Prospectus
Dated: August 18, 2018
Please read Section 26 of Companies Act, 2013
100% Fixed Price Issue

MARSHALL MACHINES LIMITED

Our Company was incorporated as V.B. Spinning Mills Private Limited under the provisions of the Companies Act, 1956 vide certificate of incorporation dated May 23, 1994 issued by the Registrar of Companies, Punjab, H.P. & Chandigarh. Subsequently, a fresh certificate of incorporation dated January 02, 2002 was issued by Registrar of Companies, Punjab, H.P. & Chandigarh, pursuant to change of name of our Company from V.B. Spinning Mills Private Limited to Marshall Machines Private Limited. The name of the company was changed to Marshall Machines Limited pursuant to conversion into a public company vide shareholder's approval dated April 24, 2018 and fresh certificate of incorporation dated May 17, 2018 issued by Registrar of Companies, Chandigarh. The Corporate Identification Number of Our Company is**:** U29299PB1994PLC014605. For further details please refer to chapter titled 'Our History and Certain Other Corporate Matters' beginning on page 146 of this Prospectus.

Registered Office C-86, Phase - V, Focal Point, Ludhiana 141010, Punjab, India
Tel No: +91 161 5012406/2407/9648**; Fax:** +91 161 5012408; **E-mail:** gaurav.sarup@marshallcnc.com; **Website:** www.marshallcnc.com
Contact Person: Mr. Gaurav Sarup, Managing Director and Mr. Sumit Malhotra, Company Secretary and Compliance Officer
Promoters of our Company: Mr. Gaurav Sarup and Mr. Prashant Sarup

THE ISSUE

PUBLIC ISSUE OF 38,70,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FULLY PAID UP OF MARSHALL MACHINES LIMITED ("MARSHALL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. 42/- PER EQUITY SHARE (THE "ISSUE PRICE") (INCLUDING A SHARE PREMIUM OF RS. 32/- PER EQUITY SHARE AGGREGATING RS. 1,625.40 LAKHS (THE "ISSUE") BY OUR COMPANY, OF WHICH 1,98,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FULLY PAID UP 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. ISSUE OF 36,72,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FULLY PAID UP IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.60% AND 25.24% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10/- EACH.
THE ISSUE PRICE IS RS. 42/- PER EQUITY SHARE. THE ISSUE PRICE IS 4.20 TIMES THE FACE VALUE.

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 265 of this Prospectus. A copy has been delivered for registration to the Registrar as required under Section 26 of the Companies Act, 2013.

THIS ISSUE IS BEING IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 (AS AMENDED FROM TIME TO TIME) ("SEBI (ICDR) REGULATIONS").

For further details please refer to "Section VII - Issue Information" beginning on page 259 *of this Prospectus.*

RISK IN RELATION TO THE FIRST ISSUE

This being the first issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is Rs. 10/- and the Issue Price is 4.20 times of the face value. The Issue Price (as determined and justified by the Company and the Lead Manager as stated under chapter titled "Basis for Issue Price" beginning on page 98 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of our Company or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" on page 20 of this Prospectus.

COMPANY'S ABSOLUTE RESPONSIBILITY

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

LISTING

The Equity Shares offered through this Prospectus are proposed to be listed on the NSE Emerge Platform. Our Company has received an In-Principle approval letter dated August 17, 2018 from National Stock Exchange of India Limited ("NSE") for using its name in this offer document for listing of our Equity Shares on the NSE Emerge Platform. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited.

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
SARTHI CAPITAL ADVISORS PRIVATE LIMITED Unit No. 411, Fourth Floor, Pratap Bhavan, 5 Bahadur Shah Zafar Marg, New Delhi- 110002 **Tel:** +91 011 23739425-27 **Fax:** +91 011 23739424 **Investor Grievance Email:** ipo@sarthiwm.in **Website:** www.sarthi.in **Contact Person:** Mr. Anand Lakhotia **SEBI Registration No.:** INM000012011	**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 **E-mail:** ipo@bigshareonline.com **Website:** www.bigshareonline.com **Contact Person:** Mr. Ashok Shetty **SEBI Registration No.:** INR000001385

ISSUE PROGRAMME	
ISSUE OPENS ON: AUGUST 28, 2018	**ISSUE CLOSES ON: AUGUST 30, 2018**

CONTENTS

SECTION I – GENERAL	**3**
DEFINITIONS AND ABBREVIATIONS	3
PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA	17
FORWARD - LOOKING STATEMENTS	19
SECTION II - RISK FACTORS	**20**
SECTION III – INTRODUCTION	**44**
SUMMARY OF OUR INDUSTRY	44
SUMMARY OF OUR BUSINESS	47
SUMMARY OF FINANCIAL STATEMENTS	50
THE ISSUE	53
GENERAL INFORMATION	54
CAPITAL STRUCTURE	62
OBJECTS OF THE ISSUE	91
BASIS FOR ISSUE PRICE	98
STATEMENT OF TAX BENEFITS	100
SECTION IV – ABOUT THE COMPANY	**102**
OUR INDUSTRY	102
OUR BUSINESS	110
KEY INDUSTRY REGULATION AND POLICIES	140
OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS	146
OUR MANAGEMENT	154
OUR PROMOTERS AND PROMOTER GROUP	170
OUR GROUP ENTITIES	174
RELATED PARTY TRANSACTIONS	178
DIVIDEND POLICY	179
SECTION V – FINANCIAL INFORMATION	**180**
FINANCIAL STATEMENT, AS RESTATED	180
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	217
FINANCIAL INDEBTEDNESS	230
SECTION VI – LEGAL AND OTHER INFORMATION	**234**
OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS	234
GOVERNMENT AND OTHER STATUTORY APPROVALS	240
OTHER REGULATORY AND STATUTORY DISCLOSURES	248
SECTION VII – ISSUE INFORMATION	**259**
TERMS OF THE ISSUE	259
ISSUE STRUCTURE	263
ISSUE PROCEDURE	265
RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES	285
SECTION VIII – MAIN PROVISION OF ARTICLES OF ASSOCIATION	**286**
SECTION IX – OTHER INFORMATION	**306**
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	306
DECLARATION	308

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

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

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

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

Company Related Terms

Term	Description
Articles or Articles of Association or AOA	The Articles of Association of our Company, as amended from time to time
"Marshall Machines Limited", or "Marshall", or "the Company", or "our Company" or "we", "us", or "our" and the "Issuer Company".	Marshall Machines Limited, a public limited company incorporated under the provisions of the Companies Act, 1956.
Auditor or Statutory Auditor	The Auditor of the Company being M/s S. Sood & Co., Chartered Accountants, having their head office at Office No. 2, 7th Floor, 108, Surya Kiran Building, The Mall, Ludhiana - 141001
Banker to our Company	Axis Bank Limited
"Board" or "Board of Directors" or "our Board"	The Board of Directors of our Company, as duly constituted from time to time, or committee(s) thereof.
Company Secretary and Compliance Officer	Mr. Sumit Malhotra
CNC	Computer numerical control (CNC) is the automation of machine tools by means of computers executing pre-programmed sequences of machine control commands. It is a process that uses computers to control tools to create different types of products. Common machine tools used with CNC machining include mills, routers, grinders, and lathes. These machines require specialized software and consoles for operation. Before the machining process is performed, a custom computer program is created to design the object that needs to be machined. Once a program is installed, the CNC machine is able to carve out the product from the material to exact specifications repeatedly in unlimited quantities. CNC machines can be used to create metal as well as plastic components.
Director(s)	The Director(s) of our Company, unless otherwise specified
Equity Shares	Equity Shares of our Company of face value of Rs.10/- each
Equity Shareholders	Persons holding equity shares of our Company

Group Companies	Companies which are covered under the applicable accounting standards and other companies as considered material by our Board, and disclosed in the chapter titled "Our Group Entities" beginning on page 174 of this Prospectus.
Key Management Personnel	Key management personnel of our Company in terms of regulation 2(1)(s) of the SEBI Regulations and section 2(51) of the Companies Act, 2013 and as disclosed in the section titled "Our Management" on page 154 of this Prospectus.
Memorandum of Association or Memorandum or MOA	The Memorandum of Association of our Company, as amended from time to time.
Patent(s)/Our Patents	A patent is a set of exclusive rights granted to an inventor or assignee for a limited period of time in exchange for detailed public disclosure of an invention. It is a form of Intellectual Property. Our Patents includes patents registered by our company or by our promoters or relatives of the promoters and patent license agreements entered into by the Company.
"Promoters" or "our Promoters"	Promoters of our company being Mr. Gaurav Sarup and Mr. Prashant Sarup
Promoter Group	Includes such persons and entities constituting our promoter group in terms of Regulation 2(zb) of the SEBI (ICDR) Regulations and a list of which is provided in the chapter titled "Our Promoter and Promoter Group" beginning on page 170 of this Prospectus.
Registered Office	The Registered Office of our Company located at C 86, Phase V, Focal Point, Ludhiana - 141010, Punjab, India
ROC	Registrar of Companies, Chandigarh.

Issue Related Terms

Term	Description
Allocation / Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Applicants.
Allotment/ Allot/ Allotted	Issue an allotment of Equity Shares of our Company pursuant to Fresh Issue of the Equity Shares to the successful Applicants.
Allottee(s)	Successful Applicants to whom Equity Shares of our Company shall have been allotted.
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of this Prospectus.
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Prospectus.
Application Form	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue.
ASBA/ Application Supported by Blocked Amount.	Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB.
ASBA Account	Account maintained with SCSBs which will be blocked by such SCSBs to the extent of the Application Amount.
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Rajkot, Bangalore, Hyderabad, Pune, Baroda and Surat..
ASBA Investor/ASBA applicant	Any prospective investor(s)/applicants(s) in this Issue who apply (ies) through the ASBA process.
Banker(s) to the Issue/ Public Issue Bank(s).	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case, being Axis Bank Limited.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled "*Issue Procedure*" beginning on page 276 of this Prospectus.
Controlling 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 Exchange 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 Applicants such as their address, PAN, occupation and bank account details.

Term	Description
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at www.sebi.gov.in, or at such other website as may be prescribed by SEBI from time to time.
Designated Date	The date on which funds are transferred from the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants.
Designated Stock Exchange	National Stock Exchange of India Limited (Emerge Platform)
Draft Prospectus	The Draft Prospectus issued in accordance with section 26 of the Companies Act, 2013 and filed with the NSE under SEBI (ICDR) Regulations.
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein.
Emerge Platform of NSE	The Emerge Platform of NSE for listing of Equity Shares offered under Chapter XB of the SEBI (ICDR) Regulations which was approved by SEBI as an NSE Emerge on October 14, 2011.
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Issue/ Issue Size/ Initial Public Issue/ Initial Public Offer/ Initial Public Offering/ IPO	Public Issue of 38,70,000 Equity Shares of face value of Rs. 10/- each fully paid of Marshall Machines Limited for cash at a price of Rs. 42/- per Equity Share (including a premium of Rs. 32/- per Equity Share) aggregating Rs. 1,625.40 Lakhs.
Issue Agreement	The agreement dated May 24, 2018 and addendum to the issue agreement dated August 14, 2018 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	The date on which Issue closes for subscription
Issue Opening Date	The date on which Issue opens for subscription
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective Investors may submit their application.
Issue Price	The price at which the Equity Shares are being issued by our Company under this Prospectus being Rs. 42/- per Equity Share of face value of Rs.10/- each fully paid.
Issue Proceeds	Proceeds from the fresh Issue that will be available to our Company, being Rs. 1,625.40 Lakhs.

Term	Description
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the NSE.
Lead Manager/ LM	Lead Manager to the Issue in this case being Sarthi Capital Advisors Private Limited, SEBI Registered Category I Merchant Banker.
Market Making Agreement	Market Making Agreement dated May 24, 2018 and addendum to the market making agreement dated August 14, 2018 between our Company, LM and Market Maker
Market Maker	Market Maker appointed by our Company from time to time, in this case being Choice Equity Broking 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 1,98,000 Equity Shares of face value of Rs.10/- each fully paid for cash at a price of Rs. 42/- per Equity Share aggregating Rs. 83.16 Lakhs 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
Net Issue	The Issue excluding the Market Maker Reservation Portion of 36,72,000 Equity Shares of face value of Rs. 10/- each fully paid for cash at a price of Rs. 42/- Equity Share aggregating Rs. 1,542.24 Lakhs by our Company.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled "Objects of the Issue" beginning on page 91 of this Prospectus.
Non-Institutional Investors	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have Applied for Equity Shares for an amount more than Rs. 2,00,000.
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.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted

Term	Description
	and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	The Prospectus, filed with ROC containing, *interalia,* the issue opening and closing dates and other information.
Public Issue Account	Account opened with the Banker to the Issue/Public Issue Bank i.e. Axis Bank Limited by our Company to receive monies from the Escrow Account and the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Public Issue Account Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the Lead Manager, and the Public Issue Bank/Banker to the Issue for collection of the Application Amounts.
Qualified Institutional Buyers or QIBs	QIBs, as defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 2(72) of the Companies Act, 2013 scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of Rs. 2,500 lakhs, pension fund with minimum corpus of Rs. 2,500 lakhs, NIF, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.
Refund Account (s)	Account(s) to which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur.
Refund Bank(s) / Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being Axis Bank Limited.
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Bigshare Services Private Limited having office at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai-400059.
Retail Individual Investor	Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their *Karta*) and ASBA Applicants, who apply for an amount less than or equal to Rs. 2,00,000.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s).
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 Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, or at such other website as may be prescribed by SEBI from time to time.

Term	Description
Underwriter	Sarthi Capital Advisors Private Limited.
Underwriting Agreement	The agreement dated May 24, 2018 and addendum to the underwriting agreement dated August 14, 2018 entered into between the Underwriter and our Company.
Working Day	Unless the context otherwise requires: Working Days shall be all trading days of stock exchange excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016.

Technical and Industry Terms

Term	Description
CNC	Computer Numerical Control
CLAP	Closed Loop Automated Production
CLAMP	Cutting Load Analysis based Machine Protection
EHS	Environment, Health and Safety
FIE	Fuel Instruments and Engineers
IOTQ	Internet of Things for Quality
MT	Million Tonnes
OBQ	Operator Based Quality
OEE	Overall Equipment Effectiveness
PRG	Piston Rod Guide
QA	Quality Assurance
RPM	Revolutions Per Minute
R & D	Research & Development
SBQ	System Based Quality

Conventional and General Terms/ Abbreviations

Term	Description
A/C	Account
Act	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
AGM	Annual General Meeting
Articles	Articles of Association of the Company as originally framed or as altered from time to time in pursuance of any previous companies' law or of this Act
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India.
A.Y.	Assessment Year
ASBA	Applications Supported by Blocked Amount
B. A	Bachelor of Arts
B. Com	Bachelor's Degree in Commerce
BIFR	Board for Industrial and Financial Reconstruction
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CESTAT	Customs, Excise and Service Tax Appellate Tribunal
CENVAT	Central Value Added Tax
CIN	Corporate Identification Number
Companies Act	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
CSO	Central Statistical Organization
Depositories	NSDL and CDSL; 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.
DIN	Director Identification Number
DP	Depository Participant

DP ID	Depository Participant's Identity
DB	Designated Branch
EBIDTA	Earnings before Interest, Depreciation, Tax, Amortization and extraordinary items.
ECS	Electronic Clearing Services
EGM	Extraordinary General Meeting
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
EPS	Earnings per Share
FDI	Foreign Direct Investment
FCNR Account	Foreign Currency Non-Resident Account
FEMA	Foreign Exchange Management Act, as amended from time to time and the regulations framed there under.
FEMA Regulations	FEMA (Transfer or Issue of Security by Person Resident Outside India) Regulations, 2000 and amendments thereto.
FII(s)	Foreign Institutional Investors
FIs	Financial Institutions
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India.
FV	Face Value
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000.
F. Y	Financial Year
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GOI	Government of India.
GST	Goods & Service Tax
HNI	High Net Worth Individual
HUF	Hindu Undivided Family

ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) 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
ICSI	Institute of Company Secretaries of India
IFRS	International financial reporting standards.
Ind AS	Indian Accounting Standards
IPC	Indian Penal Code
IPO	Initial Public Offering
IPR	Intellectual Property Right
IT	Information Technology
IT Act	The Income-tax Act, 1961 as amended from time to time except as stated otherwise.
IT Rules	The Income-tax Rules, 1962, as amended from time to time
INR	Indian National Rupee
JV	Joint venture
KMP	The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled "*Our Management*" beginning on page 154 of this Prospectus.
Ltd.	Limited
MBA	Master in Business Administration
M.Com	Master Degree in Commerce
MD	Managing Director
MOU	Memorandum of Understanding
MNC	Multinational corporation
N/A or NA	Not Applicable
NAV	Net Asset Value
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer

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
NPV	Net Present Value
NR	Non-Resident
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time.
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited
p.a.	per annum
PAN	Permanent Account Number
PAT	Profit After Tax
Pvt.	Private
PBT	Profit Before Tax
P/E Ratio	Price Earnings Ratio
POA	Power of Attorney
PIO	Persons of Indian Origin
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
Ron	Return on Net Worth.
Rs. / INR	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956

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 Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
SEBI Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
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, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
Sec.	Section
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time.
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange (s)	NSE
Sq.	Square
Sq. mtr	Square Meter
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 of America

USD or US$	United States Dollar
U.S. GAAP	Generally accepted accounting principles in the United States of America
UOI	Union of India
Venture Capital Fund(s)/ VCF(s)	Venture capital funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended from time to time.
WDV	Written Down Value
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 286 of this Prospectus, defined terms shall have the meaning given to such terms in that section;

(ii) In the section titled *'Financial Statements'* beginning on page 180 of this Prospectus, defined terms shall have the meaning given to such terms in that section;

(iii) In the chapter titled *"Statement of Possible Tax Benefits"* beginning on page 100 of this Prospectus, defined terms shall have the meaning given to such terms in that chapter.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

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

FINANCIAL DATA

Unless stated otherwise, the financial data included in this Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act and 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 180 of this Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

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

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

Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this Prospectus unless otherwise indicated, have been calculated on the basis of the Company's restated financial statements prepared in accordance with the applicable provisions of the Companies Act and 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 180 of this Prospectus.

CURRENCY OF PRESENTATION

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

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

INDUSTRY & MARKET DATA

Unless otherwise stated, Industry & Market data used throughout this Prospectus have been obtained from Ministry of Statistics and Programme Implementation (MOSPI), RBI, The Hindu Business Line, Financial Express, Department of Industrial Policy & Promotion, Indian Machine Tools Manufacturing Association (IMTMA), India Brand Equity Foundation (IBEF). Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this Prospectus is reliable, it has not been independently verified. Similarly, internal Company reports, while believed by us to be reliable, have not been verified by any independent sources.

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

FORWARD-LOOKING STATEMENTS

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

Important factors that could cause actual results to differ materially from our expectations include, among others:

- Increase in price of materials/components;
- Our ability to maintain our Patents;
- Fluctuations in other operating costs;
- Higher interest outgo on our loans.
- Our failure to keep pace with rapid changes in technology;
- Our ability to meet our capital expenditure and working capital expenditure requirements;
- Our ability to attract and retain qualified personnel;
- Our ability to successfully implement our growth strategy and expansion plans;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Changes in government policies and regulatory actions that apply to or affect our business;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors.

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 20 and 217 respectively of this Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Future looking statements speak only as of the date of this Prospectus. Neither we, our Directors, Underwriter, Merchant Banker 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. Prospective investors should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision prospective investor must rely on their own examination of our Company and the terms of this offer including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.

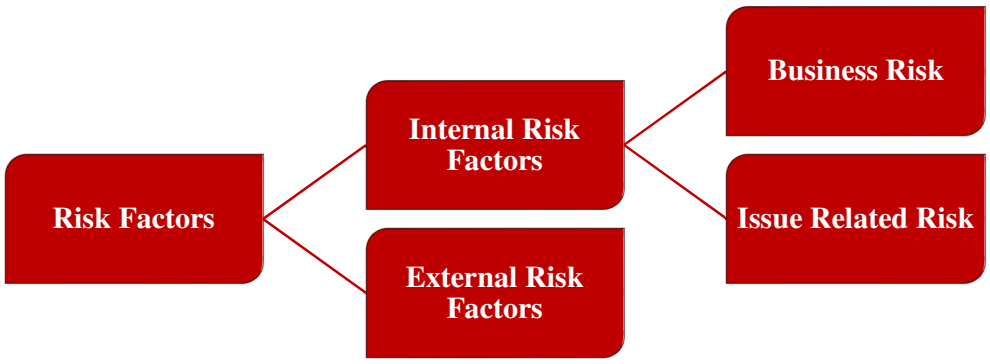
Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. To obtain a complete understanding, you should read this section in conjunction with the chapters titled "Our Business" beginning on page 110, "Our Industry" beginning on page 102 and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 217 respectively, of this Prospectus as well as other financial information contained herein.

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

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

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

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



A. INTERNAL RISK FACTORS

I. Business Risks/ Company specific Risk

1. *Any change in the technology may render our current technologies obsolete or require us to make substantial capital investment to cope with the market.*

Technology upgradation is a regular process and it is also essential for providing the desired quality to the customers. Though we are taking all the possible steps to keep our manufacturing facilities in line with the latest technology, any further upgradation in the technology may render our current technology obsolete and require us to upgrade the existing technology or implement new technology. Further implementing new technology may require us to incur huge capital expenditure which could affect our cash flows and result of operations. However, we have R&D Department which evolves new innovations in design, process, and Six Sigma performance within the Define, Measure, Analyze, Improve, and Control (DMAIC) framework to keep us a step ahead of the competition.

2. *Our inability to protect or use our intellectual property rights may adversely affect our business.*

We consider our intellectual property to be one of our most valuable assets and we have registered several patents and trademarks in India and USA including through our Promoter and Promoting Group. For details, please see "Government and Other Approvals – Intellectual Property" on page 240 of this Prospectus. Our business may suffer if we are unable to defend intellectual property protection for our machines. Because of the importance of proprietary technology in the machine tool industry, the Company makes active use of patents to protect its technology innovations. The success of the Company's business is highly dependent on its ability to enforce patent protections. Patents may not provide the protections as envisaged, patents may be invalidated. Our Company may lack the financial resources to enforce patents, all undermining the competitive advantage purported to be provided by patents. In addition, the Company's business involves a substantial risk of overlap with third party patents and subsequent litigation with competitors or patent-holders. Any claims, with or without merit, could be time-consuming, result in costly litigation, cause the Company to enter into licensing agreements or otherwise force the Company to change its business practices.

3. *The issue of specified securities by the issuer within the last twelve months at a price lower than the issue price.*

During the last one year we have issued Equity Shares at a price lower than the Issue Price as detailed in the following table.

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reason of Allotment
May 25, 2018	85,44,000	10.00	Nil	Other Than Cash	Bonus Issue of Equity Shares in the ratio of 4:1

For further details please refer to Chapter titled "Capital Structure" beginning on page 62 of this Prospectus.

4. *The average cost of acquisition of Equity shares held by our Promoters is lower than the Issue price.*

The average cost of acquisition of Equity Shares of the Promoters in our Company could be lower than the Issue Price of Equity Shares as decided by the Company in consultation with the Lead Manager. Average cost of acquisition of equity shares by our promoters is as follows:

Name of the Promoter	No. of shares Held	Average cost of Acquisition (in. Rs.)
Mr. Gaurav Sarup	47,76,950	1.79
Mr. Prashant Sarup	49,33,325	4.64

For further details regarding average cost of acquisition of equity shares by our promoters in our Company, please refer to the chapter titled "Capital Structure" beginning on page 62 of this Prospectus.

5. ***There are outstanding litigation by/against our Company, our Promoters, our Directors and our Group Entities and any adverse outcome in any of these proceedings may adversely affect our profitability and reputation and may have an adverse effect on our results of operations and financial condition.***

There are certain outstanding legal proceedings involving our Company, our Promoters, our Directors and our Group Entities. These proceedings are pending at different levels of adjudication before various courts, tribunals, authorities, enquiry officers and appellate tribunals. The brief details of such outstanding litigation are as follows:

LITIGATION RELATING TO OUR COMPANY

Cases filed by our Company

Sr. No.	Respondent	Court/Case No./Judge	Case Details	Current Status
1.	J.V Export	Additional District Judge	Civil Suit for permanent injunction from restraining J.V Exports not to infringe the registered design of Marshall's Design of Double Spindle CNC Machines. Also mandatory Injunction seeking delivery and destruction of infringing material, machinery etc. and suit for rendition of accounts.	**Next Hearing**: September 07, 2018
2.	J.V Export & Janish Engineers	Additional District Judge	Contempt petition for violation of court order for preventing removal of goods from the premises of J.V Exports and for illegal sales in violation of the court orders.	**Next Hearing**: September 18, 2018
3.	J.V Export & V.V Rao	Additional District Judge	Contempt petition for violation of court order for preventing removal of goods from the premises of J.V Exports and for illegal sales in violation of the court orders.	**Next Hearing**: September 18, 2018
4.	Nirapjit & Others	Judicial Magistrate First Class	FIR filed for committing offences including the violation of Section 63/65 of the Copy Right Act.	**Next Hearing**: August 20, 2018
5.	Galaxy Machinery Pvt. Ltd. And Others CO-COM-2-2018	High Court of Punjab & Haryana	Civil case filed for infringement of the registered Design against the respondent. Interim injunction has been passed against the respondent.	**Next Hearing**: September 04, 2018
6.	Macpower CNC Machines	High Court of Punjab & Haryana	Civil case filed for infringement of the registered Design against the respondent. Interim injunction has been passed against the respondent.	**Next Hearing**: September 04, 2018

	Ltd & Another CO-COM-1-2018			
7.	Ace Designers Ltd CS (COMM) 217/2018	High Court of Delhi	Civil case filed for infringement of the registered Design against the respondent u/s 22 of the Design Act, 2000.	**Next Hearing**: August 27, 2018
8.	Hema Ashok Hattangady CM (M) 720/2018	High Court of Delhi	Contempt notice issued against the Director of Ace Designers Ltd.	**Next Hearing**: September 05, 2018

Case filed against our Company

1) Doosan Machine Tools Co. Ltd., Korea Vs Marshall Machines Limited (CP-205-2016)

The main dispute in the present case is that a machine (Doosan CNC Horizontal Machining Centre HC 500 with CNC Control Fanuc 321A) was sent to Marshall Machines Pvt. Ltd. by Doosan Infracore Co. Ltd., Korea (**currently known as Doosan Machine Tools Co. Ltd**.) on the consignment basis for the period of one year 27.05.2012 to 26.05.2013 to show case in its Display center in terms of a consignment agreement. The consignment agreement had option to sell the machine in case Marshall can in India and remit payment to Doosan in case of sale.

After the display time was over, Marshall asked Doosan to take back `the machine as it could not be sold by Marshall. Marshall asked Doosan to take machine and refund the custom duties including other costs.

However Doosan filed a Company Petition before the High Court of Punjab and Haryana under section 433(e) of Companies Act, 1956 requesting for winding up the Marshall Company for its inability to pay the debt due to the Doosan, which was not due to them.

Then the Petition was transferred to National Company Law Tribunal (NCLT) in terms of Rule 5 of the Companies (Transfer of Proceedings Rules), 2016.

However in fact the notice to the Marshall Company was served upon 13.12.2016, which is before 15.12.2016 (Before the date of effect from which 'Rules' came into force) and Marshall was served before 15.12.2016 while the matter was pending in the Hon'ble High Court of Punjab and Haryana, accordingly NCLT returned the case to High Court as per order dated 28.08.2017.

Till date no hearing for the case has been done. The application for winding up has not been admitted in Hon'ble High Court Punjab and Haryana till date for want of hearing. Now the case is fixed for hearing in the High Court for 14.09.2018 in which Marshall has to file reply.

2) J.V. Export and Others Vs Marshall Machines Limited

Civil Suit for permanent injunction from restraining J.V. Exports not to infringe the registered design of Marshall's Double Spindle CNC Machines was filed by the Marshall Machines Limited. Contempt proceedings has already been initiated against J.V. Exports.

J.V. Exports has filed petition in High Court seeking early proceedings in the contempt case filed by Marshall Machines Limited against them.

The case has been dismissed on August 09, 2018.

Cases pending with Tax Authorities

Details of outstanding demand in respect of Income Tax:

(in Lakhs)

A.Y	Section	Outstanding demand amount (Rs. in Lakhs)
2012-13	220(2)	0.05

Details of outstanding demand in respect of TDS:

A total demand of Rs. 1.70 Lakhs is outstanding in respect of TDS as on August 16, 2018 for various assessment years.

6. ***Our Company has initiated significant planned capital expenditures to augment its production and marketing capacity, which may not yield the benefits as intended. The capital expenditure mentioned in the Objects of the Issue has not been appraised by any bank or financial institution.***

Our Company requires significant capital expenditure to be utilized for the purpose of setting up facilities for augmenting capacity and enhancing our market capability. For more details on the Company's planned expenditure please refer to the section entitled "Objects of the Issue" on page 91 of this Prospectus. The figures for capital expenditure plans are based on management estimates and have not been appraised by any bank, financial institution or other independent organization. In addition, the Company's capital expenditure plans are subject to a number of variables, including possible cost overruns; receipt of critical components; and changes in management's views of the desirability of current plans, among others. There can be no assurance that any capacity addition or improvement at its facilities will be completed as planned or on schedule or that the Company will achieve its planned capacity, operational efficiency or product base, or its targeted return on investment. In view of the reasons stated above, the Company cannot assure that it will be able to execute its capital expenditure plans as contemplated. If the Company experiences significant delays or mishaps in the implementation of its capital expenditure plans or if there are significant cost overruns, then the overall benefit of such plans to its revenues and profitability may decline.

7. ***We are subject to risks associated with expansion into new markets.***

Our Company intends to enter into new markets like USA. Expansion into USA, 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, difficulties in appointment of distributors, display centers, staffing and managing such operations. The risks involved in entering new geographic markets and expanding operations, may be higher than expected, and we may face significant competition in such markets. By expanding into new markets, we may be exposed to significant liability and could lose some or all of our investment in such regions, as a result of which our business, financial condition and results of operations could be adversely affected.

8. ***Increase in the cost of, or a shortfall in the availability of our materials/components could have an adverse effect on our business, results of operations and financial condition.***

The principal materials/components used by us for manufacturing CNC Machines are spindle belt, grinding wheel, drill, automation conveyors, ball screw, bearing, C.I Casting, chuck & cylinders, CNC systems, coolant pump, electrical parts, encoder, gauging station material etc. The price of these materials/components has relatively been stable which is evident from the cost of materials consumed to net revenue from operations ratio of 67.77%, 67.68% and 72.30% for the financial years 2017-18, 2016-17 and 2015-16 respectively. However, a major fluctuation is not ruled out in future. The price and availability of these materials/components depend on several factors beyond our control, including supplier's preferability overall economic conditions, production levels, market demand and competition for such materials, production and transportation cost, duties and taxes and trade restrictions.

Any increase in materials/components prices may affect our procurement of materials/components and will result in corresponding increases in our product costs, while the increase in the selling price of the finished products may not be proportionate to the increase in materials/components price. Such change in pricing may adversely affect our sales, cash flow and our overall profitability. We usually do not enter into long term supply contracts with any of materials/components suppliers and typically place orders with them after firm-orders are received by us. The absence of long term contracts at fixed prices exposes us to volatility in the prices of materials/components that we require. The relationship with these key suppliers plays an important role in helping us provide complete integrated solutions to our customers in the agreed time frame. If we are unable to compensate for or pass on our increased costs to end-customer or within time frame, such price increases could have an adverse impact on our result of operations, financial condition and cash flows. We also face a risk that one or more of our existing suppliers may discontinue their supplies to us. Any inability on our part to procure raw materials from alternate suppliers in a timely fashion, or on terms acceptable us, may adversely affect our operations. However, the raw material prices are stable as of now and we have been able to price our products in relation to raw material prices.

9. ***We have not placed orders for the machinery, equipment's and tooling's that is required for expansion of the facility and as a result, we may face time and cost overruns.***

One of our objects of the Issue includes augmentation of capacity at our manufacturing facility which, inter-alia, includes purchase of imported machinery and fabrication of mother machinery in house. For details, see the section titled "Objects of the Issue" on page 91 of this Prospectus. We are yet to enter into definitive agreements or are yet to place orders for all the machinery, equipment's and components/tooling's required for augmentation of our manufacturing facility. The total cost of machinery, equipment's and components/tooling's proposed to be procured is estimated to be Rs. 1150.00 lakhs. We are subject to risks on account of inflation in the price of machinery, equipment's and tooling's and fluctuations in foreign currency rates. These factors may increase the overall cost of our expansion, and we may have to raise additional funds by way of additional debt or equity placement to complete our expansion of manufacturing facility, which may have an adverse effect on our business and results of operations.

10. ***Our Company has filed certain forms late with additional fees with Registrar of Companies as prescribed under the Companies Act.***

Under the provisions of Companies Act, certain forms are required to be filed within prescribed timelines. In the past our Company has exceeded such timeline for filing the forms and has paid additional fees. If our company fails to comply with the provisions for filing of forms under the provisions of the Companies Act, then the company and/or every officer of the company who is in default is punishable with fine. ROC forms filed late with additional fees during the last three years has been detailed below.

S.No.	Form	Date of Event	Status
1.	AOC-4	September 30, 2015	Filed with Additional Fees
2.	MGT-7	September 30, 2015	Filed with Additional Fees
3.	AOC-4	September 30, 2016	Filed with Additional Fees
4.	MGT-7	September 30, 2016	Filed with Additional Fees
5.	ADT-1	September 30, 2016	Filed with Additional Fees
6.	DIR-12	March 31, 2017	Filed with Additional Fees
7.	CHG-1	April 22, 2017	Filed with Additional Fees
7.	AOC-4	September 30, 2017	Filed with Additional Fees
8.	MGT-7	September 30, 2017	Filed with Additional Fees

9.	CHG-1	November 21, 2017	Filed with Additional Fees
10.	CHG-1	January 04, 2018	Filed with Additional Fees
11.	MGT-14	February 12, 2018	Filed with Additional Fees
12.	GNL-2	February 12, 2018	Filed with Additional Fees
13.	MGT-14	March 28, 2018	Filed with Additional Fees
14.	GNL-2	March 28, 2018	Filed with Additional Fees

11. ***Demand for our machines depends on capital spending by customers in the industries like Automobile, Electronics, Steel, machine tools etc. Any downturn affecting these sectors may result in a decrease in demand for our machines and adversely affect our business, financial condition and results of operations.***

Demand for many of our machines depends on capital spending by industries like Automobile, Electronics, Steel, machine tools etc., which is directly affected by trends in these sectors and the current economic scenario. Our customers may defer major expenditures given the long term nature of many large scale projects due to perception of lower demand for their products or other reasons. Further, any financial crisis may lead to tightening of credit and consequently our customers, who may not have the ability to fund capital expenditures, may have difficulty in obtaining financing, which may result in cancellations of expansion or deferral of expansion to a later date. Such cancellations or deferrals may result in decreased demand for our machines and could adversely affect our results of operations, cash flows and liquidity.

