this Red Herring Prospectus and the website of the Book Running Lead Manager at www.pantomathgroup.com

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Red Herring 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 Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus had been filed with EMERGE Platform of the National Stock Exchange of India Limited for its observations and NSE has given its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter NSE/LIST/52 dated March 19, 2018 permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE

should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

FILING

The Draft Red Herring Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 106(M) (3). However, a copy of the Red Herring Prospectus has been filed with SEBI at SEBI Regional Office, Western Regional Office, Unit No 002, Ground Floor SAKAR-I, Near Gandhigram Railway Station opposite Nehru Bridge Ashram Road, Ahmedabad- 380009, Gujarat, India and has also been along with the documents required to be filed under Section 32 of the Companies Act, 2013 has been delivered for registration to the RoCA copy of the Prospectus along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the RoC situated at ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, India.

LISTING

In terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of obtaining in principle approval from EMERGE Platform of the National Stock Exchange of India Limited. However application has been made to the EMERGE Platform of the National Stock Exchange of India Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. EMERGE Platform of the National Stock Exchange of India Limited is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The EMERGE Platform of the National Stock Exchange of India Limited has given its in-principle approval for using its name in our Offer Document vide its letter dated March 19, 2018.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the EMERGE Platform of the National Stock Exchange of India Limited, our Company will forthwith repay, without interest, all moneys received from the bidders in pursuance of the Red Herring Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 working days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the EMERGE Platform of the National Stock Exchange of India Limited mentioned above are taken within six Working Days from the Issue Closing Date

CONSENTS

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Reviewed Auditor, Banker to the Company and (b) Book Running Lead Manager, Underwriter, Market Maker, Registrar to the Issue, Public Issue Bank/Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue, Syndicate Member to the Issue to act in their respective capacities have been obtained and is filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC, as required under Sections 32 and Section 26 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus/ Prospectus for registration with the RoC. Our Peer Reviewed Auditors

have given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Red Herring Prospectus/ Red Herring Prospectus /Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Red Herring Prospectus/ Prospectus for filing with the RoC.

EXPERT TO THE ISSUE

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

- Report of the Peer Reviewed Auditor on Statement of Tax Benefits.
- Report of the Peer Reviewed Auditor on the Restated Financial Statements for the financial years ended on March 31, 2017, 2016, 2015, 2014 and 2013 and for the 9 months period ended December 31, 2017 of our Company.

EXPENSES OF THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter "*Objects of the Issue*" beginning on page 90 of this Red Hering Prospectus.

DETAILS OF FEES PAYABLE

Fees Payable to the Book Running Lead Manager

The total fees payable to the Book Running Lead Manager will be as per the Mandate Letter issued by our Company to the Book Running Lead Manager, the copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated February 16, 2018 a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post/ speed post/ under certificate of posting.

Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters if any.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and selling commission for this Offer is as set out in the Underwriting Agreement to entered into between our Company and the Book Running Lead Manager. Payment of underwriting commission, brokerage and selling commission would be in accordance with Section 40 of Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2014

PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION

We have not made any previous rights and/or public issues since incorporation, and are an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations.

PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled *"Capital Structure"* beginning on page 74 of this Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370 (1B) OF THE COMPANIES ACT, 1956 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS:

None of the equity shares of our Group Companies are listed on any recognized stock exchange. None of the above companies have raised any capital during the past 3 years.

PROMISE VERSUS PERFORMANCE FOR OUR COMPANY

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of this Red Herring Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and Our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on January 05, 2018. For further details, please refer to the chapter titled "*Our Management*" beginning on page 148 of this Red Herring Prospectus.

Our Company has appointed Himali Maheshbhai Thakkar as Company Secretary and Compliance Officer and she may be contacted at the following address:

Himali Maheshbhai Thakkar
Mahickra Chemicals Limited

Plot No. 1209, Phase-3,
GIDC Vatva, Ahmedabad
Gujarat 382445 India
Tel: 079-25890811/25832692
Fax: Not Avaliable
Email: cs@mahickra.com
Website: www.mahickra.com

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, *etc*.

CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS

There has been no change in auditors of the Company during the last three financial years

CAPITALISATION OF RESERVES OR PROFITS

Save and except as stated in the chapter titled "*Capital Structure*" beginning on page 74 of this Red Hering Prospectus, our Company has not capitalized its reserves or profits during the last five years.

REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation.

PURCHASE OF PROPERTY

Other than as disclosed in this Red Herring Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Red Herring Prospectus.

Except as stated elsewhere in this Red Herring Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made there under.

SERVICING BEHAVIOR

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

SECTION VII – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued and transferred pursuant to this Issue shall be subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the SEBI Listing Regulations, the terms of the Red Herring Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/ the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the FIPB, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the FIPB, the Stock Exchanges, the RoC and any other authorities while granting their approval for the Issue. SEBI has notified the SEBI Listing Regulations on September 2, 2015, which among other things governs the obligations applicable to a listed company which were earlier prescribed under the Equity Listing Agreement. The Listing Regulations have become effective from December 1, 2015.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

RANKING OF EQUITY SHARES

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act, 1956 and Companies Act, 2013 and the Articles. For further details, please refer to the section titled "*Main Provisions of Articles of Association*" beginning on page 278 of this Red Herring Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, SEBI Listing Regulations and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act, SEBI Listing Regulations and our Articles of Association. For further details, please refer to the chapter titled *"Dividend Policy"* on page 173 of this Red Herring Prospectus.

FACE VALUE AND ISSUE PRICE PER SHARE

The face value of the Equity Shares is Rs. 10 each and the Issue Price at the lower end of Price Band is Rs. [●] per Equity Share and at the higher end of the Price Band is Rs. [●] per Equity Share.

The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and advertised in all editions of the English national newspaper Business Standard, all editions of the Hindi national newspaper Business Standard and the Gujarati newspaper Western Times, Gujarati being the regional language of the place where registered office of the Company is situated each with wide circulation, at least five Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the

same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be prefilled in the Bid cum Application Forms available on the websites of the Stock Exchanges.

At any given point of time there shall be only one denomination of Equity Shares.

COMPLIANCE WITH SEBI ICDR REGULATIONS

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013 Act, the terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, please refer to the section titled "*Main Provisions of Articles of Association*" beginning on page 278 of this Red Herring Prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated December 13, 2017 amongst NSDL, our Company and the Registrar to the Issue; and
- Agreement dated December 29, 2017 amongst CDSL, our Company and the Registrar to the Issue.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is [●] Equity Share. Allotment in this Issue will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful applicants.

MINIMUM NUMBER OF ALLOTTEES

Further in accordance with the Regulation 106R of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra, India.

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

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

JOINT HOLDER

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

NOMINATION FACILITY TO BIDDERS

In accordance with Section 72 of the Companies Act, 2013 the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

a. to register himself or herself as the holder of the Equity Shares; or

b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager through, the Registrar to the Issue,

shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (I) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange.

BID/ ISSUE OPENING DATE

Bid / Issue Opening Date	Monday, April 16, 2018
Bid / Issue Closing Date	Wednesday, April 18, 2018
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or before Monday, April 23, 2018
Initiation of Refunds	On or before Tuesday, April 24, 2018
Credit of Equity Shares to demat accounts of Allottees	On or before Wednesday, April 25, 2018
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Thursday, April 26, 2018

The above timetable is indicative and does not constitute any obligation on our Company, and the BRLM. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bids and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Bid/Issue Period. On the Bid/Issue Closing Date, the Bids and any revision to the same shall be accepted between **10.00 a.m. and 5.00 p.m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of Bids received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Bid/Issue Closing Date. All times mentioned in this Red Herring Prospectus are Indian Standard Times. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public issue, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on Business Days. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise. Any time mentioned in this Red Herring Prospectus is Indian Standard Time.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of revision of the Price Band, the Bid/Issue Period will be extended for at least three additional working days after revision of Price Band subject to the Bid/ Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the changes on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Member.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask for rectified data

MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level and is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the "stated minimum amount" has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 106 P (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Red Herring Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty)

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.

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

MIGRATION TO MAIN BOARD

Our company may migrate to the Main board of National Stock Exchange of India Limited from SME Exchange on a later date subject to the following:

- *If the Paid up Capital of our Company is likely to increase above Rs. 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to* National Stock Exchange of India Limited *for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- *If the Paid up Capital of our company is more than Rs. 1,000 lakhs but below Rs. 2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special*

resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

MARKET MAKING

The shares issued and transferred through this Issue are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (SME Exchange) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on EMERGE Platform of National Stock Exchange of India Limited. For further details of the market making arrangement please refer to chapter titled *"General Information"* beginning on page 64 of this Red herring Prospectus.

ARRANGEMENT FOR DISPOSAL OF ODD LOT

The trading of the equity shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on EMERGE Platform of National Stock Exchange of India Limited.

AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOTPARTICIPATE IN THIS ISSUE

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian Companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India / RBI while granting such approvals.

OPTION TO RECEIVE SECURITIES IN DEMATERIALISED FORM

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

NEW FINANCIAL INSTRUMENTS

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

APPLICATION BY ELIGIBLE NRIs, FPI'S REGISTERED WITH SEBI, VCF'S, AIF'S REGISTERED WITH SEBI AND QFI'S

It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page 74 of this Red Herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled "*Main Provisions of the Articles of Association*" beginning on page 278 of this Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

ISSUE STRUCUTRE

This Issue is being made in terms of Regulation 106(M)(1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, our post issue face value capital is more than ten crore rupees and upto twenty five crores. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the EMERGE Platform on National Stock Exchange of India Limited). For further details regarding the salient features and terms of such an issue please refer chapter titled "*Terms of the Issue*" and "*Issue Procedure*" on page 217 and 227 of this Red Herring Prospectus.

Following is the issue structure:

Initial Public Issue of Upto 21,00,000 Equity Shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs. [●] (including a premium of Rs. [●]) aggregating to Rs. [●]. The Issue comprises a Net Issue to the public of Upto 19,92,000 Equity Shares (the "Net Issue"). The Issue and Net Issue will constitute [●] % and [●] % of the post-Issue paid-up Equity Share capital of our Company.

The issue comprises a reservation of upto 1,08,000 Equity Shares of Rs. 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion").

Particulars	**Net issue to Public***	**Market Maker Reservation Portion**
Number of Equity Shares	Upto 19,92,000 Equity Shares	Upto 1,08,000 Equity Shares
Percentage of Issue Size available for allocation	94.86% of Issue Size	5.14%of Issue Size
Basis of Allotment / Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of [●] equity shares and further allotment in multiples of [●] equity shares each. For further details please refer to the section titled *"Issue Procedure"* beginning *on* page 227 of the Red Herring Prospectus	Firm allotment
Mode of Bid cum Application	All Applicants/Bidders shall make the application (Online or Physical through ASBA Process only)	Through ASBA Process only
Minimum Bid Size	***For QIB and NII*** Such number of Equity Shares in multiples of [●] Equity Shares such that the Application size exceeds Rs 2,00,000 ***For Retail Individuals*** [●] Equity shares	[•] Equity Shares of Face Value of Rs. 10.00 each
Maximum Bid Size	***For Other than Retail Individual Investors:*** For all other investors the maximum application size is the Net Issue to public subject to limits as the investor has to adhere under the relevant laws and regulations as applicable. ***For Retail Individuals:*** [●]Equity Shares	[•] Equity Shares of Face Value of Rs 10 each
Mode of Allotment	Compulsorily in Dematerialised mode	Compulsorily in Dematerialised mode
Trading Lot	[●] Equity Shares	[●] Equity Shares, however the Market Maker may accept

Particulars	Net issue to Public*	Market Maker Reservation Portion
		odd lots if any in the market as required under the SEBI ICDR Regulations
Terms of payment	The entire Bid Amount will be payable at the time of submission of the Bid Form	

*allocation in the net issue to public category 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;
(c) the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

For the purpose of sub-regulation 43 (4), *if the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.*

In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserves the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue.

The Book Running Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange. In terms of the SEBI Regulations, Non retail applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

BID/ ISSUE OPENING DATE

Bid / Issue Opening Date	Monday, April 16, 2018
Bid / Issue Closing Date	Wednesday, April 18, 2018
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or before Monday, April 23, 2018
Initiation of Refunds	On or before Tuesday, April 24, 2018
Credit of Equity Shares to demat accounts of Allottees	On or before Wednesday, April 25, 2018

Commencement of trading of the Equity Shares on the Stock Exchange	On or before Thursday, April 26, 2018

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days, i.e., all trading days of stock exchanges excluding Sundays and bank holidays.

ISSUE PROCEDURE

All Bidders should review the General Information Document for Investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("General Information Document"), and including SEBI circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 included below under "Part B – General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and is not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus.

Please note that all the Bidders can participate in the Issue only through the ASBA process. All Bidders shall ensure that the ASBA Account has sufficient credit balance such that the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid. Please note that all Bidders are required to make payment of the full Bid Amount along with the Bid cum Application Form.

Bidders are required to submit Bids to the Selected Branches / Offices of the RTAs, DPs, Designated Bank Branches of SCSBs or to the Syndicate Members. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on http://www.sebi.gov.in. For details on designated branches of SCSB collecting the Bid cum Application Form, please refer the above mentioned SEBI link. The list of Stock Brokers, Depository Participants ("DP"), Registrar to an Issue and Share Transfer Agent ("RTA") that have been notified by National Stock Exchange of India Limited to act as intermediaries for submitting Bid cum Application Forms are provided on www.nseindia.com For details on their designated branches for submitting Bid cum Application Forms, please see the above mentioned National Stock Exchange of India Limited website.

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept Bid cum Application Forms.

BOOK BUILDING PROCEDURE

The Issue is being made under Regulation 106(M)(2) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via book building process wherein at least 50% of the Net Issue to Public is being issued to the Retail Individual Bidders and the balance shall be issued to QIBs and Non-Institutional Bidders. Further if the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage. However, if the aggregate demand from the Retail Individual Bidders is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion issued to the remaining investors including QIBs and NIIs and vice-versa subject to valid bids being received from them at or above the Issue Price.

Subject to the valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Bidders shall not be less than the minimum Bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a

proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Stock Exchange.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Bidders will only be in the dematerialised form. The Bid cum Application Forms which do not have the details of the Bidder's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Bid cum Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the bid is liable to be rejected. Bidders will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

BID CUM APPLICATION FORM

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the National Stock Exchange of India Limited (www.nseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Bid/Issue Opening Date.

All Bidders shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	**Colour of Bid cum Application Form***
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporates or foreign individuals bidding under the QIB Portion), applying on a repatriation basis	Blue

**excluding electronic Bid cum Application Form*

Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Forms to respective SCSBs where the Bidder has a bank account and shall not submit it to any non-SCSB Bank.

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Red Herring Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. ASBA Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid.

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries

i) an SCSB, with whom the bank account to be blocked, is maintained

ii) a syndicate member (or sub-syndicate member)

iii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')

iv) a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

v) a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorised our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Applicants.

WHO CAN BID

In addition to the category of Bidders set forth under "***General Information Document for Investing in Public Issues – Category of Investors Eligible to participate in an Issue***", the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and / or industrial research organisations authorised in India to invest in the Equity Shares.

MAXIMUM AND MINIMUM APPLICATION SIZE

a) For Retail Individual Bidders:

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed Rs 2,00,000. In case of revision of Bid, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs. 2,00,000.

b) For Other Bidders (Non-Institutional Bidders and QIBs):

The Bid cum Application must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs. 2,00,000 and in multiples of [●] Equity Shares thereafter. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Bidder cannot withdraw or lower the size of their Bid at any stage and are required to pay the entire Bid Amount upon submission of the Bid.** The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Bid, the Non-Institutional Bidders,

who are individuals, have to ensure that the Bid Amount is greater than Rs 2,00,000 for being considered for allocation in the Non-Institutional Portion.

INFORMATION FOR THE BIDDERS

a. Our Company shall file the Red Herring Prospectus with the RoC at least three working days before the Bid / Issue Opening Date.

b. Our Company shall, after registering the Red Herring Prospectus with the RoC, make a pre-Issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre-Issue advertisement, our Company and the Book Running Lead Manager shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule XIII of the ICDR Regulations.

c. The Price Band as decided by our Company in consultation with the Book Running Lead Manager is Rs. [●] per Equity Share. The Floor Price of Equity Shares is Rs. [●] per Equity Share and the Cap Price is Rs. [●] per Equity Share and the minimum bid lot is of [●] Equity Shares. Our Company shall also announce the Price Band at least five Working Days before the Issue Opening Date in English and Hindi national newspapers and one regional newspaper with wide circulation.

d. This announcement shall contain relevant financial ratios computed for both upper and lower end of the Price Band. Further, this announcement shall be disclosed on the websites of the Stock Exchanges where the Equity Shares are proposed to be listed and shall also be pre-filled in the Bid cum Application Forms available on the websites of the stock exchanges.

e. The Issue Period shall be for a minimum of three Working Days. In case the Price Band is revised, the Issue Period shall be extended, by an additional three Working Days, subject to the total Issue Period not exceeding ten Working Days. The revised Price Band and Issue Period will be widely disseminated by notification to the SCSBs and Stock Exchanges, and by publishing in English and Hindi national newspapers and one regional newspaper with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the members of the Syndicate.

The Bidders should note that in case the PAN, the DP ID and Client ID mentioned in the Bid cum Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Member does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Bid cum Application Form is liable to be rejected.

OPTION TO SUBSCRIBE IN THE ISSUE

a. As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialised form only.

b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

A single Bid cum application from any investor shall not exceed the investment limit / minimum number of specified securities that can be held by him/her/it under the relevant regulations / statutory guidelines and applicable law

AVAILABILITY OF RED HERRING PROSPECTUS AND BID CUM APPLICATION FORM

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and National Stock Exchange of India Limited (www.nseindia.com) at least one day prior to the Bid/Issue Opening Date.

PARTICIPATION BY ASSOCIATED/AFFILIATES OF BOOK RUNNING LEAD MANAGER AND SYNDICATE MEMBERS

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any

manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

APPLICATIONS BY ELIGIBLE NRI'S

NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour)

BIDS BY FPI INCLUDING FIIs

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10.00% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio

and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents (blue in colour).

BIDS BY SEBI REGISTERED VCFs, AIFs and FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

BIDS BY MUTUAL FUNDS

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

BIDS BY LIMITED LIABILITY PARTNERSHIPS

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

BIDS BY INSURANCE COMPANIES

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, (the "IRDA Investment Regulations") are broadly set forth below:

1) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10.00% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
3) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS UNDER POWER OF ATTORNEY

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.

b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.

c) With respect to Bids made by provident funds with a minimum corpus of Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.

d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form

e) Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

BIDS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Bids made by provident funds with minimum corpus of Rs. 25 Crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid Cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

BIDS BY BANKING COMPANY

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserve the right to reject any Bid by a banking company without assigning any reason.

Bid cum Application Form, failing which our Company reserve the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a) (v) (c) (i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

BIDS BY SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.

2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

TERMS OF PAYMENT

Terms of Payment

The entire Issue Price of Rs. [●] per share is payable on Bid cum application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar to the issue shall instruct the SCSBs to unblock the excess amount blocked.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account, post finalisation of basis of Allotment. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

Payment mechanism for Bidders

The Bidders shall specify the bank account number in the Bid cum Application Form and the SCSBs shall block an amount equivalent to the Bid cum Application Amount in the bank account specified in the Bid cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the bid cum application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non Retail Bidders shall neither withdraw nor lower the size of their bid cum applications at any stage. In the event of withdrawal or rejection of the Bid cum Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the bid cum application by the ASBA Applicant, as the case may be.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all Investors are applying in this Issue shall mandatorily make use of ASBA facility.

SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITHROC

a) Our Company has entered into an Underwriting agreement dated February 16, 2018.

b) A copy of the Red Herring Prospectus has been filed and a copy of the Prospectus will be filed with the RoC in terms of Section 32 of the Companies Act, 2013 and section 26 of the Companies Act, 2013.

PRE- ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: (i) English National Newspaper; (ii) Hindi National Newspaper; and (iii) Regional Newspaper, each with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

ADVERTISEMENT REGUARDING ISSUE PRICE AND PROSPECTUS

Our Company will issue a statutory advertisement after the filing of the Red Hering Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

GENERAL INSTRUCTIONS

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
8. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
9. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
10. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
11. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
12. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
13. Ensure that the Demographic Details are updated, true and correct in all respects;

14. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
15. Ensure that the category and the investor status is indicated;
16. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
17. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
18. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
19. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
20. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;
21. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
22. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Dont's:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceeding Rs. 200,000 (for Bids by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;

11. Do not submit the General Index Register number instead of the PAN;

12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;

13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

16. Do not submit more than five Bid cum Application Forms per ASBA Account;

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS

a) Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.

b) Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders

c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.

d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

COMMUNICATIONS

All future communications in connection with Bids made in this Issue should be addressed to the Registrar quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the Application Collecting Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Bidders can contact the Compliance Officer or the Registrar in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

IMPERSONATION

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"*Any person who—*

a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, ***shall be liable for action under Section 447."***

UNDERTAKINGS BY THE COMPANY

Our Company undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at EMERGE Platform of National Stock Exchange of India Limited where the Equity Shares are proposed to be listed within six working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
4. That our Promoter's contribution in full has already been brought in;
5. That no further issue of Equity Shares shall be made till the Equity Shares issued through the Red Herring Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.; and
6. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.
7. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
8. If our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
9. Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period

UTILIZATION OF THE ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

1. all monies received out of the Fresh issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the Fresh issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the Fresh issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of the SEBI Listing Regulations in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.
6. The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactory.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in the process of signing the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

a. Agreement dated December 13, 2017 among NSDL, the Company and the Registrar to the Issue;

b. Agreement dated December 29, 2017 among CDSL, the Company and the Registrar to the Issue;

The Company's shares bear ISIN no. INE961Y01015.

PART B

GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders should rely on their own examination of the Issue and the Issuer, and should carefully read the Red Herring Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken *inter-alia* through the Book-Building Process as well as to the Fixed Price Issue. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders in IPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **("SEBI ICDR Regulations, 2009").**

Bidders should note that investment in equity and equity related securities involves risk and Bidder should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring Prospectus ("RHP")/Prospectus filed by the Issuer with the Registrar of Companies ("RoC"). Bidders should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM to the Issue and on the website of Securities and Exchange Board of India ("SEBI") at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders may refer to the section "Glossary and Abbreviations".

SECTION 2: BRIEF INTRODUCTION TO IPOs ON EMERGE Platform of NATIONAL STOCK EXCHANGE OF INDIA LIMITED (SME PLATFORM)

2.1 INITIAL PUBLIC OFFER (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is inter-alia required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009, if applicable. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer. For undertaking an FPO, the Issuer is inter-alia required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI ICDR

Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

The Issuer may also undertake IPO under of chapter XB of the SEBI (ICDR) Regulations, wherein as per,

- Regulation 106M (1): An issuer whose post- issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer, whose post issue face value capital, is more than ten crore rupees and up to twenty five crore rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation.

2.3 OTHER ELIGIBILITY REQUIREMENTS

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 and the Companies Act, 2013 (the "Companies Act"), The Securities Contracts (Regulation) Rules, 1957 (the "SCRR"), industry-specific regulations, if any, and other applicable laws for the time being in force. Following are the eligibility requirements for making an SME IPO under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation:

(a) In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, issue has to be 100% underwritten and the BRLM has to underwrite at least 15% of the total issue size.

(b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, total number of proposed allottees in the issue shall be greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.

(c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, Company is not required to file any Offer Document with SEBI nor has SEBI issue any observations on the Offer Document. The Book Running Lead Manager shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.

(d) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the BRLM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the issue.

(e) The company should have track record of at least 3 years

(f) The company should have positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net-worth should be positive

(g) The post issue paid up capital of the company (face value) shall not be more than Rs. 25 crore.

(h) The issuer shall mandatorily facilitate trading in demat securities.

(i) The issuer should not been referred to Board for Industrial and Financial Reconstruction.

(j) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company

(k) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the issuer

(l) The Company should have a website. Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter XB of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this issue.

Thus Company is eligible for the issue in accordance with regulation 106M (2) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital is more than 1000 Lakhs but does not exceed Rs. 2500 Lakhs. Company also complies with the eligibility conditions laid by the EMERGE Platform of National Stock Exchange of India Limited for listing of our Equity Shares.