12. ***Our Company runs a risk of high cash in hand.***

Our Company has been holding a high amount of cash in hand. Our Company had a cash balance of Rs. 162.78 Lakhs, 140.99 Lakhs and 92.06 Lakhs as on March 31, 2018, 2017 and 2016, respectively. There is an inherent risk of loss/mismanagement if cash is held in hand as also increase overall interest outgo. Further, our Company do not have insurance policy to cover any losses on account of theft or embezzlement. This may lead to stoppage of operations or losses in case of such occurrence.

13. ***Our Patents registered in India under Patent Act, 1970 will expire in the near future.***

Our Patents registered in India under the Patents Act, 1970 will expire in the near future. For details, see the section titled "Government and Other Statutory Approvals" on page 240 of this Prospectus. We cannot assure you that we will be able to renew such registrations, when we'll apply for renewal in the later course of time. Further, patents applied by the promoters and promoter group of the company, might not get registered. As a result, we may be unable to prevent use of these patents by any other party or ensure that we will continue to have a right to use it. We further cannot assure you that any third party will not infringe upon our patents in a manner that may have a material adverse effect on our business prospects, reputation and goodwill. If we are unable to protect our patents, others may be able to use our patents to compete more effectively.

14. ***Failure to offer customer support in a timely and effective manner may adversely affect our relationships with our customers.***

From time to time, our customers require our customer support team to assist them in installing, using our machines, help them in resolving post-sales issues quickly and in providing ongoing support. If we do not devote sufficient resources or are otherwise unsuccessful in assisting our customers effectively, it could adversely affect our ability to retain existing customers and could prevent prospective customers from buying our machines. We may be unable to respond quickly enough to accommodate short-term increases in demand for customer support. We also may be unable to modify the nature, scope and delivery of our customer support to compete with changes in the support services provided by our competitors. Increased demand for customer support, without corresponding revenue, could increase costs and adversely affect our business, results of operations and financial condition.

Our sales are highly dependent on our business reputation and on positive recommendations from our customers. Any failure to maintain high-quality customer support, or a market perception that we do not maintain high-quality customer support, could adversely affect our reputation, business, results of operations and financial condition. However, we have built a strong "after sales technical team" which helps our customers on a regular basis.

15. ***Our operations are significantly dependent on our ability to successfully identify customer requirement and gain customer acceptance for our machines. If we fail to do so, our business may suffer.***

Our future success depends on our ability to ensure continued demand for our machines in existing and proposed markets, which requires us to continuously anticipate and respond in a timely manner to customer requirements. Further, our success is dependent on our ability to gain customer acceptance for our current and future products. If we are unable to successfully anticipate customer requirements or are unable to modify our current portfolio of products or develop new products, in a timely manner, we may lose customers or become subject to greater pricing pressures.

16. ***We may face potential liabilities or claims by the customers in the future for warranties given by us on our machines, which could have an adverse effect on our business, reputation, results of operations or financial condition.***

The machines manufactured by us are generally covered by manufacturers' warranties, which are typically for 1 to 2 years. In the event any machine or component fail to operate as required, our customer may make a claim against the applicable warranty to cover all or a portion of the expense or losses associated with the faulty component. In case the supplier of these components to us no longer honor the warranties as back to back warranty obligations, it would leave us to cover the expense and losses associated with the faulty component. Our business, financial condition, results of operations and cash flows could be materially and adversely affected if we cannot recover the expense and losses associated with the faulty component.

17. ***Our Company had negative cash flows from our operating activities, investing activities as well as financing activities in some of the previous year(s) as per the Restated Financial Statements and the same are summarized as under:***

Our Company had negative cash flows from our operating activities, investing activities as well as financing activities in some of the previous year(s) as per the Restated Financial Statements and the same are summarized as under:

(Rs. in Lakhs)

Particulars	As on March 31,				
	2018	2017	2016	2015	2014
Cash Flow from/ (used in) Operating Activities	415.31	1,087.16	708.22	(84.56)	143.08
Cash Flow from/ (used in) Investing Activities	(892.48)	(509.18)	(104.90)	(30.87)	(240.59)
Cash Flow from/ (used in) Financing Activities	505.71	(517.32)	(540.19)	107.52	(94.72)

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 flow in future, it may adversely affect our business and financial operations.

18. ***We face competition in our business from domestic & international competitors. Such competition may have an adverse impact on our business and financial performance.***

The machine tool industry is a competitive sector that is reliant upon continual technological advancement. There are several large competitors that operate in this industry, which may be developing new technologies. The development of a new and superior technology by a competitor could affect our ability to commercialize our patented machines. There is a risk that existing competitors or new entrants to the market may develop superior or more cost effective machines, which could have an adverse effect on our business and financial position. We may be unable to develop further machines or keep pace with rapid technological developments in its market space, and may lose market share to our competitors.

Furthermore, our competitors may have greater operational, financial, technical, management or other resources than we do and may be able to achieve better economies of scale and lower cost of capital, allowing them to quote more competitive rates to our customers. Our competitors may also have a more effective or established localized business presence or a greater willingness or ability to operate with little or no operating margins for sustained periods of time. Our market position depends on our pricing, innovation, development and operation capabilities, reputation and track record.

19. ***We appoint contract labour for carrying out certain of our operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our results of operations and financial condition.***

In order to retain flexibility and control costs, we appoint independent contractors who in turn engage on-site contract labour for performance of certain of our operations. Although we do not engage these labour directly, we may be held responsible for any wage payments to be made to such labour in the event of default by such independent contractor. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and financial condition. In addition, under the Contract Labour Act, we may be required to absorb a number of such contract labour as permanent employees. Accordingly, any such order from a regulatory body or court may have an adverse effect on our business, results of operations and financial condition. The Company is taking necessary steps to ensure to follow all legal requirements in this regards.

20. ***Our operations are subject to environmental, health and safety laws and regulations.***

Our operations are subject to various Central and State environmental laws and regulations relating to the control of pollution in the area where we operate. In particular, the discharge or emission of domestic sewage, dust or other pollutants into the air, soil or water that exceed permitted levels, electronic waste and cause damage to others may give rise to liability to the Government and third parties and may result in our incurring costs to remedy such discharge or emissions. There can be no assurance that compliance with such environmental laws and regulations will not result in a curtailment of operations, or a material increase in the costs of operations, or otherwise have a material adverse effect on the financial condition and results of our operations. While as on the date of this Prospectus, we are not subject to any environmental legal proceedings, we may be impleaded in such legal proceedings in the course of our business. No assurance can be given that we will be successful in all, or any, of such proceedings. However, we have installed and maintained all equipments as required for pollution control and have not been given any adverse remark by Punjab Pollution Control Board.

21. ***Our company is highly dependent on third party logistics services for the delivery of our machines and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations.***

Our Company uses third party transportation providers for delivery of our machines. 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. These transportation facilities may not be adequate to support our existing and future operations. In addition materials/components/machines may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of machines which may also affect our business and results of operation negatively. An increase in the freight costs or unavailability of freight for transportation of our machines may have an adverse effect on our business and results of operations. Further, disruptions of transportation services due to weather-related problems, strikes, lock-outs, inadequacies in the road infrastructure and port facilities, or other events could impair ability to procure materials/components or deliver machines on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

22. ***In case of our inability to obtain, renew or maintain the statutory and regulatory licenses, permits and approvals required to operate our business it may have a material adverse effect on our business.***

We require certain statutory and regulatory permits, licenses and approvals to operate our business. Though we believe that we have obtained those permits and licenses which are adequate to run our business, however, there is no assurance that there are no other statutory/regulatory requirements which we are required to comply with. Further, some of the approvals are granted for a fixed period of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. Also, certain licenses and registrations obtained by our Company contain certain terms and conditions, which are required to be complied with. Any default by our Company in complying with the same, may result in interalia the cancellation of such licenses, consents, authorizations and/or registrations, which may adversely affect our operations. There can be no assurance that the relevant authorities will issue or renew any of such permits or approvals in time or at all. Failure to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business.
For further details, please refer to section titled "Government and Other Statutory Approvals" beginning on page 240 of this Prospectus.

23. ***Our business is dependent on the availability/supply of certain materials/components which we source from domestic/international suppliers. Any decrease in the availability of the materials, could adversely affect our results of operations.***

Our Company is dependent upon certain specific suppliers for critical components. The basic material and components required for manufacturing CNC Machines are spindle belt, grinding wheel, drill, automation conveyors, ball screw, bearing, C.I Casting, chuck & cylinders, CNC systems, coolant pump, electrical parts, encoder, gauging station material etc. There are few suppliers manufacturing these materials/components and hence our dependence on them may affect our production due to shortage of such materials/components. As we typically do not enter into any long-term supply agreements with our suppliers, we have no long-term rate contract with them. Any significant change in the suppliers of these materials/components could adversely affect our business.

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

The results of operations of our business are dependent on our ability to effectively manage our inventories specially the work in process (lead period for manufacturing of machines) & stock of materials/components. For the Fiscal Years ended 2017-18, 2016-17 & 2015-16, our inventories were Rs. 3829.78 Lakhs, Rs. 3673.34 Lakhs & Rs. 3907.99 Lakhs respectively, which constituted 64.51%, 73.19% & 89.22% respectively of our net revenues on for the same periods respectively. Since most of the materials/components which goes into manufacturing of our machined are not readily available, and in some cases has to be imported, we have to keep substantial inventories for those materials/components. If we misjudge expected customer demand

for our machines, it could adversely impact the results by causing either a shortage of products or an accumulation of excess inventory.

25. ***Orders placed by customers may be delayed, modified, cancelled or not fully paid by our customers, which may have an adverse effect on our business, financial condition and results of operations.***

We may encounter problems in executing the orders in relation to our machines, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers may result in the postponement of the delivery of machines or cause its cancellation. Accordingly, it is difficult to predict with certainty that, when, and to what extent we may be able to deliver the orders placed. Further, we may be bound to certain terms in the contracts entered with the customers any non-adherence to the same may lead to breach of the contract, which may subject us to penalties and liquidated damages. Any failure to adhere to the conditions which may be beyond our control may subject us to liquidated damages which could have an effect on the result of operation and cash flow. However, we have always followed policy of timely delivery of machines, execution of orders and ensuring customer satisfaction.

26. ***Any delays and/or defaults in payments from our customers could result in increase of working capital investment and/or reduction of our profits, thereby affecting our operation and financial condition. Further, our accounts receivable collection cycle exposes us to client credit risk.***

We start manufacturing machines only after we have received advance ranging 10%-25% from our customers. The balance amount is receivable typically after 45-60 days from delivery date and at times after successful commissioning of machine. As such we are exposed to payment delays and/or defaults in payments by our customers and our financial position & financial performance is dependent on the creditworthiness of our customers. Any delays in payments may require us to make a working capital investment. Further, we cannot assure that payments so envisaged from all or any of our customers will be received in a timely manner or to that extent will be received at all. For the financial years 2018, 2017 and 2016, our trade receivables were Rs. 1141.75 Lakhs, Rs. 823.42 Lakhs & Rs.472.38 Lakhs respectively, which constituted 19.23%, 16.41% and 10.78% of our net revenues for the same periods, as per restated financials.

If a customer defaults in making its payments of an order on which we have devoted significant resources, or if an order in which we have invested significant resources is delayed, cancelled or does not proceed to completion, it could have a material adverse effect on our Company's results of operations and financial condition.

If any of our customers fail to make payments to us or become insolvent, we would suffer losses and our financial condition and results of operations could be adversely affected. Moreover, sale of our machines are generally not supported by letters of credit or bank guarantee. In case of any disputes or differences or default with regard to our payments due to machine performance or otherwise, we would have to initiate appropriate recovery proceedings and which may be costly and time consuming. There is no guarantee on the timelines of all or any part of our customer's payments and whether they will be able to fulfil their obligations, which may arise from their financial difficulties, cash flow difficulties, deterioration in their business performance, or a downturn in the global economy. If such events or circumstances occur, our financial performance and our operating cash flows may be adversely affected.

27. ***Our manufacturing units and R&D, Marketing & Technology Display Centre and Sales Office are not owned by us.***

The details of manufacturing units, R&D, Marketing &Technology Display Centre unit and Sales Office not owned by us are given below:-

S No	Location of the property	Ownership/Licensor / Lessor	Property Kind	Purpose
1.	D-116A, Phase-V, Focal Point, Ludhiana, Punjab - 141010	Punjab Small Industries & Export Corporation Limited	Leasehold-99 years	Manufacturing Unit - II
2.	C-86, Phase-V, Focal Point, Ludhiana, Punjab - 141010	Marshall Industries	Rented	Registered Office & Manufacturing Unit - I
3.	Plot No. 75B, Sector – 5, IMT Manesar, Gurgaon, Haryana	Mrs. Ritu Chopra	Leasehold	R&D, Marketing and Technology Display Centre
4.	D-203, Gut No. 173, Urban Valley behind CIDCO Office, Opp. Abbas Transport, Waluj, Mahanagar-1, Aurangabad	Mr. Dipak Dongarsingh Baraval	Rented	Sales Office

One of our manufacturing unit has been taken on long term lease of 99 years and our registered office/manufacturing unit has been taken on rent for 11 months. Further, the R&D Unit is taken on lease from Mrs. Ritu Chopra for a period of 2 years since February 01, 2018. The sales Office of the Company is taken on rent for 11 months. However the agreement of lease with Mrs. Ritu Chopra is not registered as per Stamp Duty Act. There are certain conditions in the Lease deeds of the properties, any non-adherence to the said conditions, could render the lessor of the property to cancel the lease deed or not renew the lease deed. In case the lease is cancelled or renew the same on the term which are detrimental to the company, we may suffer a disruption in our business and operation which may adversely affect our revenues and profitability.

28. A shortage or non-availability of electricity may adversely affect our manufacturing operations and have an adverse effect on our business, results of operations and financial condition.

Our manufacturing operations require a sustained supply of electricity which is met by Punjab State Power Corporation Limited. In the event there is any disruption of power supply for long from them, the same could result in disruption of our manufacturing process which may adversely affect our results of operations and financial condition of the company. However, we have installed generators to support our manufacturing activities in case of shortage of power supply.

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

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business strategies. To grow our business, we will need to hire, train, supervise and manage new employees and to implement systems capable of effectively accommodating our growth. 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 customers. Further, changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies in time or at all would have a material adverse effect on our business and results of operations.

30. Our Company has misplaced many transfer deeds for registration of transfer of shares.

Our Company has misplaced many transfer deeds in respect of share transfers done in the past and an FIR has been filed to this effect. As such we have relied on the records available with our Company like Share Transfer Register, Annual Returns etc. for making Capital Structure.

31. ***Our Company may incur penalties or liabilities for some inaccuracy/clerical errors in the forms filed with ROC under certain provisions of the Companies Act.***

There have been some inaccuracies/clerical mistakes in filing of certain forms with ROC, which may result in levy of penalties and which may adversely affect our reputation. Although no show cause notice have been issued against our Company till date in respect of above, we cannot rule out possibility of receiving a notice in future.

32. ***Certain of our old corporate records are not available.***

We are unable to trace certain corporate records for example documents in relation to allotment of shares, forms for change in directors of our Company. These documents pertain to the period commencing from 1994 to 2006. We have also been unable to trace copies of certain transfer deeds for transfer of equity shares. Despite having conducted an extensive search in the records of our Company, we have not been able to retrieve the aforementioned documents, and accordingly, have relied on other documents, such as our share transfer register, register of members, register of directors, board resolutions and minutes, annual returns to verify the details of our equity shares allotted during this period and change in directors of the Company.

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

34. ***The rate of interest for the loans obtained by us from the bank is variable and any increase in interest rates may adversely affect our results of operations and financial condition.***

Our Company is susceptible to changes in interest rates and the risks arising there from. Our sanction letters provide for interest at variable rates with a provision for the periodic resetting of interest rates. Further the lenders are entitled to change the applicable rate of interest, which is a combination of a base rate that depends upon the policies of the RBI and a contractually agreed spread. As such, any increase in interest rates may have an adverse effect on our business, results of operations, cash flows and financial condition. However, with the inflation at ease, we do not except any upward trend in the interest rate in short to medium term.

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

The fund requirement and deployment for one of the object working capital, as mentioned in the "Objects of the Issue" on page 91 of this Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan and order position. We cannot assure that the current business plan will be implemented or strategy shall be executed in its entirety or at all. In view of the highly competitive and

dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter "Objects of the Issue" is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency.

36. Any variation in the utilization of the Net Proceeds or in the terms of any contract as disclosed in this Prospectus would be subject to certain compliance requirements, including prior shareholders' approval.

We propose to utilize the Net Proceeds as stated under section titled "Objects of the Issue". For further details of the proposed objects of the Issue, please refer to section titled "Objects of the Issue" beginning on page 91 of this Prospectus. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds or in the terms of any contract as disclosed in this Prospectus without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilization of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or in ability in obtaining such shareholders' approval may adversely affect our business or operations.

Further, our Promoters or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to change the objects of the Issue or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters or controlling shareholders to provide an exit opportunity to such dissenting shareholders may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI.

In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Fresh Issue, if any, or vary the terms of any contract referred to in this Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

37. We face foreign exchange risks, primarily in import of our materials/components that could adversely affect our results of operations.

We import materials/components from Germany, Italy from companies like Siemens AG, Schneeberger GMBH, Nippon Thompson Co. Ltd., Autogrip Machinery Co. Ltd., Samchully Machinery Co. Ltd., Renishaw UK Sales Ltd., Baruffaldi S.P.A and Algra S.P.A. Total imports constitute 9.55%, 10.86% and 13.76% of our cost of material consumed for financial years ending March 31, 2018, 2017 and 2016, respectively as per restated financial statements. Accordingly, any decrease in the value of the Rupee against the foreign currency would increase the Rupee cost of materials/components.

Fluctuations in the exchange rates may affect the Company to the extent of cost of material/components imported in foreign currency terms, the details of which are given hereunder: -

(Rs. In Lakhs)

Particulars	March 31,		
	2018	2017	2016
CIF Value of Imports	428.04	373.73	440.07

Although we closely follow our exposure to foreign currencies but selectively enter into hedging of foreign currency. However, a substantial depreciation in the value of rupee may adversely affect our results of operation.

38. Our revenues and expenses are difficult to predict and can vary significantly from period to period, which could cause our share price to decline.

Our revenue and profitability have grown in certain years and are likely to vary significantly in the future from period to period. Therefore, we believe that period to period comparisons of our results of operations are not necessarily meaningful and should not be relied upon as an indication of our future performance. It is possible that in future our results of operations may be below market expectations, which could cause the share price of our equity shares to decline significantly.

39. We have to update the name of our company in some of the statutory approvals and certificates due to the conversion of our Company.

All of our statutory approvals and certificates are in the name of Marshall Machines Private Limited. Since our company was converted into a public limited company pursuant to shareholder's resolution dated April 24, 2018 and fresh certificate of incorporation dated May 17, 2018, we have to update the name Marshall Machines Limited on some of the statutory approvals and certificates. We cannot ensure that we will be able to update the said documents in a timely manner.

40. Out industry is labour intensive and our business operations may be materially adversely affected by increase in salaries & wages, strikes, work stoppages or increased wage demands by our employees or those of our suppliers.

Our industry being labour intensive is dependent on labour force for carrying out its manufacturing operations. As of March 31, 2018, we employed 256 persons to perform a variety of functions in our daily operations. However, we have observed an overall tightening of the employee market and an emerging trend of shortage of skilled labor. Failure to obtain stable and dedicated employee support may cause disruption to our business that harms our operations. Furthermore, employee costs have been rising and may continue to increase in the near future. To remain competitive, we may need to increase the salaries of our employees to attract and retain them. Our employee payroll and related costs (excluding incurred on R&D or Patents) amounted to Rs. 382.06 Lakhs, Rs. 376.74 Lakhs and Rs. 330.43 Lakhs for the financial years 2018, 2017 and 2016, respectively, constituting 6.44%, 7.51% and 7.54% of our net revenue for respective financial years. Any increase in employee costs may harm our operating results, cash flows and financial condition. Also, work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. We have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past; however, there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

India has stringent labor legislation that protects the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal, imposes financial obligations on employers upon employee layoffs and regulates contract labor. These laws may restrict our ability to have human resource policies that would allow us to react swiftly to the needs of our business, discharge employees or downsize. We may also experience labor unrest in the future, which may disrupt our operations. If such disruptions occur or continue for a prolonged period of time, our manufacturing capacity and overall profitability could be negatively affected. We also depend on third party contract labor. It is possible under the law that we may be held responsible for wage payments to these laborers if their contractors default on payment. We may be held liable for any non-payment by contractors and any such order or direction from a court or any other regulatory authority may harm our business, results of our operations and cash flows.

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

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

42. ***Breakdowns of our major plants or machineries or failures to repair or maintain the same may affect our business.***

Breakdowns of our major plants or machineries may significantly increase our machineries purchase cost/repair and the depreciation of our plants and machineries, as well as change the way our management estimates the useful life of our plants and machineries. In such cases, we may not be able to acquire new plants or machineries or repair the damaged plants or machineries in time or at all, particularly where our plants or machineries are not readily available from the market or require services from original machinery manufacturers. Some of our major machineries or parts may be costly to replace or repair. We may experience significant price increases due to supply shortages, inflation, transportation difficulties or unavailability. For further details of our Plant and Machineries, please refer to page 124 of this Prospectus.

43. ***The Promoter Group of our Company does not include certain relatives of our Promoters and/or entities in which these persons may have an interest.***

The Promoter Group of our Company does not include relatives of our Promoter's spouse. The aforesaid relative qualify within the meaning of "Promoter Group" as defined in Section 2 sub-section (zb) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and "Relative" as defined in Section 2 sub-section (77) of the Companies Act, 2013 but, as such, neither does they form part of the "Promoter Group" nor does they hold any equity shares in our Company. As per our promoters, the said persons are not to be constituted under the "Promoter Group" of the Company. Therefore, the disclosures made in this Prospectus are limited to the extent of information that has been made available in relation to Promoter Group and Group Companies/entities. For further details, please refer the chapter titled "Our Promoter and Promoter Group" beginning on page no. 170 of this Prospectus.

44. ***The operations of our Company are subject to manufacturing risk and may be disrupted by failure in the facilities causing fatal injury to personnel including death and destruction of property and consequent imposition of civil and criminal penalties.***

Our manufacturing facilities are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, earthquakes, other natural disasters and industrial accidents. Our manufacturing facilities are also subject to operating risk resulting in fatal personal injury and property damage and consequentim position of civil and criminal penalties. Usage of heavy machinery, handling of materials by labour during production process or otherwise, lifting of materials by humans, cranes, etc. may result in accidents which could cause injury to our labour, employees, other persons on the site and could also damage our properties there by affecting our operations. Occurrence of accidents could hamper our production and consequently affect our profitability.

45. ***We have entered into certain transactions with related parties. These transactions or any future transactions with our related parties could potentially involve conflicts of interest.***

We have entered into certain transactions with our Promoters, Promoter Group, Group Companies/Entities, Directors and their relatives and may continue to do so in future. For absolute value of all transactions entered into with our related party entities please refer to Statement of Related Party Transactions under chapter "Financial Statement" beginning on page 180 of this Prospectus. These transactions or any future transactions with our related parties could potentially involve conflicts of interest. However, the Company cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on business and financial results. Our Company shall follow the provisions as laid down under Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

46. ***Our Order Book does not represent our future revenues and our actual income may be significantly less than the estimates reflected in our Order Book, which could adversely affect our results of operations.***

The Company has orders from which it expects future revenue and profit. Order Book refers to a compilation of our expected revenues from uncompleted orders received. Orders in the order book represent business that is considered firm. Our Order Book does not necessarily indicate future earnings related to the performance of that work, as cancellations or unanticipated variations or scope or schedule adjustments may occur. Due to changes in order schedule, we cannot predict with certainty when or if orders in our Order Book will be executed. In addition, even where an order proceeds as scheduled, it is possible that customers may default and fail to make the payments due. We cannot guarantee that the income anticipated in our Order Book will be realized, or, if realized, will be realized on time or result in profits. Any order cancellations or adjustments, which may occur from time to time, could reduce the amount of our Order Book and the income and profits that we ultimately earn from the business. Any delay, cancellation, payment and our counterparties may seek liquidated damages due to our failure to complete the required milestones or even terminate the contract totally or refuse to grant us any extension default could have a material adverse effect on our business. Accordingly, the realization of our Order Book and the effect on our results of operations may vary significantly from reporting period to reporting period depending on the nature of such order as well as the stage of completion of such orders as of the relevant reporting date as it is impacted by applicable accounting principles affecting revenue and cost recognition.

47. ***Our indebtedness and the restrictive covenants imposed upon us in certain debt facilities could restrict our ability to conduct our business and grow our operations, which would adversely affect our financial condition and results of operations.***

As the date of this Prospectus, we have sanction limit fund based and non-fund based limits of Rs. 2091.00 Lakhs from Kotak Mahindra Bank Ltd. The agreements governing our existing indebtedness contain restrictions and limitations, such as restriction on withdrawal of profits/ capital without prior approval of bank and retention of entire profits in the business, etc. There can be no assurance that our Company has, and will, at all times have, complied with all of the terms of the said financing documents. Any failure to comply with the financial or other covenants or obtain the consents necessary to take the actions may affect our business and operations. Further, any failure to service our Company's indebtedness and/or to comply with all of the terms of the said financing documents could have an adverse effect on the operations and/or profitability of our Company. However, we have always maintained financial discipline with Banks and there is no instance of not meeting financial obligations or non-compliance with the terms and condition as on the date of this Prospectus. For further details on restrictive covenants, please refer to the chapter titled "Financial Indebtness" beginning on page 230 of this Prospectus.

48. ***Loans availed by our Company have been secured on personal guarantees of our Promoters. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected in case of invocation of any personal guarantees or collateral securities provided by our Promoters.***

Our Promoters have provided personal guarantees as security to secure our existing borrowings of Rs. 2927.66 Lakhs (including current maturities) taken from Kotak Mahindra Bank Ltd. And other banks & NBFCs and may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the personal guarantees provided by our Promoter and Promoter Group Members may be invoked and/ or the security may also be enforced, which could negatively impact the reputation and networth of the Promoters. Also, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial condition, business, results of operations and prospects and would negatively impact our reputation. In addition, our Promoter may be required to liquidate their shareholding in our Company to settle the claims of the lenders, thereby diluting their shareholding in our Company. We may also not be successful in procuring alternate guarantees/ alternate security satisfactory to the lenders, as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details regarding loans availed by our Company, please refer "Statement of Financial Indebtedness" on page 230 of this Prospectus.

49. ***Our Company has availed, or may in the future avail, secured/unsecured loans that may be recalled by the lenders at any time.***

Our Company has availed, or may in the future avail, secured/unsecured loans which may be recalled by the lenders at any time. In the event that any lender seeks a repayment of any such loan, then Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. Moreover, our Company may not have adequate working capital to manufacture machines. As a result, any such demand may affect our business, and in turn may affect our cash flows and results of operations. For further details please refer chapter titled "Financial Information" beginning on Page 180 of this Prospectus.

50. ***Our Company has contingent liabilities which if materialized may adversely affect the financial position of the Company.***

As on March 31, 2018 our Company has contingent liabilities of Rs. 95.82 Lakhs as follows:

(Rs. in Lakhs)

Particulars	Amount as on March 31, 2018
Bank Guarantees outstanding	94.07
TDS Demand	1.70
Income Tax Demand	0.05
TOTAL	**95.82**

The said contingent liabilities if materialized may adversely affect the financial position of our Company.

51. ***In addition to normal remuneration, other benefits and reimbursement of expenses some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.***

Some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our Directors or our Key Management Personnel would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Directors will continue to exercise significant control over our Company,

including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. Our Directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Directors will always act to resolve any conflicts of interest in our favour, thereby adversely affecting our business and results of operations and prospects.

52. ***Our success depends largely upon the services of our Management and other Key Managerial Personnel and our ability to retain them. Our inability to attract and retain key managerial personnel may adversely affect the operations of our Company.***

Our Company and our Promoters have built relations with suppliers, customers and other persons who are connected with our business. Further, our Key Managerial Personal also possesses the requisite domain knowledge to provide efficient services to our clients. Accordingly, our Company's performance is dependent upon the services of our Promoters and other Key Managerial Personnel. Our future performance will, therefore, depend upon the continued services of these persons. 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.

53. ***Our Key Management Personnel are associated with the Company less than one year.***

Our Key Management Personnel's i.e. Chief Financial Officer and Company Secretary are associated with the Company for a period of less than one year. For details of Key Management Personnel and their appointment, please refer to chapter "Our Management" beginning on page 154 of this Prospectus.

54. ***We have not independently verified certain data in this Prospectus.***

We have not independently verified data from the Industry and related data contained in this Prospectus and although we believe the sources mentioned in the report to be reliable, we cannot assure you that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regards to other countries. Therefore, discussions of matters relating to India, its economy or the industries in which we operate that is included herein are subject to the caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete, inaccurate or unreliable. Due to incorrect 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, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

55. ***Our insurance coverage may not be sufficient or may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.***

We have taken insurance which may not be adequate enough for covering the entire future unforeseen liabilities that might occur in the normal course of business. There can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time by the insurers. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, and which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, cash flows and financial performance could be adversely affected. For further details on insurance arrangements, see the section titled "*Our Business*" on page 110 of this Prospectus.

56. Any Penalty or demand raised by statutory authorities in future will affect our financial position of our Company.

Our Company is engaged in business of manufacturing CNC machines, which attracts/attracted tax liability such as Customs duty, Excise, VAT, GST, Income Tax, as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund, ESIC etc. Though, we have deposited the required returns under various applicable Acts except under GST since March 2018 due to certain technical glitch, any demand or penalty raised by the concerned authority in future for any previous year and current year will affect the financial position of our Company.

57. Our Promoters and the members of our Promoters Group will continue to retain significant control in the Company after the Issue, which will enable them to influence the outcome of matters submitted to shareholders for approval. Our Promoters and the members of our Promoter Group may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.

As the date of Prospectus, our Promoters and the members of our Promoter Group hold 99.98% equity share capital of the Company. After completion of the Issue, our Promoters and the members of our Promoter Group will hold 73.40% of the equity shares capital of the Company and continue to retain a significant control of the Company. As a result, our Promoters and our Promoter Group will have the ability to control our business, including matters relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election or termination of appointment of our officers and directors. This control could delay, defer or prevent a change in control of the Company, impede a merger, consolidation, takeover or other business combination involving the Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Company even if it is in the Company's best interest. In addition, for so long as our Promoters and the members of our Promoter Group continue to exercise significant control over the Company they may influence the material policies of the Company in a manner that could conflict with the interests of our other shareholders. Our Promoters and the members of our Promoter Group may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.

II. Risk related to this Issue and our Equity Shares

58. The Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.

The Issue Price of the Equity Shares will be determined by our Company in consultation with the LM and will be based on numerous factors. For further information, see the section titled "Basis for Issue Price" on page 98 of this Prospectus. The Issue Price may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue and may decline below the Issue Price. There can be no assurances that applicants who are allotted Equity Shares through the Issue will be able to resell their Equity Shares at or above the Issue Price.

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

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

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

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

B. EXTERNAL RISK FACTORS

61. ***A slowdown in economic growth in India could adversely affect our business, results of operations, financial condition and cash flows.***

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the countries in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports of materials, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, financial condition and cash flows. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

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

Our business and financial performance could be adversely affected by unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business. Please refer to "Key Industry Regulations and Policies" on page 140 for details of the laws currently applicable to us.

There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. Any unfavorable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

GST has been implemented with effect from July 1, 2017 and has replaced the indirect taxes on goods and services such as central excise duty, service tax, central sales tax, state VAT and surcharge being collected by the central and state governments. The GST has led to increase tax incidence and administrative compliance. Any future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

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

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

63. ***Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.***

Inflation is typically impacted by factors such as governmental policies, regulations, commodity prices, liquidity and global economic environment. Any change in the government or a change in the economic and deregulation policies could adversely affect the inflation rates. Continued high rates of inflation may increase our costs such as salaries, travel costs and related allowances, which are typically linked to general price levels. There can be no assurance that we will be able to pass on any additional costs to our clients or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.

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

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are classified as short term capital gains and generally taxable. Any gain realized on the sale of listed equity shares on a stock exchange that are held for more than 12 months is considered as long term capital gains and is taxable at 10%, in excess of Rs. 1,00,000. Any long term gain realized on the sale of equity shares, which are sold other than on a recognized stock exchange and on which no STT has been paid, is also subject to tax in India. Capital gains arising from the sale of equity shares are exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India‘s ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

65. ***Any downgrading of India's debt 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 domestic or international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our capital expenditure plans, business and financial performance and the price of our Equity Shares.

66. ***We have not prepared, and currently do not intend to prepare, our financial statements in accordance with the International Financial Reporting Standards (“IFRS”). Our transition to IFRS reporting could have a material adverse effect on our reported results of operations or financial condition.***

Public companies in India, including us, may be required to prepare annual and interim financial statements under IFRS in accordance with the roadmap for convergence with IFRS announced by the Ministry of Corporate Affairs, Government of India through a press note dated January 22, 2010 (the “IFRS Convergence Note”). The Ministry of Corporate Affairs by a press release dated February 25, 2011 has notified that 35 Indian Accounting Standards are to be converged with IFRS. The date of -implementation of such converged Indian accounting standards has not yet been determined. Our financial condition, results of operations, cash flows or changes in shareholders’ equity may appear materially different under IFRS than under Indian GAAP or our adoption of converged Indian Accounting Standards may adversely affect our reported results of operations or financial condition. This may have a material adverse effect on the amount of income recognized during that period and in the corresponding (restated) period in the comparative Fiscal/period.

67. ***Financial difficulty and other problems in certain long-term lending institutions and investment institutions in India could have a negative impact on our business.***

We are exposed to the risks of the Indian financial system which may be affected by the financial difficulties faced by certain Indian financial institutions because the commercial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is referred to as "systemic risk," may adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges with whom we interact on a daily basis. Our transactions with these financial institutions expose us to credit risk in the event of default by the counter party, which can be exacerbated during periods of market illiquidity. As the Indian financial system operates within an emerging market, we face risks of a nature and extent not typically faced in more developed economies, including the risk of deposit runs notwithstanding the existence of a national deposit insurance scheme. The problems faced by individual Indian financial institutions and any instability in or difficulties faced by the Indian financial system generally could create adverse market perception about Indian financial institutions and banks. This in turn could adversely affect our business, financial condition, results of operations and cash flows.

68. ***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.

69. ***Political instability or changes in the Government could adversely affect economic conditions in India generally and our business in particular.***

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. Elimination or substantial change of policies or the introduction of policies that negatively affect the Company's business could cause its results of operations to suffer. Any significant change in India's economic policies could disrupt business and economic conditions in India generally and the Company's business in particular.

70. ***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 Mumbai terrorist attacks 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

a) The Public Issue of 38,70,000 Equity Shares of face value of Rs. 10/- each fully paid for cash at a price of Rs. 42/- per Equity Share aggregating Rs. 1,625.40 Lakhs ("the Issue"). Issue of Equity Shares will constitute 26.60% of the fully diluted Post-Issue paid up capital of our Company. For more information, please refer to chapter titled "The Issue" on page 53 of this Prospectus.

b) The net worth of our Company is Rs. 1,787.06 Lakhs, Rs. 985.84 Lakhs and Rs. 875.35 Lakhs as on March 31, 2018, March 31, 2017 and March 31, 2016 respectively. The book value of each Equity Share is Rs. 12.62, Rs. 9.64 and Rs. 8.39 as on March 31, 2018, March 31, 2017 and March 31, 2016 respectively as per the audited financial statements of our Company. For more information, please refer to section titled "Financial Statements" beginning on page 180 of this Prospectus.

c) The average cost of acquisition of per Equity Shares by our Promoters, which has been calculated by taking the average amount paid by them to acquire our Equity Shares, is as follows:

Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)
Gaurav Sarup	47,76,950	1.79
Prashant Sarup	49,33,325	4.64

d) For details of Related Party Transactions entered into by our Company, please refer to the chapter titled "Related *Party Transactions*" beginning on page 178 of this Prospectus.

e) Except as disclosed in the chapter titled "*Capital Structure*", "*Our Promoters and Promoter Group*" and "*Our Management*" beginning on page 62, 170 and 154 respectively, of this Prospectus, none of our Promoters, Directors or Key Management Personnel have any interest in our Company.

f) Except as disclosed in the chapter titled "*Capital Structure*" beginning on page 62 of this Prospectus, we have not issued any Equity Shares for consideration other than cash.

g) Investors may contact the LM or the Compliance Officer for any clarification / complaint or information relating to the Issue, which shall be made available by the LM and our Company to the investors at large. No selective or additional information will be available for a section of investors in any manner whatsoever. For contact details of the LM and the Compliance Officer, please refer to the chapter titled "*General Information*" beginning on page 54 of this Prospectus.

h) Investors are advised to refer to chapter titled "*Basis for Issue Price*" on page 98 of this Prospectus.

i) Trading and Allotment in Equity Shares for all investors shall be in dematerialized form only.

j) There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoters of our Company, the Independent 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 Prospectus.

k) Except as stated in the chapter titled "*Our Group Entities*" beginning on page 174 and chapter titled "Related Party Transactions" beginning on page 178 of this Prospectus, our Group Entities have no business interest or other interest in our Company.

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 263 of this Prospectus.

SECTION III- INTRODUCTION

SUMMARY OF OUR INDUSTRY

OVERVIEW OF INDIAN ECONOMY

India's diverse economy encompasses traditional village farming, modern agriculture, handicrafts, a wide range of modern industries, and a multitude of services. Slightly less than half of the work force is in agriculture, but services are the major source of economic growth, accounting for nearly two-thirds of India's output but employing less than one-third of its labour force. India has capitalized on its large educated English-speaking population to become a major exporter of information technology services, business outsourcing services, and software workers.

Thus, the country is attracting many global majors for strategic investments owing to the presence of vast range of industries, investment avenues and a supportive government. Huge population, mostly comprising the youth, is a strong driver for demand and an ample source of manpower.

With 1.33 billion people and the world's fourth-largest economy, India's recent growth and development has been one of the most significant achievements of our times. Over the six and half decades since independence, the country has brought about a landmark agricultural revolution that has transformed the nation from chronic dependence on grain imports into a global agricultural powerhouse that is now a net exporter of food. Life expectancy has more than doubled, literacy rates have quadrupled, health conditions have improved, and a sizeable middle class has emerged. India is now home to globally recognized companies in pharmaceuticals and steel and information and space technologies, and a growing voice on the international stage that is more in keeping with its enormous size and potential

GDP and Other Indicators

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 6.6 per cent in 2017-18 and is expected to grow 7.3-7.7 per cent in 2018-19.

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

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

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

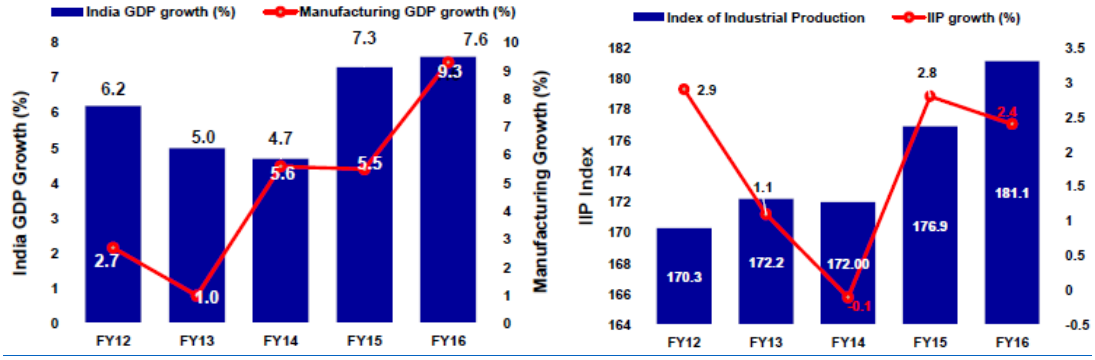
India's labour force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labour force participation, and higher education enrolment, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute.

India's foreign exchange reserves were US$ 422.53 billion in the week up to March 23, 2018, according to data from the RBI. India's gross domestic product (GDP) is expected to reach US$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitization, globalization, favorable demographics, and reforms.

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

Exchange Rate Used: INR 1 = US$ 0.0153 as on March 29, 2018

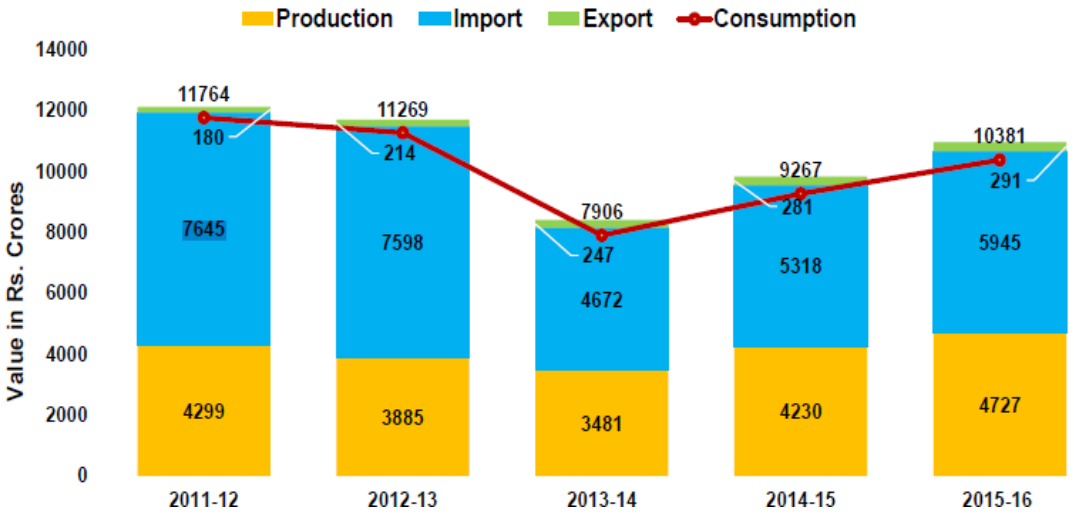
Source: https://www.ibef.org/economy/indian-economy-overview



Source: Source MOSPI

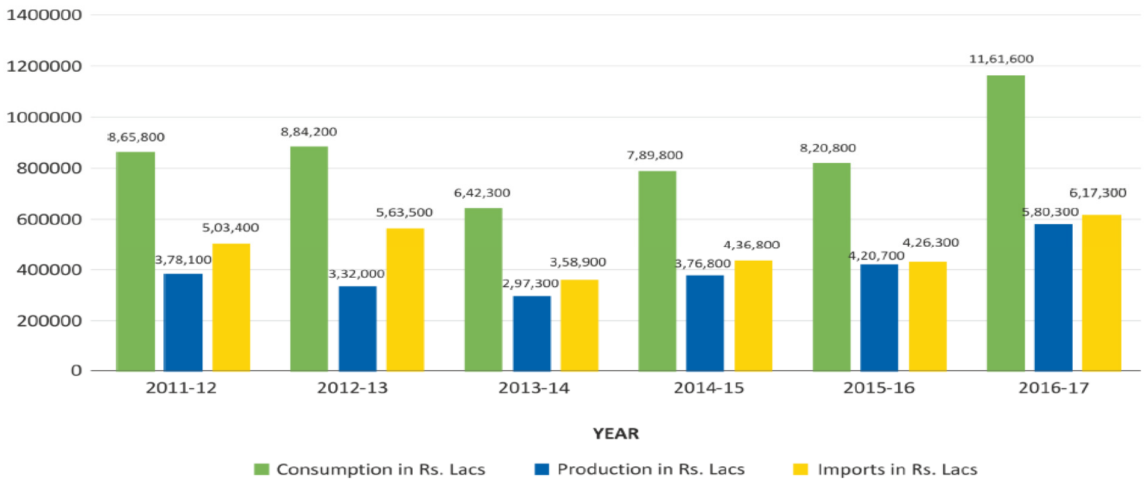
Overview of Indian Machine Industry

India was the 13th largest manufacturer of machine tools in the world as per Gardner's world machine tool consumption survey report 2016.



- The Indian machine toolindustryconsistsofaround1000manufacturingunits covering large, medium and small companies.
- Domestic manufacturers have 43% share in consumption.

Overview of Metal Cutting Machine Tool Industry in India



Source: Indian Machine Tools Manufacturing Association

- Metal cutting industry has seen increasing trend over three years with the stable growth in manufacturing activity in the country.
- User sectors like Auto industry and auto component industry has led to growth of metal cutting machine tool demand during these years

Metal Cutting Machine Tools Industry

Metal Cutting is a collection of processes wherein material is brought to a specified geometry by removing excess material using various kinds of tooling to leave a finished part that meets specifications.

Based on the working process, metal cutting machineries can be broadly classified into the following categories.

Turning machines: Turning is a metal cutting process for producing a cylindrical surface with a single point tool. The work piece is rotated on a spindle and the cutting tool is fed into it radially, axially or both.

Machining Centre: The term "machining centre" describes almost any CNC milling and drilling machine that includes an automatic tool changer and a table that clamps the work piece in place. On a machining centre, the tool rotates, but the work does not.

Drilling Machine: Drilling is a cutting process that uses a drill bit to cut a hole of circular in solid cross section materials. The drill bit is usually a rotary cutting tool, often multi point. The bit is pressed against the work piece and rotated at rates from hundreds to thousands of revolutions per minute.

Milling Machine: Milling is the machining process of using rotary cutters to remove material from a work piece by advancing (or feeding) in a direction at an angle with the axis of the tool.

Grinding machine: A grinding machine, often shortened to grinder, is any of various machine tool used for grinding, which is a type of machining using an abrasive wheel as the cutting tool. Each grain of a abrasive on the wheel's surface cuts a small chip from the work piece via shear deformation. Grinding is used to finish work pieces that must show high surface quality and high accuracy of shape and dimension.

Gear Cutting machine: Gear cutting is any machining process for creating a gear. The most common gear-cutting processes include hobbling broaching, milling and grinding. Such cutting operations may occur either after or instead of forming processes such as forging, extruding casting, or sand casting.

Electrical discharge machining (EDM), also known as spark machining, spark eroding, burning, die sinking, wire burning or wire erosion, is a manufacturing process where by a desired shape is obtained by using electrical discharges (sparks).

SUMMARY OF OUR BUSINESS

BACKGROUND

Our Company was incorporated on May 23, 1994 as a private limited company under the provisions of Companies Act, 1956 with Registrar of Companies, Punjab, H.P. & Chandigarh in the name and style of V. B. Spinning Mills Private Limited. The Company's name was changed to Marshall Machines Private Limited on January 02, 2002. Thereafter the control & management of the Company was completely taken over by Mr. Gaurav Sarup and Mr. Prashant Sarup in February 2002 along with their father Late Shri Gautam Sarup.

Our Company is in the business of developing, manufacturing and marketing of Machine Tool Equipment. The business was originally founded by Mr. Gautam Sarup, who set up the business in the name and style of "Marshall Industries" more than 54 year ago to initially manufacture hosiery machines. In coming years, the business moved to design & manufacture of high precision Bench Lathes, Heavy Duty Lathes & Capstan Lathes, thousands of which were sold all over the country. The firm became known brand in the design and manufacture of high precision bench lathes, heavy duty lathes & capstan lathes. It was amongst first Indian CNC Machine manufacturers and launched CNC Machines way back in 1998.

In 1997, Marshall Industries entered into a technical tie-up with an American Company (M/s Path Wizard Inc.) to export the mechanical & basic electrical elements of CNC Lathes to U.S.A. In 1998, Marshall Industries launched CNC Lathes with Siemens/Fanuc CNC Controls in India during IMTEX-98 Exhibition held at New Delhi and has been manufacturing CNC Lathes since then.

Later, Mr. Gautam Sarup was joined in the business by his sons, Gaurav Sarup & Prashant Sarup ("Promoters") after completing their engineering education. As a team, they grew the product range to include All Geared Lathes, Multi Spindle Drilling/Tapping Machines & Special Purpose Machines.

On April 01, 2006, our Company took over the running business of M/s Marshall Industries on as and where basis by allotting 340,000 equity shares in our Company. Since then Marshall has become the innovative machine tool manufacturer in India and the pioneer in "Intelligent Automation".

Following acquisition of M/s Marshall Industries by our company, all business of Marshall Industries was shifted to our company. Over the last few years, our company has focused extensively on research and technology development and as a result of the same, has been able to perfect and launch path braking product lines creating a niche for itself in a commoditized market, otherwise dominated by Indian standard legacy CNC machine manufacturers and imported MNC manufactured machines. Marshall has won several national awards for its product and technology and has come to be known as an innovative machine tool manufacturer in India and pioneer of "Intelligent Automation". Current product portfolio include patented double and four spindle CNC machines, automated robotic solutions and patent pending IoT*Q* suite of intelligent equipment. This innovative product line has brought in high productivity, cost efficiencies and near zero defect production to its marque customer base.

OVERVIEW

Marshall Machines Limited is in the business of developing, manufacturing and marketing of Machine Tool Equipment including wide range of single spindle, patented double and four spindle CNC machines, automated robotic solutions and patent pending IoT*Q* suite of intelligent equipment. Moreover, our company sells machine parts of the manufactured machines as well to existing machinery buyers.

Technology is all around us and it has changed our lives and industries smarter, safer, and more convenient. As technology further leads us, intelligent machines are now becoming a reality. Over the past decade, Marshall has been a driving force behind innovation in Indian machine tool industry, automated solutions & smart technologies

to solve the major problems of manufacturers and help improve productivity & profits. Our company has spent the past decade continuously improving its manufacturing operations and enhancing its technology to be able to immediately address its customers' changing needs. In today's competitive 24/7 manufacturing world where demands are high and increased quality, efficiency and productivity are critical for success, manufacturers need a machine manufacturer that can deliver what they need, when they need it. Marshall Machines has become a domestic leader in reliable automated turning solutions because of its passion for innovation and overall commitment to the manufacturing industry gives customers constant access to new, cutting-edge solutions, while further solidifying its position as a leading provider of innovative, productive machine tools and systems.

OUR COMPETITIVE STRENGTHS

We believe the following competitive strengths contribute to our success and position us well for future growth:

- **Intellectual Property & Proprietary Technology**

  Our patented Double & Four spindle CNC Turning Centers give us a tremendous edge over competitors who generally make & sell standard single spindle machines. Marshall has a strong first mover advantage in developing & commercializing Intelligent Machines and has developed strong barriers to entry by inventing its suite of patent pending technologies including proprietary IoT*Q* technologies including SmartCorrect, SmartInsert & SmartChek.

  While currently IoT*Q* technologies have been commercially applied by us in CNC Turning Machine applications, these technologies have additional tremendous potential to be applied in wider Machine Tools applications. We will focus on expanding the scope of these technologies as these technologies matures and are perfected.

- **Firm Orders in Hand:**

  The Company's current aggregate order booking position as on July 19, 2018 is Rs. 5,527.97 lakhs comprising of the various models of machines i.e. Smartcorrect Gauging Station, Automated Machines (Roboturn), Rapidturn, Twin Spindle (Twinturn), Single Spindle (Rigidturn), CAF Series to various customers i.e. Fanuc, Mitsubishi, Siemens etc.

- **Intensive R&D for Smart Tech Development:**

  Our Company has an IoT*Q* and Super-optimized machine Technology Demonstration Center at IMT Manesar, Gurugram spread across 10000 sq. foot equipped with latest design and development tools. We also have two R&D divisions located in our two factories in Ludhiana, one focused on development of Super-optimized machines and the second one on development of "Smart" automated Machine Tool Cells.

  Our in-house R&D team has developed breakthrough, mechanically and electrically integrated technologies that will change the way companies do business. We strive to exceed conventional limits and deliver reliable, efficient solutions capable of supporting our customers' growth. Our mechanical and electrical engineers work alongside customers to co-engineer products that help prevent downtime, increase efficiency and reduce rejections with a view to growing their business.

- **Unique Business Model driving customer relationships by offering quality**

  Marshall's product strategy has been developed to address varying customer needs and provide solutions to their pressing manufacturing problems of manufacturing quality, manpower issues and profitability combined with their capex investment ability. This has been made possible through offering early adoption of Marshall's IoT*Q* enabled Super-Optimized automated CNC machines (RoboTurn), incremental innovations and

retrofitting customers' legacy (existing) CNC Machines by integrating Marshall's plug and play *SmartCorrect* gauging stations etc.

- **Experienced management team and skilled workforce.**

Our Company has strong leadership with long standing track record complimented by a professional team of functional experts. Further, our Company has in house R&D team and experts, developing a large number of patent pending IoT***Q*** based technologies & product portfolio including technologies such as ***SmartCorrect***, ***SmartInsert*** and ***SmartChek,*** SmartLoad, SmartChange etc. and integrating these technologies with CNC Turning Machines to transform them into Intelligent & Super-Optimized Machines.

- **Value creation opportunity**

New products have been tried and tested and received tremendous feedback from some of the largest Indian auto component manufacturer. Clear path for a significant increase in revenues and EBIDTA margin as expansion provides a platform for substantial value unlocking.

SUMMARY OF FINANCIAL STATEMENTS

ANNEXURE – I : RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lakhs)

Sr. No.	Particulars	Note No.	As at 31st March				
			2018	2017	2016	2015	2014
A.	**Equity and Liabilities**						
1	**Shareholders' Funds**						
	Share Capital	**I.1**	213.60	181.01	181.01	181.01	181.01
	Reserves & Surplus	**I.2**	1,573.46	804.83	694.34	652.81	627.85
	Share application money pending allotment						
2	**Non-Current Liabilities**						
	Long-term borrowings	**I.3**	740.87	592.67	748.13	834.06	755.83
	Deferred Tax Liabilities (Net)	**I.4**	181.83	15.01	(2.88)	0.41	20.83
	Long Term Provisions	**I.5**	90.46	86.62	82.83	79.50	75.88
3	**Current Liabilities**						
	Short Term Borrowings	**I.6**	1,622.34	1,516.23	1,621.40	1,650.26	1,315.75
	Trade Payables	**I.7**	1,838.62	1,839.22	1,455.48	1,478.00	1,159.36
	Other Current Liabilities	**I.8**	1,543.41	1,406.80	1,110.93	1,068.60	1,115.15
	Short Term Provisions	**I.9**	159.54	61.34	44.51	11.07	19.08
	Total		**7,964.13**	**6,503.73**	**5,935.76**	**5,955.71**	**5,270.74**
B.	**Assets**						
1	**Non-Current Assets**						
	Fixed Assets	**I.10**					
	Tangible Assets		1,644.54	1,485.16	1,129.84	1,236.98	1,430.85
	Intangible Assets		454.83	14.31	17.11	14.76	14.11
	Intangible Assets under development		179.43	100.79	100.79	-	-
	Capital Work In Progress		-	-	-	11.96	-
	Long Term Loans and Advances	**I.11**	23.86	24.08	21.43	14.89	13.48
	Other Non-Current assets	**I.12**	170.85	67.11	66.12	66.68	206.20
2	**Current Assets**						
	Inventories	**I.13**	3,829.78	3,673.34	3,907.99	3,966.56	2,988.09
	Trade Receivables	**I.14**	1,141.75	823.42	472.38	496.20	393.14
	Cash and Cash Equivalents	**I.15**	221.92	193.37	132.71	69.57	77.48
	Short-term loans and advances	**I.16**	297.18	122.15	87.39	78.12	147.38
	Total		**7,964.13**	**6,503.73**	**5,935.76**	**5,955.71**	**5,270.74**

ANNEXURE – II : RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

(Rs. in Lakhs)

Sr. No	Particulars	Note No.	For The Year Ended March 31,				
			2018	2017	2016	2015	2014
A.	**Revenue:**						
	Revenue from Operations (gross)		6,952.11	5,635.93	4,866.94	4,661.43	4,373.45
	Less: Excise Duty		101.15	616.87	486.84	449.80	479.40
	Less: Goods and Service Tax		914.36	-	-	-	-
	Revenue from operations (net)	**II.1**	5,936.60	5,019.06	4,380.10	4,211.63	3,894.06
	Other income	**II.2**	5.83	35.37	10.57	45.83	34.37
	Total revenue		**5,942.43**	**5,054.42**	**4,390.66**	**4,257.46**	**3,928.43**
B.	**Expenses:**						
	Cost of material consumed	**II.3**	4,482.49	3,441.30	3,198.01	3,128.31	2,906.93
	Changes in Inventories	**II.4**	(553.14)	(44.45)	(31.34)	(349.28)	(273.05)
	Employee benefit expenses	**II.5**	457.46	424.28	375.93	409.39	410.26
	Finance costs	**II.6**	321.57	310.71	362.25	350.12	286.27
	Depreciation and Amortization	**I.11**	219.77	160.02	122.99	225.26	138.51
	Other expenses	**II.7**	267.92	582.92	289.72	453.16	368.17
	Total Expenses		**5,196.07**	**4,874.79**	**4,317.57**	**4,216.96**	**3,837.09**
	Profit/(Loss) before exceptional items and tax		**746.36**	**179.64**	**73.09**	**40.50**	**91.34**
	Less/(Add) : Exceptional Items		-	-	-	-	-
	Profit before tax		**746.36**	**179.64**	**73.09**	**40.50**	**91.34**
	Tax expense :						
	Current tax		149.33	45.00	28.00	35.91	26.62
	Prior period taxes adjusted		-	6.25	6.86	0.04	1.64
	Deferred Tax		166.81	17.90	(3.30)	(20.41)	4.31
	MAT Credit Entitlement		(70.08)	-	-	-	-
	Profit/(Loss) for the period/ year		**500.30**	**110.49**	**41.53**	**24.96**	**58.76**
	Earning per equity share in Rs.:						
	(1) Basic		5.47	1.22	0.46	0.28	0.65
	(2) Diluted		5.47	1.22	0.46	0.28	0.65

ANNEXURE – III : RESTATED STANDALONE STATEMENT OF CASH FLOWS

(Rs. in Lakhs)

Particulars	For The Year Ended March 31,				
	2018	2017	2016	2015	2014
A. CASH FLOW FROM OPERATING ACTIVITIES					
Profit/ (Loss) before tax	**746.37**	**179.64**	**73.09**	**40.50**	**91.34**
Adjustments for:					
Depreciation	219.77	160.02	122.99	225.26	138.51
Interest Expense	301.97	296.62	344.31	345.03	284.67
Interest Received	(5.83)	(3.35)	(2.14)	(13.11)	(16.28)
(Profit)/Loss on Sale of Fixed Assets	-	-	-	-	-
Operating profit before working capital changes	**1,262.27**	**632.93**	**538.26**	**597.68**	**498.24**
Movements in working capital :					
(Increase)/ Decrease in Inventories	(156.44)	234.64	58.57	(978.47)	(456.44)
(Increase)/Decrease in Trade Receivables	(318.33)	(351.04)	23.82	(103.05)	(73.03)
(Increase)/Decrease in Other Current Assets/ Non-Current Assets	(103.74)	(0.99)	0.56	139.52	(206.20)
(Increase)/Decrease in Loans & Advances	(174.81)	(37.41)	(15.81)	67.85	(0.71)
Increase/(Decrease) in Trade Payables and Other Current Liabilities	(14.39)	660.28	137.69	227.87	409.62
Cash generated from operations	**494.56**	**1,138.41**	**743.08**	**(48.60)**	**171.47**
Income tax paid	79.25	51.25	34.86	35.95	28.39
Net cash from operating activities (A)	**415.31**	**1,087.16**	**708.22**	**(84.56)**	**143.08**
B. CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of Fixed Assets	(898.31)	(512.53)	(107.04)	(43.99)	(256.87)
Interest Received	5.83	3.35	2.14	13.11	16.28
Net cash from investing activities (B)	**(892.48)**	**(509.18)**	**(104.90)**	**(30.87)**	**(240.59)**
Proceeds from issue of share capital	300.92	**-**	**-**	**-**	**-**
Interest paid on borrowings	(301.97)	(296.62)	(344.31)	(345.03)	(284.67)
Proceeds/(Repayment) of Borrowings	506.76	(220.70)	(195.88)	452.55	189.94
Net cash from financing activities (C)	**505.71**	**(517.32)**	**(540.19)**	**107.52**	**(94.72)**
Net increase in cash and cash equivalents (A+B+C)	**28.54**	**60.67**	**63.13**	**(7.91)**	**(192.24)**
Cash and cash equivalents at the beginning of the year	193.37	132.71	69.57	77.48	269.72
Cash and cash equivalents at the end of the year	**221.92**	**193.37**	**132.71**	**69.57**	**77.48**

THE ISSUE

Particulars	Number of Equity Shares
Equity Shares Offered	38,70,000 Equity Shares of face value of Rs. 10/- each fully paid-up of the Company for cash at issue price of Rs. 42/- per Equity Share aggregating Rs. 1,625.40 Lakhs.
Fresh Issue Consisting of	
Issue Reserved for Market Makers	1,98,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 42/- per Equity Share aggregating Rs. 83.16 Lakhs.
Net Issue to the Public	36,72,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 42/- per Equity Share aggregating Rs. 1,542.24 Lakhs.
	of which:
	18,36,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 42/- per Equity Share will be available for allocation to investors up to Rs. 2.00 Lakhs
	18,36,000 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of Rs. 42/- per Equity Share will be available for allocation to investors above Rs. 2.00 Lakhs
Equity Shares outstanding prior to the Issue	1,06,80,000 Equity Shares
Equity Shares outstanding after the Issue	1,45,50,000 Equity Shares
Objects of the Issue	See the chapter titled "Objects of the Issue" on page 91 of this Prospectus

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations. The Issue is being made through the Fixed Price Process and hence, as per Regulation 43, sub regulation (4) of SEBI (ICDR) Regulations, the allocation in the net issue to 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 clauses (a) or (b) may be allocated to applicants in the other category.

For the purpose of Regulation 43(4), if the retail individual investor category is entitled to more than fifty percent, on proportionate basis, the retail individual investors shall be allocated that higher percentage.

For further details please refer to chapter titled "Issue Structure" beginning on page 263 of this Prospectus.

GENERAL INFORMATION

Our Company was incorporated as V.B. Spinning Mills Private Limited under the provisions of the Companies Act, 1956 vide certificate of incorporation dated May 23, 1994 issued by the Registrar of Companies, Punjab, H.P. & Chandigarh. Subsequently, a fresh certificate of incorporation dated January 02, 2002 issued by Registrar of Companies, Punjab, H.P. & Chandigarh pursuant to change of name of our Company from V.B. Spinning Mills Private Limited to Marshall Machines Private Limited. Subsequently, the name of the company was changed to Marshall Machines Limited pursuant to conversion into a public company vide shareholder's approval dated April 24, 2018 and vide fresh certificate of incorporation dated May 17, 2018 issued by Registrar of Companies, Chandigarh.

For further details please refer to chapter titled 'Our History and Certain Other Corporate Matters' beginning on Page 146 of this Prospectus.

REGISTERED OFFICE OF OUR COMPANY

MARSHALL MACHINES LIMITED

C 86, Phase V, Focal Point,

Ludhiana - 141010, Punjab, India

Tel: +91 161 5012406/2407/9648

Fax: +91 161 5012408

E-mail: gaurav.sarup@marshallcnc.com

Website: www.marshallcnc.com

Registration Number: 014605

Corporate Identification Number: U29299PB1994PLC014605

REGISTRAR OF COMPANIES

REGISTRAR OF COMPANIES, CHANDIGARH

Corporate Bhavan, 1st Floor,

Plot No. 4-B, Madhya Marg, Sector 27B

Chandigarh - 160019

Website-www.mca.gov.in

DESIGNATED STOCK EXCHANGE

NATIONAL STOCK EXCHANGE OF INDIA LIMITED (EMERGE PLATFORM)

Exchange Plaza, Plot No. C/1, G Block,

Bandra - Kurla Complex, Bandra (E),

Mumbai-400051, Maharashtra, India

For details in relation to the changes to the name of our Company, please refer to the chapter titled, "*Our History and Certain Other Corporate Matters*" beginning on page 146 of this Prospectus.

BOARD OF DIRECTORS OF OUR COMPANY

Sr. No.	Name	Age	DIN	Address	Designation
1.	Gaurav Sarup	53	00777489	B-XIX-168 Col. Gurdial Singh Road, Civil Lines Ludhiana 141001, Punjab	Managing Director
2.	Prashant Sarup	50	01257440	B-XIX-168 Col. Gurdial Singh Road, Civil Lines Ludhiana 141001, Punjab	Whole-Time Director
3.	Siddhant Sarup	26	07779416	B-XIX/168 Colonel Gurdial Singh Road, The Mall, Ludhiana 141001 Punjab	Whole-Time Director
4.	Archana Sarup	46	07780273	B-XIX/168 Col. Gurdial Singh Road, The Mall Ludhiana 141001, Punjab	Non-Executive Director
5.	Harish Pal Kumar	63	01826010	343 Abhiyan Cooperative Group Housing Society Plot No. 15 Sector-12, Dwarka New Delhi 110045	Non-Executive & Independent Director
6.	Satvinder Singh	62	08148602	H. No. 3983 Sector-32-A Chandigarh Road Ludhiana 141010, Punjab	Additional Non-Executive & Independent Director

For further details of our Directors, please refer to the chapter titled "Our Management" beginning on page 154 of this Prospectus.

COMPANY SECRETARY AND COMPLIANCE OFFICER

SUMIT MALHOTRA

MARSHALL MACHINES LIMITED

C 86, Phase V, Focal Point,

Ludhiana - 141010, Punjab, India

Tel: +91 161 5012406/2407/9648

Fax: +91 161 5012408

Email: csmarshall@marshallcnc.com

Investors may contact the Compliance Officer and / or the Registrar to the Issue and / or the LM to the Issue in case of any Pre-Issue or Post-Issue related matter such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account, unblocking of amount in ASBA etc.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the concerned SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSB where the ASBA Application Form was submitted by the ASBA Applicant.

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

CHIEF FINANCIAL OFFICER

PHULLJIT SINGH GROVER

MARSHALL MACHINES LIMITED

C 86, Phase V, Focal Point,

Ludhiana - 141010, Punjab, India

Tel: +91 161 5012406/2407/9648

Fax: +91 161 5012408

Email: grover@marshallcnc.com

STATUTORY AUDITORS

S SOOD & CO.

Chartered Accountants

H.O - Office No. 2, 7th Floor, 108, Surya Kiran Building,

The Mall, Ludhiana - 141001,

Tel: + 91 161 4662266

Firm Registration No.: 010801N

Contact Person: Mr. Sanjay Sood

Membership No.: 089457

E-mail: ssoodca@gmail.com

PEER REVIEW AUDITOR

RPMD & ASSOCIATES

Chartered Accountants

AB-17, 1st Floor, Shalimar Bagh,

New Delhi – 110088, India

Tel: +91 11 27472042

Mobile: +91 9811613999

E-mail: info@rmpd.in

Contact Person: Mr. Rahul Jain

Firm Registration No.: 005961C

Membership No.: 518352

Peer Review Certificate No.: 005845

LEAD MANAGER TO THE ISSUE

SARTHI CAPITAL ADVISORS PRIVATE LIMITED

Unit No. 411, Fourth Floor, Pratap Bhavan,
5 Bahadur Shah Zafar Marg,
New Delhi-110002
Tel: (011) 23739425-27
Fax: (011) 23739424
Contact Person: Mr. Anand Lakhotia
Email: ipo@sarthiwm.in
SEBI Registration No.: INM000012011

159/11, Amar Brass Compound
Vidya Nagari Marg, Kalina,
Santacruz (E), Mumbai – 400098
Tel: (022) 26528671/72
Fax: (022) 26528673
Contact Person: Mr. Deepak Sharma

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
E-mail: ipo@bigshareonline.com
Website: www.bigshareonline.com
Contact Person: Mr. Ashok Shetty
SEBI Registration No.: INR000001385

LEGAL ADVISOR TO THE ISSUE

ANKUR GHAI

Address: B-1, 1032/1,
Near Dandi Swami Chownk,
Ludhiana - 141001
Tel: +91 161 2441045
E-mail: ankur.ghai@gmail.com
Contact Person: Mr. Ankur Ghai

BANKER TO THE COMPANY

KOTAK MAHINDRA BANK LIMITED

Address: 2nd Floor, Shop No. 4, North West Avenue Road,

Sector-4, Club Road, Punjabi Bagh, New Delhi- 110026

Tel: +91 11 41414858

Email: anugrah.aggarwal@kotak.com

Contact Person: Mr. Anugrah Aggarwal

BANKER TO THE ISSUE/ PUBLIC ISSUE BANK

AXIS BANK LIMITED

Address: Fortune 2000, Ground Floor,

Bandra-Kurla Complex, Bandra (E), Mumbai – 400051

Tel: +91-22-61483110

Fax: +91-22-61483119

Email: BKC.Operationshead@axisbank.com

Contact Person: Mr. Percy Badhniwala

SEBI Registration No.: INBI00000017

REFUND BANKER

AXIS BANK LIMITED

Address: Fortune 2000, Ground Floor,

Bandra-Kurla Complex, Bandra (E), Mumbai – 400051

Tel: +91-22-61483110

Fax: +91-22-61483119

Email: BKC.Operationshead@axisbank.com

Contact Person: Mr. Percy Badhniwala

SEBI Registration No.: INBI00000017

SELF CERTIFIED SYNDICATE BANKS

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35. For details on Designated Branches of SCSBs collecting the ASBA Application Form, please refer to the above-mentioned SEBI link.

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. 1,625.40 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Sarthi Capital Advisors Private Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Lead Managers is not applicable.

EXPERT OPINION

Except the report of the Statutory Auditor on statement of tax benefits included in this Prospectus, 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 LM to the issue hereby confirm that the Issue is 100% Underwritten. The Underwriting Agreement is dated May 24, 2018 and addendum to the underwriting agreement dated August 14, 2018 pursuant to the terms of the underwriting agreement; the obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated its intention to underwrite the following number of specified securities being offered through this Issue.