2.4 TYPES OF PUBLIC ISSUES – FIXED PRICE ISSUES AND BOOK BUILT ISSUES

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process **("Book Built issues")** or undertake a Fixed Price Issue **("Fixed Price Issues")**. An issuer may mention Price or Price Band in the Red Herring Prospectus (in case of a fixed price Issue) and Floor price or price band in the Red Herring Prospectus (in case of a book built issue) and determine the price at a later date before registering the prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/ Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Bidders should refer to the RHP/ Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM and the advertisement in the newspaper(s) issued in this regard

2.6 MIGRATION TO MAIN BOARD

SME Issuer may migrate to the Main Board of SE from the SME Exchange at a later date subject to the following:

(a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been

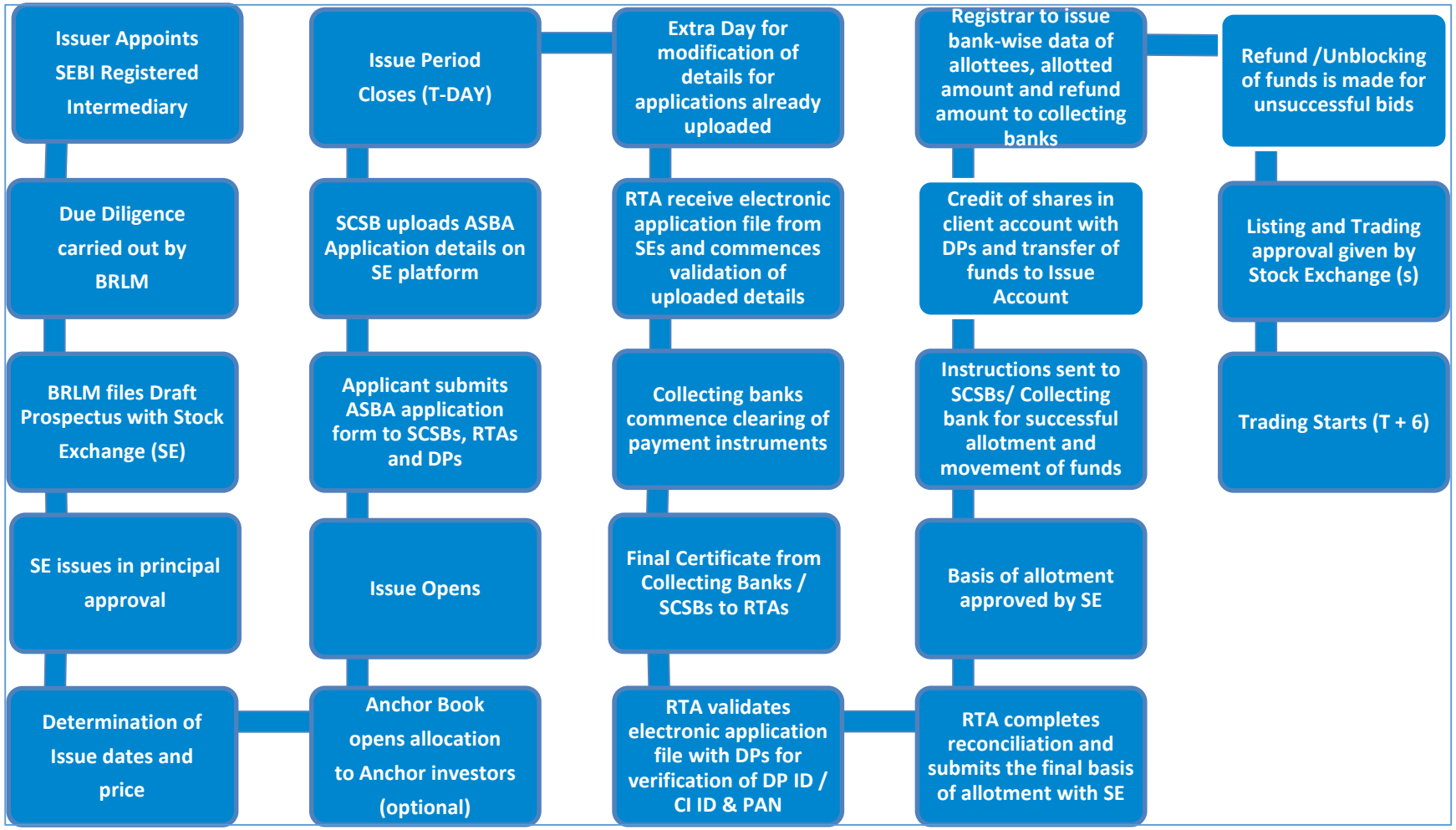
approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), the Company shall apply to SE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

(b) If the Paid up Capital of the company is more than 10 crores but below Rs. 25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

2.7 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows


Issuer Appoints SEBI Registered Intermediary
Due Diligence carried out by BRLM
BRLM files Draft Prospectus with Stock Exchange (SE)
SE issues in principal approval
Determination of Issue dates and price
Anchor Book opens allocation to Anchor investors (optional)
Issue Opens
Applicant submits ASBA application form to SCSBs, RTAs and DPs
SCSB uploads ASBA Application details on SE platform
Issue Period Closes (T-DAY)
Extra Day for modification of details for applications already uploaded
RTA receive electronic application file from SEs and commences validation of uploaded details
Collecting banks commence clearing of payment instruments
Final Certificate from Collecting Banks / SCSBs to RTAs
RTA validates electronic application file with DPs for verification of DP ID / Cl ID & PAN
RTA completes reconciliation and submits the final basis of allotment with SE
Basis of allotment approved by SE
Instructions sent to SCSBs/ Collecting bank for successful allotment and movement of funds
Credit of shares in client account with DPs and transfer of funds to Issue Account
Registrar to issue bank-wise data of allottees, allotted amount and refund amount to collecting banks
Refund /Unblocking of funds is made for unsuccessful bids
Listing and Trading approval given by Stock Exchange (s)
Trading Starts (T + 6)

SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the RHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

1. Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors through natural/legal guardian;
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidders should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Bids by HUFs would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. State Industrial Development Corporations;
10. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
11. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
12. Insurance Companies registered with IRDA;
13. Provident Funds and Pension Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
14. Multilateral and Bilateral Development Financial Institutions;
15. National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
16. Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
17. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified Bid cum Application Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing the stamp of a member of the Syndicate or any other Designated Intermediary, bearing a stamp of the Registered Broker or stamp of SCSBs as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the book running lead manager, members of the Syndicate, Registered Brokers, Designated Intermediaries at Branches of the Bidding Centres, SCSBs and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the DRHP/RHP.

Fixed Price Issue: Applicants should only use the specified cum Application Form bearing the stamp of an SCSB as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the Registered and Corporate Office of the Issuer. For further details, regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	**Colour of the Bid cum Application Form (Excluding downloaded forms from SE website)**
Resident Indian, Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders applying in the reserved category	Not Applicable

Securities issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.

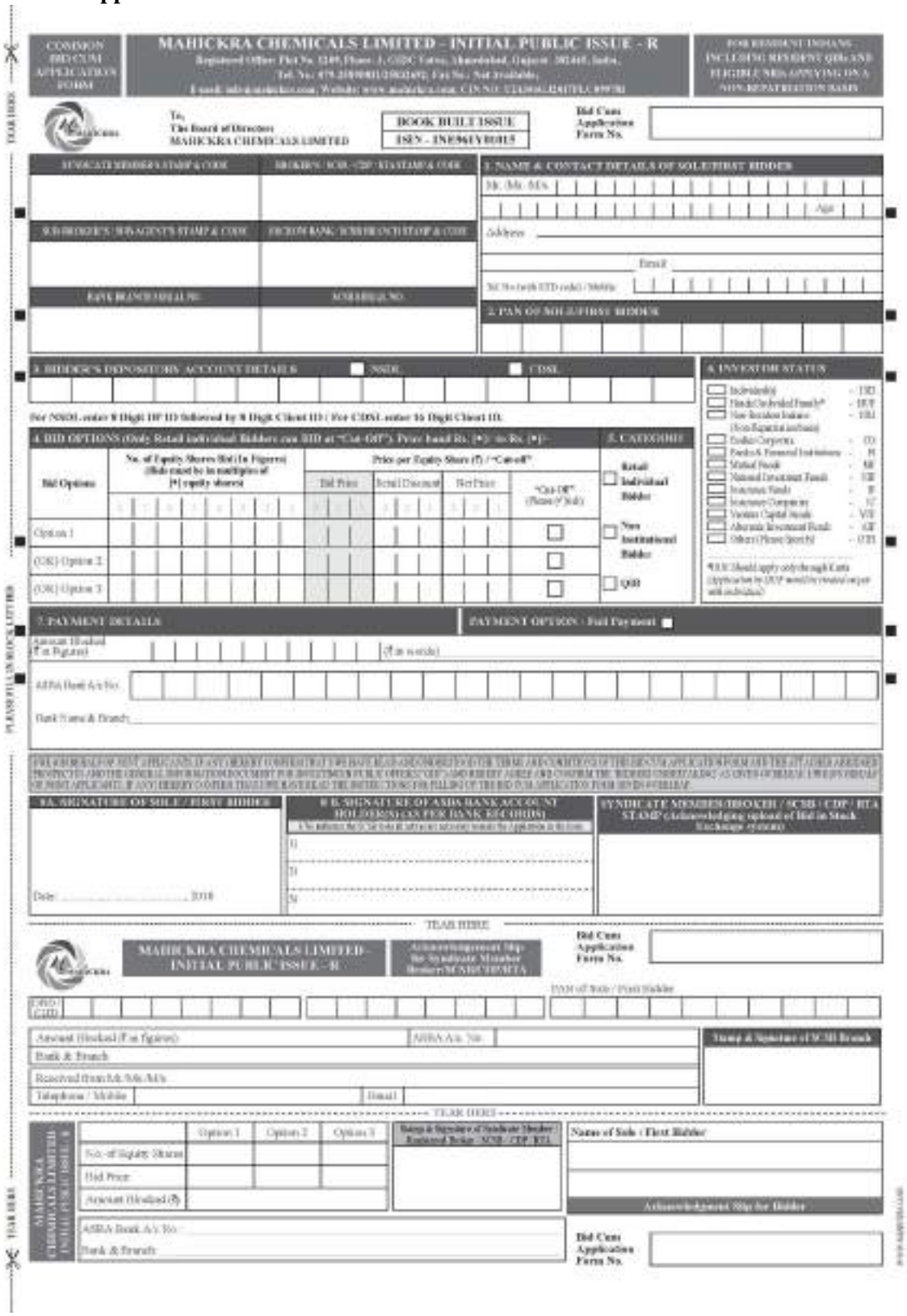
4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM/ ASBA FORM

Bidders may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/ Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non- resident Bidders are reproduced below:

R Bid cum Application Form


COMMON BID CUM APPLICATION FORM

MAHICKRA CHEMICALS LIMITED – INITIAL PUBLIC ISSUE – R

FOR RESIDENT INDIANS INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

To,
The Board of Directors
MAHICKRA CHEMICALS LIMITED

BOOK BUILT ISSUE
ISIN - INE961Y01015

Bid Cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE | BROKER'S / SCSB / CDP / RTA STAMP & CODE

SUB-BROKER'S / SUB-AGENT'S STAMP & CODE | RECEIVING BANK / BRANCH OUTSTOP & CODE

RAPE BRANCH SERIAL NO. | ACKNOWLEDGEMENT NO.

1. NAME & CONTACT DETAILS OF SOLE/FIRST BIDDER

Mr./Ms./M/s.

Age

Address

Email

Tel No (with STD code) / Mobile

2. PAN OF SOLE/FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL: enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL: enter 16 Digit Client ID.

4. BID OPTIONS (Only Retail Individual Bidders can BID at "Cut-Off"). Price band Rs. (*) to Rs. (*)

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of [•] equity shares)	Price per Equity Share (₹) / "Cut-off"			
		Bid Price	Retail Discount	Net Price	"Cut-Off" (Please ✓ Tick)
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder

☐ Non Institutional Bidder

☐ QIB

6. INVESTOR STATUS

☐ Individual(s) - IND
☐ Hindu Undivided Family* - HUF
☐ Non-Resident Indians (Non-Repatriation basis) - NRI
☐ Bodies Corporate - CO
☐ Banks & Financial Institutions - FI
☐ Mutual Funds - MF
☐ National Investment Funds - NIF
☐ Insurance Funds - IF
☐ Insurance Companies - IC
☐ Venture Capital Funds - VCF
☐ Alternate Investment Funds - AIF
☐ Others (Please Specify) - OTH

*HUF should apply only through Karta (Application by HUF must be made in name of Karta with individual)

7. PAYMENT DETAILS

PAYMENT OPTION - Full Payment ☐

Amount Blocked (₹ in Figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE ON BEHALF OF JOINT APPLICANTS, IF ANY, HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THE GENERAL APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTMENT IN PUBLIC OFFERS ("GID") AND HEREBY AGREE AND CONFIRM THE BIDDING CONDITIONS AS GIVEN OVERLEAF. I/WE ON BEHALF OF JOINT APPLICANTS, IF ANY, HEREBY CONFIRM THAT I/WE HAVE READ AND THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE / FIRST BIDDER

Date: 2018

8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)

1)

2)

3)

SYNDICATE MEMBER'S/BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

MAHICKRA CHEMICALS LIMITED – INITIAL PUBLIC ISSUE – R

Acknowledgement Slip for Syndicate Member / Broker/SCSB/CDP/RTA

Bid Cum Application Form No.

DPID / CLID

PAN of Sole / First Holder

Amount (Blocked (₹ in figures)) ASBA A/c No.

Bank & Branch

Received from Mr./Ms./M/s.

Telephone / Mobile Email

Stamp & Signature of SCSB Branch

TEAR HERE

MAHICKRA CHEMICALS LIMITED – INITIAL PUBLIC ISSUE – R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Blocked (₹)			

Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA

Name of Sole / First Bidder

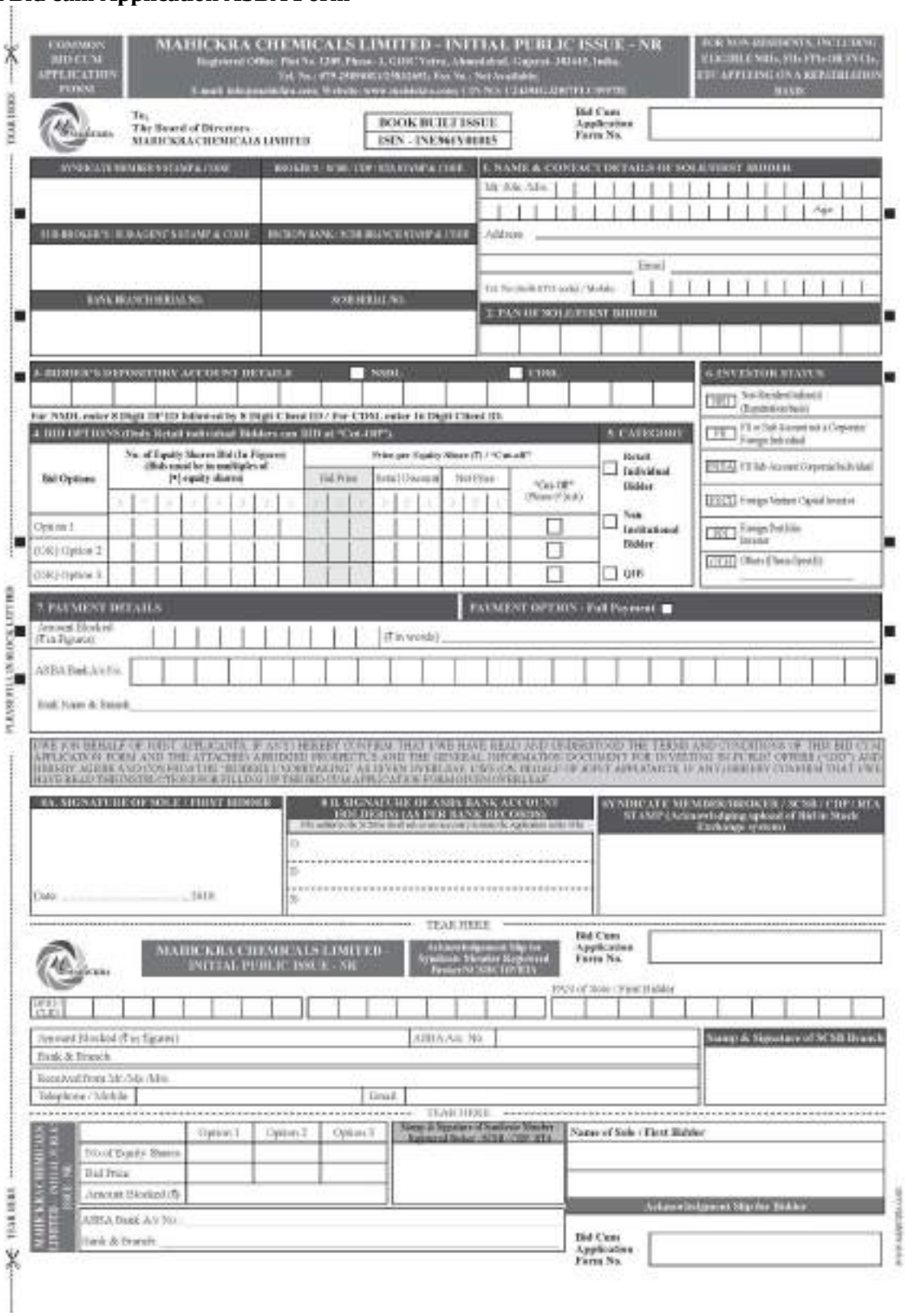
Acknowledgement Slip for Bidder

ASBA Bank A/c No.

Bank & Branch

Bid Cum Application Form No.

NR Bid cum Application ASBA Form



4.1.1 NAME AND CONTACT DETAILS OF THE SOLE/ FIRST BIDDER

Bidders should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(a) **Mandatory Fields:** Bidders should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Bidders should note that the contact details mentioned in the Bid cum Application Form/ Application Form may be used to dispatch communications) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

(b) **Joint Bids:** In the case of Joint Bids, the Bids should be made in the name of the Bidder whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder would be required in the Bid cum Application Form/ Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form/ Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

(c) **Impersonation:** Attention of the Bidders is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who:

- *makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or*
- *makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- *otherwise induces directly or indirectly a Company to allot, or register any transfer of securities to him, or to any other person in a fictitious name,*

Shall be liable for action under section 447 of the said Act.

(d) **Nomination Facility to Bidder:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

4.1.2 PAN NUMBER OF SOLE /FIRST BIDDER

a) PAN (of the sole/first Bidder) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person in whose sole or first name the relevant beneficiary account is held as per the Depositories' records.

b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids on behalf of the Central or State Government, Bids by officials appointed by the courts and Bids by Bidders residing in Sikkim ("PAN Exempted Bidders"). Consequently, all Bidders, other than the PAN Exempted Bidders, are required to disclose their PAN in the Bid cum Application Form, irrespective of the Bid Amount. Bids by the Bidders whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

c) The exemption for the PAN Exempted Bidders is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in

"active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

d) Bid cum Application Forms which provide the GIR Number instead of PAN may be rejected.

e) Bids by Bidders whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

4.1.3 BIDDERS DEPOSITORY ACCOUNT DETAILS

a) Bidder should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form. The DP ID and Client ID provided in the Bid cum Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the **Bid cum Application Form is liable to be rejected.**

b) Bidder should ensure that the beneficiary account provided in the Bid cum Application Form is active.

c) Bidder should note that on the basis of DP ID and Client ID as provided in the Bid cum Application Form, the Bidder may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to the issue.

d) Bidders are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders' sole risk.

4.1.4 : BID OPTIONS

a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.

b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs undertaken through the Book Building Process. Cut-Off Price: Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Offer Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

d) **Minimum Bid Value and Bid Lot**: The Issuer in consultation with the BRLM may decide the minimum number of Equity Shares for each Bid to ensure that the minimum Bid value is within the range of above Rs.1,00,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum Bid value.

e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may to the RHP or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 Maximum and Minimum Bid Size

a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed Rs. 200,000.

b) In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category (with it not being eligible for Discount), then such Bid may be rejected if it is at the Cut-off Price.

c) For NRIs, a Bid Amount of up to Rs. 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding Rs. 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

d) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds Rs. 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cut off Price.

e) RII may revise or withdraw their bids until Bid/Issue Closing Date. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after Bidding and are required to pay the Bid Amount upon submission of the Bid.

f) In case the Bid Amount reduces to Rs. 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

g) For Anchor Investors, if applicable, the Bid Amount shall be least Rs 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Offer Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.

h) A Bid cannot be submitted for more than the issue size.

i) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

j) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the issue Price, the number of Equity Shares Bid for by a Bidder at or above the issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process.

4.1.4.2 Multiple Bids

(a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:

i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

ii. For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(c) The following Bids may not be treated as multiple Bids:

i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Issue portion in public category.

ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

iii. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion.

4.1.5 CATEGORY OF BIDDERS

(a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, NIIs and QIBs.

(b) An Issuer can make reservation for certain categories of Bidders as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders may refer to the RHP.

(c) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder may refer to the RHP.

4.1.6 INVESTOR STATUS

(a) Each Bidder should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Bidder, such as NRIs, FPIs and FVCIs may not be allowed to Bid/apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders are requested to refer to the Red Herring Prospectus for more details.

(c) Bidders should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

(d) Bidders should ensure that their investor status is updated in the Depository records.

4.1.7 PAYMENT DETAILS

i. The full Bid Amount (net of any Discount, as applicable) shall be blocked in the ASBA Account based on the authorisation provided in the Bid cum Application Form. If discount

is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.

ii. Bid Amount cannot be paid in cash, through money order or through postal order or through stock invest.

iii. Bidders who Bid at Cut-off Price shall DEPOSIT the Bid Amount based on the Cap Price.

iv. All Bidders can participate in the Issue only through the ASBA mechanism.

v. Please note that, providing bank account details in the space provided in the Bid cum Application Form is mandatory and Applications that do not contain such details are liable to be rejected.

4.1.7.1. Payment instructions for Bidders

Bidders may submit the Bid cum Application Form either

i. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or

ii. in physical mode to any Designated Intermediary.

a) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.

b) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder.

c) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

d) From one ASBA Account, a maximum of five Bid cum Application Forms can be submitted.

e) Bidders should submit the Bid cum Application Form only at the Bidding Centre i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centers, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations

f) Bidders bidding through a Designated Intermediary, other than a SCSB, should note that Bid cum Application Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit Bid cum Application Forms.

g) Bidders bidding directly through the SCSBs should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

h) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.

i) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the

electronic bidding system as a separate Bid.

j) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not accept such Bids and such bids are liable to be rejected.

k) Upon submission of a completed Bid cum Application Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs

l) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.

m) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.8. Unblocking of ASBA Account

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful Bids transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Issue Closing Date.

(d) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bidders, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within 6 Working Days of the Bid/Issue Closing Date.

4.1.8.1. Discount (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.

(c) The Bidders entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net payment (post Discount) is more than two lakh Rupees, the bidding system automatically considers such Bids for allocation under Non-Institutional Category. These Bids are neither eligible for Discount nor fall under RII category.

4.1.8.2. Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to block funds through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.9. SIGNATURES AND OTHER AUTHORISATIONS

(a) Only the First Bidder is required to sign the Bid cum Application Form. Bidders should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the Bidder, then the Signature of the ASBA Account holder(s) is also required.

(c) In relation to the Bids, signature has to be correctly affixed in the authorization/undertaking box in the Bid cum Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid/ amount mentioned in the Bid cum Application Form.

(d) Bidders must note that Bid cum Application Form without signature of Bidder and /or ASBA Account holder is liable to be rejected.

4.1.10. ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

(a) Bidders should ensure that they receive the acknowledgment duly signed and stamped by Bid Collecting Intermediary or SCSB, as applicable, for submission of the Bid cum Application Form.

(b) All communications in connection with Bid made in the Issue should be addressed as under:

i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Bidders should contact the Registrar to the Issue.
ii. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders should contact the relevant Designated Branch of the SCSB.
iii. Bidders may contact the Company Secretary and Compliance Officer or BRLM in case of any other complaints in relation to the Issue.
iv. In case of queries relating to uploading of Bids by a Syndicate Member, the Bidders should contact the relevant Syndicate Member.
v. In case of queries relating to uploading of Bids by a Registered Broker, the Bidders should contact the relevant Registered Broker
vi. In case of Bids submitted to the RTA, the Bidders should contact the relevant RTA.
vii. In case of Bids submitted to the DP, the Bidders should contact the relevant DP.

(c) The following details (as applicable) should be quoted while making any queries -

i. Full name of the sole or First Bidder, Bid cum Application Form number, Bidder' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on Bid.
ii. name and address of the Designated Intermediary, where the Bid was submitted; or

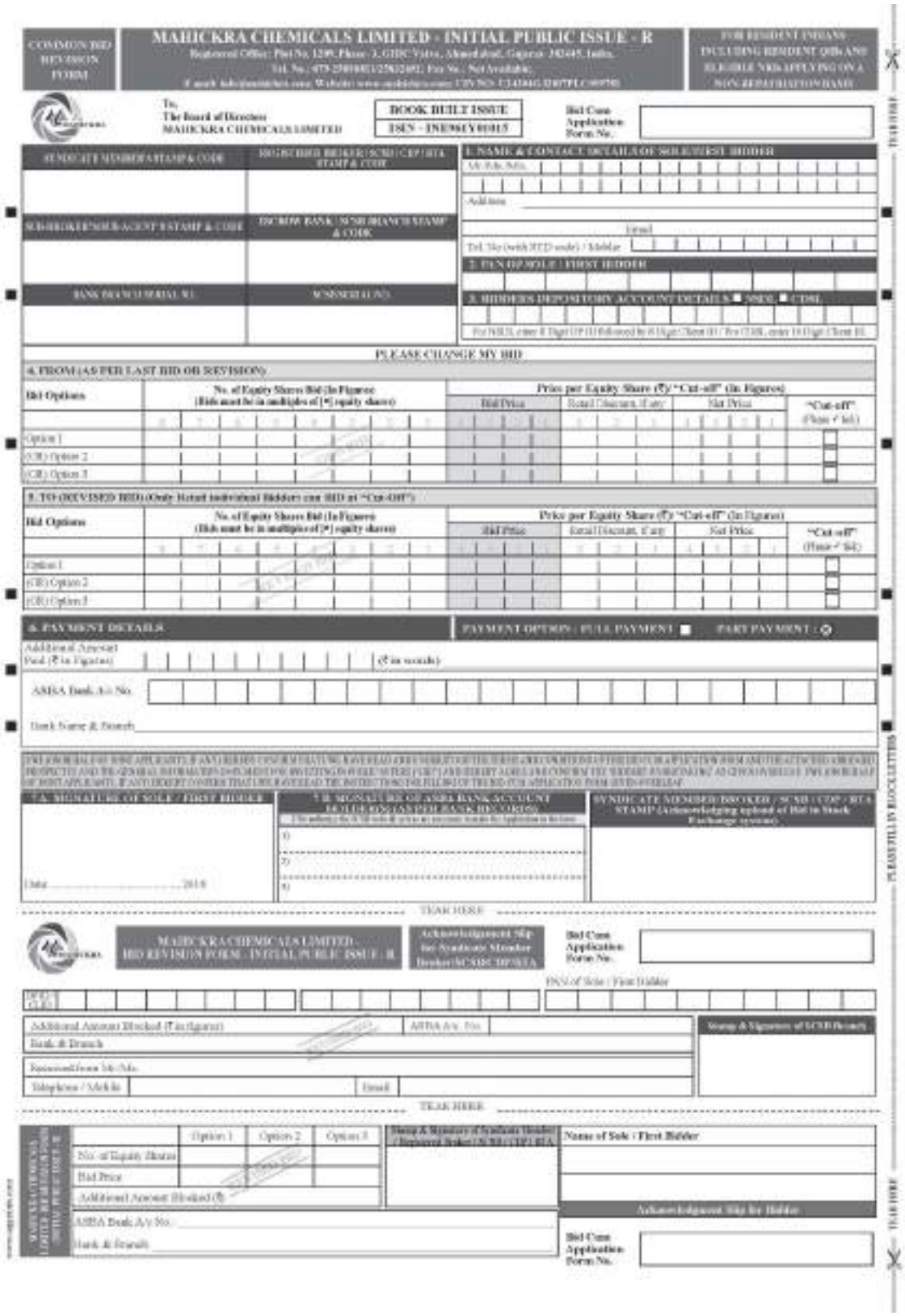
For further details, Bidder may refer to the Red Herring Prospectus and the Bid cum Application Form.