Name and Address of the Underwriter	Indicative Number of Equity shares to be Underwritten	Amount Underwritten (Rupees in Lakhs)	% of the Total Issue Size Underwritten
Sarthi Capital Advisors Private Limited 159/11, Amar Brass Compound, Vidya Nagari Marg, Kalina, Santacruz (E), Mumbai - 400098 **Tel:** (022) 26528671/72 **Fax:** (022) 26528673 **Email:** ipo@sarthiwm.in **Contact Person:** Mr. Deepak Sharma **SEBI Registration No.:** INM000012011	38,70,000	1,625.40	100.00
Total	**38,70,000**	**1,625.40**	**100.00**

In the opinion of the Board of Directors of the Company, the resources of the above-mentioned underwriter are sufficient to enable them to discharge their respective underwriting obligations in full. Further, the underwriter shall not be paid any commission.

DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Lead Manager have entered into a tripartite agreement dated May 24, 2018 and addendum to the agreement dated August 14, 2018 with the following Market Maker, duly registered with National Stock Exchange of India Limited to fulfil the obligations of Market Making:

CHOICE EQUITY BROKING PRIVATE LIMITED

Choice House, Shree Shakambhari Corporate Park,

Plot No. 156-158, Near Cambridge School,

Chakravarti Ashok Society, J. B. Nagar,

Andheri (E), Mumbai – 400099, Maharashtra

Tel: +91 22 67079853

Fax: +91 22 67079898

E-mail: sme@choiceindia.com

Contact Person: Mr. Premkumar Harikrishnan

SEBI Registration No.: INB231377335

Choice Equity Broking Private Limited, registered with SME segment (NSE-EMERGE) of NSE will act as the Market Maker and 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 a period as may be notified by amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, as amended from time to time and the circulars issued by the 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. Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. After a period of three 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 15 % of Issue Size (Including the 1,98,000 Equity Shares out to be allotted under this Issue.) Any Equity Shares allotted to Market Maker under this Issue over and above 1,98,000 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 14% of Issue Size, the market maker will resume providing 2-way quotes.
   Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market maker(s) during market making process has been made applicable, based on the issue size and as follows:

Offer 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 Crores	25%	24%
Rs. 20 to Rs. 50 Crores	20%	19%
Rs. 50 to Rs. 80 Crores	15%	14%
Above Rs. 80 Crores	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.

4. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, the concerned stock exchange 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 a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Choice Equity Broking Private Limited is acting as the sole Market Maker.
7. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
8. The Marker Maker may also be present in the opening call auction, but there is no obligation on him to do so.
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(s) shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

    In case of termination of the above-mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(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, 2009. Further the Company and the 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, India from 11.00 a.m. to 5.00 p.m. on working days.
11. Emerge Platform of NSE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
12. Emerge Platform of NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker(s) 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. All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.
14. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

CAPITAL STRUCTURE

The share capital of our Company as of the date of this Prospectus before and after the issue is set forth below:

(Rs. In Lakhs except share data)

Sr. No.	Particulars	Aggregate Value	
		Face Value	Issue Price
A	**AUTHORISED SHARE CAPITAL**		
	1,50,00,000 Equity Shares of face value of Rs. 10/- each	1500.00	
B	**ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL**		
	1,06,80,000 fully paid up Equity Shares of face value of Rs. 10/- each	1068.00	
C	**PRESENT ISSUE IN TERMS OF PROSPECTUS***		
	38,70,000 Equity Shares of face value of Rs. 10/- each	387.00	1,625.40
	Which comprises of		
	1,98,000 Equity Shares of face value of Rs.10/- each at a premium of Rs. 32/- per Equity Share reserved as Market Maker portion	19.80	83.16
	Net Issue to Public of 36,72,000 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 32/- per Equity Share to the Public	367.20	1,542.24
	Of which		
	18,36,000 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 32/- per Equity Share will be available for allocation to Investors up to Rs. 2.00 Lakhs	183.60	771.12
	18,36,000 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 32/- per Equity Share will be available for allocation to Investors above Rs. 2.00 Lakhs	183.60	771.12
D	**ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL AFTER THE ISSUE**		
	1,45,50,000 Equity Shares of face value of Rs. 10/- each	1455.00	

E	**SECURITIES PREMIUM ACCOUNT**	
	Before the Issue	Nil
	After the Issue	1,238.40

**The Issue has been authorized pursuant to a resolution of our Board dated May 21, 2018 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra Ordinary General Meeting of our shareholders held on May 23, 2018.*

The Company has only one class of share capital i.e. Equity Shares of face value of Rs.10/- each only. All Equity Shares issued are fully paid-up.

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

NOTES TO THE CAPITAL STRUCTURE:

History of change in authorized Equity Share capital of Our Company

a) The Initial Authorized Share Capital of Rs. 50,00,000 (Rupees Fifty Lakh only) consisting of 5,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 80,00,000 (Rupees Eighty Lakh only) consisting of 8,00,000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of the shareholders dated April 01, 2006.

b) The authorized Share Capital of Rs. 80,00,000 (Rupees Eighty Lakh only) consisting of 8,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 1,00,00,000 (Rupees One Crore only) consisting of 10,00,000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of the shareholders dated March 15, 2008.

c) The authorized Share Capital of Rs. 1,00,00,000 (Rupees One Crore only) consisting of 10,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 2,00,00,000 (Rupees Two Crore only) consisting of 20,00,000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of the shareholders dated December 10, 2010.

d) The authorized share capital of Rs. 2,00,00,000 (Rupees Two Crores only) consisting of 20,00,000 Equity Shares of face value of Rs. 10/- each was increased to Rs. 4,00,00,000 (Rupees Four Crores only) consisting of 40,00,000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of the shareholders dated January 04, 2018.

e) The authorized share capital of Rs. 4,00,00,000 (Rupees Four Crores only) consisting of 40,00,000 Equity Shares of face value of Rs. 10/- each was increased to Rs. 15,00,00,000 (Rupees Fifteen Crores only) consisting of 1,50,00,000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of the shareholders dated April 24, 2018.

1. **Equity Share Capital History:**

Date of Allotment of the Equity shares	No. of Equity Shares Allotted	Face Value	Issue Price	Nature of Allotment	Nature of Consideration	Cumulative No. of Shares	Cumulative Paid up Capital
Since Incorporation	40	10	10	Subscription to MOA[(1)]	Cash	40	400
October 01, 1997	40	10	10	Further Allotment[(2)]	Cash	80	800

December 05, 2002	10,000	10	10	Further Allotment[3]	Cash	10,080	1,00,800
April 01, 2006	3,40,000	10	Nil	Further Allotment[4]	Consideration Other Than Cash for Takeover of Running Business of Marshall Industries	3,50,080	35,00,800
December 05, 2006	4,00,000	10	10	Further Allotment[5]	Cash	7,50,080	75,00,800
March 25, 2008	1,60,000	10	15	Further Allotment[6]	Cash	9,10,080	91,00,800
December 23, 2010	5,00,000	10	15	Further Allotment[7]	Cash	14,10,080	1,41,00,800
March 31, 2012	4,00,000	10	15	Further Allotment[8]	Cash	18,10,080	1,81,00,800
February 12, 2018	1,25,000	10	80	Private Placement [9]	Cash	19,35,080	1,93,50,800
March 28, 2018	2,00,920	10	100	Private Placement[10]	Cash	21,36,000	2,13,60,000
May 25, 2018	85,44,000	10	Nil	Bonus Issue[11]	Consideration other than Cash	1,06,80,000	10,68,00,000

(1) Initial Subscribers to Memorandum of Association hold 40 Equity Shares each of face value of Rs. 10/- fully paid up as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Joginder Singh Guliani	10
2.	Harpreet Singh	10
3.	Rajpal Singh Guliani	10
4.	Jaswinder Singh Guliani	10
	Total	**40**

(2) The Company allotted 40 Equity Shares of face value of Rs. 10/- each for cash as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Gautam Sarup	10
2.	Gaurav Sarup	10
3.	Inderjit Kaur	10
4.	Narinder Kaur	10
	Total	**40**

(3) The Company allotted 10,000 Equity Shares of face value of Rs. 10/- each for cash as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Gautam Sarup	6,000
2.	Gaurav Sarup	2,000
3.	Parshant Sarup	2,000
	Total	**10,000**

(4) The Company allotted 3,40,000 Equity Shares of face value of Rs. 10/- each for consideration other than cash as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Gautam Sarup	3,40,000
	Total	**3,40,000**

(5) The Company allotted 4,00,000 Equity Shares of face value of Rs. 10/- each at par as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Gautam Sarup	60,000
2.	Parshant Sarup	1,20,000
3.	Gaurav Sarup	1,20,000
4.	Adarsh Sarup	20,000
5.	Ambika Sarup	40,000
6.	Archana Sarup	40,000
	Total	**4,00,000**

(6) The Company allotted 1,60,000 Equity Shares of face value of Rs. 10/- each at premium of Rs. 5/- as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Gautam Sarup	52,000
2.	Parshant Sarup	54,000
3.	Gaurav Sarup	54,000
	Total	**1,60,000**

(7) The Company allotted 5,00,000 Equity Shares of face value of Rs. 10/- each at premium of Rs. 5/- as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Gautam Sarup	2,60,000
2.	Parshant Sarup	80,000
3.	Gaurav Sarup	80,000
4.	Ambika Sarup	30,000
5.	Archana Sarup	30,000
6.	Adarsh Gautam	20,000
	Total	**5,00,000**

(8) The Company allotted 4,00,000 Equity Shares of face value of Rs. 10/- each at premium of Rs. 5/- as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Gautam Sarup	2,00,000
2.	Parshant Sarup	1,00,000
3.	Gaurav Sarup	1,00,000
	Total	**4,00,000**

(9) The Company allotted 1,25,000 Equity Shares of face value of Rs. 10/- each at premium of Rs. 70/- as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Gaurav Sarup	10,000
2.	Parshant Sarup	52,500
3.	Archana Sarup	62,500
	Total	**1,25,000**

(10) The Company allotted 2,00,920 Equity Shares of face value of Rs. 10/- each at premium of Rs. 90/- as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Gaurav Sarup	30,050
2.	Parshant Sarup	1,39,470
3.	Archana Sarup	17,229
4.	Ambika Sarup	10,545
5.	Adarsh Sarup	3,626
	Total	**2,00,920**

(11) The Company allotted 85,44,000 Equity Shares as bonus issue of face value of Rs. 10/- each in the ratio of 4 equity shares for every 1 equity share as per the details given below:

Sr. No.	Name of Person	No. of Shares Allotted
1.	Gaurav Sarup	38,21,560
2.	Prashant Sarup	39,46,660
3.	Archana Sarup	3,19,396
4.	Siddhant Sarup	4,54,904
5.	Ashish Aggarwal	760
6.	Ashok Kumar Bhardwaj	40
7.	Brij Thapar	40
8.	Gurshish Singh	40
9.	Jaidka Industries Limited	40
10.	Joginder Pal Agarwal	40

Sr. No.	Name of Person	No. of Shares Allotted
11.	Jagdish Kumar	40
12.	Malvika Aggarwal	40
13.	Manoj Kumar & Sons (HUF)	40
14.	Mukesh Thapar	40
15.	Om Parkash & Sons (HUF)	40
16.	Riya Saran Pitamber Kumar	40
17.	Ashok Kumar Jain	40
18.	Rajinder Saini & Sons HUF	40
19.	Romesh Kumar Jain	40
20.	Rakesh Dumra	40
21.	Sanjeev Aggarwal	40
22.	Savita Jain	40
23.	Surjit Verma HUF	40
	Total	**85,44,000**

2. **Issue of Equity Shares for consideration other than cash.**

Date of shareholder's approval	Number of Equity Shares	Face value(Rs.)	Issue Price(Rs.)	Nature of Consideration	Reasons for allotment	Allottees	No. of Shares Allotted
April 01, 2006	3,40,000	10	Nil	Other than Cash	For Takeover of running business of Marshall Industries	Gautam Sarup	3,40,000
						Total	**3,40,000**
May 23, 2018	85,44,000	10	Nil	Other than cash	Bonus issue of Equity Shares in	Gaurav Sarup	38,21,560
						Prashant Sarup	39,46,660

					the Ratio of 4:1	Archana Sarup	3,19,396
						Siddhant Sarup	4,54,904
						Ashish Aggarwal	760
						Ashok Kumar Bhardwaj	40
						Brij Thapar	40
						Gurshish Singh	40
						Jaidka Industries Limited	40
						Joginder Pal Agarwal	40
						Jagdish Kumar	40
						Malvika Aggarwal	40
						Manoj Kumar & Sons (HUF)	40
						Mukesh Thapar	40
						Om Parkash & Sons (HUF)	40
						Riya Saran Pitamber Kumar	40

						Ashok Kumar Jain	40
						Rajinder Saini & Sons HUF	40
						Romesh Kumar Jain	40
						Rakesh Dumra	40
						Sanjeev Aggarwal	40
						Savita Jain	40
						Surjit Verma HUF	40
						Total	**85,44,000**

3. We have not issued any Equity Shares out of revaluation reserves or in terms of any scheme approved under Sections 391- 394 of the Companies Act or under section 230-234 of the Companies Act, 2013.

4. We have not issued any equity shares in last one year at price below the Issue Price except bonus issue of 85,44,000 shares as mentioned above.

5. Details of shareholding of promoters:

1. Mr. Gaurav Sarup

Date of Allotment/ Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	No. of Shares Pledged	% of Shares Pledged
October 01, 1997	10	10	10	Cash	0.00	0.00	0	0.00
December 05, 2002	2,000	10	10	Cash	0.02	0.01	0	0.00
April 01, 2006	(10)	10	Nil	Transfer	0.00	0.00	0	0.00

December 05, 2006	1,20,000	10	10	Cash	1.12	0.82	0	0.00
March 25, 2008	54,000	10	15	Cash	0.51	0.37	0	0.00
October 01, 2010	10	10	Nil	Transfer	0.00	0.00	0	0.00
December 23, 2010	80,000	10	15	Cash	0.75	0.55	0	0.00
October 01, 2011	(10)	10	Nil	Transfer	0.00	0.00	0	0.00
March 31, 2012	1,00,000	10	15	Cash	0.94	0.69	0	0.00
October 01, 2014	3,06,017	10	Nil	Transmis sion	2.87	2.10	0	0.00
March 15, 2016	2,42,678	10	Nil	Transfer	2.27	1.67	0	0.00
February 12, 2018	10,000	10	80	Cash	0.09	0.07	0	0.00
March 28, 2018	30,050	10	100	Cash	0.28	0.21	0	0.00
May 05, 2018	10,645	10	Nil	Transfer	0.10	0.07	0	0.00
May 05, 2018	1,10,000	10	Nil	Transfer (Gift)	1.03	0.76	0	0.00
May 05, 2018	(1,10,000)	10	Nil	Transfer (Gift)	(1.03)	(0.76)	0	0.00
May 25, 2018	38,21,560	10	Nil	Bonus	35.78	26.27	0	0.00
Total	**47,76,950**				**44.73**	**32.83**		

2. Mr. Prashant Sarup

Date of Allotment/ Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)	Nature of Transactions	Pre-issue shareholding %	Post- issue shareholding %	No. of Shares Pledged	% of Shares Pledged
February 28, 2002	10	10	Nil	Transfer	0.00	0.00	0	0.00
December 05, 2002	2,000	10	10	Cash	0.02	0.01	0	0.00
April 01, 2006	(10)	10	Nil	Transfer	0.00	0.00	0	0.00
December 05, 2006	1,20,000	10	10	Cash	1.12	0.82	0	0.00
March 25, 2008	54,000	10	15	Cash	0.51	0.37	0	0.00
October 01, 2010	10	10	Nil	Transfer	0.00	0.00	0	0.00
December 23, 2010	80,000	10	15	Cash	0.75	0.55	0	0.00
October 01, 2011	(10)	10	Nil	Transfer	0.00	0.00	0	0.00
March 31, 2012	1,00,000	10	15	Cash	0.94	0.69	0	0.00
October 01, 2014	3,06,017	10	Nil	Transmission	2.87	2.10	0	0.00
March 15, 2016	2,42,678	10	Nil	Transfer	2.27	1.67	0	0.00
February 12, 2018	52,500	10	80	Cash	0.49	0.36	0	0.00
March 28, 2018	1,39,470	10	100	Cash	1.31	0.96	0	0.00
May 05, 2018	(1,10,000)	10	Nil	Transfer (Gift)	(1.03)	(0.76)	0	0.00
May 25, 2018	39,46,660	10	Nil	Bonus	36.95	27.12	0	0.00
Total	**49,33,325**				**46.19**	**33.91**		

6. Our Promoter Group, Directors and their immediate relatives have not purchased/sold Equity Shares of the Company during last 6 months except as mentioned below:

Sr. No.	Name of Transferor	Name of Transferee	Date of Transfer	Transfer Price	No. of Shares
1.	Tarawati	Archana Sarup	March 26, 2018	80	10
2.	Veenu Aggarwal	Archana Sarup	March 26, 2018	80	10
3.	Ambika Sarup	Gaurav Sarup	May 05, 2018	Nil*	10,645
4.	Prashant Sarup	Gaurav Sarup	May 05, 2018	Nil*	1,10,000
5.	Gaurav Sarup	Siddhant Sarup	May 05, 2018	Nil*	1,10,000
6.	Adarsh Gautam	Siddhant Sarup	May 05, 2018	Nil*	3,726

**By way of gift among immediate relatives*

7. Our Promoters have confirmed to the Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds or their internal accruals, as the case may be, and no

8. Loans or financial assistance from any bank or financial institution has been availed by them for this purpose.

9. 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 the issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of filing offer document with the Stock Exchange.

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

    Pursuant to Regulation 32 and 36 of SEBI (ICDR) Regulations an aggregate of 20% of the post-issue capital, held by our Promoters shall be considered as Promoter's Contribution ("Promoter's Contribution") and locked-in for a period of three years from the date of allotment. The lock-in of the Promoter's 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 i.e. Mr. Gaurav Sarup and Mr. Prashant Sarup have granted their consents to include such number of Equity Shares held by them as may constitute 20.62% of the post-issue Equity Share Capital of our Company as Promoter's Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's Contribution from the date of filing of this Prospectus until the commencement of the lock-in period specified above.

Date of allotment	Date when made fully paid up	No. of Shares	Face Value	Issue Price	Nature of Allotment	% of Post Issue Capital
Mr. Gaurav Sarup						
May 25, 2018	May 25, 2018	15,00,000	10	Nil	Bonus Issue	10.31
Total (A)		**15,00,000**				**10.31**

Mr. Prashant Sarup						
May 25, 2018	May 25, 2018	15,00,000	10	Nil	Bonus Issue	10.31
Total (B)		**15,00,000**				**10.31**
		30,00,000				**20.62**

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

- Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired by the Promoter during the preceding one year, at a price lower than the price at which Equity Shares are being offered to public in the Initial Public Offer.
- The Equity Shares held by the Promoter and offered for minimum Promoter's Contribution are not subject to any pledge.
- Equity shares issued to our Promoter on conversion of partnership firm into Private limited company during the preceding one year, at a price lower than the price at which Equity Shares are being offered to public in the Initial Public Offer.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoter's Contribution subject to lock-in.

The Promoter's Contribution can be pledged only with a scheduled commercial bank or public financial institution as collateral security for loans granted by such banks or financial institutions, in the event the pledge of the Equity Shares is one of the terms of the sanction of the loan. The Promoter's Contribution may be pledged only if in addition to the above stated, the loan has been granted by such banks or financial institutions for the purpose of financing one or more of the objects of this Issue.

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

11. Details of share capital locked in for one year

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

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

A. The table below represents the current shareholding pattern of our Company as per Regulation 31 of the SEBI (LODR) Regulations, 2015:

I. Summary of Shareholding Pattern

Category Code	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)	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)	Number of locked in Shares**		Number of Shares pledged or otherwise encumbered		Number of 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)	
							As a % of (A+B+C2)	Class X	Class Y	Total			As a % of (A+B+C2)					
I	II	III	IV	V	VI	VII=IV+V+VI	VIII	IX				X	XI=VII+X	XII		XIII		XIV
(A)	Promoters and Promoter Group	4	1,06,78,150	-	-	1,06,78,150	99.98	1,06,78,150	-	1,06,78,150	99.98	-	99.98	1,06,78,150	99.98	-	-	1,06,78,150
(B)	Public	19	1,850	-	-	1,850	0.02	1,850	-	1,850	0.02	-	0.02	1,850	0.02	-	-	950

(C)	Non Promoter- Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**23**	**1,06,80,000**	**-**	**-**	**1,06,80,000**	**100**	**1,06,80,000**	**-**	**1,06,80,000**	**100**	**-**	**100**	**1,06,80,000**	**100**	**-**	**-**	**1,06,79,100**

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

***Shall be locked-in on or before the date of allotment in this Issue.*

II. Shareholding Pattern of promoters and Promoter Group

	Category & name of shareholder (I)	PAN (II)	No. of shareholders (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	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) (X)	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 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)	
									Class : X	Class : Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)= (IV)+(V)+(VI)	(VIII)	(IX)				(X)	(XI)=(VII)+(X)	(XII)		(XIII)		(XIV)
(1)	Indian																		

(a)	Individual/ Hindu Undivided Family		4	1,06,78,150	-	-	1,06,78,150	95.20	1,06,78,150	-	1,06,78,150	95.20	-	95.20	1,06,78,150	95.20	-	-	1,06,78,150
	Gaurav Sarup	ADTPS0989E	1	47,76,950	-	-	47,76,950	42.59	47,76,950	-	47,76,950	42.59	-	42.59	47,76,950	42.59	-	-	47,76,950
	Prashant Sarup	ADTPS0990D	1	49,33,325	-	-	49,33,325	43.98	49,33,325	-	49,33,325	43.98	-	43.98	49,33,325	43.98	-	-	49,33,325
	Archana Sarup	AWIPS9490C	1	3,99,245	-	-	3,99,245	3.56	3,99,245	-	3,99,245	3.56	-	3.56	3,99,245	3.56	-	-	3,99,245
	Siddhant Sarup	FVKPS6679M	1	5,68,630	-	-	5,68,630	5.07	5,68,630	-	5,68,630	5.07	-	5.07	5,68,630	5.07	-	-	5,68,630
(b)	Central Government/ State Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions /Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any other (Body Corporate)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (A) (1)	**-**	**4**	**1,06,78,150**	**-**	**-**	**1,06,78,150**	**99.98**	**1,06,78,150**	**-**	**1,06,78,150**	**99.98**	**-**	**99.98**	**1,06,78,150**	**99.98**	**-**	**-**	**1,06,78,150**

(2)	Foreign																		
(a)	Individual (Non-Resident Individual/ Foreign Individual)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (A) (2)	**-**	**-**	-	**-**	**-**	**-**	-	-	-	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	**-**	**4**	**1,06,78,150**	**-**	**-**	**1,06,78,150**	**99.98**	**1,06,78,150**	**-**	**1,06,78,150**	**99.98**	**-**	**99.98**	**1,06,78,150**	**99.98**	**-**	**-**	**1,06,78,150**

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

***Shall be locked-in on or before the date of allotment in this Issue.*

III. Shareholding Pattern of the Public shareholder.

	Category & name of shareholder	PAN	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)	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)	Number of locked in Shares**		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form
								As a % of (A+B+C2)	No. of Voting Rights			Total as a % of (A+B+C)		As a % of (A+B+C2)	No. (a)	As a % of total shares held (B)	No. (a)	As a % of total shares held (B)	
									Class : X	Class : Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)= (IV)+(V) +(VI)	(VIII)	(IX)				(X)	(XI)=(VII)+(X)	(XII)		(XIII)		(XIV)
(1)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Financial Institutions/Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Any other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(2)	Central Government/ State Government(s) / President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3)	Non-Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Individuals-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	-	19	1850	-	-	1850	0.02	1850	-	1850	0.02	-	0.02	1850	0.02	-	-	950
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(d)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(3)	-	19	1850	-	-	1850	0.02	1850	-	1850	0.02	-	0.02	1850	0.02	-	-	950
	Total Public Shareholding (B)-(B)(1)+(B)(2)+(B)(3)	**-**	**19**	**1850**	**-**	**-**	**1850**	**0.02**	**1850**	**-**	**1850**	**0.02**	**-**	**0.02**	**1850**	**0.02**	**-**	**-**	**950**

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

***Shall be locked-in on or before the date of allotment in this Issue.*

IV. Shareholding pattern of the Non Promoter - Non Public shareholder

	Category & name of shareholder	PAN	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)	Total 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 shares held in dematerialized form
									No. of Voting Rights			Total as a % of Total Voting rights			No. (a)	As a % of total shares held (B)	No. (Not Applicable)	As a % of total shares held (Not Applicable)	
									Class : X	Class : Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)=(IV)+(V)+(VI)	(VIII)	(IX)				(X)	(XI)=(VII)+(X)	(XII)		(XIII)		(XIV)
(1)	Custodian/DR Holder	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(a)	Name of DR Holder (if applicable)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Employee Benefit Trust (Under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Non-Promoter-Non Public Shareholding (C)=(C)(1)+(C)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

In terms of SEBI circular bearing no. Cir/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing no. SEBI/Cir/ISD/ 05 /2011, dated September 30, 2011, the Equity Shares held by the Promoters/Promoters Group Entities and 50% of the Equity Shares held by the public shareholders, shall be dematerialised prior to filing the Prospectus with the RoC.* ***Further, the Equity Shares held by the Promoters/Promoters Group Entities and 50% of the Equity Shares held by the public shareholders, have been dematerialized.*

Our Company will file the shareholding pattern or our Company, in the form prescribed under Regulation 31 of the SEBI (LODR)Regulations,2015 one day prior to the listing of the equity shares. The shareholding pattern will be uploaded on the website of NSE (National Stock Exchange of India Limited) before commencement of trading of such Equity Shares.

B. Shareholding of our Promoters and Promoter Group

The table below presents the current shareholding pattern of our Promoters and Promoter Group. (Individuals and company).

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)
	Promoters				
1.	Gaurav Sarup	47,76,950	44.73	47,76,950	32.83
2.	Prashant Sarup	49,33,325	46.19	49,33,325	33.91
	Promoter Group				
3.	Siddhant Sarup	5,68,630	5.32	5,68,630	3.91
4.	Archana Sarup	3,99,245	3.74	3,99,245	2.74
	Total	**1,06,78,150**	**99.98**	**1,06,78,150**	**73.40**

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

Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)
Gaurav Sarup	47,76,950	1.79
Prashant Sarup	49,33,325	4.64

Equity Shares held by top ten shareholders

Our top ten* shareholders and the number of Equity Shares held by them as on date of this Prospectus are as under:

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
1.	Gaurav Sarup	47,76,950	44.73
2.	Prashant Sarup	49,33,325	46.19
3.	Siddhant Sarup	5,68,630	5.32
4.	Archana Sarup	3,99,245	3.74
5.	Ashish Aggarwal	950	0.01

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
6.	Ashok Kumar Bhardwaj	50*	Negligible
7.	Brij Thapar	50*	Negligible
8.	Gurshish Singh	50*	Negligible
9.	Joginder Pal Agarwal	50*	Negligible
10.	Jagdish Kumar	50*	Negligible
	Total	**1,06,79,350**	**99.99**

** All other shareholders have equal number of shares.*

Our top ten* shareholders and the number of Equity Shares held by them ten days prior to the date of this Prospectus are as under:

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
1.	Gaurav Sarup	47,76,950	44.73
2.	Prashant Sarup	49,33,325	46.19
3.	Siddhant Sarup	5,68,630	5.32
4.	Archana Sarup	3,99,245	3.74
5.	Ashish Aggarwal	950	0.01
6.	Ashok Kumar Bhardwaj	50*	Negligible
7.	Brij Thapar	50*	Negligible
8.	Gurshish Singh	50*	Negligible
9.	Joginder Pal Agarwal	50*	Negligible
10.	Jagdish Kumar	50*	Negligible
	Total	**1,06,79,350**	**99.99**

** All other shareholders have equal number of shares.*

Our top ten* shareholders and the number of Equity Shares held by them two years prior to date of this Prospectus are as under:

Sr. No.	Name of shareholder	No. of Shares	% age of then existing capital
1.	Gaurav Sarup	9,04,695	49.98
2.	Prashant Sarup	9,04,695	49.98
3.	Archana Sarup	100	0.01
4.	Adarsh Gautam	100	0.01
5.	Ambika Sarup	100	0.01
6.	Jaidka Industries Limited	10*	Negligible
7.	Malvika Aggarwal	10*	Negligible
8.	Manoj Kumar & Sons (HUF)	10*	Negligible
9.	Om Parkash & Sons (HUF)	10*	Negligible
10.	Pardeep Kumar & Sons (HUF)	10*	Negligible
	Total	**18,09,740**	**99.98**

** All other shareholders have equal number of shares.*

12. There is no "Buyback", "Standby", or similar arrangement for the purchase of Equity Shares by our Company/Promoters/Directors/Lead Manager for purchase of Equity Shares offered through this Prospectus.
13. There are no safety net arrangements for this public issue.
14. The Equity Shares, which are subject to lock-in, shall carry the inscription “non-transferable” and the non-transferability details shall be informed to the depository. The details of lock-in shall also be provided to the Stock Exchange before the listing of the Equity Shares.
15. As on the date of this Prospectus, none of the shares held by our Promoters/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.
16. Except, as otherwise disclosed in the chapter titled “Objects of the Issue” beginning on page 91 of this Prospectus, we have not raised any bridge loans against the proceeds of the Issue.
17. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed in heading on "Basis of Allotment" beginning on page 276 of this Prospectus.
18. The Equity Shares Issued pursuant to this Issue shall be fully paid-up at the time of Allotment, failing which no allotment shall be made.
19. Our Company has not issued any Equity Shares at a price less than the Issue Price in the last one year preceding the date of filing of this Prospectus.
20. 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.
21. Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the Lead Manager and National Stock Exchange of India Limited.

22. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalizing the basis of allotment to the nearest integer during finalizing the allotment, subject to minimum allotment lot. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-up capital is locked-in.

23. The Issue is being made through Fixed Price Method.

24. As on date of filing of this Prospectus with Stock Exchange, the entire issued share capital of our Company is fully paid-up. The Equity Shares offered through this Public Issue will be fully paid up.

25. On the date of filing of this Prospectus with Stock Exchange, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.

26. Our Company has not issued any Equity Shares out of revaluation reserves and not issued any bonus shares out of capitalization of revaluation reserves.

27. Lead Manager to the Issue viz. Sarthi Capital Advisors Private Limited and its associates do not hold any Equity Shares of our Company.

28. Our Company has not revalued its assets since incorporation.

29. Our Company has not made any Public Issue of any kind or class of securities since its incorporation.

30. There will be only one denomination of the Equity Shares of our Company unless otherwise permitted by law.

31. Our Company shall comply with such disclosure, and accounting norms as may be specified by SEBI from time to time.

32. There will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from submission of this Prospectus with Stock Exchange until the Equity Shares to be issued pursuant to the Issue have been listed.

33. Except as disclosed in this Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six (6) months from the date of opening of the Issue, by way of spilt/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise. However, during such period or a later date, it may issue Equity Shares or securities linked to Equity Shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

34. Our Company does not have any ESOS/ESPS scheme for our employees and we do not intend to allot any shares to our employees under ESOS/ESPS scheme from the proposed Issue. As and when, options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.

35. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.

36. As per RBI regulations, OCBs are not allowed to participate in this Issue.

37. Our Promoters and the members of our Promoter Group will not participate in this Public Issue.

38. Our Company shall ensure that transactions in the Equity Shares by the Promoters, Group companies and the Promoter Group between the date of filing the Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.

39. For the details of transactions by our Company with our Promoter Group during financial years ended March 31 2018, 2017, 2016, 2015 and 2014, please refer to Annexure VIII of restated financial statement under the section titled, 'Financial Statements' beginning on page 180 of this Prospectus.

40. 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 154 of this Prospectus.

41. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.

42. Our Company has Twenty Three (23) shareholders as on the date of filing of this Prospectus.

OBJECTS OF THE ISSUE

Our Company proposes to utilize the funds which are being raised towards funding the following objects and achieve the benefits of listing on the NSE Emerge Platform.

The objects of the Issue are:

1. Capacity Augmentation;
2. Upgradation of existing R & D Unit and IOTQ Center;
3. Establishment of new IOTQ Centers;
4. Working Capital Requirements;
5. General Corporate Purpose;
6. Issue Expenses.

Our Company believes that listing will enhance our Company's corporate image, brand name and create a public market for its Equity Shares in India. It will also make future financing easier and affordable in case of expansion or diversification of the business. Further, listing attracts interest of institutional investors as well as foreign institutional investors.

The main objects clause of our Memorandum enables our Company 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. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution.

FUND REQUIREMENTS:

Our funding requirements are dependent on a number of factors which may not be in the control of our management, changes in our financial condition and current commercial conditions. Such factors may entail rescheduling and / or revising the planned expenditure and funding requirement and increasing or decreasing the expenditure/repayment for a particular purpose from the planned expenditure/repayment.

We intend to utilize the proceeds of the Fresh Issue, in the manner set forth below:

(Rs. In lakhs)

Sr. No.	Particulars	Amount
1.	Capacity Augmentation	623.00
2.	Upgradation of existing R & D Unit and IOTQ Center	417.00
3.	Establishment of new IOTQ Centers	110.00
4.	Working Capital Requirements	250.00
5.	General Corporate Purpose	25.40
6.	*Issue Expenses	200.00
	Total	**1,625.40**

**As on August 16, 2018, our Company has incurred a sum of Rs. 73,22,300/- (Rupees Seventy Three Lakhs Twenty Two Thousand Three Hundred Only) towards issue expenses and new IOTQ Center.*

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

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

In case of variations in the actual utilization of funds allocated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt.

We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entailer scheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt. In case of any such re-scheduling, it shall be made by compliance of the relevant provisions of the Companies Act, 2013.

DETAILS OF UTILIZATION OF ISSUE PROCEEDS

1. CAPACITY AUGMENTATION

Our Company has decided to increase the capacity of some of the plant's major components which go into production of our machines. A part of the IPO proceeds shall be utilized for importing mother machinery and manufacturing domestic self-made machines, which will increase our capacity to manufacture critical components for our machines. With this capacity increasing of our unit, we shall be able to further demonstrate the efficacy of our technology and our ability to scale upwards. This increase in manufacturing ability not only will add to our revenue streams, but it will also improve our profit margins by utilizing economies of scale. The proposed capacity augmentation shall be carried out in existing premises.

Our Company proposes to utilize Rs. 623.00 Lakhs out of the net proceeds towards importing mother machinery, including a) Heavy Duty Horizontal Machining Center b) Medium Duty Horizontal Machining Center c) Vertical Machining Center d) Surface Grinder and self-made machines.