4.2. INSTRUCTIONS FOR FILING THE REVISION FORM

(a) During the Bid/Issue Period, any Bidder (other than QIBs and NIIs, who can only revise their Bid amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
(b) RII may revise / withdraw their Bid till closure of the Bid/Issue period.
(c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
(d) The Bidder can make this revision any number of times during the Bid/Issue Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the SCSB through which such Bidder had placed the original Bid.

A sample Revision form is reproduced below:

Revision Form – R



COMMON BID REVISION FORM

MAHICKRA CHEMICALS LIMITED - INITIAL PUBLIC ISSUE - R

Registered Office: Plot No. 1209, Phase- 3, GIDC Vatva, Ahmedabad, Gujarat- 382445, India.
Tel. No.: 079-25890851/25832492, Fax No.: Not Available
E-mail: info@mahickra.com, Website: www.mahickra.com CIN NO: U24304GJ2007PLC049760

FOR RESIDENT INDIANS INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

To,
The Board of Directors
MAHICKRA CHEMICALS LIMITED

BOOK BUILT ISSUE
ISIN - INE986Y01015

Bid Cum Application Form No.

SYNDICATE MEMBER STAMP & CODE

REGISTERED BROKER / SCRD / CDP / RTA STAMP & CODE

SUB-BROKER/SUB-AGENT STAMP & CODE

ESCROW BANK / SCSB BRANCH STAMP & CODE

BANK BRANCH SERIAL NO.

SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE/FIRST BIDDER

Mr./Ms./M/s.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDERS DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of [•] equity shares)	Price per Equity Share (₹) "Cut-off" (In Figures)			
		Bid Price	Retail Discount, if any	Net Price	"Cut-off" (Please ✓ tick)
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. TO (REVISED BID) (Only Retail individual Bidders can BID at "Cut-Off")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of [•] equity shares)	Price per Equity Share (₹) "Cut-off" (In Figures)			
		Bid Price	Retail Discount, if any	Net Price	"Cut-off" (Please ✓ tick)
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

6. PAYMENT DETAILS

PAYMENT OPTION: FULL PAYMENT ☐ PART PAYMENT ☑

Additional Amount Paid (₹ in Figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE FOR ALL OF MYSELF/OURSELVES AND ANY OTHER PERSON(S) ON WHOSE BEHALF I/WE HAVE MADE THIS BID, AGREE AND CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ACTIONS TO BE UNDERTAKEN BY ME/US AS MENTIONED IN THE PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE TERMS AND CONDITIONS AS CONTAINED THEREIN. I/WE ALSO AGREE AND CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOLLOWING OF THIS BID CUM APPLICATION FORM GIVEN OVERLEAF.

7 A. SIGNATURE OF SOLE / FIRST BIDDER

Date: 2018

7 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)

1)
2)
3)

SYNDICATE MEMBER(S) BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange systems)

TEAR HERE

MAHICKRA CHEMICALS LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Syndicate Member / Broker/SCSB/ RTA/CDP

Bid Cum Application Form No.

DP ID / CLID

PAN of Sole / First Bidder

Additional Amount Blocked (₹ in figures)

ASBA A/c. No.

Bank & Branch

Stamp & Signature of SCSB Branch

Received from Mr./Ms.

Telephone / Mobile

Email

TEAR HERE

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Additional Amount Blocked (₹)			

ASBA Bank A/c No.

Bank & Branch

Stamp & Signature of Syndicate Member / Registered Broker/SCSB/CDP/RTA

Name of Sole / First Bidder

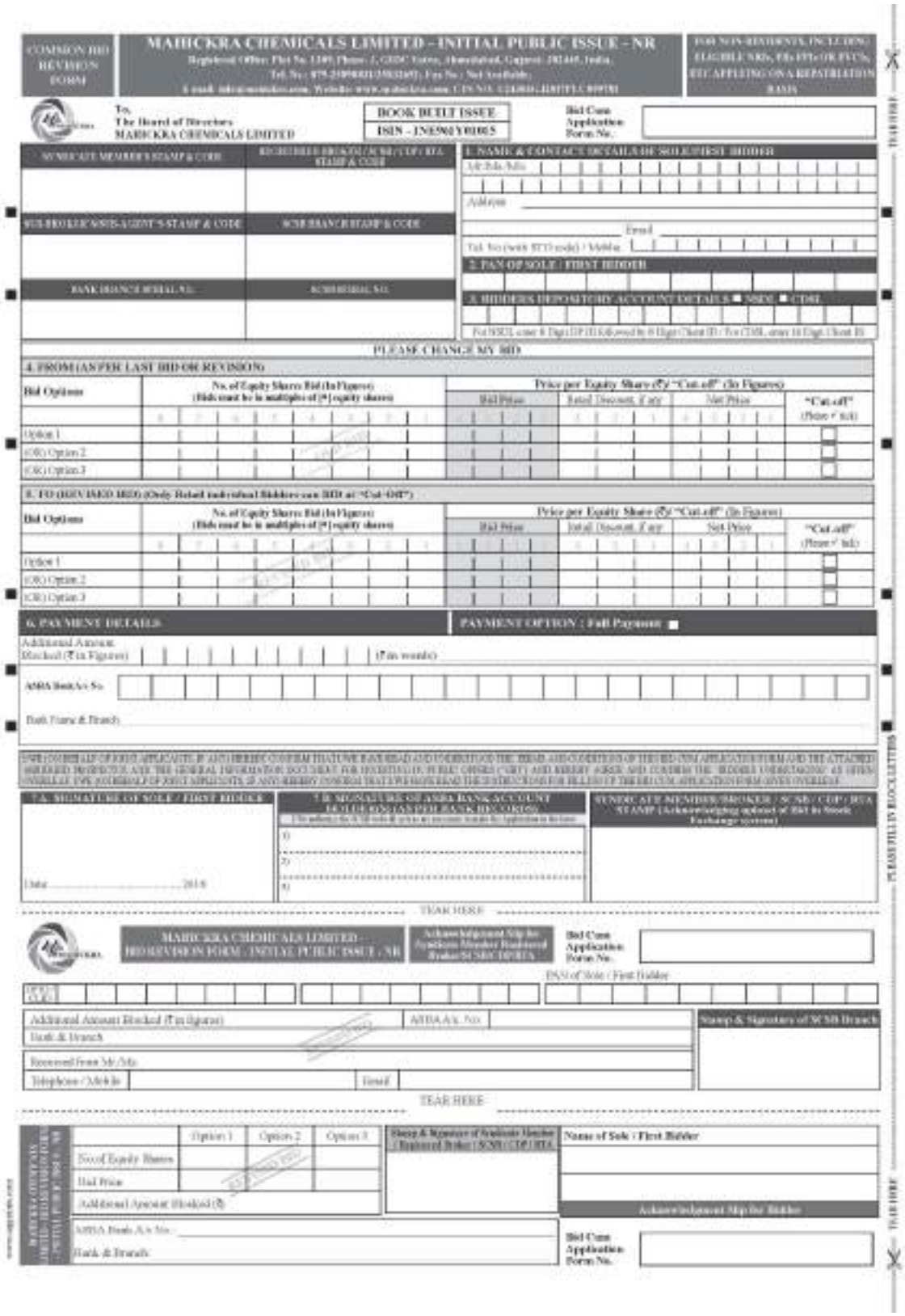
Acknowledgement Slip for Bidder

Bid Cum Application Form No.

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

Revision Form – NR


MAHICKRA CHEMICALS LIMITED – INITIAL PUBLIC ISSUE – NR

BOOK BUILT ISSUE

ISIN - INE590Y01015

To,
The Board of Directors
MAHICKRA CHEMICALS LIMITED

Bid Cum Application Form No.

1. NAME & CONTACT DETAILS OF SOLE/FIRST BIDDER

2. PAN OF SOLE / FIRST BIDDER

3. BIDDERS DEPOSITORY ACCOUNT DETAILS ■ NSDL ■ CDSL

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)

5. TO (REVISED BID) (Only Retail individual Bidders can BID at "Cut-Off")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of [•] equity shares)	Price per Equity Share (₹) "Cut-off" (In Figures)			
		Bid Price	Total Discount, if any	Net Price	"Cut-off" (Please ✓ tick)
Option 1					
(OR) Option 2					
(OR) Option 3					

6. PAYMENT DETAILS

PAYMENT OPTION : Full Payment ■

Additional Amount Blocked (₹ in Figures)

(₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE BIDDER'S UNDERTAKING AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS) ALSO HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THIS BID CUM APPLICATION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE / FIRST BIDDER

Date 2019

7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)

1)

2)

3)

SYNDICATE MEMBER/BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

MAHICKRA CHEMICALS LIMITED – BID REVISION FORM – INITIAL PUBLIC ISSUE – NR

Acknowledgement Slip for Syndicate Member/Registered Broker/SCSB/CDP/RTA

Bid Cum Application Form No.

DP/Client ID

PAN of Sole / First Bidder

Additional Amount Blocked (₹ in figures)

ASBA A/c. No.

Bank & Branch

Stamp & Signature of SCSB Branch

Received from Mr./Ms.

Telephone / Mobile

Email

TEAR HERE

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Additional Amount Blocked (₹)			

Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No.

Bank & Branch

Bid Cum Application Form No.

PLEASE FILL IN BLOCK LETTERS

NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER, PAN OFSOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER

Bidders should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.1. BID OPTIONS REVISION 'FROM' AND 'TO'

(a) Apart from mentioning the revised number of shares in the Revision Form, the Bidder must also mention the details of shares applied/bid for given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and such Bidder is changing only one of the options in the Revision Form, the Bidder must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Form.

(b) In case of revision, Bid options should be provided by Bidders in the same order as provided in the Bid cum Application Form.

(c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders should ensure that the Bid Amount, subsequent to revision, does not exceed Rs. 200,000. In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.

(d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds Rs. 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked in case of Bidders.

4.2.2. PAYMENT DETAILS

a) All Bidders are required to make payment of the full Bid Amount (less Discount, if applicable) along with the Bid Revision Form. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.

b) Bidder may Issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds Rs. 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder is deemed to have approved such revised Bid at the Cut-off Price.

d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

4.2.3. SIGNATURES AND ACKNOWLEDGEMENTS

Bidders may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3. SUBMISSION OF REVISION FORM/ BID CUM APPLICATION FORM /APPLICATION FORM

4.3.1. Bidders may submit completed Bid cum Application form / Revision Form in the following manner:-

Mode of Bid	Submission of Bid cum Application Form
All investors Bids	To the Bid cum Application Collecting Intermediaries as mentioned in the Red Herring Prospectus/ Bid cum Application Form

Bidders should submit the Revision Form to the same Designated Intermediary through which such Bidders had placed the original Bid.

SECTION 5: INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

This being book built issue procedure for fixed price issue is not applicable.

SECTION 6- ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

6.1 SUBMISSION OF BIDS

a) During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.

b) In case of Bidders (excluding NIIs and QIBs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).

c) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders are requested to refer to the RHP.

6.2 ELECTRONIC REGISTRATION OF BIDS

a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.

c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

6.3 BUILD UP OF THE BOOK

a. Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/Issue Period.

b. Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centers during the Bid/Issue Period.