A. Imported Machines

The Detail of the quotations received from the suppliers of imported machines are as follows:

(Rs. in Lakhs)

Sr. No.	Name Of The Supplier	Model/Description	Amount In USD	INR Converted Value	Custom Duty	Freight And Installation Etc.	Total Cost
1.	Dowel Tongyi Machinery Inc., Taiwan	Surface Grinder Machine, (DSG-2040AND)	49,500	33.56	2.52	1.80	37.88
2.	HO Sabettu Heavy Machinery LLP	CNC Horizontal Machining Center (HE-400(2APC)	148,320	100.56	7.54	5.40	113.51
3.	Haas Factory Outlet, USA (Branch Of Philips Machine Tools India Pvt. Ltd.)	Vertical Machining Center and accessories (VF-3YT/50)	128,900	87.39	6.55	4.70	98.65
4.	Newway CNC Equipment (Suzhou) Co. Ltd.	Horizontal Machining Center (HM100TS)	234,500	158.99	11.92	8.54	179.46
	TOTAL (A)		**561,220**	**380.50**	**28.53**	**20.44**	**429.50 (430.00)**

The orders for above machinery have not been placed as yet and our Company is in the process of finalizing the critical details. The quotations are valid as on the date of the Prospectus.

B. Domestic Machines

Further, our company proposes to put self-manufactured mother machines in our factory premises which shall be used in production of components for new machines and will enhance our manufacturing capacity. The detail of the approximate costs for self-made machines are as follows:

(Rs. in Lakhs)

Particulars Of Machines	Cost Of Material	Direct Labour	Total
Rigidturn (SL 40 TM)	61.59	3.08	64.67
Rigidturn (SL 30)	53.92	2.70	56.62
Rigidturn (SL50)	68.49	3.42	71.91
TOTAL (B)	**184.00**	**9.20**	**193.20 (193.00)**
TOTAL (A+B)			**623.00**

2. UPGRADATION OF EXISTING R & D UNIT AND IOTQ CENTER

Our Company proposes to put up demo machines in Manesar Tech Center. At present, finished machines are displayed for a short duration at Manesar Tech Center and then shipped to customers for whom they were manufactured. Our Company proposes to put dedicated display machines at Tech Center so that machines are available round the year to demonstrate technologies and help expand the sales efforts. Our Company proposes to utilize Rs. 417.00 Lakhs out of the net proceeds to upgrade our R&D and IOTQ center at Manesar, Gurugram.

(Rs. in Lakhs)

Particulars Of Machines	No. of Machines	Cost Of Material	Direct Labour	Total
Roboturn 8TTM Cell	1	115.46	5.77	121.23
Twinturn 8TTM	1	88.13	4.41	92.54
Uber Automation 10-10	1	32.11	1.61	33.72
Twinturn XL cell	1	161.48	8.07	169.55
TOTAL		**397.18**	**19.86**	**417.04 (417.00)**

3. ESTABLISHMENT OF NEW IOTQ CENTERS

Our Company proposes to utilize Rs. 110.00 Lakhs out of the net proceeds to establish new IOTQ center in South India near Bangalore and another in United States of America.

a) Our Company proposes to establish and put Demo machines in Tech Centre in South India near Bangalore.

(Rs. in Lakhs)

Particulars Of Machines	Cost Of Material	Direct Labour	Total
Roboturn DS450	48.15	2.41	50.56
SUB-TOTAL (A)	**48.15**	**2.41**	**50.56 (51.00)**

b) Our Company proposes to set up Tech Center in Atlanta with Demo Machines that will help in expanding sales to US as technology demonstration will further help in cracking the US markets. Our Company proposes to put Demo Machines including Automated UBER in US Tech Center.

Particulars Of Machines	Cost Of Material	Direct Labour	Total
ALTIOUS 2540 and 4 Gauging Stations	55.80	3.25	59.05
SUB-TOTAL (B)	**55.80**	**3.25**	**59.05 (59.00)**
TOTAL (A+B)			**110.00**

SCHEDULE OF IMPLEMENTATION

Sr. No.	Particulars	Expected Date of Completion
1.	Capacity Augmentation	
	Import of Machinery	December 2018
	Purchase/Manufacture of Machinery	January 2019
	Installation of Machinery	January 2019
2.	Tech Centre/Display in Manesar	
	Purchase/Manufacture of Machinery	December 2018
3.	Tech Centre/Display in South India	
	Building lease	December 2018
	Purchase/Manufacture of Machinery	January 2019
4.	Tech Centre/Display in USA	
	Building Lease & Initial Display	October 2018
	Receipt/installation of Machinery	November 2018

4. WORKING CAPITAL REQUIREMENT

The details of our Company's working capital requirements for the Financial Year 2016-17 and 2017-18 and funding of the same are as set out in the table below:

(Rs. in Lakhs)

Particulars	2016-17*	2017-18*	2018-19
Current Assets			
Cash & Cash Equivalents	193.37	221.92	7.35
Trade Receivables	823.42	1,141.75	2,126.50
Inventories	3,673.34	3,829.78	3,556.62
Other Current Assets	122.15	297.19	635.00
Total (A)	**4,812.28**	**5,490.64**	**6,325.48**
Current Liabilities			
Trade Payables	1,839.22	1,838.62	1,416.73
Statutory Liabilities	340.15	288.58	320.00
Other Current Liabilities	1,076.73	1,265.36	1,070.00
Short Term Provisions	51.25	149.00	375.00
Total (B)	**3,307.35**	**3,541.56**	**3,181.73**
Net Working Capital (A)-(B)	**1,504.93**	**1,949.08**	**3,143.75**
Sources of Working Capital			
Fund Based Borrowings	1,516.23	1,622.34	1,500.00
IPO Proceeds	-	-	250.00
Internal Sources / Share Capital /Borrowings	-	-	1,393.75

**Based on Restated Financial of respective years.*

The Company's business is working capital intensive and we avail our working capital in the ordinary course of business from Banks. As on March 31, 2017 and March 31, 2018 the Company's net working capital consisted of Rs. 1,504.93 and Rs. 1,949.08 Lakhs respectively. Considering the existing and future growth, the total working capital needs of our Company, is expected to reach 3,143.75 Lakhs for FY 2018-19. We intend to meet our working capital requirements to the extent of 250.00 Lakhs from the Net Proceeds of this Issue and the balance will be met from internal accruals and borrowings at an appropriate time as per the requirement.

BASIS OF ESTIMATION

The incremental working capital requirements are based on historical Company data and estimation of the future requirements in FY 2018-19 considering the growth in activities of our Company and in line with norms generally accepted by banker(s).

We have estimated future working capital requirements based on the following:

(No. of Days)

Particulars		Basis	2016-17	2017-18	2018-19
Receivables	Collection Period	-	53	59	60
Inventory	Raw Material	Cost of Purchase	190	114	60
	Stock in Process	Cost of Production	105	123	90
	Finished Goods	Cost of Production	83	60	30
Payables	Credit Period	-	192	148	75

5. GENERAL CORPORATE PURPOSE

Our Company proposes to deploy Net Proceeds, aggregating to Rs. 25.40 Lakhs, towards general corporate purposes, subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with Regulation 4(4) of the SEBI Regulations, including but not limited to strengthening of our marketing and distribution capabilities, advertisements and publicity, trade exhibitions, investment into our proposed IOTQ Centers, creating subsidiaries, meeting exigencies which our Company may face in the ordinary course of business, and any other purpose as may be approved by the Board.

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. 200.00 Lakhs.

(Rs. in Lakhs)

Expenses	Expenses (Rs. in Lakhs)	Expenses (% of total Issue expenses)	Expenses (% of Issue size)
Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Market Makers, Bankers and Regulatory Fees & Other Expenses etc.	35.00	17.50	2.15
Marketing expenses, Selling Commission and other expenses	165.00	82.50	10.15
Total estimated Issue expenses	**200.00**	**100.00**	**12.30**

DEPLOYMENT OF FUNDS

As estimated by our management, the entire proceeds from the Issue shall be utilized as follows:

(Rs. In Lakhs)

Particulars	Total Funds	Amount incurred till August 16, 2018	Balance deployment during FY 2018-19
Capacity Augmentation	623.00	-	623.00
Upgradation of existing R & D Unit and IOTQ Center	417.00	-	417.00
Establishment of new IOTQ Centers	110.00	59.00	51.00
Working Capital Requirement	250.00	-	250.00
General Corporate Purpose	25.40	-	25.40
*Issue Expenses	200.00	14.22	185.78
Total	**1625.40**	**73.22**	**1552.18**

** As on August 16, 2018, our Company has incurred a sum of Rs. 73,22,300/- (Rupees Seventy Three Lakhs Twenty Two Thousand Three Hundred Only) towards issue expenses and new IOTQ Center.*

S. Sood & Co., Chartered Accountants, Statutory Auditor has vide certificate dated August 16, 2018 confirmed that as on August 16, 2018 following funds were deployed for the proposed Objects of the Issue:

(*Rs. in Lakhs*)

Source	Amount Incurred
Internal Accruals	73.22
Total	**73.22**

MEANS OF FINANCE

(*Rs. in Lakhs*)

Particulars	Estimated Amount
Net Proceeds	1625.40
Internal Accruals	Nil
Total	**1625.40**

APPRAISAL BY APPRAISING AGENCY

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

INTERIM USE OF FUNDS

Pending utilization for the purposes described above, our Company intends to invest the funds in with scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds. Further, our Board of Directors hereby undertake that full recovery of the said interim investments shall be made without any sort of delay as and when need arises for utilization of process for the objects of the issue.

BRIDGE FINANCING FACILITIES

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending on business exigencies, our Company may consider raising bridge financing for the Net Proceeds for Object of the Issue.

MONITORING UTILIZATION OF FUNDS

As the Net Proceeds of the Issue will be less than Rs. 10,000 Lakhs, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency.

Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee. Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

No part of the Issue Proceeds will be paid by our Company as consideration to our Promoters, our Directors, Key Management Personnel or companies promoted by the Promoters, except as may be required in the usual course of business and for working capital requirements.

VARIATION IN OBJECTS

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Initial Public Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. Further, pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

OTHER CONFIRMATIONS

There are no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel and Group Company, in relation to the utilization of the Net Proceeds. No part of the Issue Proceeds will be paid by our Company as consideration to our Promoters, our Directors, Key Management Personnel or company promoted by the Promoters, except as may be required in the usual course of business.

BASIS FOR ISSUE PRICE

The Issue Price of Rs. 42/- per Equity Share has been determined by our Company, in consultation with the LM on the basis of an assessment of market demand for the Equity Shares through the Fixed Price Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Share of our Company is Rs. 10/- and Issue Price is 4.20 times the face value.

QUALITATIVE FACTORS

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

- Established and proven track record;
- Three patents in CNC machine, 12 under process;
- Leveraging the experience of our Promoters;
- Experienced management team and a motivated and efficient work force;
- Cordial relations with our customers;
- Quality Assurance & Control;
- Research and Development;

For further details, refer to heading '***Our Strengths***' under chapter titled '***Our Business'*** beginning on page 110 of this Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the standalone restated financial statements of the Company for Financial Year 2015-16, 2016-17 and 2017-18 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. Basic Earnings per Share (EPS) as per Accounting Standard 20:

Year ended	EPS (Rs.)	Weight
March 31, 2016	0.46	1
March 31, 2017	1.22	2
March 31, 2018	5.47	3
Weighted Average	**3.22**	

Note: The EPS has been computed by dividing net profit as restated in financials, attributable to equity shareholders by weighted average number of equity shares outstanding during the year.

2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 42/- per Equity Share of face value of Rs. 10/- each.

Particulars	P/E Ratio
P/E ratio based on Basic EPS for FY 2017-18	7.68
P/E ratio based on Weighted Average EPS	13.04

3. Average Return on Net worth (RoN) for the preceding three years.

Year ended	Ron (%)	Weight
March 31, 2016	5.47	1
March 31, 2017	12.67	2
March 31, 2018	43.36	3
Weighted Average	**26.82**	

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

4. **Minimum Return on Total Net Worth after Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2018 –** 23.32%

5. **Net Asset Value (NAV)**

(Amount in Rs.)

Particulars	Amount (Rs.)
Net Asset Value per Equity Share as of March 31, 2018	12.62
Net Asset Value per Equity Share after the Issue	23.45
Issue Price per equity share	42.00

*NAV per Equity Share has been calculated as Net Worth as divided by number of Equity Shares.

6. **Comparison with other listed companies/Industry peers**

Companies	Face Value	Sales (Rs. in Cr.)	PAT (Rs. in Cr.)	EPS (In Rs.)	P/E Ratio	CMP (In Rs.)
Marshall Machines Limited	10.00	59.36	5.00	5.47	7.68	-
Peer Groups:*						
Macpower CNC Machines Limited	10.00	106.49	7.04	7.18	29.53	212.00
Lokesh Machines Limited	10.00	174.94	4.70	2.63	21.16	55.65

*Source for Peer Group information: www.nseindia.com

- The figures of Our Company are based on the restated results for the year ended March 31, 2018.
- The figures for the Peer group are based on Standalone audited results for the Financial Year ended March 31, 2018.
- Current Market Price (CMP) is the closing prices of respective scrips as on August 14, 2018.

The Company in consultation with the Lead Manager and after considering various valuation fundamentals including Book Value and other relevant factors believes that the issue price of Rs. 42/- per share for the Public Issue is justified in view of the above parameters. The investors may also want to pursue the Risk Factors beginning on page 20 of this Prospectus and Financials of the company as set out in the Financial Statements beginning on page 180 of this Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is Rs. 10/- per share and the Issue Price is 4.20 times of the face value i.e. Rs. 42/- per share.

For further details see "Risk Factors" beginning on page 20 of this Prospectus and the financials of the Company including profitability and return ratios, as set out in the "Financial Statements" beginning on page 180 of this Prospectus for a more informed view.

STATEMENT OF TAX BENEFITS

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

To
The Board of Directors,
Marshall Machines Limited
(Formerly known as Marshall Machines Private Limited)
C 86, Phase V, Focal Point,
Ludhiana- 141010, Punjab

We refer to proposed issue of the shares of **Marshall Machines Limited**, formerly known as Marshall Machines Private Limited ('the Company'). We enclose herewith the statement showing the possible tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act'), as applicable to the assessment year 2019-20 relevant to the financial year 2018-19 for inclusion in the Prospectus as well as Prospectus ("Offer Documents") for the proposed issue of shares.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Income-tax Act 1961. Hence, the ability of the Company or its shareholders to derive these direct tax benefits is dependent upon their fulfilling such conditions, which is based on the business imperatives, the company or its shareholders may or may not choose to fulfil.

The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to specific tax implications arising out of participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

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

- the Company or its shareholders will continue to obtain these benefits in future;
- the conditions prescribed for availing the benefits, where applicable have been/would be met;
- the revenue authorizes/courts will concur with the views expressed herein.

For **M/s S. Sood & Company**
Chartered Accountants
F.R.N. 010801N

Sanjay Sood
Partner
Membership No. 089457

Place: Ludhiana
Date: July 18, 2018

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO MARSHALL MACHINES LIMITED ("THE COMPANY") AND IT'S SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

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.

1. **Special Tax Benefits available to the Company**
   There are no Special tax benefits available to the Company.

2. **Special Tax Benefits available to the shareholders of the Company**
   There are no Special tax benefits available to the shareholders of the Company.

Notes:

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.

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

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.

For **M/s S. Sood & Company**
Chartered Accountants
F.R.N. 010801N

Sanjay Sood
Partner
Membership No. 089457

Place: Ludhiana
Date: July 18, 2018

SECTION IV- ABOUT THE COMPANY

OUR INDUSTRY

OVERVIEW OF INDIAN ECONOMY

India's diverse economy encompasses traditional village farming, modern agriculture, handicrafts, a wide range of modern industries, and a multitude of services. Slightly less than half of the work force is in agriculture, but services are the major source of economic growth, accounting for nearly two-thirds of India's output but employing less than one-third of its labour force. India has capitalized on its large educated English-speaking population to become a major exporter of information technology services, business outsourcing services, and software workers.

Thus, the country is attracting many global majors for strategic investments owing to the presence of vast range of industries, investment avenues and a supportive government. Huge population, mostly comprising the youth, is a strong driver for demand and an ample source of manpower.

With 1.33 billion people and the world's fourth-largest economy, India's recent growth and development has been one of the most significant achievements of our times. Over the six and half decades since independence, the country has brought about a landmark agricultural revolution that has transformed the nation from chronic dependence on grain imports into a global agricultural powerhouse that is now a net exporter of food. Life expectancy has more than doubled, literacy rates have quadrupled, health conditions have improved, and a sizeable middle class has emerged. India is now home to globally recognized companies in pharmaceuticals and steel and information and space technologies, and a growing voice on the international stage that is more in keeping with its enormous size and potential

GDP and Other Indicators

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 6.6 per cent in 2017-18 and is expected to grow 7.3-7.7 per cent in 2018-19.

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

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

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

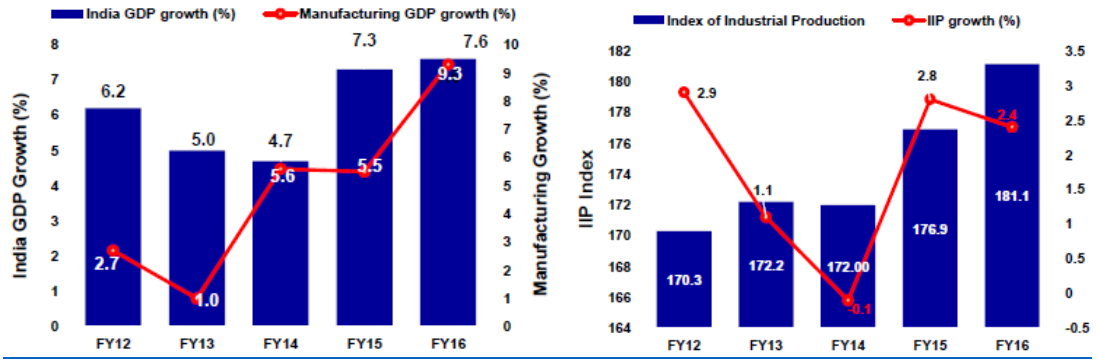
India's labour force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labour force participation, and higher education enrolment, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute.

India's foreign exchange reserves were US$ 422.53 billion in the week up to March 23, 2018, according to data from the RBI. India's gross domestic product (GDP) is expected to reach US$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitization, globalization, favorable demographics, and reforms.

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

Exchange Rate Used: INR 1 = US$ 0.0153 as on March 29, 2018

Source: https://www.ibef.org/economy/indian-economy-overview



Source: Source MOSPI

Foreign Direct Investment

Apart from being a critical driver of economic growth, foreign direct investment (FDI) is a major source of non-debt financial resource for the economic development of India. Foreign companies invest in India to take advantage of relatively lower wages, special investment privileges such as tax exemptions, etc. For a country where foreign investments are being made, it also means achieving technical know-how and generating employment.

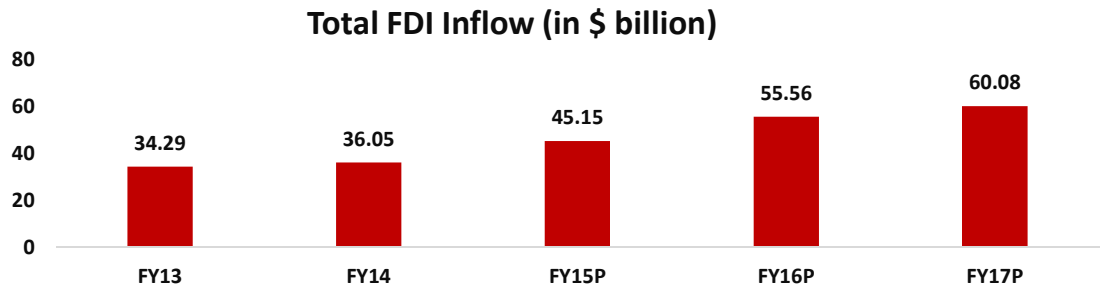
According to Department of Industrial Policy and Promotion (DIPP), the total FDI investments in India during 2017-18 stood at US$ 44.86 billion, indicating that government's effort to improve ease of doing business and relaxation in FDI norms is yielding results.

India emerged as the top recipient of greenfield FDI Inflows from the Commonwealth, as per a trade review released by The Commonwealth in 2018.

Some of the recent significant FDI announcements are as follows:

- In June 2018, Idea's appeal for 100 per cent FDI was approved by Department of Telecommunication (DoT) followed by its Indian merger with Vodafone making Vodafone Idea the largest telecom operator in India
- In May 2018, Walmart acquired a 77 per cent stake in Flipkart for a consideration of US$ 16 billion.
- In February 2018, Ikea announced its plans to invest up to Rs 4,000 crore (US$ 612 million) in the state of Maharashtra to set up multi-format stores and experience centres.
- In November 2017, 39 MoUs were signed for investment of Rs 4,000-5,000 crore (US$ 612-765 million) in the state of North-East region of India.

Source: https://www.ibef.org/economy/foreign-direct-investment.aspx



Source:
https://www.cmie.com/kommon/bin/sr.php?kall=warticle&dt=2017-05-20%2014:49:32&msec=960
http://dipp.nic.in/sites/default/files/FDI_FactSheet_January_March2017.pdf
http://www.financialexpress.com/economy/3-years-of-modi-rule-fdi-inflows-jump-to-60-billion-in-2016-17-from-36-billion-in-2013-14/676518/

Index of Industrial Production

The weightage of Manufacturing, Mining and Electricity production in overall Index of Industrial Production (IIP) is 77.633%, 14.373% and 7.994% respectively.

The Indices of Industrial Production for the Mining, Manufacturing and Electricity sectors for the month of May 2018 stand at 107.5, 129.1 and 164.7 respectively, with the corresponding growth rates of 5.7 percent, 2.8 percent and 4.2 percent as compared to May 2017 (Statement I). The cumulative growth in these three sectors during April-May 2018 over the corresponding period of 2017 has been 4.9 percent, 4.0 percent and 3.1 percent respectively.

Growth of Index of Industrial Production (IIP)

Groups	Weight (%)	Annual		Cumulative	Monthly	
		2015-16	2016-17	April-March 2017-18	February-18	March-18
Mining	14,373	4.3	5.3	4.9	-0.4	2.8
Manufacturing	77,633	2.8	4.4	4.0	8.5	4.4
Electricity	7,994	5.7	5.8	3.1	4.5	5.9
General Index	100.00	3.3	4.6	4.3	7.0	4.4

Source: http://eaindustry.nic.in/iip/IIP_Highlights.pdf

Key Economic Variables

Particulars	FY13	FY14	FY15	FY16 RE	FY17 AE
GDP %	5.5	6.4	7.5	8.0	7.1
GVA Growth Rate (%)	5.4	6.3	7.1	7.9	6.6
Export Growth (%)	-1.8	4.7	-1.3	-5.4	4.7
Import Growth (%)	0.3	-8.3	-0.5	-5.9	-0.17
Index of industrial Production (%)	6.5	4.2	4.5	2.7	-

Source: RBI

MOSPI: http://mospi.nic.in/sites/default/files/press_release/PRESS_NOTE_PE_2016-17.pdf

Machine Industry

Overview of Global Machine Tool industry

As per Gardner's world machine tool consumption survey 2016

- Global machine tool production during 2015 was about 80.1 Bn USD.
- Global machine tool consumption during 2015 was about 78.9 Bn USD.
- China accounts for 27.6% of global machine tool production, followed by Japan (16.8%), Germany (15.5%) Italy (6.6%) and Korea (5.96%).
- India's share in Global machine tool production was about 0.9 percent.

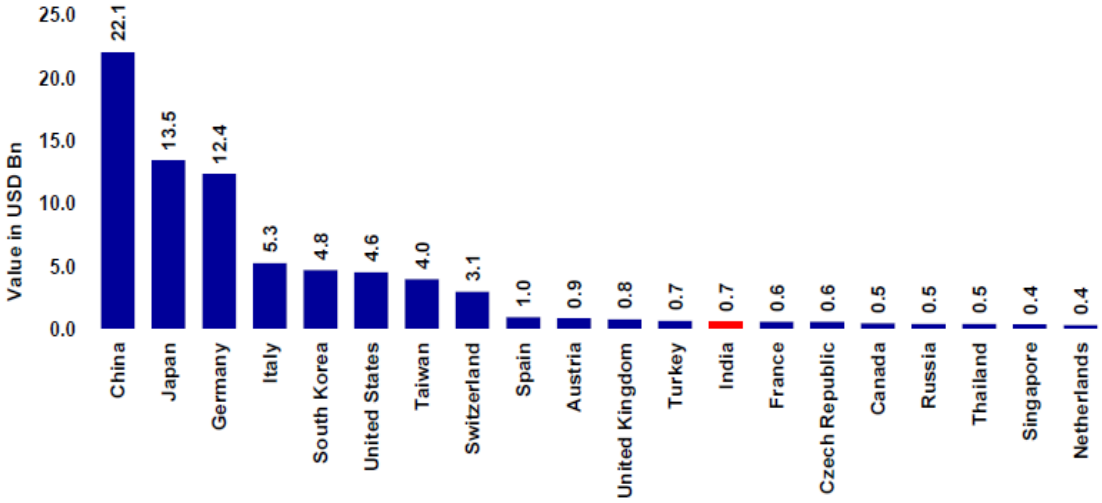
Source: Gardner's Publication Apr 2016 & IMTMA Analysis

How does the global scenario look?

Not all countries are strong in machine tools. Japan and Germany are strong in production and degree of sophistication/technology level. Global production of machine tools was worth around $84 billion. In volume, China leads the pack; in technological maturity, Germany and Japan are at the same level. China's machine tool production was about $24 billion.

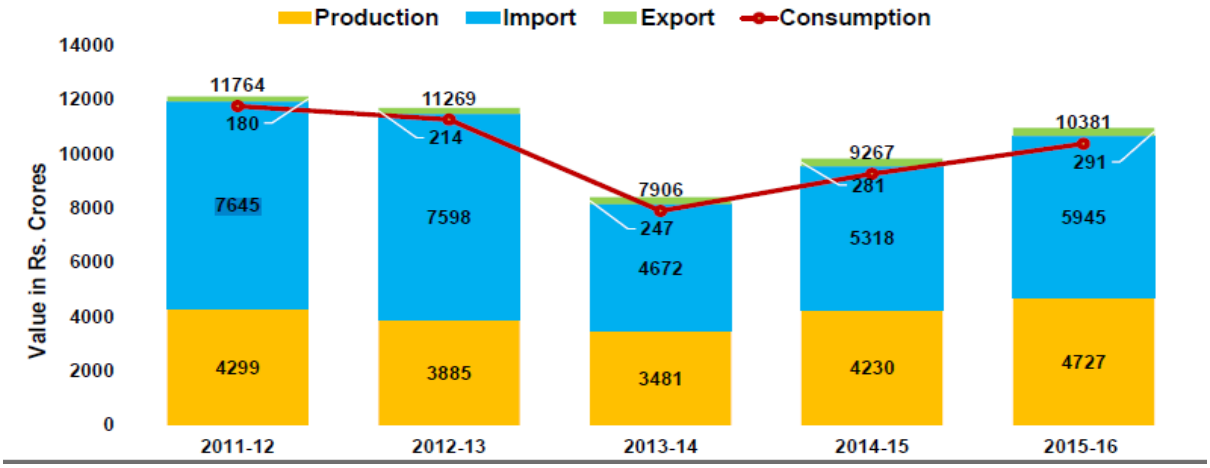
Source:https://www.thehindubusinessline.com/economy/machine-tools-industry-key-to-manufacturing-success-of-make-in-india-to-be-worth-1b-in-2016/article8991383.ece

Global Machine Tool Production Top 20 Countries during 2015



Source: Gardner's Publication Apr 2016

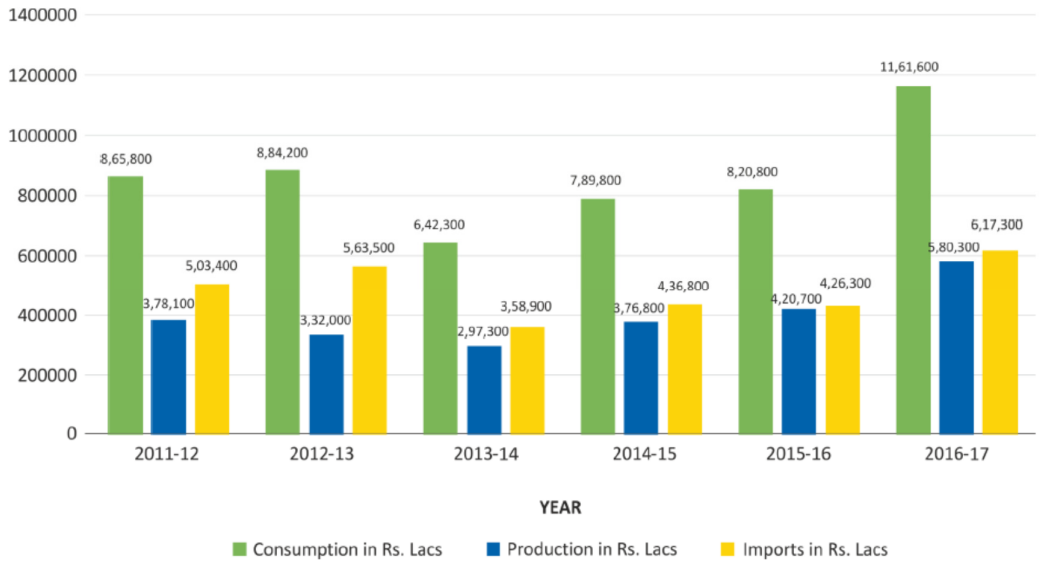
Overview of Indian Machine Industry



India was the 13th largest manufacturer of machine tools in the world as per Gardner's world machine tool consumption survey report 2016.

- The Indian machine toolindustryconsistsofaround1000manufacturingunits covering large, medium and small companies.
- Domestic manufacturers have 43% share in consumption.

Overview of Metal Cutting Machine Tool Industry in India



Source: Indian Machine Tools Manufacturing Association

- Metal cutting industry has seen increasing trend over three years with the stable growth in manufacturing activity in the country.
- User sectors like Auto industry and auto component industry has led to growth of metal cutting machine tool demand during these years

Metal Cutting Machine Tools Industry

- **Metal Cutting Machine Tools**

Metal Cutting is a collection of processes wherein material is brought to a specified geometry by removing excess material using various kinds of tooling to leave a finished part that meets specifications.

Based on the working process, metal cutting machineries can be broadly classified into the following categories.

Turning machines: Turning is a metal cutting process for producing a cylindrical surface with a single point tool. The work piece is rotated on a spindle and the cutting tool is fed into it radially, axially or both.

Machining Centre: The term “machining centre” describes almost any CNC milling and drilling machine that includes an automatic tool changer and a table that clamps the work piece in place. On a machining centre, the tool rotates, but the work does not.

Drilling Machine: Drilling is a cutting process that uses a drill bit to cut a hole of circular in solid cross section materials. The drill bit is usually a rotary cutting tool, often multi point. The bit is pressed against the work piece and rotated at rates from hundreds to thousands of revolutions per minute.

Milling Machine: Milling is the machining process of using rotary cutters to remove material from a work piece by advancing (or feeding) in a direction at an angle with the axis of the tool.

Grinding machine: A grinding machine, often shortened to grinder, is any of various machine tool used for grinding, which is a type of machining using an abrasive wheel as the cutting tool. Each grain of a abrasive on the wheel's surface cuts a small chip from the work piece via shear deformation. Grinding is used to finish work pieces that must show high surface quality and high accuracy of shape and dimension.

Gear Cutting machine: Gear cutting is any machining process for creating a gear. The most common gear-cutting processes include hobbling broaching, milling and grinding. Such cutting operations may occur either after or instead of forming processes such as forging, extruding casting, or sand casting.

Electrical discharge machining (EDM), also known as spark machining, spark eroding, burning, die sinking, wire burning or wire erosion, is a manufacturing process where by a desired shape is obtained by using electrical discharges (sparks).

Source: *IMTMA Analysis*

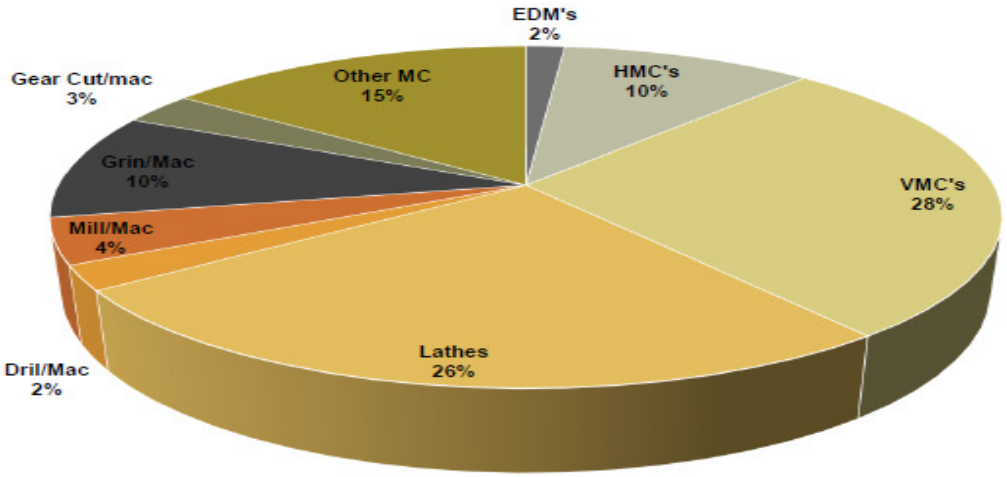
Country wise Metal Cutting Machine Tool imports by India in (share in %)

Year	Japan	Germany	China	Korea	Taiwan	Italy	US	Others
2011-12	27	17	8	7	7	9	7	18
2012-13	36	15	5	10	7	6	6	16
2013-14	31	16	5	8	7	9	6	18
2014-15	30	15	8	8	8	8	5	18
2015-16	30	16	8	4	9	7	5	21

- India imports about 55 percent of the metal cutting machines
- Japan is the major source of metal cutting machine tools imports to India.
- Japan(27%) and Germany(17%) contributed about 46 percent of metal cutting imports to India till 2016.
- Taiwan, Italy, Korea and China are the other source of metal cutting imports to India.

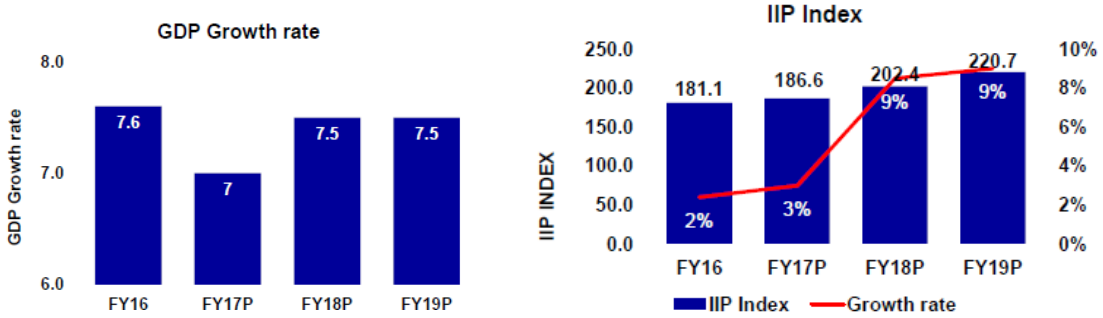
Source: IMTMA Analysis

Machine wise demand for metal cutting machines in (%) during FY 16



Demand VMC's in on the higher side. About 28 percent of the metal cutting machine tool imports constitutes of VMC's. Demand for Lathes HMC's, Grinding machines and Other Metal Cutting machines are also higher side.