6.4 WITHDRAWAL OF BIDS

a) RIIs can withdraw their Bids until Bid/Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

6.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

a) **The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:**

1) the Bids accepted by the Designated Intermediaries,

2) the Bids uploaded by the Designated Intermediaries, and

3) the Bid cum Application Forms accepted but not uploaded by the Designated Intermediaries.

a) The BRLM and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.

b) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

c) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLM and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.

d) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

GROUNDS OF REJECTIONS

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Submission of more than five Bid cum Application Forms/Application Form as through a single ASBA Account
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the RHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the RHP and as per the instructions in the RHP and the Bid cum Application Forms;

- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges; and
- Where no confirmation is received from SCSB for blocking of funds
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Details of ASBA Account not provided in the Bid cum Application Form

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIESDO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

BASIS OF ALLOCATION

a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.

b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB Category is not available for subscription to other categories.

c) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

d) **Illustration of the Book Building and Price Discovery Process**

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of Rs.20 to Rs 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (Rs.)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., Rs. 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below Rs. 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

This being Book Built Issue, this section is not applicable for this Issue.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP. No Retail Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Issue for Sale of specified securities). However, in case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable.

7.1 BASIS OF ALLOTMENT

Allotment will be made in consultation with the EMERGE Platform of National Stock Exchange of India Limited (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth hereunder:

(a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category x number of Shares applied for).

(b) The number of Shares to be allocated to the successful Bidders 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 Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:

- Each successful Bidder shall be allotted [●] equity shares; and
- The successful Bidder out of the total bidders for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.

(d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.

(e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the issue specified under the Capital Structure mentioned in this RHP.

(f) The above proportionate allotment of Shares in an Issue that is oversubscribed shall be subject to the reservation for Retail individual Bidders as described below:

i. As per regulation 43 (4) of SEBI (ICDR), as the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

ii. The balance net issue of shares to the public shall be made available for allotment to

- individual bidders other than retails individual investors and
- other investors, including corporate bodies/ institutions irrespective of number of shares applied for.

iii. The unsubscribed portion of the net issue to any one of the categories specified in a) or b) shall/may be made available for allocation to bidders in the other category, if so required.

Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/-.Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with National Stock Exchange of India Limited.

The Executive Director / Managing Director of National Stock Exchange of India Limited- the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. **Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue**.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders who have been Allotted Equity Shares in the Issue.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Bidders Depository Account will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Bidder depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Bid/Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6 Working Days of the Bid/Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Red Herring Prospectus/ Prospectus. The Designated Stock Exchange may be as disclosed in the Red Herring Prospectus/ Prospectus with which the Basis of Allotment may be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Bidders in pursuance of the RHP/Prospectus.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, 2013 and as disclosed in the RHP.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the "stated minimum amount" has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies Act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013).

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

8.3 MODE OF REFUND

Within 6 Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bids and also for any excess amount blocked on Bids.

8.3.1 Mode of making refunds

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Bids or in the event of withdrawal or failure of the Issue.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum /or demat credits are not made to Bidders or instructions for unblocking of funds in the ASBA Account are not dispatched within the 4 Working days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 days from the Bid/Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid.
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allotment/ Allot/ Allotted	Issue and allotment of Equity Shares of our Company pursuant to Issue of the Equity Shares to the successful Applicants
Allottee(s)	Successful Bidders(s) to whom Equity Shares have been allotted/transferred.
Application Supported by Blocked Amount Form/ASBA Form	An application from, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus.
ASBA / Application Supported by Blocked Amount	An application, whether physical or electronic, used by Bidders, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account
ASBA Account	An account maintained with an SCSB and specified in the Bid cum Application Form submitted by Bidders for blocking the Bid Amount mentioned in the Bid cum Application Form
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Ahmedabad
ASBA form	An application form, whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of this Red Herring Prospectus.
Banker(s) to the Issue	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account is opened and in this case being ICICI Bank Limited.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Bidders under the Issue and which is described under chapter titled "*Issue Procedure*" beginning on page 227 of this Red Herring Prospectus.
Bid	An indication to make an offer during the Bid/Issue Period by a Bidder pursuant to submission of the Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in accordance with the Red Herring Prospectus and Bid cum Application Form
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue
Bid cum Application Form	An application form, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Bid/ Issue Opening Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in

Term	Description
	all editions of the English national newspaper Business Standard, all editions of the Hindi national newspaper Business Standard, and Gujarati newspaper Western Times, Gujarati being the regional language of the place where registered office of the Company is situated each with wide circulation, and in case of any revision, the extended Bid/Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Period	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in all editions of the English national newspaper Business Standard, all editions of the Hindi national newspaper Business Standard, and Regional newspaper Western Times, Gujarati newspaper Western Times, Gujarati being the regional language of the place where registered office of the Company is situated each with wide circulation, and in case of any revision, the extended Bid/Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof.
Bidder	Any prospective investor who makes a Bid/Application pursuant to the terms of the RHP/RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicants should be construed to mean an Applicant
Book Building Process	Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Issue is being made
Book Running Lead Managers or BRLM	The book running lead managers to the Issue namely Pantomath capital Advisors Private Limited
Broker Centres	Broker centres notified by the Stock Exchanges, where the Bidders can submit the Bid cum application forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of National Stock Exchange of India Limited.
Business Day	Monday to Saturday (except 2nd & 4th Saturday of a month and public holidays)
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Bidder indicating the Equity Shares which will be Allotted/transferred, after approval of Basis of Allotment by the Designated Stock Exchange.
Cap Price	The higher end of the Price Band, above which the Issue Price will not be finalised and above which no Bids will be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branch/Designated Branch	Such branch of the SCSBs which coordinate Bid cum Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time

Term	Description
Cut-off Price	Issue Price, which shall be any price within the Price Band finalised by our Company in consultation with the BRLM. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the Bidders such as their address, PAN, occupation and bank account details
Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (exc Anchor Investor) and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated CDP Locations	Such centres of the CDPs where Bidders can submit the Bid Cum Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange (www.nseindia.com) and updated from time to time
Designated Date	The date on which the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account or the amount is unblocked in the ASBA Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted to the successful Applicants
Designated Intermediary(ies)	Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the Bidders, in relation to the Issue
Designated RTA Locations	Such centres of the RTAs where Bidder can submit the Bud cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchange (www.nseindia.com) and updated from time to time
Designated Stock Exchange	The designated stock exchange as disclosed in the Draft Red herring prospectus/ Red Herring Prospectus/ Prospectus of the issuer
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Draft Red Herring Prospectus or DRHP	This Draft Red Herring Prospectus dated February 22, 2018 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details, Bidder/Applicant may refer to the DRHP
Equity Shares	Equity Shares of the Issuer
FCNR Account	Foreign Currency Non-Resident Account
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India

Term	Description
First/sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalised and below which no Bids will be accepted
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Issue	The initial public Issue of up to 21,00,000 Equity Shares of face value of Rs.10 each for cash at a price of Rs. [●] each, aggregating up to Rs.[●]
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the DRHP/RHP/Prospectus and Bid cum Application Form
NEFT	National Electronic Fund Transfer
Net Issue	The Issue less reservation portion
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the DRHP/RHP/Prospectus and the Bid cum Application Form
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Resident	A person resident outside India, as defined under FEMA and includes FIIs and FPIs
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the DRHP/RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA

Term	Description
Issue Price	The final price at which Equity Shares will be Allotted in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date in accordance with the Book-Building Process and the Red Herring Prospectus
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price band of a minimum price of Rs. [●] per Equity Share (Floor Price) and the maximum price of Rs. [●] per Equity Share (Cap Price) including revisions thereof. The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and will be advertised at least five Working Days prior to the Bid/ Issue Opening Date, in all editions of the English national newspaper Business Standard, all editions of the Hindi national newspaper Business Standard and Gujarati newspaper Western Times, Gujarati newspaper Western Times, Gujarati being the regional language of the place where registered office of the Company is situated each with wide circulation
Pricing date	The date on which our Company in consultation with the BRLM, will finalise the Issue Price
Prospectus	The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 32 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price, the size of the Issue and certain other information
Public Issue Account	Account opened with the Banker to the Issue i.e. ICICI Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the bidders on the Designated Date.
Qualified Institutional Buyers or QIBs	Qualified Institutional Buyers as defined under Regulation 2(1) (zd) of the SEBI (ICDR) Regulations, 2009.
Red Herring Prospectus or RHP	This red herring prospectus dated April 2, 2018 issued by our Company in accordance with Section 32 of the Companies Act and the SEBI ICDR Regulations, which does not contain, inter-alia, complete particulars of the price at which the Equity Shares would be issued. This Red Herring Prospectus has been registered with the RoC at least three days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to Bidders) shall be made.
Refund Bank(s) / Refund Banker(s)	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being ICICI Bank Limited
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on http://www.nseindia.com/membership/dynaContent/find_a_broker.htm

Term	Description
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Bigshare Services Private Limited having registered office at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bid cum Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Reservation Portion	The portion of the issue reserved for category of eligible Bidders as provided under the SEBI (ICDR)Regulations, 2009
Reserved Category / Categories	Categories of persons eligible for making Bids under reservation portion.
Revision Form	Form used by the Bidders, to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
RTGS	Real Time Gross Settlement
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Bids/Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised Intermediaries or at such other website as may be prescribed by SEBI from time to time
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
Stock Exchanges / SE	The stock exchanges as disclosed in the DRHP/RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate Agreement	Agreement dated February 16, 2018 entered into amongst the BRLM, the Syndicate Members, our Company in relation to the procurement of Bid cum Application Forms by Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, Pantomath Stock Brokers Private Limited
Syndicate or Members of the Syndicate	The BRLM and the Syndicate Members
Underwriter	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The agreement dated February 16, 2018 entered into between the Underwriter and our Company

Term	Description
Working Day	1. Till Application / Issue closing date: All days other than a Saturday Sunday or a public holiday 2. Post Application / Issue closing date and till the Listing of Equity Shares: All trading days, of stock exchanges excluding Sundays and public holidays, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 India

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 **("FEMA")**. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("**RBI**") and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India **("DIPP")**.

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment **("FDI")** through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India **("DIPP"),** has issued consolidated FDI Policy Circular of 2017**("FDI Policy 2017")**, which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India **("RBI")** also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectorial caps, entry routes and other sectorial regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted in our company under automatic route.

In case of investment in sectors through Government Route approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained by the Company.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include: (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that: a) the requisite approval of the Government has been obtained; and b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.; (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence with the pricing guidelines and documentation requirements as specified by Reserve Bank of India from time to time.; (iii)where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectorial caps, conditionalites (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 sectorial caps, conditionalites (such as minimum capitalization, pricing,

etc.), reporting requirements, documentation etc., are complied with. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectorial 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 (sectorial cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, , FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectorial/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectorial 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 sectorial conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectorial/statutory cap.

i. Investment by FPIs under Portfolio Investment Scheme (PIS):

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10 % of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24 % of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectorial cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

ii. Investment by NRI or OCI on repatriation basis:

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognized stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 i.e.:

- The total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10 percent may be

raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

iii. Investment by NRI or OCI on non-repatriation basis

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 20003/71/EC, together with any amendments) and implementing measures thereto, (the "Prospectus Directive") has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorized. 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 Red Herring 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 Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

SECTION VIII- MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013
(COMPANY LIMITED BY SHARES)
ARTICLES OF ASSOCIATION
OF
MAHICKRA CHEMICALS LIMITED

Sr. No	Particulars	
1.	No regulation contained in Table "F" in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	**Table F Applicable.**
	Interpretation Clause	
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	**Act**
	(b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	**Articles**
	(c) "Auditors" means and includes those persons appointed as such for the time being of the Company.	**Auditors**
	(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	**Capital**
	(e) *****"The Company" shall mean MAHICKRA CHEMICALS LIMITED	
	(f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	**Executor or Administrator**
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	**Legal Representative**
	(h) Words importing the masculine gender also include the feminine gender.	**Gender**
	(i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	**In Writing and Written**

Sr. No	Particulars	
	(j) The marginal notes hereto shall not affect the construction thereof.	**Marginal notes**
	(k) "Meeting" or "General Meeting" means a meeting of members.	**Meeting or General Meeting**
	(l) "Month" means a calendar month.	**Month**
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	**Annual General Meeting**
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	**Extra-Ordinary General Meeting**
	(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.	**National Holiday**
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	**Non-retiring Directors**
	(q) "Office" means the registered Office for the time being of the Company.	**Office**
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	**Ordinary and Special Resolution**
	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	**Person**
	(t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	**Proxy**
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.	**Register of Members**
	(v) "Seal" means the common seal for the time being of the Company.	**Seal**
	(w) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	**Singular number**
	(x) "The Statutes" means the Companies Act, 2013and every other Act for the time being in force affecting the Company.	**Statutes**
	(y) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	**These presents**
	(z) "Variation" shall include abrogation; and "vary" shall include abrogate.	**Variation**
	(aa) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	**Year and Financial Year**
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	**Expressions in the Act to bear the same meaning in Articles**
	CAPITAL	

Sr. No	Particulars	
3.	The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	**Authorized Capital.**
4.	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64of the Act.	**Increase of capital by the Company how carried into effect**
5.	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	**New Capital same as existing capital**
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	**Non-Voting Shares**
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	**Redeemable Preference Shares**
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	**Voting rights of preference shares**
9.	On the issue of redeemable preference shares under the provisions of Article 7 hereof , the following provisions- shall take effect: (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption; (b) No such Shares shall be redeemed unless they are fully paid;	**Provisions to apply on issue of Redeemable Preference Shares**

Sr. No	Particulars	
	(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed; (d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and (e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital	
10.	The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce (a) the share capital; (b) any capital redemption reserve account; or (c) any security premium account In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.	**Reduction of capital**
11.	Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.	**Debentures**
12.	The Company may exercise the powers of issuing sweat equity shares conferred by Section 54of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.	**Issue of Sweat Equity Shares**
13.	The Company may issue shares to Employees including its Directors other than independent directors and such other	**ESOP**

Sr. No	Particulars	
	persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.	
14.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	**Buy Back of shares**
15.	Subject to the provisions of Section 61of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.	**Consolidation, Sub-Division And Cancellation**
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	**Issue of Depository Receipts**
17.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	**Issue of Securities**
	MODIFICATION OF CLASS RIGHTS	
18.	(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting. Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.	**Modification of rights**
	(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected,	**New Issue of Shares not to affect rights attached to existing shares of that class.**

Sr. No	Particulars	
	abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.	
19.	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the 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.	**Shares at the disposal of the Directors.**
20.	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	**Power to issue shares on preferential basis.**
21.	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	**Shares should be Numbered progressively and no share to be subdivided.**
22.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	**Acceptance of Shares.**
23.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	**Directors may allot shares as full paid-up**
24.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any	**Deposit and call etc. to be a debt payable immediately.**

Sr. No	Particulars	
	shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	
25.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	**Liability of Members.**
26.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	**Registration of Shares.**
	RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT	
27.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections39of the Act	
	CERTIFICATES	
28.	(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the	**Share Certificates.**

Sr. No	Particulars	
	Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue. (b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act. (c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.	
29.	If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to debentures of the Company.	**Issue of new certificates in place of those defaced, lost or destroyed.**
30.	(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any	**The first named joint holder deemed Sole holder.**

Sr. No	Particulars	
	other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.	
	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.	**Maximum number of joint holders.**
31.	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.	**Company not bound to recognise any interest in share other than that of registered holders.**
32.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by instalment, every such instalment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	**Instalment on shares to be duly paid.**
	UNDERWRITING AND BROKERAGE	
33.	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	**Commission**
34.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	**Brokerage**
	CALLS	
35.	(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by instalments.	**Directors may make calls**

Sr. No	Particulars	
36.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	**Notice of Calls**
37.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.	**Calls to date from resolution.**
38.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	**Calls on uniform basis.**
39.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	**Directors may extend time.**
40.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	**Calls to carry interest.**
41.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or instalment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or instalment accordingly.	**Sums deemed to be calls.**
42.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of	**Proof on trial of suit for money due on shares.**

Sr. No	Particulars	
	Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	
43.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	**Judgment, decree, partial payment motto proceed for forfeiture.**
44.	(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits. (b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.	**Payments in Anticipation of calls may carry interest**
	LIEN	
45.	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare	**Company to have Lien on shares.**

Sr. No	Particulars	
	any shares/debentures wholly or in part to be exempt from the provisions of this clause.	
46.	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfilment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.	**As to enforcing lien by sale.**
47.	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.	**Application of proceeds of sale.**
	FORFEITURE AND SURRENDER OF SHARES	
48.	If any Member fails to pay the whole or any part of any call or instalment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or instalment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or instalment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or instalment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.	**If call or instalment not paid, notice maybe given.**
49.	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or instalment and such interest thereon as	**Terms of notice.**

Sr. No	Particulars	
	the Directors shall determine from the day on which such call or instalment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.	
50.	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or instalments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.	**On default of payment, shares to be forfeited.**
51.	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.	**Notice of forfeiture to a Member**
52.	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.	**Forfeited shares to be property of the Company and maybe sold etc.**
53.	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	**Members still liable to pay money owing at time of forfeiture and interest.**
54.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	**Effect of forfeiture.**
55.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	**Evidence of Forfeiture.**
56.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of	**Title of purchaser and allottee of Forfeited shares.**

Sr. No	Particulars	
	the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	
57.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	**Cancellation of share certificate in respect of forfeited shares.**
58.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	**Forfeiture may be remitted.**
59.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	**Validity of sale**
60.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	**Surrender of shares.**
	TRANSFER AND TRANSMISSION OF SHARES	
61.	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	**Execution of the instrument of shares.**
62.	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.	**Transfer Form.**

Sr. No	Particulars	
	The instrument of transfer shall be in a common form approved by the Exchange;	
63.	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.	**Transfer not to be registered except on production of instrument of transfer.**
64.	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— (a) any transfer of shares on which the company has a lien. That registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;	**Directors may refuse to register transfer.**
65.	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.	**Notice of refusal to be given to transferor and transferee.**
66.	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	**No fee on transfer.**
67.	The Board of Directors shall have power on giving not less than seven days pervious notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not	**Closure of Register of Members or debenture holder or other security holders.**

Sr. No	Particulars	
	exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	
68.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	**Custody of transfer Deeds.**
69.	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	**Application for transfer of partly paid shares.**
70.	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	**Notice to transferee.**
71.	(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares. (b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate (c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.	**Recognition of legal representative.**
72.	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such	**Titles of Shares of deceased Member**

Sr. No	Particulars	
	Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72of the Companies Act.	
73.	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.	**Notice of application when to be given**
74.	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.	**Registration of persons entitled to share otherwise than by transfer. (transmission clause).**
75.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	**Refusal to register nominee.**
76.	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	**Board may require evidence of transmission.**
77.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having	**Company not liable for disregard of a notice prohibiting registration of transfer.**

Sr. No	Particulars	
	or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	
78.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	**Form of transfer Outside India.**
79.	No transfer shall be made to any minor, insolvent or person of unsound mind.	**No transfer to insolvent etc.**
	NOMINATION	
80.	i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013shall apply in respect of such nomination. ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination. iv) lf the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.	**Nomination**
81.	A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either- (i) to be registered himself as holder of the security, as the case may be; or (ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made; (iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be	**Transmission of Securities by nominee**

Sr. No	Particulars	
	accompanied with the death certificate of the deceased security holder as the case may be; (iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company. Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.	
	DEMATERIALISATION OF SHARES	
82.	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.	**Dematerialisation of Securities**
	JOINT HOLDER	
83.	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	**Joint Holders**
84.	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	**Joint and several liabilities for all payments in respect of shares.**
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	**Title of survivors.**
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	**Receipts of one sufficient.**
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.	**Delivery of certificate and giving of notices to first named holders.**
	SHARE WARRANTS	
85.	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the	**Power to issue share warrants**

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	persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.	
86.	(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant. (b) Not more than one person shall be recognized as depositor of the Share warrant. (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.	**Deposit of share warrants**
87.	(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.	**Privileges and disabilities of the holders of share warrant**
88.	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	**Issue of new share warrant coupons**
	CONVERSION OF SHARES INTO STOCK	
89.	The Company may, by ordinary resolution in General Meeting. a) convert any fully paid-up shares into stock; and b) re-convert any stock into fully paid-up shares of any denomination.	**Conversion of shares into stock or reconversion.**
90.	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.	**Transfer of stock.**

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91.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.	**Rights of stock holders.**
92.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.	**Regulations.**
	BORROWING POWERS	
93.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overs, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.	**Power to borrow.**
94.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	**Issue of discount etc. or with special privileges.**
95.	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other	**Securing payment or repayment of Moneys borrowed.**

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	securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	
96.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	**Bonds, Debentures etc. to be under the control of the Directors.**
97.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	**Mortgage of uncalled Capital.**
98.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surely for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	**Indemnity may be given.**
	MEETINGS OF MEMBERS	
99.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	**Distinction between AGM & EGM.**
100.	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	**Extra-Ordinary General Meeting by Board and by requisition**
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	**When a Director or any two Members may call an Extra Ordinary General Meeting**

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101.	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	**Meeting not to transact business not mentioned in notice.**
102.	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	**Chairman of General Meeting**
103.	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	**Business confined to election of Chairman whilst chair is vacant.**
104.	a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	**Chairman with consent may adjourn meeting.**
105.	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	**Chairman's casting vote.**
106.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	**In what case poll taken without adjournment.**
107.	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	**Demand for poll not to prevent transaction of other business.**
	VOTES OF MEMBERS	
108.	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in	**Members in arrears not to vote.**

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	regard to which the Company has exercised, any right or lien.	
109.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	**Number of votes each member entitled.**
110.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	**Casting of votes by a member entitled to more than one vote.**
111.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	**Vote of member of unsound mind and of minor**
112.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	**Postal Ballot**
113.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	**E-Voting**
114.	a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.	**Votes of joint members.**

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	b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	
115.	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles	**Votes may be given by proxy or by representative**
116.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.	**Representation of a body corporate.**
117.	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	**Members paying money in advance.**
	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	**Members not prohibited if share not held for any specified period.**
118.	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	**Votes in respect of shares of deceased or insolvent members.**
119.	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	**No votes by proxy on show of hands.**
120.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed	**Appointment of a Proxy.**

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	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.	
121.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	**Form of proxy.**
122.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	**Validity of votes given by proxy notwithstanding death of a member.**
123.	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.	**Time for objections to votes.**
124.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	**Chairperson of the Meeting to be the judge of validity of any vote.**
	DIRECTORS	
125.	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution	**Number of Directors**
126.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	**Qualification Shares.**
127.	(a) Subject to the provisions of the Companies Act, 2013and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement (b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled. (c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such	**Nominee Directors.**

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	nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board. (d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.	
128.	The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	**Appointment of alternate Director.**
129.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.	**Additional Director**
130.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.	**Director's power to fill casual vacancies.**
131.	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.	**Sitting Fees.**
132.	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	**Travelling expenses Incurred by Director on Company's business.**
	PROCEEDING OF THE BOARD OF DIRECTORS	

Sr. No	Particulars	
133.	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	**Meetings of Directors.**
134.	a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting. b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.	**Chairperson**
135.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	**Questions at Board meeting how decided.**
136.	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.	**Continuing directors may act notwithstanding any vacancy in the Board**
137.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	**Directors may appoint committee.**
138.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	**Committee Meeting show to be governed.**
139.	a) A committee may elect a Chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members	**Chairperson of Committee Meetings**

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	present may choose one of their members to be Chairperson of the meeting.	
140.	a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	**Meetings of the Committee**
141.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	**Acts of Board or Committee shall be valid notwithstanding defect in appointment.**
	RETIREMENT AND ROTATION OF DIRECTORS	
142.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	**Power to fill casual vacancy**
	POWERS OF THE BOARD	
143.	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	**Powers of the Board**
144.	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	**Certain powers of the Board**
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	**To acquire any property , rights etc.**

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	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	**To take on Lease.**
	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	**To erect & construct.**
	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.	**To pay for property.**
	(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	**To insure properties of the Company.**
	(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	**To open Bank accounts.**
	(7) To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	**To secure contracts by way of mortgage.**
	(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any	**To accept surrender of shares.**

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	part thereof, on such terms and conditions as shall be agreed upon.	
	(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	**To appoint trustees for the Company.**
	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	**To conduct legal proceedings.**
	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.	**Bankruptcy & Insolvency**
	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	**To issue receipts &give discharge.**
	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	**To invest and deal with money of the Company.**
	(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	**To give Security byway of indemnity.**
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	**To determine signing powers.**
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such	**Commission or share in profits.**

Sr. No	Particulars	
	commission or share of profits shall be treated as part of the working expenses of the Company.	
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	**Bonus etc. to employees.**
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depredation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.	**Transfer to Reserve Funds.**
	(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for	**To appoint and remove officers and other employees.**

Sr. No	Particulars	
	the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.	
	(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.	**To appoint Attorneys.**
	(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.	**To enter into contracts.**
	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.	**To make rules.**
	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	**To effect contracts etc.**
	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to	**To apply & obtain concessions licenses etc.**

Sr. No	Particulars	
	oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	
	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40of the Act and of the provisions contained in these presents.	**To pay commissions or interest.**
	(26) To redeem preference shares.	**To redeem preference shares.**
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	**To assist charitable or benevolent institutions.**
	(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	
	(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.	
	(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how. (32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.	