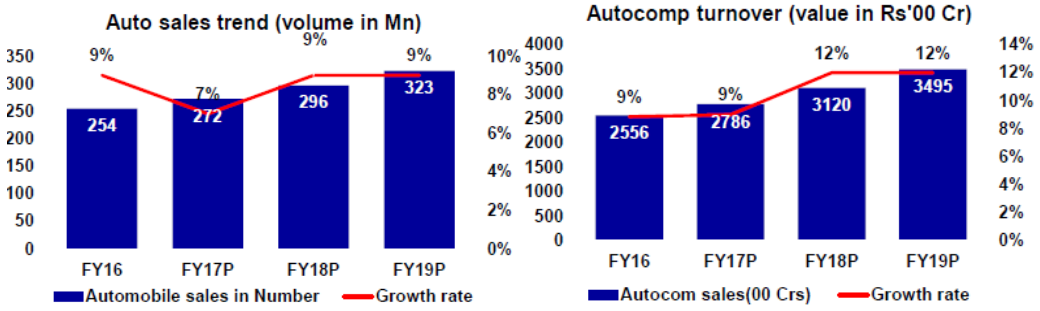
Projected growth in Economy and Manufacturing Sector

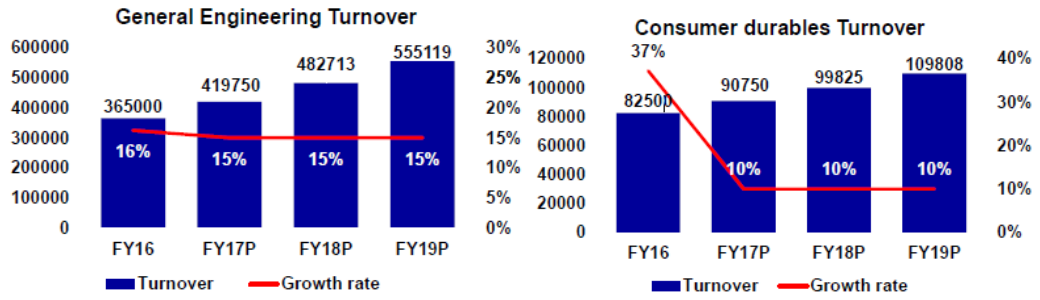


- India is one of the fastest growing economy of the world
- Government thrust on with 'Make in India' envisage manufacturing to register at least two percent more growth than GDP growth.
- With growth in user industry metal cutting machine tool industry likely to increase at a healthy growth.

Source: CEAMA DHI, Ministry of Commerce IMTMA Analysis

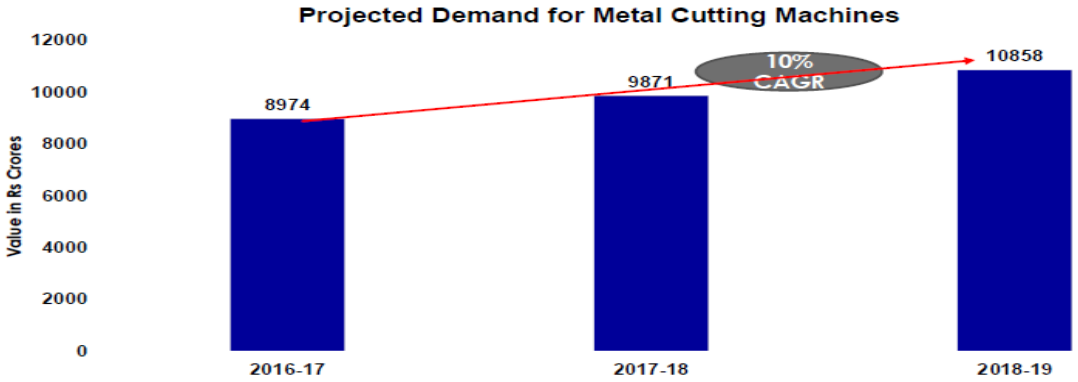
Projected growth in metal cutting machine tool user segments (FY16 –FY19)





Source: ACMA, SIAM, IBEF, MOSPI and IMTMA Analysis

Metal Cutting demand projections



Projected growth in Economy and Manufacturing Sector

- Fastest growing major economy of the world.
- Auto Sector major user of machine tools to grow 3.5 to 4 times from current size of USD 74 Billion to reach about USD 300 Billion by 2026.
- .New emerging sectors like Defense and aerospace, consumer durable, green investment in auto sectors are likely to enhance demand for metal cutting machines

Opportunities in Machine Industry

- The Indian economy is one of the fastest growing in the world. India GDP growth is expected to be more than 7 during next couple of years.
- Government thrust to increase manufacturing share in GDP to 25 percent from current level of 17 percent
- A UNIDO 2016 report ranked India sixth among the world's 10 largest manufacturing countries, up by three positions
- The Indian automotive sector has aims to USD 300 bnby 2026 with 12 percent share in GDP.
- India is preferred by global manufacturing companies as an outsourcing destination, due to cost competitiveness, favorable investment conditions, better engineering and designing capabilities
- Metal cutting machinery production in India accounts for less than 1% of the global production. This offers a significant opportunity for growth to increase production share in an expanding consumer market scenario

Source: IMTMA Analysis

The machine tool industry is key to the government's flagship 'Make in India' and 'Skill India' initiatives, given that it makes the machines required for the manufacturing sector. V Anbu, Director General of the Indian Machine Tool Manufacturers' Association (IMTMA), spoke to *BusinessLine* on the strategic importance of the machine tool industry for the Indian economy, and the manner in which IMTMA is working closely with industry, government, and end-users.Machine tools are considered a strategic industry segment. It is part and parcel of manufacturing, particularly discreet manufacturing segments such as automobiles, defence, railways, plastic machinery, medical electronics and white goods. Industry cannot achieve a high level of excellence without the machine tools segment being very strong

Source: *https://www.thehindubusinessline.com/economy/machine-tools-industry-key-to-manufacturing-success-of-make-in-india-to-be-worth-1b-in-2016/article8991383.ece*

OUR BUSINESS

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

All financial information included herein is based on our "Financial information of the Company" included on page 180 of this Prospectus.

BACKGROUND

Our Company was incorporated on May 23, 1994 as a private limited company under the provisions of Companies Act, 1956 with Registrar of Companies, Punjab, H.P. & Chandigarh in the name and style of V. B. Spinning Mills Private Limited. The Company's name was changed to Marshall Machines Private Limited on January 02, 2002. Thereafter the control & management of the Company was completely taken over by Mr. Gaurav Sarup and Mr. Prashant Sarup in February 2002 along with their father Late Shri Gautam Sarup.

Our Company is in the business of developing, manufacturing and marketing of Machine Tool Equipment. The business was originally founded by Mr. Gautam Sarup, who set up the business in the name and style of "Marshall Industries" more than 54 year ago to initially manufacture hosiery machines. In coming years, the business moved to design & manufacture of high precision Bench Lathes, Heavy Duty Lathes & Capstan Lathes, thousands of which were sold all over the country. The firm became known brand in the design and manufacture of high precision bench lathes, heavy duty lathes & capstan lathes. It was amongst first Indian CNC Machine manufacturers and launched CNC Machines way back in 1998.

In 1997, Marshall Industries entered into a technical tie-up with an American Company (M/s Path Wizard Inc.) to export the mechanical & basic electrical elements of CNC Lathes to U.S.A. In 1998, Marshall Industries launched CNC Lathes with Siemens/Fanuc CNC Controls in India during IMTEX-98 Exhibition held at New Delhi and has been manufacturing CNC Lathes since then.

Later, Mr. Gautam Sarup was joined in the business by his sons, Gaurav Sarup & Prashant Sarup ("Promoters") after completing their engineering education. As a team, they grew the product range to include All Geared Lathes, Multi Spindle Drilling/Tapping Machines & Special Purpose Machines.

On April 01, 2006, our Company took over the running business of M/s Marshall Industries on as and where basis. The consideration of takeover Rs. 55.73 lakhs to the proprietor, Mr. Gautam Sarup was settled by allotment of 340,000 equity shares of Rs. 10 each and balance Rs. 21.73 Lakhs was converted into unsecured loan as per the details given hereunder:

(Amount in Lakhs)

Particulars	2016-17*
Fixed Assets (net of depreciation)	84.55
Current Assets, Loans & Advances	
Cash & Cash Equivalents	8.96
Trade Receivables	18.05
Inventories	234.18
Security & Advances	18.01
Total (A)	**363.75**

Represented by	
Proprietor Capital	55.73
Secured Loans	150.56
Unsecured Loans	32.60
Current Liabilities & Provisions	
Sundry Creditors	57.82
Salary Payable	15.70
Advance from Customers	51.34
Total (B)	**363.75**

Since then Marshall has become the innovative machine tool manufacturer in India and the pioneer in "Intelligent Automation".

Following acquisition of M/s Marshall Industries by our company, all business of Marshall Industries was shifted to our company. Over the last few years, our company has focused extensively on research and technology development and as a result of the same, has been able to perfect and launch path braking product lines creating a niche for itself in a commoditized market, otherwise dominated by Indian standard legacy CNC machine manufacturers and imported MNC manufactured machines. Marshall has won several national awards for its product and technology and has come to be known as an innovative machine tool manufacturer in India and pioneer of "Intelligent Automation". Current product portfolio include patented double and four spindle CNC machines, automated robotic solutions and patent pending IoT***Q*** suite of intelligent equipment. This innovative product line has brought in high productivity, cost efficiencies and near zero defect production to its marque customer base.

OVERVIEW

Marshall Machines Limited is in the business of developing, manufacturing and marketing of Machine Tool Equipment including wide range of single spindle, patented double and four spindle CNC machines, automated robotic solutions and patent pending IoT***Q*** suite of intelligent equipment. Moreover, our company sells machine parts of the manufactured machines as well to existing machinery buyers.

Technology is all around us and it has changed our lives and industries smarter, safer, and more convenient. As technology further leads us, intelligent machines are now becoming a reality. Over the past decade, Marshall has been a driving force behind innovation in Indian machine tool industry, automated solutions & smart technologies to solve the major problems of manufacturers and help improve productivity & profits. Our company has spent the past decade continuously improving its manufacturing operations and enhancing its technology to be able to immediately address its customers' changing needs. In today's competitive 24/7 manufacturing world where demands are high and increased quality, efficiency and productivity are critical for success, manufacturers need a machine manufacturer that can deliver what they need, when they need it. Marshall Machines has become a domestic leader in reliable automated turning solutions because of its passion for innovation and overall commitment to the manufacturing industry gives customers constant access to new, cutting-edge solutions, while further solidifying its position as a leading provider of innovative, productive machine tools and systems.

Marshall specializes in design and manufacture of high performance ('Super-Optimized') CNC Turning Machines including patented Double & Four spindle CNC machines, Turnkey Automated CNC machines (with Robots) and 'Smart' Proprietary Industry 4.0 based technologies under the name and umbrella of patent pending IoT***Q*** (Internet of Things for Quality) brand. Our product offering and technology solutions include:

1) ***Rapidturn*** CNC Turning Centers with patented Double head single slide - comes in two major variants - a) simultaneous manufacturing at one head while fresh job is loaded on other head and 2) two spindles

- half of a job can be completed on one spindle and second half can be completed on other spindle. These are generally used for small mass produced component manufacturing.

2) ***Rigidturn*** CNC Turning Centers - these are heavy/extra heavy duty machines and come in mainly 5 variants.

3) ***CAF*** range of Super-Optimized CNC Turning Centers (***Citius, Altius & Fortius***) - these are essentially variants of Marshall's single spindle CNC Turning Centers optimized for specific applications and generally integrated with Marshall developed patent pending IoT*Q* technology solutions. *Citius* is super optimized for Shafts manufacturing, closed loop with IoTQ solutions. *Altius* is super optimized for hard turning, closed loop with IoT*Q* solutions & SmartChange technology, eliminating separate grinding. *Fortius* is super optimized for forging application, closed loop with Smartchange and third party (Caron, USA) tool monitoring & adaptive control solution.

4) ***Twinturn*** - patented double spindle CNC Turning Centers, works as two CNC Turning Centers in one machine, allowing for two simultaneous jobs. These machines provide significant savings in space, manpower and allow for higher productivity and come in four major variants. These includes recently launched Twinturn Uber, which is Super-Optimized double spindle machine close looped with IoT*Q* technologies and automated material handling capabilities without use of robot (*aka* "SmartLoad").

5) ***Roboturn*** range of machines with automated robotic solutions - these are generally double/four spindle CNC Turning Centers coupled with Robot for automated operation and material handling and close looped with IoT*Q* technologies. These are also offered as integrated "Cells", wherein two or more CNC Machines are integrated with single robot to achieve high speed automated line production of components.

6) IoT*Q* Technology based standalone Plug & Play Gauging Stations. The equipment encompasses various combinations of patent pending proprietary IoT*Q* technology solutions developed by Marshall and functions as standalone equipment, capable of being plugged with any standard legacy CNC Turning (including those manufactured by other CNC manufacturers). The equipment monitor quality of manufactured components on real time basis using advance sensors and using IoT*Q* technologies, bringing "Intelligence" to the CNC Machines. At heart of IoT*Q* technologies are three patent pending technologies - (i) "***SmartCorrect***", which auto correct CNC Machines operating parameters based on statistical proprietary algorithm and quality monitoring of produced components. This enable near zero defect component manufacturing and allow our customers to meet increasingly stringent quality requirements of their customers, (ii) "***SmartInsert***" - which monitors and help optimize life of machine tool on real time basis and (iii) "***SmartChek***" - which monitors the machine health on a daily basis and warns the operational management of any impending breakdown. These solutions are unique in the World and to the best knowledge of the Company, not offered as "Standalone" Plug and Play device by any Company in the World.

(F*or further details of our product portfolio, please refer to section "Our Products).*

We are providing our product offering and solutions to wide range of industries including manufacturers of Axles, Crankshafts, Auto Parts, Fans, Pumps, Bearings, Gear Blanks, Bushes, etc. Our machines are known for reliability and quality. Innovative technology, quality manufacturing and complete service and support are part & parcel of the Marshall experience. By utilizing the latest in automation technology, Marshall can respond to specific customer requirements and provides the most efficient machining solutions in the market. By using Marshall automated Turning Centers our customers have cut costs, increased productivity, and, at the end of the day, have more saleable components on the floor, for less cost.

Our promoters viz. Mr. Gaurav Sarup and Mr. Prashant Sarup, have been passionate about designing innovative machine tools. Mr. Gaurav Sarup has also conducted several awareness sessions about INDUSTRY 4.0 and particularly about IoT*Q* technologies at forums like NIQR (National Institute of Quality & Reliability) and

companies like Bharat Forge, Bosch, Hero Honda & Maruti. He has also addressed various gatherings in USA including Metro Atlanta Chamber, GAMA (Georgia Automotive Manufacturers Association) and EDP (Economic Development Partnership). Mr. Prashant Sarup has applied his passion for designing machines, electronic integration & interfacing of systems to develop various award winning machines. He has been responsible for joint development of INDUSTRY 4.0 Technologies with Global Giants like SIEMENS (Germany) & FANUC (Japan).

Our manufacturing & R&D base is in Ludhiana, while we also have a R&D, Marketing and Technology Display Centre at IMT Manesar, Gurugram. Our Ludhiana facilities consist of state-of-the-art, two nearby production facilities aggregating 97,000 square foot, where we manufacture and assemble our product offerings and engineer solutions to support our customers' requirements. These facilities also include research and development related to making our products Super-Optimized and automated. Our IMT Manesar, Gurugram facility spread over a 10,000 square foot campus, housing knowledge center, research and development facility related to IoT*Q* technologies, marketing and functions as technology and product demonstration center. Additionally, the Company plans to expand its Technology Display Centre base to South India and USA.

Our Company is registered as ISO 9001:2008 by Intertek (UK) to design, manufacture and supply of CNC Turning Centers, CNC Turnmill Centers & Double Head CNC Chuckers.

Our Company has one registered patent in its name. Moreover, our company has entered into license agreements with its group entity and promoters/relatives for the perpetual use of patents registered in their respective names or which are in process of registration. Further, licensors have acknowledged that even though they have led the research and development of the Intellectual Property and owns the same in their individual capacities, the company has also been involved in the development of the same and have shared the cost and have additionally provided the manpower to assist the Licensors in the development of the Intellectual Property, therefore our company will not pay any royalty for the said licenses.

ADVANCED MANUFACTURING

Advanced manufacturing is a broad set of enabling technologies, processes and practices that businesses from a wide range of industry sectors can adopt to improve their productivity and competitiveness. One of the example of advanced manufacturing technologies and processes is Industry 4.0 (i.e. the 4th wave of the industrial revolution that connects big data and analytics with automation and robotics; cloud computing; and system/software integration to create 'smart factories'). This intelligent machining infrastructure supports high accuracy and high productivity, getting the best out of each machine with no thermal deformation, no collisions, no chatter, and automatic adjustment to the best cutting conditions.

With recent developments in Roboturn and IoT*Q*, Marshall has transformed manufacturing to make it smart. IoT*Q* (Internet of Things for Quality) is one of the most powerful technology in the world today in the field of CNC Turning Machining which acts like a "PERFORMANCE MULTIPLIER" for each IoT*Q* enabled machine, delivering quantum jump in near Zero defect quality with SmartCorrect, Tool insert life optimization with SmartInsert and machine health monitoring & predictive maintenance with SmartChek leading to longer machine life & OME (Overall Machine Efficiency).

Continuous development and expansion of our sales network in all important markets across India reflects the dynamics of our company. We offer our customers top performance and commitment at all levels. A well-thought-through service concept, starting with professional consultation, including documentation for the specific needs right up to remote maintenance via data link, ensures that Marshall Machines always operates reliably and efficiently.

Our key differentiators from our competitors include:

- Extensive experience, strict quality control process to deliver higher productivity & quality products that are produced out of our machines to be exacting standards, in a timely manner.
- Cutting-edge Technology innovation including Super-optimized machines & 'Smart' technologies delivering high-efficiency solutions to the users of CNC Machine Tools.
- Reliability - our patented technologies have stood test of time & score high on reliability and long life.
- Flexibility – we provide wide range of products and technology solutions meeting specific requirements of our customers specially keeping flexibility (ability to change jobs as per the requirements) in mind.

AWARDS & RECOGNITIONS

1. FIE Foundation Award, for the development of 'FOUR Spindle CNC Chucker' in the year 2009;
2. FIE Foundation Award, for the substantial contribution made in the development of ROBOTURN DS 400 DOUBLE SPINDLE CNC CHUCKER in the year 2013.
3. FIE Foundation Award, for the substantial contribution made in the development of MACHINE AUTOMATION INTEGRATION SYSTEM in the year 2015.
4. FIE Foundation Award, for the substantial contribution made in the development of IOTQ: INTERNET OF THINGS FOR QUALITY in the year 2017.

OUR CORPORATE PHILOSOPHY

We do not merely sell CNC Turning Centers but "PROVIDE COMPLETE TURNING SOLUTIONS **TO BOOST PRODUCTIVITY & REDUCE COST PER COMPONENT** FOR OUR ESTEEMED CUSTOMERS.

MISSION & VISION

Mission

To engage in a collaborative effort with our Customers, Employees & Suppliers to boost **Quality & Productivity** of our machines and enhance **Customer Satisfaction**.

Vision

To become a global brand recognized for manufacturing '**Excellence**', and to be the **first choice** of customers requiring '**Super Precision**' machines tools.

OUR COMPETITIVE STRENGTHS

We believe the following competitive strengths contribute to our success and position us well for future growth:

- **Intellectual Property & Proprietary Technology**

  Our patented Double & Four spindle CNC Turning Centers give us a tremendous edge over competitors who generally make & sell standard single spindle machines. Marshall has a strong first mover advantage in developing & commercializing Intelligent Machines and has developed strong barriers to entry by inventing its suite of patent pending technologies including proprietary IoT*Q* technologies including SmartCorrect, SmartInsert & SmartChek.

  While currently IoT*Q* technologies have been commercially applied by us in CNC Turning Machine applications, these technologies have additional tremendous potential to be applied in wider Machine Tools applications. We will focus on expanding the scope of these technologies as these technologies matures and are perfected.

- **Firm Orders in Hand:**

The Company's current aggregate order booking position as on August 16, 2018 is Rs. 5,841.35 lakhs of 238 machines, comprising of the various models of machines i.e. Smartcorrect Gauging Station, Automated Machines (Roboturn), Rapidturn, Twin Spindle (Twinturn), Single Spindle (Rigidturn), CAF Series to various customers i.e. Fanuc, Mitsubishi, Siemens etc.

- **Intensive R&D for Smart Tech Development:**

Our Company has an IoT*Q* and Super-optimized machine Technology Demonstration Center at IMT Manesar, Gurugram spread across 10000 sq. foot equipped with latest design and development tools. We also have two R&D divisions located in our two factories in Ludhiana, one focused on development of Super-optimized machines and the second one on development of "Smart" automated Machine Tool Cells.

Our in-house R&D team has developed breakthrough, mechanically and electrically integrated technologies that will change the way companies do business. We strive to exceed conventional limits and deliver reliable, efficient solutions capable of supporting our customers' growth. Our mechanical and electrical engineers work alongside customers to co-engineer products that help prevent downtime, increase efficiency and reduce rejections with a view to growing their business.

- **Unique Business Model driving customer relationships by offering quality**

Marshall's product strategy has been developed to address varying customer needs and provide solutions to their pressing manufacturing problems of manufacturing quality, manpower issues and profitability combined with their capex investment ability. This has been made possible through offering early adoption of Marshall's IoT*Q* enabled Super-Optimized automated CNC machines (RoboTurn), incremental innovations and retrofitting customers' legacy (existing) CNC Machines by integrating Marshall's plug and play *SmartCorrect* gauging stations etc.

- **Experienced management team and skilled workforce.**

Our Company has strong leadership with long standing track record complimented by a professional team of functional experts. Further, our Company has in house R&D team and experts, developing a large number of patent pending IoT*Q* based technologies & product portfolio including technologies such as ***SmartCorrect***, ***SmartInsert*** and ***SmartChek,*** SmartLoad, SmartChange etc. and integrating these technologies with CNC Turning Machines to transform them into Intelligent & Super-Optimized Machines.

- **Value creation opportunity**

New products have been tried and tested and received tremendous feedback from some of the largest Indian auto component manufacturer. Clear path for a significant increase in revenues and EBIDTA margin as expansion provides a platform for substantial value unlocking.

SWOT ANALYSIS

Strengths	Weaknesses
1. Effective Leadership. 2. Technical Manpower. 3. Strong Intellectual Property	1. Long Manufacturing Cycles. 2. Dependence on imports for key components. 3. Huge inventory maintenance including for critical components.

4. Prestigious Client Base 5. Continued Research & Development 6. Strong & Sustained International Partnerships.	
Opportunities	**Threats**
1. Growth in Capital Goods Industry. 2. Fast paced development of Automobile Industry. 3. Expanding Geographical Markets. 4. High Growth of End User Industries.	1. Entry of Global Players. 2. Technology disruptions.

OUR STRATEGIES

- **International Growth Opportunities:**

To strengthen our position in the industry in which we operate, we have entered into US through our associate company (to be converted into subsidiary in FY 2018-19), Marshall Automation America Inc. and planning to establish Marshall IoT*Q* Center in Atlanta, USA within FY 2018-19. Entry in US markets by offering competitiveness of its manufacturing sector by improving Quality & Productivity will help us establish our brand firmly and will help us expand globally.

Due to its unique business model and commercialization of its innovations, Marshall has been able to expand its offering to new customers, new markets and new geographies. While Marshall is focusing on sale of Super-optimized machines integrated with automation and IoT*Q* technology solutions within India, we are focusing on sales of plug and play *SmartCorrect* gauging stations embedded with IoT*Q* technology solutions in the US markets through our associate company, Marshall Automation America Inc. (MAAI). We expect significant increase in our market share in the CNC machine tool market in India since our newly introduced Super-Optimized machines bundled with IoT*Q* makes it a very attractive option for customers as compared to traditional standard single spindle machines offered by other machine manufacturers. Our strategy of offering standalone plug and play *SmartCorrect* gauging stations embedded with IoT*Q* technology solutions is likely to help us and our brand establish firmly in the US Machine Tool markets given a very large base of installed CNC machines, purchase of large number of new CNC machines annually and absence of any competitive product comparable with our *SmartCorrect* gauging stations. Once our brand is established, we will start focusing on expanding our product portfolio including Super-Optimized CNC Turning Machines.

We are also planning to expand to other geographical areas, particularly USA, mainly through dealer/distribution network. While, our management has had a number of meetings with customers and distributors in US in last two years, we have now started setting up US operations and marketing infrastructure. We plan to participate in the 2018's biggest manufacturing technology exhibition (IMTS) in Chicago to be held in September 2018. We will use that opportunity to select dealers/distributors for sale of Marshall Products in US. This will coincide with opening of a Marshall IoTQ Center in Atlanta, US, where we will showcase our IoTQ based products and technology on permanent basis. We will also be connecting with key Managers of top OEM & Tier 1 companies in Automotive & Aerospace sector in south east USA by presenting Paper on 'Advanced Manufacturing' at the annual UIBS (US India Business Summit) in Atlanta during that period. We believe that US entry will pave way for us to grow globally and expand our sales and product technology to a large number of customers and significantly add to our brand value.

- **Innovation and Quality Standards**

With increasing market competition, we shall strive for greater innovation in our machines. Our Quality management has the potential to invigorate our machines, process and administrative innovation when

strategically aligned with internal contingencies. Innovation offers a great opportunity for our us in improving the quality of business by contributing to profitable growth while ensuring first movers' advantage in IoT*Q* & Robotics based innovations extending to wider industrial applications beyond CNC Turning.

- **Customer Satisfaction**

Our strategy is to be the best professional and reliable partner, hand in hand developing and growing with our customers, to establish long-term friendly relations of cooperation. We believe communication is the key to open a new business page, and customer's feedbacks and suggestions are precious resources to promote our company's further development.

- **Realistic product growth strategy backed by successful product development**

While, our Super-Optimized machines are already being very well received in the market, including by large quality conscious customers, the key growth is expected from IoT*Q* based products and technology solutions. CNC Machine market is quite large both within USA and India with over 250,000 and 100,000 existing CNC machine tools equipment installation. Marshall is initially targeting a conservative 1% of these installations by offering replacement of complete CNC machines in India with Marshall's Super-Optimized CNC Machines and retrofitting USA based existing CNC installation with our IoT*Q* technology based plug and play devices. As the benefits become visible, increasingly large share of the market is likely to open up to adopt our Super-Optimized and IoT*Q* technology products.

- **Strong Macroeconomic Tailwinds**

While, the Machine Tool Industry is witnessing robust growth both within India and US, the future of the industry lies in "Digital Data Driven Manufacturing". Machine Tool Equipment without 'INTELLIGENCE' no longer has a future. Complicated production jobs with very tight tolerance are the key requirement today both within India and globally. Product & technology offerings of our Company are at the forefront to offer cost effective solutions to meet these requirements. "Make in India" has opened up strong demand for Machine Tools in India. In USA, use of new alloys and multi-axis machines replacing numerous separate machines and reducing labor input required are translating into strong on-shoring trend for manufacturing. Moreover, strong US dollar is aiding also US manufacturers in capital expenditure purchases. All the above is expected to drive demand for Marshall's CNC Machine products and technology solutions.

OUR PRODUCTS

Computer Numerical Control (CNC) is the automation of machine tools by means of computers executing pre-programmed sequences of machine control commands. This is in contrast to machines that are manually controlled by hand wheels or levers, or mechanically automated by cams alone. CNC machining is a manufacturing process in which pre-programmed computer software dictates the movement of Cutting Tools attached to machine slides. The process can be used to control a range of complex machinery, from grinders and lathes to mills and routers. With CNC machining, three-dimensional cutting tasks can be accomplished in a single set of prompts.

Our CNC Machine Tool Product offerings and IoT*Q* based products include:-

1. RAPIDTURN – Double Head Single Slide CNC Turning Centre

This is a Double spindle machine which saves job loading/unloading time & allows 2 setups on one machine. Rapidturn comes in four different models i.e. SL-12(D)XF, DS450, SL-16(D)XF and SL-20(D)XF. Advantages of Rapidturn machines include:

1) These machines help in reducing idle time resulting in higher productivity.
2) While machining is going on at one head, the operator unloads completed job and clamps fresh job at the second head.

3) Linear tooling system used on “Marshall” Double Spindle Machines reduces machining time because of faster positioning of tools.
4) Only one operator required & space taken is similar to be one machine.
5) Two set ups available on one machine, one half of a job can be completed on one spindle while the second half be completed on other spindle.





2. RIGIDTURN – Extra Heavy Duty CNC Turning Centre

It is a very rigid single spindle machine especially suitable for heavy duty jobs. The biggest Rigidturn has maximum job capacity of 3000 mm length & 2500 Kg weight. Our Design, manufacturing processes & selection of finest machine elements from the renowned manufacturers in the world ensure the (a) Rigidity of Bed & Base (b) Rigidity of Head & Spindle Assembly (c) Rigidity of Tailstock (d) Rigidity of LM Guideways. Rigidturn comes in five different models i.e. SL-20, SL-25, SL-30, SL-40 and SL-50. Advantages of Rigidturn are as follows:

1) Heavy rate of metal removal.
2) Better surface furnish & longer tool life.
3) Better positioning repeatability resulting in close torerances on job.
4) Much longer service life with original accuracy.





3. CAF – Super-Optimized Single Spindle CNC Turning Center designed for specific applications

These include three model ***Citius, Altius & Fortius***. These are essentially variants of Marshall's single spindle CNC Turning Centers optimized for specific applications and generally integrated with Marshall developed patent pending IoT*Q* technology solutions.



This is the fastest compact CNC lathe made in India and perfect solution for Shafts. *Citius* is super optimized for Shafts manufacturing, closed loop with IoT*Q* solutions and provides more than 30% extra productivity in turning shaft jobs as compared to other comparable products in market.



This is especially suited for highly accurate jobs including 'HARD TURNED' components. *Altius* is super optimized for hard turning, closed loop with IoTQ solutions & SmartChange technology, eliminating separate grinding. Hard turning as a process is around 6 times faster than grinding process.



This is specially developed for Direct machining of CASTINGS & FORGINGS. *Fortius* is super-optimized for forging application, closed loop with Smartchange and third party (Caron, USA) tool monitoring & adaptive control solution and provides 50% extra productivity in direct turning of Forgings & Castings.

4. TWINTURN – Double Head Double Turret CNC Turning Center

The '2 in 1' Turning Centers designed to meet the complex needs of component manufacturers in a cost effective manner. This saves space & manpower. It comes in three different models i.e. Twinturn-6T, Twinturn-8T and Twinturn-12T. Twinturn helps in realizing significant saving in space, manpower and shop floor material movement.

Within TwinTurn family of products, our Company has recently launched TwinTurn Uber, which is a Super-Optimized version of existing TwinTurn products close looped with IoT*Q* technologies, and automated material handling capabilities without use of robot (*also known as* "SmartLoad")





5. ROBOTURN – 'Smart' Automated Turning Solutions with IoT*Q*

These are fully automated Twin Spindle CNC Turning Center where Integrated Robot performs Loading/unloading, job cleaning & inspection. Roboturn are range of machines with automated robotic solutions - these are generally double/four spindle CNC Turning Centers coupled with Robot for automated operation and material handling and close looped with IoT*Q* technologies. These are also offered as integrated "Cells", wherein two or more CNC Machines are integrated with single robot to achieve high speed automated line production of components. The Robotic solution includes:

a) **Roboturn 'L-Series'** – These are double or Four Spindle machines with Linear Tooling. These are ideally suited for small jobs having cycle time less than 30 seconds per setup. L-Series comes in two different models i.e. DS-450 and Quattro 4S.

b) **Roboturn 'T-Series' –** These are double spindle machines with double turrets. These are most suitable for medium and large sized jobs where cycle time per setup is greater than 30 seconds. T-Series comes in four different models i.e. Twinturn-6TT, Twinturn-8TT, Twinturn-12T and Twinturn XL.





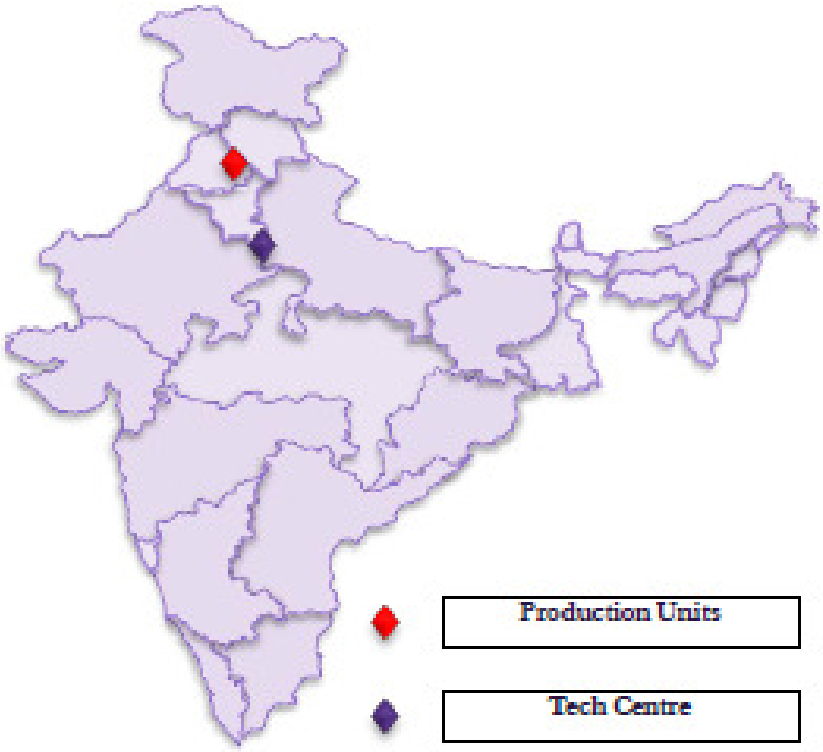
6. IoTQ Technology based standalone Plug & Play Gauging Stations.



The Equipment encompasses various combinations of patent pending proprietary IoT*Q* technology solutions developed by Marshall and functions as standalone equipment, capable of being plugged with any standard legacy CNC Turning (including those manufactured by other CNC manufacturers). The equipment monitors quality of manufactured components on real time basis using advance sensors and using IoT*Q* technologies, bringing "Intelligence" to the CNC Machines. At heart of IoT*Q* technologies are three patent pending technologies - (i) "***SmartCorrect***", which auto correct CNC Machines operating parameters based on statistical proprietary algorithm and quality monitoring of produced components. This enable near zero defect component manufacturing and allow our customers to meet increasingly stringent quality requirements of their customers, (ii) "***SmartInsert***" - which monitors and help optimize life of machine tool on real time basis and (iii) "***SmartChek***" - which monitors the machine health on a daily basis and warns the operational management of any impending breakdown. These solutions are unique in the World and to the best knowledge of the Company, not offered as "Standalone" Plug and Play device by any Company in the World.