Sr. No	Particulars	
	(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient. (34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate. (35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested. (36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit. (37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid. (38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.	
	MANAGING AND WHOLE-TIME DIRECTORS	
145.	a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.	**Powers to appoint Managing/Whole time Directors.**

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	b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.	
146.	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.	**Remuneration of Managing or Whole time Director.**
147.	(1) Subject to control, direction and supervision of the Board of Directors, the day-today management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board. (2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers. (3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Whole time Director or Whole time Directors of the Company and may exercise all the powers referred to in these Articles. (4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit. (5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally	**Powers and duties of Managing Director or Whole-time Director.**

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	to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.	
	Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer	
148.	a) Subject to the provisions of the Act,— i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. **b)** A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.	**Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer**
	THE SEAL	
149.	(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given. (b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.	**The seal, its custody and use.**
150.	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.	**Deeds how executed.**
	Dividend and Reserves	
151.	(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as	**Division of profits.**

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	nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares. (2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. (3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.	
152.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	**The company in General Meeting may declare Dividends.**
153.	a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit. b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	**Transfer to reserves**
154.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	**Interim Dividend.**
155.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	**Debts may be deducted.**
156.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	**Capital paid up in advance not to earn dividend.**
157.	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	**Dividends in proportion to amount paid-up.**

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158.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	**Retention of dividends until completion of transfer under Articles.**
159.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	**No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.**
160.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	**Effect of transfer of shares.**
161.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	**Dividend to joint holders.**
162.	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	**Dividends how remitted.**
163.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	**Notice of dividend.**
164.	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	**No interest on Dividends.**
	CAPITALIZATION	
165.	(1) The Company in General Meeting may, upon the recommendation of the Board, resolve: (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. (2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:	**Capitalization.**

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	(i) paying up any amounts for the time being unpaid on any shares held by such members respectively; (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii). (3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares. (4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.	
166.	(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall — (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and (b) generally to do all acts and things required to give effect thereto. (2) The Board shall have full power - (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares. (3) Any agreement made under such authority shall be effective and binding on all such members. (4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.	**Fractional Certificates.**
167.	(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently	**Inspection of Minutes Books of General Meetings.**

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	with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges. (2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.	
168.	a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors. b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.	**Inspection of Accounts**
	FOREIGN REGISTER	
169.	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	**Foreign Register.**
	DOCUMENTS AND SERVICE OF NOTICES	
170.	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.	**Signing of documents & notices to be served or given.**
171.	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.	**Authentication of documents and proceedings.**
	WINDING UP	
172.	Subject to the provisions of Chapter XX of the Act and rules made thereunder— (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not. (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers	

Sr. No	Particulars	
	necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.	
	INDEMNITY	
173.	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.	**Directors' and others right to indemnity.**
174.	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.	**Not responsible for acts of others**
	SECRECY	
175.	(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by	**Secrecy**

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	such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.	
	(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.	**Access to property information etc.**

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Red Herring Prospectus which are, or may be deemed material, have been entered or to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus to be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Plot No. 1209, Phase-3, GIDC Vatva, Ahmedabad, Gujarat- 382445, India from date of filing the Red Herring Prospectus with RoC to Bid Closing Date on working days from 10.00 a.m. to 5.00 p.m.

Material Contracts

1. Issue Agreement dated February 16, 2018 between our Company and the BRLM.
2. Registrar Agreement dated February 16, 2018 between our Company and Bigshare Services Private Limited, Registrar to the Issue.
3. Underwriting Agreement dated February 16, 2018 between our Company and Underwriter viz. BRLM
4. Market Making Agreement dated February 16, 2018 between our Company, Market Maker and the BRLM.
5. Bankers to the Issue Agreement dated February 16, 2018 our Company, the BRLM, Banker(s) to the Issue and the Registrar to the Issue.
6. Syndicate Agreement dated February 16, 2018 our Company, the BRLM and Syndicate Member viz. Pantomath Stock Brokers Private Limited
7. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated December 13, 2017
8. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated December 29, 2017

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 January 05, 2018 in relation to the Issue and other related matters.
3. Special resolution of the Shareholders' passed at the Extra-ordinary General meeting dated January 30, 2018 authorizing the Issue.
4. Statement of Tax Benefits dated February 15, 2018 issued by our Peer Reviewed Auditor, Piyush J. Shah & Co., Chartered Accountants.
5. Report of the Peer Reviewed Auditor, Piyush J. Shah & Co, Chartered Accountants, and dated February 15, 2018 on the Restated Financial Statements for the period ended December 31, 2017 and November 12, 2017 and financial years ended as on March 31, 2017, 2016, 2015, 2014 & 2013 of our Company.
6. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer Reviewed Auditors, Banker to the Company, Legal Advisor to the Issue, the Book Running Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Bankers to the Issue, Refund Banker to the Issue and Syndicate Member to the Issue to act in their respective capacities.
7. Copy of In Principle approval from EMERGE Platform of National Stock Exchange of India Limited *vide* letter dated March 19, 2018, to use the name of National Stock Exchange of India Limited in

this Issue document for listing of Equity Shares on EMERGE Platform of National Stock Exchange of India Limited.

None of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes

DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, as the case may be, have been complied with and no statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Red Herring Prospectus are true and correct.

Signed by all the Directors, Chief Financial Officer and Company Secretary and Compliance Officer of our Company's

Name and designation	Signature
Miteshkumar Champaklal Gandhi *Managing Director* *DIN:02142361*	Sd/-
Ashishkumar Champaklal Gandhi *Whole time Director* *DIN: 02142344*	Sd/-
Komal Mitesh Gandhi *Whole Time Director* *DIN: 02137805*	Sd/-
Vrusha Patel *Independent Director* *DIN: 07772669*	Sd/-
Akhil Sarabhai Shah *Independent Director* *DIN: 08026138*	Sd/-
Dhanik Jayeshkumar Mehta *Independent Director* *DIN: 08028156*	Sd/-

Signed by Chief Financial Officer and Company Secretary and Compliance Officer of the Company

Sd/-

Kinjalben Piyushkumar Vaghasiya
Chief Financial Officer

Sd/-

Himali Maheshbhai Thakkar
Company Secretary & Compliance Officer

Place: Ahmedabad
Date: April 02, 2018

Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED

Sr. No	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	One Point One Solutions Limited	44.38	67.00	December 26, 2017	80.40	25.37%(5.27%)	0.45%(-3.81%)	Not Applicable
2.	Astron Paper & Board Mill Limited	69.83	50.00	December 29, 2017	115.00	180.90%(6.54%)	115.50% (-3.20%)	Not Applicable
3.	Shree Ram Proteins Limited	19.90	31.00	February 05, 2018	28.95	-0.32% (-3.91%)	Not Applicable	Not Applicable
4.	Gujarat Hy – Spin Limited	4.45	10.00	February 08, 2018	10.35	-1.90% (-3.21%)	Not Applicable	Not Applicable
5.	Focus Suites Solutions & Services Limited	6.50	18.00	February 09, 2018	21.60	77.78% (-0.26%)	Not Applicable	Not Applicable
6.	A and M Jumbo Bags Limited	4.00	65.00	February 12, 2018	70.50	0.85% (-1.07%)	Not Applicable	Not Applicable
7.	Sintercom India Limited	42.55	65.00	February 15, 2018	78.00	15.00% (-3.32%)	Not Applicable	Not Applicable
8.	Mohini Health & Hygiene Limited	20.71	42.00	February 16, 2018	50.40	61.90%(-3.43%)	Not Applicable	Not Applicable
9.	South West Pinnacle Exploration Limited	35.85	78.00	February 19, 2018	93.60	3.72% (-2.45%)	Not Applicable	Not Applicable
10.	Macpower CNC Machines Limited	36.61	140.00	March 22, 2018	149.00	Not Applicable	Not Applicable	Not Applicable

Note:

Benara Bearings and Pistons Limited has filed its Prospectus with the Registrar of Companies and is in the process of listing.

S.S. Infrastructure Development Consultants Limited has registered its Red Herring Prospectus with Registrar of Companies for Initial Public Offer.

Soni Soya Products Limited and Vera Synthetic Limited have registered their Prospectus with the Registrar of Companies for Initial Public Offer.

Sources: All share price data is from www.bseindia.com and www.nseindia.com

Note:-

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered
4. In case 30th/90th/180th days, scrips are not traded then last trading price has been considered.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by the lead manager are provided.

SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO	Total funds raised (Rs. Cr)	Nos of IPOs trading at discount on 30th Calendar day from listing date			Nos of IPOs trading at premium on 30th Calendar day from listing date			Nos of IPOs trading at discount on 180th Calendar day from listing date			Nos of IPOs trading at premium on 180th Calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
15-16	***9	54.01	-	-	1	3	2	3	-	1	1	4	3	-
16-17	****24$	204.56	-	-	5	5	3	8	-	1	5	10	1	6
17-18	*****30$$	610.90	-	-	4	9	7	9	-	1	1	7	-	2

***The scripts of Filtra Consultants and Engineers Limited, Ambition Mica Limited, Jiya Eco Products Limited, M.D. Inducto Cast Limited, Majestic Research Services and Solutions Limited, Mangalam Seeds Limited, Sri Krishna Constructions (India) Limited, Patdiam Jewellery Limited and Vidli Restaurants Limited were listed on April 15, 2015, July 14, 2015, July 16, 2015, July 16, 2015, July 16, 2 015, August 12, 2015, October 01, 2015, October 16, 2015 and February 15, 2016 respectively.

****The scripts Ruby Cables Limited, Sysco Industries Limited, Lancer Containers Lines Limited, Yash Chemex Limited, Titaanium Ten Enterprise Limited, Commercial Syn Bags Limited, Shiva Granito Export Limited, Sprayking Agro Equipment Limited, Narayani Steels Limited, Nandani Creation Limited, DRA Consultant Limited, Gretex Industries Limited, Sakar Health Care Limited, Bindal Exports Limited, Mewar Hi-Tech Engineering Limited, Shashijit Infraprojects Limited, Agro Phos (India) Limited, Majestic Research Services and Solutions Limited, Maheshwari Logistics Limited, Madhav Copper Limited, Chemcrux Enterprises Limited, Manomay Tex India Limited, Oceanic Foods Limited and Euro India Fresh Foods Limited were listed on April 13, 2016, April 13, 2016, April 13, 2016, June 20, 2016, July 14, 2016, July 14, 2016, September 06, 2016, September 14, 2016, September 14, 2016, October 10, 2016, October 13, 2016, October 14, 2016, October 14, 2016, October 17, 2016, October 17, 2016, October 17, 2016, November 16, 2016 December 14, 2016, January 16, 2017, February 06, 2017, March 28, 2017, March 28, 2017, March 31, 2017 and March 31, 2017 respectively.

*****The scripts Bohra Industries Limited, Creative Peripherals and Distribution Limited, Panache Digilife Limited, Zota Health Care Limited, Gautam Exim Limited, Bansal Multiflex Limited, Shrenik Limited, Jigar Cables Limited, Vaishali Pharma Limited, Lexus Granito (India) Limited, Worth Peripherals Limited, R M Drip and Sprinklers Systems Limited, Shree Tirupati Balajee FIBC Limited, Innovative Tyres and Tubes Limited, Poojawestern Metaliks Limited, Airo Lam Limited, Goldstar Power Limited, IRIS Business Services Limited, Tirupati Forge Limited, Beta Drugs Limited, One Point One Solutions Limited, Astron Paper & Board Mill Limited, Shree Ram Proteins Limited and Gujarat Hy – Spin Limited, Focus Suites Solutions & Services Limited, A and M Jumbo Bags Limited, Sintercom India Limited, Mohini Health & Hygiene Limited, South West Pinnacle Exploration Limited and Macpower CNC Machines Limited were listed on April 05, 2017, April 12, 2017, April 25, 2017, May 10, 2017 July 11, 2017, July 12, 2017, July 18, 2017, July 28, 2017, August 22, 2017, August 23,

2017, September 27, 2017, October 04, 2017, October 05, 2017, October 05, 2017, October 05, 2017, October 06, 2017, October 10, 2017, October 11, 2017, October 12, 2017, October 12, 2017, December 26, 2017, December 29, 2017, February 05, 2018, February 08, 2018, February 09, 2018, February 12, 2018, February 15, 2018, February 16, 2018, February 19, 2018 and March 22, 2018 respectively.

$. As on 30th trading day the closing price of the scripts Ruby Cables Limited and Shashijit Infraprojects Limited were at par with the issue price. Hence, they are not considered for counting the number of IPOs trading at discount and premium.

$$ The scripts of R M Drip and Sprinklers Systems Limited, Shree Tirupati Balajee FIBC Limited, Innovative Tyres and Tubes Limited, Poojawestern Metaliks Limited, Airo Lam Limited, Goldstar Power Limited, IRIS Business Services Limited, Tirupati Forge Limited, Beta Drugs Limited, Ambition Mica Limited, One Point One Solutions Limited, Astron Paper & Board Mill Limited, Shree Ram Proteins Limited, Gujarat Hy – Spin Limited, Focus Suites Solutions & Services Limited, A and M Jumbo Bags Limited, Sintercom India Limited, Mohini Health & Hygiene Limited, South West Pinnacle Exploration Limited and Macpower CNC Machines Limited have not completed 180 Days, 180Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days,180 days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days and 30 Days respectively from the date of listing.

Note: *Majestic Research Services and Solutions Limited and Ambition Mica Limited are Further Public Offerings lead managed by Pantomath Capital Advisors Private Limited in the Financial Years 2016-17 and 2017-18 respectively and the same have not been included in the above mentioned Summary Statement of Disclosure as the disclosure is limited to IPOs only.*