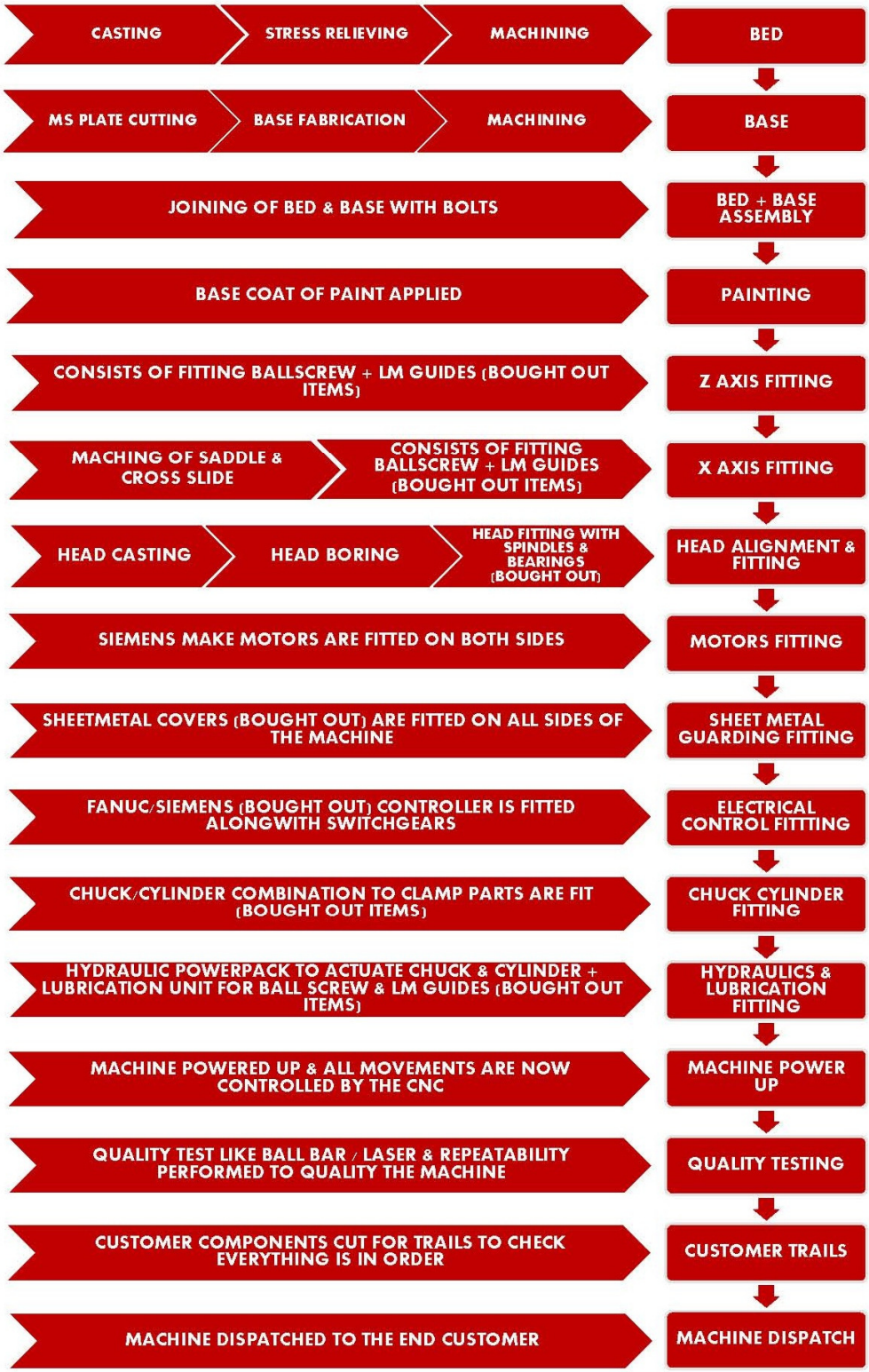
OUR INFRASTRUCTURE

Our company has two manufacturing facilities in Ludhiana, Punjab and a technology center at IMT Manesar, Haryana and has sales and service center in Aurangabad.



MANUFACTURING PROCESS

The products manufactured by our Company typically go through the following procedure: -



OUR R & D UNITS AND MANUFACTURING FACILITIES

Our Company's R & D Unit and manufacturing facilities are located at the following plots of land in Ludhiana, Punjab and IMT Manesar, Haryana:

Particulars	Unit 1 CNC Machines Division	Unit 2 Automated Solutions Division	R & D Unit and IOTQ Center
Land Area (in Sq. meters)	4180.64	2090.32	1000.00
No. of Floors	G+2	Basement+3	Basement + G
Buildup Area (in Sq. meters)	5295.47	3716.12	750.00

Unit 1 (CNC Machines Division): C-86, Phase-V, Focal Point, Ludhiana, Punjab- 141010

Unit 2 (Automated Solutions Division): D-116A, Phase-V, Focal Point, Ludhiana, Punjab – 141010

R & D Unit and IOTQ Center: 75 B, Sector-5, IMT Manesar, Gurugram, Haryana – 122052









CAPACITY AND UTILISATION

The capacity of our production cannot be quantified as our company manufactures customized machines and product range is diversified. However, the detail of category wise sale of machines for last 3 years is given as under:

(Qty in nos.)

CATEGORY OF MACHINE	March 31		
	2018	2017	2016
Rapidturn	167	105	85
Rigidturn	26	16	15
Roboturn	5	13	10
CAF	12	17	25
Twinturn	43	19	26
Gauging Station	9	9	0
TOTAL	**262**	**179**	**161**

UTILITIES & INFRASTRUCTURE FACILITIES

Our office is equipped with computer systems, servers, relevant software and other communication equipment's, uninterrupted power supply, internet connectivity, security and other facilities, which are required for our business operations to function smoothly.

Material & Components

The basic material and components required for manufacturing CNC Machines are spindle belt, grinding wheel, drill, automation conveyors, ball screw, bearing, C.I Casting, chuck & cylinders, CNC systems, coolant pump, electrical parts, encoder, gauging station material etc. These materials are procured majorly from domestic suppliers. However certain materials are imported from Germany, Italy from companies like Siemens AG, Schneeberger GMBH, Nippon Thompson Co. Ltd., Autogrip Machinery Co. Ltd., Samchully Machinery Co. Ltd., Renishaw UK Sales Ltd., Baruffaldi S.P.A and Algra S.P.A. The suppliers of material are finalized after quality is tested by our Company. Once a supplier is finalized, we give them repeat orders based on our sales assessment. There are no long-term contracts with material suppliers but we do not generally change our suppliers unless there is a major inconsistency in the quality or fluctuation in price.

Material and components are indented based on the orders received from the customers.

List of Materials/Components with Suppliers		
S. No.	**Material/Components**	**Suppliers**
1	CNC System	Siemens Group, Fanuc India Private Limited
2	Chuck & Cylinders	Guindy Machine Tools Limited
3	Sheet Metal	Protection Engineering
4	LM Guide, Ball Screw, Lock Nut	Avilash Engineering Corporation
5	CI Casting	Amrit Castings & Amrit Industries
6	Electrical Parts	Soni Electrical & Electronics
7	Power Pack	THM Huade Hydraulics/ Yuken India Limited
8	Bearing and LM Guide	Triveni Needles Private Limited

The detail of domestic and imported value of materials/components consumed by the Company is as follows:

(Rs. In Lakhs)

Particulars	For The Year Ended March 31,									
	2018	% of revenue	2017	% of revenue	2016	% of revenue	2015	% of revenue	2014	% of revenue
Domestic Value	4,143.26	92.43	2,953.20	85.82	2,742.14	85.75	2,718.94	85.89	2,738.72	93.29
Imported Value	339.23	7.57	488.10	14.18	455.87	14.25	446.76	14.11	197.08	6.71
Total	**4,482.49**	**100.00**	**3,441.30**	**100.00**	**3,198.01**	**100.00**	**3,165.70**	**100.00**	**2,935.80**	**100.00**

Further, the details of CIF value of Imports for the last three financial years is as follows:

(Rs. In Lakhs)

Particulars	March 31,		
	2018	2017	2016
CIF Value of Imports	428.04	373.73	440.07

Manpower

The manpower requirement for our office including our manufacturing units is 256 as on March 31, 2018. Our manpower is a prudent mix of the experienced and young people which gives us the dual advantage of stability and growth, whereas execution of services within time and quality. Our skilled/semi-skilled/unskilled resources together with our strong management team have enabled us to successfully implement our growth plans.

Power

The requirement of power for our Manufacturing Unit 1 and 2 is met from Punjab State Power Corporation Limited where the sanctioned load is 449.830 KW (549KVA) and 350.00 KW (438KVA) respectively and for our R & D Unit it is met from Dakshin Haryana Bijli Vitran Nigam (DHBVN). Our Company has also backup facility installed at our plants.

Water

The water required for our manufacturing process is relatively low. Water is procured from external water supply agencies operating in the local area where our existing facilities are situated.

PLANT & MACHINERY

Our Company's manufacturing units are situated at C-86, Phase-V, Focal Point, Ludhiana, Punjab- 141010 and D-116A, Phase-V, Focal Point, Ludhiana, Punjab – 141010 and R & D Unit and Tech Center is situated at 75 B, Sector-5, IMT Manesar, Gurugram, Haryana – 122052. Following is the list of major plant & machineries used by us in the manufacturing process:

Sr. No.	Name of Machinery	Qty.
1.	Plano Miller	01
2.	Vertical Machining Centre (MVC 1100)	01

3.	Vertical Machining Centre (VMC)	01
4.	Vertical Machining Centre (VC-560)	01
5.	Turnmill (TC-600)	01
6.	CNC Lathe (SL-20)	01
7.	Turning Machines (SL-12D)	01
8.	Cylindrical Grinder	02
9.	Quattro 4S	01
10.	Surface Grinder	02
11.	Lathe Machine	15
12.	Shaper Machine	08
13.	Planner Machine	02
14.	Radiul Drill Machine	01
15.	Milling Machines	03
16.	Slotter Machines	01
17.	Power Hacksaw	01
18.	Hacksaw	02
19.	ARC Welding Machines	02
20.	MIG Welding Machines	01
21.	Generator Set	02
22.	Adda Machine	02

RESEARCH AND DEVELOPMENT

Our Company has R & D team of B-Tech's and Electrical & Electronics Engineers who keep on creating new products and searches the possibilities of extension in the products to maintain the leadership in the industry.

It's our People however that truly define Marshall. It's their passion integrity, loyalty and extensive experience and knowledge that ensure we deliver leading-edge solutions coupled with enduring partnerships. Our Company has a highly motivated Research and Development team which is continuously working to develop affordable IoT*Q* plug-n-play smart products for many new applications related to Grinding, Boring, Milling, Gear Cutting etc. Marshall Machines offers a wide range of performance multiplying, plug and produce smart device for CNC Turning Machines in addition to a suite of super optimized, multi axis and automated CNC machines (with a choice of bundled IOTQ features). CNC machining is the most widely used metal cutting technology to make components used in Auto, Aerospace, Defence, Railways & General Engineering industries.

After developing new products, our team actively participates in trade exhibitions related to electronics to introduce our products and obtain feedback from our customers, learning about their needs. At the same time, we collect information about our customer's request and requirements of our product.

OUR BRIEF FINANCIALS

- Our brief financials based on Restated Standalone Financial Statements are as under:-

(Rs. In Lakhs)

Particulars	As at March 31				
	2018	2017	2016	2015	2014
Income:					
Gross Sales	6,952.11	5635.93	4,866.94	4,661.43	4,373.45

Less: Excise Duty	101.15	616.87	486.84	449.80	479.40
Less: GST	914.36	-	-	-	-
Net Revenue from Operations	5,936.60	5,019.06	4,380.10	4,211.63	3,894.06
Other Income	5.83	35.37	10.57	45.83	34.37
Total Income	**5,942.44**	**5,054.42**	**4,390.66**	**4,257.46**	**3,928.43**
Expenditure:					
Cost of material consumed	4,482.49	3,441.30	3,198.01	3,128.31	2,906.93
Changes in Inventories	(553.14)	(44.45)	(31.34)	(349.28)	(273.05)
Employee Benefit Expenses	457.46	424.28	375.93	409.39	410.26
Finance Costs	321.57	310.71	362.25	350.12	286.27
Depreciation and Amortization	219.77	160.02	122.99	225.26	138.51
Other Expenses	267.92	582.92	289.72	453.16	368.17
Total Expenditure	**5,196.07**	**4,874.79**	**4,317.57**	**4,216.96**	**3,837.10**
Restated Profit after tax for the year/period	**500.30**	**110.49**	**41.53**	**24.96**	**58.76**
Cash Profit for the year/period	720.07	270.52	164.54	250.23	197.26
Net Worth	1153.94	872.25	759.45	821.45	798.72
Return on Net Worth (%)	43.36%	12.67%	5.47%	3.04%	7.36%
Net Asset Value Per Share (in Rs.)	12.62	9.64	8.39	9.08	8.83
EPS (Basic & Diluted) (in Rs.)	5.47	1.22	0.46	0.28	0.65

The major reason for increase in profits during the financial year ended March 31, 2018 is as under:

1. Implementation of GST;
2. Abolition of 2% CST, which added to the profitability;
3. Manufacture of bigger machineries with high value addition;
4. With increase in sale of machines, sale of spare and machinery parts also increased, which had good margins.

Major Industry wise Revenue details for last three financial years: -

(Rs. in Lakhs)

Sr. No.	Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016	
		Amount	% of total Sales	Amount	% of total Sales	Amount	% of total Sales
1.	Auto	1,621.51	23.43	1,327.14	23.55	2,007.61	41.26
2.	Electronic	704.27	10.18	409.82	7.27	360.76	7.41
3.	Engineering	3,322.27	48.01	1,907.13	33.84	1,190.68	24.47
4.	Machine Tools	554.33	8.01	798.13	14.16	181.02	3.72
5.	Steel	695.23	10.05	924.01	16.39	576.29	11.84
TOTAL		**6,897.62**	**99.67**	**5,366.23**	**95.21**	**4,316.36**	**88.70**

The CNC Machine is used for making components/parts which have applications in Auto, Electronic, Machine tool, Steel, general engineering industry. These machines are required by all businesses that need quantities of large and small metal and plastic components/parts, which these Machines can make with unfailing consistency. Examples of some of the components which can be manufactured by our Machines used in a) Auto Industry are Gear Blanks, Pistons, Alloy wheels, Crank Shafts etc. b) General engineering and electronic Industry are fan covers, LPG walves, bearing rings etc. c) Railways are Axles, Suspension Parts etc. d) Oil & Gas are Couplings and Connectors, Drilling Head Parts etc.

Machine wise Revenue details for last three financial years: -

(Rs. in Lakhs)

Sr. No.	Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016	
		Amount	% of total Sales	Amount	% of total Sales	Amount	% of total Sales
1.	Rapidturn	3,277.54	47.33	2,062.85	36.81	1,797.12	37.12
2.	Rigidturn	785.02	11.34	507.16	9.05	457.86	9.46
3.	Roboturn	928.26	13.40	1,604.43	28.63	1,058.56	21.87
4.	CAF	258.49	3.73	345.67	6.17	531.74	10.98
5.	Twinturn	1,517.71	21.92	979.85	17.48	952.24	19.67
6.	Gauging Station	48.62	0.70	52.80	0.94	-	-
7.	Machine Parts	109.62	1.58	51.57	0.92	43.65	0.90
TOTAL		**6,925.26**	**100.00**	**5,604.33**	**100.00**	**4,841.17**	**100.00**

Major Party Wise Revenue details for last three financial years: -

(Rs. in Lakhs)

Sr. No.	Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016	
		Amount	% of total Sales	Amount	% of total Sales	Amount	% of total Sales
1.	Pushti Metal Industries LLP	713.18	10.30	-	-	92.71	1.92
2.	Shivam Autotech Ltd.	468.16	6.76	297.31	5.31	617.02	12.75
3.	Super Auto Forge Pvt Ltd	374.44	5.41	-	-	-	-
4.	Victor Enterprises	233.83	3.38	-	-	-	-
5.	Bharat Forge Ltd	207.69	3.00	-	-	-	-
6.	Menon Piston	165.20	2.39	-	-	-	-
7.	Prabha Engineering Works	147.92	2.14	-	-	-	-
8.	Sunny Iron And Steel Processors Pvt. Ltd.	139.97	2.02	-	-	-	-
9.	Geekays Auto Components	114.70	1.66	-	-	-	-
10.	Mittal Electronics	108.67	1.57	-	-	-	-
11.	Laxmi-Agni Components & Forgings Pvt. Ltd.	-	-	552.37	9.86	201.10	4.15
12.	L.G. Balakrishnan & Bros. Ltd.	-	-	256.23	4.57	-	-
13.	Kalyani Technoforge Ltd.	-	-	255.82	4.56	-	-
14.	Satani Industries	-	-	246.37	4.40	-	-
15.	Om Enterprises	-	-	236.25	4.22	-	-
16.	Echjay Industries Pvt. Ltd.	-	-	225.84	4.03	265.42	5.48
17.	Him Technoforge Ltd.	-	-	145.80	2.60	-	-
18.	Prabha Electronics Pvt. Ltd.	-	-	125.24	2.23	-	-

19.	Maini Precision Products Pvt. Ltd.	-	-	-	-	341.94	7.06
20.	Uniparts India Ltd.	-	-	-	-	257.67	5.32
21.	M.M. Forgings Limited	-	-	-	-	215.49	4.45
22.	Global Marketing Services	-	-	-	-	134.13	2.77
23.	Lakshami Packaging Industries	-	-	-	-	87.30	1.80
TOTAL		**2,673.76**	**38.61**	**2,341.23**	**41.78**	**2,212.78**	**45.71**

The detail of export (including to SEZ) is as follows:

(Rs. In Lakhs)

Particulars	Country	For The Year Ended March 31,				
		2018	2017	2016	2015	2014
Superstar Fans	Bangladesh	55.85	-	-	-	-
Asiatech Industries Pvt. Ltd.	Nepal	41.00	20.60	-	-	-
Energypac Electronics Ltd.	Bangladesh	-	-	86.07	-	-
Uniparts India Ltd.	India (SEZ UNIT)	-	-	112.13	-	-
P.S Autotech International	India (SEZ UNIT)	-	-	15.75	-	-
Allianze Corporation PTE	Bangladesh	-	-	-	131.16	-
Total		**96.85**	**20.60**	**213.95**	**131.16**	**-**

Till now our company predominantly has domestic sales. Our company exported its CNC machines to Nepal and Bangladesh. Since these countries are our neighbor, export is done through surface transport. In future the company is planning to expand to other geographical areas, particularly USA, mainly through dealer/distribution network.

Our Company has orders on hand aggregating to Rs. 5,841.35 Lakhs as on August 16, 2018 which comprises of different machines. The details of order on hand is as follows:

(Rs. in Lakhs)

Sr. No.	Particulars	Amount
1.	Rapidturn	1,997.77
2.	Rigidturn (Single Spindle)	598.12
3.	Roboturn	816.30
4.	CAF	432.35
5.	Twinturn (Twin Spindle)	1,682.75
6.	Smart Gauging Station	314.06
TOTAL		**5,841.35**

SALES AND MARKETING

The efficiency of the marketing and sales network is critical success of our Company. Our success lies in the strength of our long term relationship with the key customers who have been associated with our Company for long. Further, we continuously add new customers based on our product innovation and technology solutions, some of which are unique in India and perhaps globally. Our team focuses on showcasing value proposition of our product line and quick payback that the customer can achieve based on higher productivity and better quality of the manufactured components. Additionally, we reach out to the end customers of the components being manufactured by our CNC turning machines and showcase our product line and technology, which makes near

zero defect production possible. Given the focus of these end customers on the stringent quality, it has helped our marketing efforts immensely.

Our marketing team is ready to take up challenge so as to scale new heights. As an ongoing effort of brand building, we participate in major Indian machine tools exhibitions and conferences. We have delivered presentations and presented technical papers at seminars organized by various industry chambers & large OEM manufacturers including prestigious Metro Chamber of Atlanta, USA, Bosch, Hero MotoCorp etc. We regularly arrange training for programmers and operators at our Tech Center and update our customers through meetings, News Letters, Bulletin, updation of new development on website and social media and so on. Our ongoing effort is to coverage various Marketing tools like taking part in an exhibition will converge to virtual presentation of the same on the social media. Newsletter being sent on regular basis not only to existing but even to potential customers for optimum end result and applying proper Marketing Mix to have direct impact on sales and bottom line of the company.

Within Indian markets, we generally market our product through direct sales model. We regularly organize open house at our Technology Demonstration Center at Manesar for at least two days period on a monthly basis, where we call senior representative of our customers as well as their end customers to visit and showcase new products and innovations. Our team also regularly reach out to key decision makers of our customers to show case our products and explain the value proposition. The team focuses on understanding the customer requirement and accordingly propose a relevant technical and commercial solution along with customization as needed. Our team through their relevant experience and good rapport with these customers owing to timely and quality delivery of service plays an instrumental role in retaining and expanding our customer base. To retain our customers, our team regularly interacts with them and focuses on gaining an insight into additional needs of customers. We believe our relationship with our customers is strong and established as we receive repeated orders regularly from them from time to time.

We intend to expand our existing customer base by increasing our presence domestically. We intend to convert our monthly “two day” open house at Technology Center at Manesar to a permanent display of our product and technology, allowing our customers to visit the center at their convenience and “look and feel” on first hand basis. We also plan to set up a new Technology Center with permanent product and technology display in South India near hub of auto component manufacturing – near equi-distance from Bangalore and Dharwad to cater to a large part of South & West India.

ADMINISTRATIVE

Apart from highly skilled workers and expert technocrats on board, the backbone of proficient business operations is the competent and committed administrative team who with their sound understanding of the trade keep the operations smooth while streamlining costs to the company. The role of administrative team involves a great deal of multitasking. They work with teams, oversee the operations, manage groups, coordinate with management and engage in planning according to the needs of our company.

PRODUCTION

The Production team is the backbone, helping our Company sail successfully as a reliable and trustworthy name for its valued customers. Because, it is here where an extra - efficient team of experienced production managers, supervisors and workers pour their energy and complete focus on making processes fast and flawless.

QUALITY CONTROL PERSONNEL

Our Company believes in maintaining high standard of quality for all its products and services with a focus on Quality, Innovation, Productivity and Customized Products and Services. Quality Control personnel having best in the field high quality standards with their precision led performance. Taking every little nuance under consideration, they ensure that only the best and consistent quality products are sent to the market. Our Company is registered as ISO 9001:2008 by Intertek (UK) to design, manufacture and supply of CNC Turning Centres, CNC Turnmill Centres & Double Head CNC Chuckers.

COMPETITION

Our Company is into manufacturing of CNC Turning Machines, which faces competition from domestic as well as international players. Competition emerges not only from the organized and unorganized sector but also from small and big players. Its competitiveness depends on several factors including product innovation, quality, price and customer service. Internationally, competition typically comes from low-cost operations in other emerging countries.

We compete with our competitors on the basis of product innovation; return on investment, product quality, price and reliability, application support and after sales service. We continuously strive to improve our product line, innovate and have been able to offer unique products creating a niche for our Company particularly with tier 1 and 2 component manufactures as our machines are known for higher productivity, better ROI and near zero defect production.

While, our machine price tend to be slightly at premium over other domestic machine tool manufacturers, we intend to beat the competition by providing total solution in terms innovation, application, faster pay back of investment, lower total cost of ownership, better return on investment, lower space and manpower requirement and best in class service support to our valued customers. We intend to continue compete to capture more market share and manage our organic growth in an optimal way by improving our satisfying customer demands, achieving operating efficiencies, and so on.
Some of our major domestic competitors are: -

a) Ace Designers Limited
b) Batliboi Limited
c) Jyoti CNC Automation Limited
d) MacPower CNC Machines Limited
e) Lokesh Machines Limited

INTELLECTUAL PROPERTY

A1: We have patents registered in the name of our Company which are summarized as below: -

Sr. No.	Patent	Act Under Which Application Was Made	Country	Date of Application/ Approval date	Application No./Patent No.	Class	Current Status	Valid Upto
1.	Computer Controlled Lathe	Patents Act, 1970	India	July 29, 2011	238418	15-99	Registered	July 28, 2021
2.	Method and apparatus for performing an automatic heath	Patents (Amendment) Act, 2005	India	January 24, 2017	201711002737	-	Application Not Yet Published	-

	check up for a CNC turning center							
3.	Method and Apparatus for Tool life monitoring and Management in a CNC Environment	Patents (Amendment) Act, 2005	India	January 25, 2017	201711002831	-	Application Not Yet Published	-
4.	Method And Apparatus For Detecting Occurrence Of An Accident A CNC Environment And Taking Autonomous Actions Thereof	Patents (Amendment) Act, 2005	India	February 16, 2017	201711005604	-	Application Not Yet Published	-

A2: We have patents registered in the name of our Promoter/Relative of the Promoter/Group Entity, which are summarized as below: -

Sr. No.	Patent	Act Under Which Application Was Made	Country	Date of Application / Approval date	Application No./Patent No.	Class	Current Status	Valid Upto
1.	An Improved Computer Controlled Lathe Machine	Patents Act, 1970	India	May 14, 2001	196748#	7	Registered	May 13, 2021
2.	CNC Turning Centre	Patents Act, 1970	India	August 25, 2005	200721*	15-99	Registered	August 25, 2020
3.	Method And System For Gauging And Auto Correcting Geometric Tolerances	Patents (Amendment) Act, 2005	India	June 08, 2016	201611019606**	-	Application Published	-
4.	Method And System For Gauging And Auto Correcting Geometric Tolerances	United States Code – 35	United States of America	June 28, 2016	15194590**	-	Application Published	-

5.	Smart coolant delivery system In CNC machines	Patents (Amendment) Act, 2005	India	February 12, 2018	201811005229**	-	Application Not Yet Published	-
6.	Auto Loading and unloading system and method for CNC machines	Patents (Amendment) Act, 2005	India	February 24, 2018	201811007024**	-	Application Not Yet Published	-
7.	Auto loading & unloading system and method for double spindle CNC machines	Patents (Amendment) Act, 2005	India	March 05, 2018	201811008029**	-	Application Not Yet Published	-
8.	Smart coolant delivery block in a CNC machine	Patents (Amendment) Act, 2005	India	March 14, 2018	201811009362**	-	Application Not Yet Published	-
9.	Smart plate for ensuring coolant flow in a CNC machine	Patents (Amendment) Act, 2005	India	March 14, 2018	201811009363**	-	Application Not Yet Published	-
10.	Robotic Catcher	Patents (Amendment) Act, 2005	India	April 05, 2018	201811013038##	-	Application Not Yet Published	-
11.	Smart Twin CNC	Patents (Amendment) Act, 2005	India	May 10, 2018	20181101**	-	Application Not Yet Published	-

 # In the name of Gautam Sarup

** In the name of Marshsall Industries*

***In the name of Gaurav Sarup, Prashant Sarup and Siddhant Sarup*

##In the name of Siddhant Sarup

The patents have been applied in name of individual promoters/their relatives for administrative and operational convenience and cost effectiveness.

B: We have various trademark registered in the name of our Company which are summarized as below: -

Sr. No.	Logo	Act Under Which Application Was Made	Country	Date of Application / Approval date	Application No./Trade mark No.	Class	Current Status	Valid Upto
1.	MARSHALL SPINNER	Trade Marks Act, 1999	India	August 19, 2010	2011088	7	Registered	August 18, 2020
2.	QUATRO	Trade Marks Act, 1999	India	August 19, 2010	2011090	7	Registered	August 18, 2020
3.	RIGIDTURN	Trade Marks Act, 1999	India	May 08, 2012	2327887	7	Registered	May 07, 2022
4.	NANOTURN	Trade Marks Act, 1999	India	August 02, 2010	2002560	7	Registered	August 01, 2020
5.	SPINNER	Trade Marks Act, 1999	India	January 13, 2009	1773405	7	Registered	January 12, 2019
6.	QUATROTURN	Trade Marks Act, 1999	India	August 19, 2010	2011089	7	Registered	August 18, 2020
7.	DOUBLE SPINDLE	Trade Marks Act, 1999	India	November 01, 2010	2048245	7	Registered	October 31, 2020
8.	FOUR SPINDLE	Trade Marks Act, 1999	India	November 01, 2010	2048244	7	Registered	October 31, 2020
9.	TWINTURN	Trade Marks Act, 1999	India	August 02, 2010	2002555	7	Registered	August 01, 2020
10	SmartInsert	Trade Marks Act, 1999	India	January 17, 2017	3459837	7	Registered	January 16, 2027
11	SmartChek	Trade Marks Act, 1999	India	January 17, 2017	3459836	7	Registered	January 16, 2027

12	IoTQ Internet of Things for Quality	Trade Marks Act, 1999	India	December 02, 2016	3425652	7	Registered	December 01, 2026
13	ULTRA PRECISION	Trade Marks Act, 1999	India	February 28, 2012	2290607	7	Registered	February 27, 2022
14	SUPER PRECISION	Trade Marks Act, 1999	India	February 28, 2012	2290606	7	Registered	February 27, 2022
15	MARSHALL PRECISION	Trade Marks Act, 1999	India	February 28, 2012	2290605	7	Registered	February 27, 2022
16	ROBOTURN	Trade Marks Act, 1999	India	October 25, 2012	2417563	7	Registered	October 24, 2022
17	IoTQ	Trade Marks Act, 1999	India	December 02, 2016	3425653	7	Registered	December 01, 2026
18	MILLTURN	Trade Marks Act, 1999	India	February 04, 2013	2471043	7	Registered	February 03, 2023
19	MILTURN	Trade Marks Act, 1999	India	February 04, 2013	2471042	7	Registered	February 03, 2023
20	CLAMPTECH	Trade Marks Act, 1999	India	July 21, 2014	2777703	42	Registered	July 20, 2024
21	Smartcorrect	Trade Marks Act, 1999	India	January 23, 2015	2888544	7	Registered	January 22, 2025
22	CLAPTECH	Trade Marks Act, 1999	India	July 17, 2014	2776141	42	Registered	July 16, 2024
23	Smartdoor	Trade Marks Act, 1999	India	January 21, 2015	2886756	7	Registered	January 20, 2025

24	Smarteye	Trade Marks Act, 1999	India	January 21, 2015	2886755	7	Registered	January 20, 2025

LAND & PROPERTIES

The following table sets for the properties taken on lease by us on long term:

Sr. No.	Location of the property	Document and Date	Licensor / Lessor	Lease Rent/ License Fee (Rs. In Lakhs)	Lease/License period	Purpose
1.	D-116, Phase-V, Focal Point, Ludhiana, Punjab - 141010	Lease Deed dated November 03, 2011	Punjab Small Industries & Export Corporation Limited	3.63 (total consideration paid)	99 Years	Automated Solutions Division

The following table sets for the properties taken on lease / rent by us on short term:

Sr. No.	Location of the property	Document and Date	Licensor / Lessor	Lease Rent/ License Fee (Rs. in lakhs)	Lease/License period	Purpose
1.	C-86, Phase-V, Focal Point, Ludhiana, Punjab – 141010*	Rent Deed dated April 05, 2018	Marshall Industries	0.20p.m	11 Months	Head Office & Works
2.	Plot No. 75B, Sector – 5, IMT Manesar, Gurgaon, Haryana	Lease Agreement dated February 01, 2018	Mrs. Ritu Chopra	2.33p.m	02 Years	Tech Center & R&D Unit
3.	D-203, Gut No. 173, Urban Valley behind CIDCO Office, Opp. Abbas Transport, Waluj, Mahanagar-1, Aurangabad	Rent Agreement Dated March 01, 2018	Mr. Dipak Dongarsingh Baraval	0.15p.m	11 Months	Sales Office

** Since this head office and manufacturing unit belongs to our promoter group entity, we do not foresee any problem in renewal of lease.*

INSURANCE

The following are the details of the general insurance policies obtained by our Company:

S. No.	Name of the Insurance Company	Type of Policy	Validity Period	Description of cover under the policy	Policy No.	Sum Insured (Rs. In Lakhs)	Premium p.a (Rs. In Lakhs)
1.	Reliance General Insurance Company Limited	Fire & Allied Perils	January 24, 2018 to January 23, 2019	Building situated at C-86, Phase-V, Focal Point, Ludhiana, Punjab-141010 and D-116A, Phase-V, Focal Point, Ludhiana, Punjab- 141010	200131826150000002	900.00	3.56
2.	Reliance General Insurance Company Limited	Fire & Allied Perils	January 24, 2018 to January 23, 2019	Stock and Stock in Trade (Stock of all kinds of raw material, packing material, finished/unfinished goods & semi-finished goods & or other connected goods.		3700.00	
3.	Reliance General Insurance Company Limited	Fire & Allied Perils	January 24, 2018 to January 23, 2019	Other than stock & Stock in trade (Plant and machinery, entire furniture, fixtures & fittings including office equipments at the property situated at C-86, Phase-V, Focal Point, Ludhiana, Punjab-141010 and D-116A, Phase-V, Focal Point, Ludhiana, Punjab- 141010		1915.00	

4.	Reliance General Insurance Company Limited	Fire & Allied Perils	January 24, 2018 to January 23, 2019	Stock and Stock in Trade (Stock of all kinds of raw material, packing material, finished/unfinished goods & semi-finished goods & or other connected goods at the property situated at 75-B, Sector – 05, IMT Manesar, Gurgaon, Haryana - 122001	200131826150000003	295.00	2.54**
5.	Reliance General Insurance Company Limited	Fire & Allied Perils	January 24, 2018 to January 23, 2019	Other than stock & Stock in trade (Plant and machinery, entire furniture, fixtures & fittings including office equipments at the property situated at 75-B, Sector – 05, IMT Manesar, Gurgaon, Haryana – 122001.		115.00*	
6.	Reliance General Insurance Company Limited	Burglary and Housebreaking	January 24, 2018 to January 23, 2019	Stock and Stock in Trade (Stock of all kinds of raw material, packing material, finished/unfinished goods & semi-finished goods & or other connected goods at the property situated at 75-B, Sector – 05, IMT Manesar, Gurgaon, Haryana - 122001		295.00	

** The sum insured has been enhanced from Rs. 15.00 Lakhs to Rs. 115.00 Lakhs, w.e.f April 03, 2018.*

***The premium has been enhanced from Rs. 2.12 Lakhs p.a. to Rs. 2.54 Lakhs p.a. on the enhancement of the sum insured.*

TEAM

Promoted by visionary and far-sighted promoters with hard-core success dreams in their sleeve, they have steered the business in the right direction with their experience, expertise and unmatched leadership skills. Valuing each and every individual of the team as the value-provider.

The team is layered with dedicated workforce at every level be it Quality, Production, Sales & Marketing or Administration. Our Company has a team of qualified engineers, diploma holders, MBAs, Chartered Accountant and experienced management staff

HUMAN RESOURCE

We believe that a motivated and empowered employee base is the key to our operations and business strategy. We focus on attracting and retaining best possible talent. Our Company develops a large pool of skilled and experienced personnel as and when required. As on March 31, 2018 we have 256 employees. Our manpower is a prudent mix of the experienced and young people which gives us the dual advantage of stability and growth, whereas execution of services within time and quality. Our skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

Department wise breakup of employees:

S. No.	Particulars	Total
1.	Production	4
2.	Sales	44
3.	Design	6
4.	Human Resource Department	2
5.	Finance & Accounts	4
6.	Sheet Metal	21
7.	Administration	22
8.	Welding	5
9.	Quality	3
10.	Assembly	9
11.	Purchase	1
12.	Service	34
13.	Electrical	21
14.	Vertical Machine Control	4
15.	Store	6
16.	Machine Shop	28
17.	Fitter Shop	17
18.	Paint Shop	6
19.	Application	16
20.	Dispatch	3
	TOTAL	**256**

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of various sector-specific laws and regulations in India, which are applicable to our Company. The information below has been obtained from publications in the public domain. It may not be exhaustive, and is only intended to provide general information and is neither designed nor intended to substitute for professional legal advice.

The statements below are based on current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained by us, see the chapter titled "Government and Other Statutory Approvals" beginning on page 240 of this Prospectus.

RELATED TO OUR BUSINESS

THE INDIAN CONTRACT ACT, 1872

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as 'void' or 'voidable'. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

FOREIGN EXCHANGE MANAGEMENT ACT, 1999

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

FOREIGN TRADE (DEVELOPMENT AND REGULATION) ACT, 1992 ("FTA")

The Foreign Trade (Development and Regulation) Act, 1992 ("FTA") read along with relevant rules inter-alia provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the FTA, the Government:- (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorised to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import ("EXIM") Policy. FTA read with the Indian Foreign Trade Policy inter-alia provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce.

ENVIRONMENTAL LAWS

ENVIRONMENT (PROTECTION) ACT, 1986

The main objective of this Act is to provide the protection and improvement of environment (which includes water, air, land, human being, other living creatures, plants, micro-organism and properties) and for matters connected therewith. The Act provide power to make rules to regulate environmental pollution, to notify standards and maximum limits of pollutants of air, water, and soil for various areas and purposes, prohibition and restriction on the handling of hazardous substances and location of industries.

The Central Government is empowered to constitute authority or authorities for the purpose of exercising of performing such of the powers and functions, appoint a person for inspection, for analysis or samples and for selection or notification of environmental laboratories. Such person or agency has power to inspect or can enter in the premises or can take samples for analysis.

THE AIR (PREVENTION AND CONTROL OF POLLUTION) ACT, 1981 *("Air Act")*

Pursuant to the provisions of the Air Act, any person, establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant State Pollution Control Board prior to establishing or operating such industrial plant. The State Pollution Control Board is required to grant consent within a period of four months of receipt of an application, but may impose conditions relating to pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the State Pollution Control Board. The penalties for the failure to comply with the above requirements include imprisonment of up to six years and the payment of a fine as may be deemed appropriate. Under the Air Act, the Central Board for the Prevention and Control of Water Pollution has powers, inter alia, to specify standards for quality of air, while the State Board for the Prevention and Control of Water Pollution have powers, inter alia, to inspect any control equipment, industrial plant or manufacturing process, to advise the State Government with respect to the suitability of any premises or location for carrying on any industry and to obtain information from any industry.

THE WATER (PREVENTION AND CONTROL OF POLLUTION) ACT, 1974 *("Water Act")*

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the Central Pollution Control Board and the State Pollution Control Boards. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant State Pollution Control Board, which is empowered to establish standards and conditions that are required to be complied with. In certain cases, the State Pollution Control Board may cause the local Magistrates to restrain the activities of such person who is likely to cause pollution. Penalty for the contravention of the provisions of the Water Act include imposition of fines or imprisonment or both.

The Central Pollution Control Board has powers, inter alia, to specify and modify standards for streams and wells, while the State Pollution Control Boards have powers, inter alia, to inspect any sewage or trade effluents, and to review plans, specifications or other data relating to plants set up for treatment of water, to evolve efficient methods of disposal of sewage and trade effluents on land, to advise the State Government with respect to the suitability of any premises or location for carrying on any industry likely to pollute a stream or a well, to specify standards for treatment of sewage and trade effluents, to specify effluent standards to be complied with by persons while causing discharge of sewage, to obtain information from any industry and to take emergency measures in case of pollution of any stream or well. A central water laboratory and a state water laboratory have been established under the Water Act.

LAWS RELATING TO EMPLOYMENT AND LABOUR

FACTORIES ACT, 1948

This Act came into force on 1st April, 1949 and extends to the whole of India, including Jammu and Kashmir. It has been enacted to regulate working conditions in factories and to ensure the provision of the basic minimum requirements for safety, health and welfare of the workers as well as to regulate the working hours, leave, holidays, employment of children, women, etc. It ensures annual leaves with wages, provides additional protection from hazardous processes, additional protection to women workers and prohibition of employment of children.

MINIMUM WAGES ACT, 1948

This Act aims to make provisions for statutory fixation of minimum rates of wages in scheduled employment wherein labour is not organized. It seeks to prevent the exploitation of workers and protect their interest in the 'sweated industries'. Wage fixing authorities have been guided by the norms prescribed by the Fair Wage Committee in the settlement of issues relating to wage fixation in organized industries. The Act contemplates the minimum wage rates must ensure not only the mere physical needs of a worker which keeps them just above starvation level, but must ensure for him and his family's subsistence, and also to preserve his efficiency as a worker.

PAYMENT OF GRATUITY ACT, 1972

The Payment of Gratuity Act, 1972 ("Act") was enacted with the objective to regulate the payment of gratuity, to an employee who has rendered for his long and meritorious service, at the time of termination of his services. A terminal Lump sum benefit paid to a worker when he or she leaves employment after having worked for the employer for a prescribed minimum number of years is referred to as "gratuity." The provisions of the Act are applicable to all the factories. The Act provides that within 30 days of opening of the establishment, it has to notify the controlling authority in Form A and thereafter whenever there is any change in the name, address or change in the nature of the business of the establishment a notice in Form B has to be filed with the authority. The Employer is also required to display an abstract of the Act and the rules made there-under in Form U to be affixed at the or near the main entrance. Further, every employer has to obtain insurance for his Liability towards gratuity payment to be made under Payment of Gratuity Act 1972, with Life Insurance Corporation or any other approved insurance fund.

PAYMENT OF BONUS ACT, 1965

The Payment of Bonus Act, 1965 is applicable to every establishment employing 20 or more employees. The said Act provides for payment of the minimum bonus to the employees specified under the Act. It further requires the maintenance of certain books and registers such as the register showing computation of the allocable surplus; the register showing the set on & set off of the allocable surplus and register showing the details of the amount of Bonus due to the employees. Further it also requires for the submission of Annual Return in the prescribed form (Form D) to be submitted by the employer within 30 days of payment of the bonus to the Inspector appointed under the Act.

CHILD LABOUR (PROHIBITION AND REGULATION) ACT, 1986

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

INDUSTRIAL DISPUTES ACT, 1947

The Industrial Disputes Act 1947 lays down the machinery and procedure for investigation, settlement and resolution of Industrial disputes in what situations a strike or lock-out becomes illegal and what are the requirements for laying off or retrenching the employees or closing down the establishment. When a dispute exists or is apprehended, the appropriate Government may refer the dispute to a labour court, tribunal or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workmen.

WORKMEN'S COMPENSATION ACT 1923

This Act came into force on April 01, 1924. It aims at providing financial protection to workmen and their dependents in case of accidental injury by means of payment of compensation by the employers. However, here the employer shall not be liable in respect of any injury that does not result in the total or partial disablement of the workmen for a period exceeding 3 days in respect of any injury not resulting in death, caused by an accident which was due to the reason that workman was under the influence of drugs, or due to his willful disobedience of an order expressly given to him, or a willful removal or disregard of any safety device by the workmen, or when the employee has contacted a disease which is not directly attributable to a specific injury caused by the accident or to the occupation.

THE EMPLOYEES PROVIDENT FUNDS AND MISCELLANEOUS PROVISIONS ACT, 1952 *("Employees Provident Fund and Miscellaneous Provisions Act")*

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 is a social welfare legislation to provide for the institution of Provident Fund, Pension Fund and Deposit Linked Insurance Fund for employees working in factories and other establishments. The Act aims at providing social security and timely monetary assistance to industrial employees and their families when they are in distress.

The Act is administered by the Government of India through the Employees' Provident Fund Organization (EPFO). The following three schemes have been framed under the Act by the Central Government:

(a) The Employees' Provident Fund Schemes, 1952;
(b) The Employees' Pension Scheme, 1995; and
(c) The Employees' Deposit-Linked Insurance Scheme; 1976.

The Central Government has been constituted Employees' Provident Funds Appellate Tribunal to exercise the powers and discharge the functions conferred on such by Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

THE EMPLOYEES' STATE INSURANCE ACT, 1948

The Employees' State Insurance Act, 1948, as amended ("ESI Act") applies to all factories that are non-seasonal in nature and establishments that are notified by the appropriate government in consultation with the Central Government from time to time. The ESI Act provides for a need based social insurance scheme under which the employer and the employee must contribute certain percentage of the monthly wage as prescribed by the Central Government from time to time to the Employees State Insurance Corporation established under the ESI Act. In case the contribution is not paid by the principal employer as per the provisions of the ESI Act, the principal employer shall be liable to pay simple interest at the rate of 12 % p.a. or at such higher rate as may be specified in the ESI Act and the rules thereunder till the date of its actual payment. The ESI Act provides for benefits to employees in case of sickness, maternity and employment injury. However, where an employee is covered under the ESI scheme, (a) compensation under the Workmen's Compensation Act, 1923 cannot be claimed in respect of employment injury; and (b) benefits under the Maternity Benefits Act, 1961 cannot be claimed. In addition, the employer is also required to register himself under the ESI Act and maintain prescribed records and registers in addition to filing of forms with the concerned authorities.

THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 ("SHWW ACT")

The SHWW Act provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favour or making sexually colored remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to Rs. 50,000/- (Rupees Fifty Thousand Only).

INTELLECTUAL PROPERTY LAWS

TRADEMARKS ACT, 1999

A trademark is used in relation to goods so as to indicate a connection in the course of trade between the goods and a person having the right as proprietor or user to use the mark. The Trademarks Act, 1999, (Trademarks Act) governs the registration, acquisition, transfer and infringement of trademarks and remedies available to a registered proprietor or user of a trademark. Registration is valid for a period of 10 years but can be renewed in accordance with the specified procedure.

As per the Trademarks (Amendment) Bill, 2009, Registrar of Trade Marks is empowered to deal with international applications originating from India as well as those received from the International Bureau and maintain a record of international registrations. It also removes the discretion of the Registrar to extend the time.

THE PATENTS (AMENDMENT) ACT, 2005

A patent is a government license that gives the holder exclusive rights to a process, design or new invention for a designated period of time. The Patents Act, 1970, (The Principal Act) governs the registration, acquisition, transfer and infringement of patents and remedies available to a registered proprietor or user of a patent. It extends to whole of India. The history of Patent law in India starts from 1911 when the Indian Patents and Designs Act, 1911 was enacted. The present Patents Act, 1970, along with the Patents Rules 1972 came into force on 20th April 1972, amending and consolidating the existing law relating to Patents in India. The Patents Act, 1970 was again amended by the Patents (Amendment) Act, 2005, wherein product patent was extended to all fields of technology including food, drugs, chemicals and microorganisms.

DESIGN ACT, 2000

The Design Law in India is governed by the Designs Act, 2000. The Design Act, 1911 was amended in 2000 to incorporate the amendments which were rendered necessary because of the tremendous progress made by India in the field of Science and Technology. An Act to consolidate and amend the law relating to protection of designs. It applies to whole of India.

A design as per Design Act, 2000 is "Features of shape, any configuration, pattern, ornament or composition of lines or colours which is applied to Two dimensional or three dimensional or in both the forms using any process including manual, chemical or mechanical, separate or combined which in the finished article appeal to or judged solely by the eye."

PROPERTY RELATED LAWS

TRANSFER OF PROPERTY ACT, 1882

The transfer of property, including immovable property, between living persons, as opposed to the transfer of property by the operation of law, is governed by the Transfer of Property Act, 1882 ("T.P. Act"). The T.P. Act establishes the general principles relating to the transfer of property including among other things identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property.

THE INDIAN STAMP ACT, 1899

Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. The Indian Stamp Act, 1899 (the "Stamp Act") provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Stamp Act. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state. Instruments chargeable to duty under the Stamp Act but which have not been duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments by certain specified authorities and bodies and imposition of 138 penalties, for instruments which are not sufficiently stamped or not stamped at all. Instruments which have not been properly stamped instruments can be validated by paying a penalty of up to 10 times of the total duty payable on such instruments.

TAXATION & DUTY LAWS

THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 (GST)

GST is a single tax on the supply of goods and services, right from the manufacturer to the consumer. Credits of input taxes paid at each stage will be available in the subsequent stage of value addition, which makes GST essentially a tax only on value addition at each stage. The final consumer will thus bear only the GST charged by the last dealer in the supply chain, with set-off benefits at all the previous stages.

INCOME TAX ACT, 1961

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

IN GENERAL

THE COMPANIES ACT, 1956 AND THE COMPANIES ACT, 2013

The consolidation and amendment in law relating to the Companies Act, 1956 made way to 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 and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The provisions of this act 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. One Person Company. The provisions relating to formation and allied procedures are mentioned in the act.

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Our Company was incorporated as V.B. Spinning Mills Private Limited under the provisions of the Companies Act, 1956 vide certificate of incorporation dated May 23, 1994 issued by the Registrar of Companies, Punjab, H.P. & Chandigarh. Subsequently, a fresh certificate of incorporation dated January 02, 2002 was issued by Registrar of Companies, Punjab, H.P. & Chandigarh, pursuant to change of name of our Company from V.B. Spinning Mills Private Limited to Marshall Machines Private Limited. The name of the company was changed to Marshall Machines Limited pursuant to conversion into a public company vide shareholder's approval dated April 24, 2018 and fresh certificate of incorporation dated May 17, 2018 issued by Registrar of Companies, Chandigarh.

For information on the Company's activities, market, growth and managerial competence, please see the chapters "Our Management", "Our Business" and "Our Industry" beginning on pages 154, 110 and 102 respectively of this Prospectus.

CHANGE IN REGISTERED OFFICE

At present our registered office is located at C-86, Phase-V, Focal Point, Ludhiana 141010, Punjab. Prior to this, following changes were made in the location of our registered office:

Date	Particulars
Since Incorporation	177-R, Model Town, Ludhiana, Punjab
February 28, 2002*	Our Registered office was shifted from the above location to C-86, Phase-V, Focal Point, Ludhiana 141010, Punjab.

**Form 18 for change in registered office is not available.*

KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

Year	Event
1994	Our Company was incorporated as V.B. Spinning Mills Private Limited.
2001	Change in name of the Company from V.B. Spinning Mills Private Limited to Marshall Machines Private Limited.
2006	Our Company took over the running business of Marshall Industries.
2009	Marshall launched the four spindle CNC Lathe and received FIE Foundation Award, for the development of 'FOUR Spindle CNC Chucker'.
2012	Opened 2nd state-of-the-art factory to produce Automated Machines & develop Smart Technologies.
2013/2014	Marshall introduced automated RoboTurn DS 400 with CLAPTECH & CLAMPSYS – first time in India and received FIE Foundation Award, for the substantial contribution made in the development of ROBOTURN DS 400 DOUBLE SPINDLE CNC CHUCKER.
2015	Our Company received FIE Foundation Award, for the substantial contribution made in the development of MACHINE AUTOMATION INTEGRATION SYSTEM.

2016	1. Tie-ups with CARON Engg (USA) & SPINNER GmbH.(Germany) 2. 1st Zero Defect unleashing SmartCorrect Gauging Station.
2017	1. Patent for SmartCorrect, SmartCheck, and SmartInsert filed in USA and India by the promoters and relative of the promoters. 2. Marshall Automation US set-up. 3. IoTQ Center opened in Manesar, India. 4. 1st 50 SmartCorrect Gauging Stations sold in India and export order of 8 Nos. to US. 5. Our Company received FIE Foundation Award, for the substantial contribution made in the development of IOTQ: INTERNET OF THINGS FOR QUALITY.
2018	Converted into Public Limited Company vide fresh certificate of Incorporation dated May 17, 2018

OUR MAIN OBJECT(S)

The main object(s) of our Company, as contained in our Memorandum of Association, are as set forth below:

- To manufacture, assemble, process, fabricate, improve, alter, buy, sell, import, export or otherwise deal in all kind of machines and machines tools, lathe machines, shaping machines, grinding machines, milling machines, planning machines, all types of general purpose machines and their accessories, plants, machinery, machinery parts, tools, implements apparatus all kinds of light engineering goods and components and to enter into technical or financial collaboration with Indian and foreign entrepreneurs for the purpose of aforesaid objects.

- To manufacture, process, fabricate, buy, sell, import, export, assemble, improve, alter or otherwise deal in all kinds of auto parts, tractor parts, cycle parts, sewing machine parts, hand tools, cutting and threading tools, small tools, nuts & bolts, hardware goods and other engineering goods.

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

Since incorporation, the following changes have been made to our Memorandum of Association:

Date of Shareholders' Approval	Amendment
December 24, 2001	1. Change in the name of the Company from V.B. Spinning Mills Private Limited to Marshall Machines Private Limited. 2. Alteration of Main Objects of the Company.
April 01, 2006	The Initial Authorized Share Capital of Rs. 50,00,000 (Rupees Fifty Lakhs only) consisting of 5,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 80,00,000 (Rupees Eighty Lakhs only) consisting of 8,00,000 Equity Shares of face value of Rs.10/- each.
March 15, 2008	The Authorized Share Capital of Rs. 80,00,000 (Rupees Eighty Lakhs only) consisting of 8,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 1,00,00,000 (Rupees One Crore only) consisting of 10,00,000 Equity Shares of face value of Rs.10/- each.
December 10, 2010	The Authorized Share Capital of Rs. 1,00,00,000 (Rupees One Crore only) consisting of 10,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 2,00,00,000 (Rupees Two Crore only) consisting of 20,00,000 Equity Shares of face value of Rs.10/- each.

January 04, 2018	The Authorized Share Capital of Rs. 2,00,00,000 (Rupees Two Crores only) consisting of 20,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 4,00,00,000 (Rupees Four Crores only) consisting of 40,00,000 Equity Shares of face value of Rs.10/- each.
April 24, 2018	Conversion of private company into public company and subsequent change of name from 'Marshall Machines Private Limited' to 'Marshall Machines Limited'.
April 24, 2018	The Authorized Share Capital of Rs. 4,00,00,000 (Rupees Four Crores only) consisting of 40,00,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 15,00,00,000 (Rupees Fifteen Crores only) consisting of 1,50,00,000 Equity Shares of face value of Rs.10/- each.
May 23, 2018	Alteration of Memorandum of Association as per Companies Act, 2013.

HOLDING COMPANY OF OUR COMPANY

Our Company has no holding company as on the date of filing of this Prospectus.

SUBSIDIARY COMPANY OF OUR COMPANY

Our Company has no subsidiary company as on the date of filing of this Prospectus.

DETAILS OF MERGERS AND ACQUISITIONS

There has been no merger or acquisitions of businesses or undertakings in the history of the Company except that running business of M/s Marshall Industries was acquired on April 01, 2006.

JOINT VENTURES OF OUR COMPANY

Our Company does not have joint ventures as on the date of this Prospectus.

INJUNCTIONS OR RESTRAINING ORDERS

The Company is not operating under any injunction or restraining order.

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 180 of this Prospectus.

SHAREHOLDERS AGREEMENTS

Our Company has not entered into any shareholder's agreement as on date of filing of this Prospectus.

OTHER AGREEMENTS

Our Company has not entered into any specific or special agreements except that have been entered into in ordinary course of business the following as on the date of filing of this Prospectus:

1. Agreement dated April 01, 2017 with Mr. Gaurav Sarup, Managing Director for his appointment.
2. Agreement dated May 23, 2018 with Mr. Prashant Sarup and Mr. Siddhant Sarup, Whole-Time Directors for their appointments.
3. Patent license agreements dated May 01, 2018 with the group entities, promoters and relatives of the promoters.

A) Below are the major terms and conditions of the Agreement with Mr. Gaurav Sarup, Managing Director dated April 01, 2017:

1. The Managing Director shall exercise and perform such powers and duties as the Board of Directors of the Company (hereinafter called "the Board") shall from time to time determine, and subject to any directions and restrictions, time to time give and imposed by the Board, he shall have the general control, management and superintendence of the Business of the Company and to enter into contracts on behalf of the Company in the ordinary course of business and to do and perform all other acts and things, which in the ordinary course of business he may consider necessary or proper or in the interest of the Company.

2. The Managing Director shall throughout the said term devote the whole of his time, attention and abilities to the business of the Company, and shall obey the orders from time to time, of the Board and in all respects, confirm to and comply with the directions and regulations made by the Board, and shall well and faithfully serve the Company and use his utmost endeavors to promote the interest thereof.

3. The Company shall pay to the Managing Director during the continuance of this Agreement in consideration of the performance of his duties.
   i. A salary at the rate of Rs. 1,50,000.00 (Rupees One Lakh Fifty Thousand only) per month w.e.f. 31st March, 2017;
   ii. The Managing Director shall be entitled to use the company's car and all the expenses for maintenance and running of the same to be borne by the company;
   iii. Reimbursement of medical and hospitalization expenses of the Managing Director and his family in accordance with the Company policy;
   iv. Reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company policy;
   v. Reimbursement of any other expenses properly incurred by him in accordance with rules and policies of the Company.
   vi. The Managing Director shall be entitles to such increment from time to time as the Board may by its discretion determine.

B) Below are the major terms and conditions of the Agreement with Mr. Prashant Sarup, Whole-Time Director dated May 24, 2018:

1. Whole Time Director shall exercise and perform such powers and duties as the Board of Directors of the Company (hereinafter called "the Board") shall from time to time determine, and subject to any directions and restrictions, time to time give and imposed by the Board, he shall have the general control, management and superintendence of the Business of the Company and to enter into contracts on behalf of the Company in the ordinary course of business and to do and perform all other acts and things, which in the ordinary course of business he may consider necessary or proper or in the interest of the Company.

2. Whole Time Director shall throughout the said term devote the whole of his time, attention and abilities to the business of the Company, and shall obey the orders from time to time, of the Board and in all respects, confirm to and comply with the directions and regulations made by the Board, and shall well and faithfully serve the Company and use his utmost endeavors to promote the interest thereof.

3. The Company shall pay to the Whole Time Director during the continuance of this Agreement in consideration of the performance of his duties.
   i. A salary at the rate of Rs. 2,25,000.00 (Rupees Two Lakh Twenty Five Thousand only) per month w.e.f. 1st April, 2018;
   ii. The Whole Time Director shall be entitled to use the company's car and all the expenses for maintenance and running of the same to be borne by the company;
   iii. Reimbursement of medical and hospitalization expenses of the Whole Time Director and his family in accordance with the Company policy;
   iv. Reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company policy;
   v. Reimbursement of any other expenses properly incurred by him in accordance with rules and policies of the Company.
   vi. The Whole Time Director shall be entitles to such increment from time to time as the Board may by its discretion determine.

C) Below are the major terms and conditions of the Agreement with Mr. Siddhant Sarup, Whole-Time Director dated May 24, 2018:

1. Whole Time Director shall exercise and perform such powers and duties as the Board of Directors of the Company (hereinafter called "the Board") shall from time to time determine, and subject to any directions and restrictions, time to time give and imposed by the Board, he shall have the general control, management and superintendence of the Business of the Company and to enter into contracts on behalf of the Company in the ordinary course of business and to do and perform all other acts and things, which in the ordinary course of business he may consider necessary or proper or in the interest of the Company.

2. Whole Time Director shall throughout the said term devote the whole of his time, attention and abilities to the business of the Company, and shall obey the orders from time to time, of the Board and in all respects, confirm to and comply with the directions and regulations made by the Board, and shall well and faithfully serve the Company and use his utmost endeavors to promote the interest thereof.

3. The Company shall pay to the Whole Time Director during the continuance of this Agreement in consideration of the performance of his duties.
   i. A salary at the rate of Rs. 1,00,000.00 (Rupees One Lakh only) per month;
   ii. The Whole Time Director shall be entitled to use the company's car and all the expenses for maintenance and running of the same to be borne by the company;
   iii. Reimbursement of medical and hospitalization expenses of the Whole Time Director and his family in accordance with the Company policy;

iv. Reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company policy;

v. Reimbursement of any other expenses properly incurred by him in accordance with rules and policies of the Company.

vi. The Whole Time Director shall be entitles to such increment from time to time as the Board may by its discretion determine.

D) Below are the major terms and conditions of the Patent License Agreements May 01, 2018:

1. The Licensors have applied for certain patents with in India and in United States of America in respect of various inventions, research and development carried out by them in respect of the methods, system, apparatus, brand names etc. related to manufacturing of CNC machines and general machine tool industries (herein after referred as the "Intellectual Property"). While patent in some cases has already been granted, in some cases, the application is still pending and patent rights in respect of the same may be granted at a future date.

2. The Licensors hereby grant exclusive & perpetual licenses to the our Company to use the Patent Rights and to manufacture and market range of CNC Machines and any other products formed / created / made are of such Patent Rights utilizing the Intellectual Property.

3. Our Company shall continue to bear and pay all cost of maintaining and further developing the Intellectual Property and/or the Patent Rights held in the name of Licensors. However, whereas an owner or holder of Patent Right, the Licensors have to incur certain expenses, fees etc. after the date of agreement that shall be reimbursed by our Company to Licensor.

4. Our Company shall market products in respect of the Patent Rights in a manner consistent with high quality products so that such marketing shall not negatively or adversely upon the Patent Rights and/or the goodwill of the Licensors.

GUARANTEES GIVEN BY OUR COMPANY

Our Company has not provided any guarantee as on this Prospectus except in the normal course of business.

RESTRICTIVE COVENANTS IN LOAN AGREEMENTS

Our Company has availed Credit Facilities from Kotak Mahindra Bank Limited vide Sanction letter dated May 23, 2015. Kotak Mahindra Bank Limited have issued us No Objection Certificate in relation to our IPO vide letter dated June 13, 2018.

Following are certain restrictive/Covenants/conditions given by Kotak Mahindra Bank Limited for sanction of facility limits:

- Stock Audit to be conducted on Quarterly Basis.
- Cash margin @ 10% on NFB Limits.
- Monthly stock & book debts statements shall be submitted by the borrower in the prescribed format on or before 15th of the succeeding month.
- The borrower shall provide a Chartered Accountant certificate for total investment in the expansion/improvement project within 30 days after the final disbursement.
- TBC of Rs. 14.86 crores to be maintained during the currency of our loan.

Details of borrowing and charges from Kotak Mahindra Bank Limited.

Sr. No.	Date of Charge Creation / Modification	Amount Secured	Facilities	Security
4.	May 23, 2015	2,091.00	Cash Credit – 1500.00 WCDL (Sub Limit of CC) – (1200.00) WCTL – 204.00 Term Loan – 12.00 ILC/FLC – 150.00 BG (Sub Limit of ILC/FLC) – 150.00 Conditional WCDL – 225.00	<u>Primary Security for CC/Term Loan/ILC/FLC</u> First and exclusive charge on all existing and future current assets/ moveable fixed assets of the borrower. <u>Collateral Security for CC/Term Loan/ILC/FLC</u> 1. C-86, Phase V, Industrial Focal Point, Ludhiana- 141010 held in name of Marshall Industries. 2. D-116 A, Phase V, Industrial Focal Point, Ludhiana- 141010.

OTHER SECURED LOAN

Sr. No.	Date of Charge Creation / Modification	Amount Secured	Facilities	Security
1.	June 22, 2013	50	Machine Loan	Hypothecation of the machinery.
2.	April 22, 2017	325	Machine Loan	Hypothecation of the machinery.
3.	November 21, 2017	150	Machine Loan	Hypothecation of the machinery.
4.	January 4, 2018	210	Machine Loan	Hypothecation of the machinery.
5.	February 28, 2018	49.56	Machine Loan	Hypothecation of the machinery.

UNSECURED LOANS

Details of Unsecured Loans as on March 31, 2018 are as under:

(Rs in Lakhs)

Sr. No.	Name	Amount (In Rs.)	Balance as on March 31, 2018 (In Rs.)	Rate of Interest (%)	Tenure (In Months)	Nature
1.	HDFC Bank Limited	30.00	9.72	EMI Based	24	Business Loan
2.	Capital First Limited	40.40	21.95	10.19%	24	Business Loan
3.	HDB Financial Services Limited	20.00	11.22	16.52%	36	Business Loan
4.	Magma Fincorp Limited	50.00	45.07	21.12%	24	Business Loan
5.	Indusind Bank Limited	40.00	23.6	18.50%	24	Business Loan
6.	Tata Capital Financial Service Limited	35.00	23.36	18.33%	24	Business Loan
	Total		**134.92**			

Note: The above loans include current maturities.

STRATEGIC/ FINANCIAL PARTNERS

Our Company has no strategic and financial partners as on the date of filing of this Prospectus.

CONVERSION OF LOANS INTO EQUITY SHARES

There has been no incident of conversion of loans availed from Banks into equity shares as on the date of filing of this Prospectus.

CAPITAL RAISING ACTIVITIES THROUGH EQUITY

For details in relation to our capital raising activities through Equity, please see the chapters “Capital Structure” beginning on page 62 of this Prospectus.

RATING

Our Company does not have any rating valid at present as on the date of this Prospectus.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS OR BANKS

There have been no defaults or rescheduling of borrowings with financial institutions or banks as on the date of this Prospectus. . Further, Our Promoters and Promoter Group have confirmed that they have not defaulted in respect of payment of interest and/or principal to the debenture/ bond/fixed deposit holder/ Banks/ FIs during the past three years.

NUMBER OF SHAREHOLDERS

Our Company has twenty-three (23) shareholders on date of this Prospectus.

OUR MANAGEMENT

BOARD OF DIRECTORS

We are required to have not less than 3 directors and not more than 15 directors, subject to Section 149 of 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 this Prospectus other than Directorship in our Company:

Sr. No.	Name, Father's/Husband`s Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment / Change in Current Designation	Other Directorships
1.	**Name:** Gaurav Sarup **Age:** 53 years **Father's Name:** Mr. Gautam Sarup **Designation:** Managing Director **Address:** B-XIX-168 Col. Gurdial Singh Road, Civil Lines Ludhiana 141001, Punjab **Term:** 5 years **Nationality:** Indian **Occupation:** Business **DIN:** 00777489	March 11, 2002* Appointed as Managing Director on March 31, 2017	Nil
2.	**Name:** Prashant Sarup **Age:** 50 years **Father's Name:** Mr. Gautam Sarup **Designation:** Whole- Time Director **Address:** B-XIX-168 Col Gurdial Singh Road, Civil Lines Ludhiana 141001 Punjab **Term:** 5 years (Subject to retire by rotation) **Nationality:** Indian **Occupation:** Business **DIN:** 01257440	February 28, 2002* Reappointed as Whole- Time Director on May 23, 2018	Nil

3.	**Name:** Mr. Siddhant Sarup **Age:** 26 years **Father's Name:** Mr. Gaurav Sarup **Designation:** Whole Time Director **Address:** B-XIX/168 Colonel Gurdial Singh Road, The Mall, Ludhiana 141001, Punjab **Term:** 5 years (Subject to retire by rotation) **Nationality:** Indian **Occupation:** Business **DIN:** 07779416	March 29, 2017. Appointed as Whole- Time Director on May 23, 2018	Nil
4.	**Name:** Mrs. Archana Sarup **Age:** 46 years **Father's Name:** Mr. Harish Kumar Chopra **Designation:** Non-Executive Director **Address:** B-XIX/168 Col. Gurdial Singh Road, The Mall Ludhiana 141001, Punjab **Term:** Liable to retire by rotation **Nationality:** Indian **Occupation:** Business **DIN:** 07780273	March 29, 2017.	Nil
5.	**Name:** Mr. Harish Pal Kumar **Age:** 63 years **Father's Name:** Mr. Jagan Nath Kumar **Designation:** Non-Executive & Independent Director **Address:** 343 Abhiyan Cooperative Group Housing Society Plot No. 15 Sector-12, Dwarka New Delhi 110045 **Term:** 5 years **Nationality:** Indian **Occupation:** Service **DIN:** 01826010	May 23, 2018	1. Petit Moyen Kapital Private Limited 2. SME Mavens Foundation

6.	**Name:** Mr. Satvinder Singh **Age:** 62 years **Father's Name:** Mr. Santokh Singh **Designation:** Additional Non-Executive & Independent Director **Address:** 3983, Chandigarh Road, Sector – 32A, Urban Estate, Focal Point, Ludhiana – 141010 Punjab **Term:** 5 years **Nationality:** Indian **Occupation:** Service **DIN:** 08148602	June 05, 2018	Nil

** Form 32 for the appointment is not available.*

BRIEF BIOGRAPHIES OF OUR DIRECTORS



Mr. Gaurav Sarup, aged 53 Years, is the Promoter and Managing Director of our Company. He holds a degree in Production Engineering from Punjab University. He has experience of more than 30 years in designing innovative machine tools. He has conducted awareness sessions about Industry 4.0 at forums like NIQR (National Institute of Quality & Reliability) and also invited to speak at events organized by CII, TIE and other institutions. Currently, he is looking after production, sales & marketing, Research & Development, new business lines and overall business development of the Company.



Mr. Prashant Sarup, aged 50 Years, is the Promoter and Whole Time Director of our Company. He is an engineer by qualification. He has experience of more than 25 years in designing and electronic integration. He has been instrumental in designing machines, electronic integration & interfacing of systems to develop various machines, especially after company has shifted focus to manufacture CNC machines. Currently, he is looking after finance, CNC-Robot Interfacing, Product Development and purchases of the Company.



Mr. Siddhant Sarup, aged 26 years, is the Whole Time Director of our Company. He is a B.Tech in Industrial Engineering and holds a Master's Degree in Operations Management (MBA) from Thapar University, Patiala, Punjab. He manages the production and inspection/testing of Automated & Smart machines and also involved in Research & Development of Smart Correct Gauging Stations.



Mrs. Archana Sarup, aged 46 years, is the Non-Executive Director of our Company. She holds a master's degree from Punjab University and have a wide experience in Human Resource Development (HRD) Department. She manages the HRD department, Administration and also look look after the events like exhibitions, Seminars, Road Shows etc.



Mr. Harish Pal Kumar, aged 63 years, is the Non-Executive & Independent Director of our Company. He is a Fellow Member of Institute of Cost Accountants of India and has PhD Degree from University of Lucknow. He had worked with Union Bank of India for a period of 11 Years. He retired as the Chairman-cum-Managing Director of The National Small Industries Corporation Limited. During his vast experience of 38 years, he has been a member of "The National Small Business Advisory Council of South Africa" appointed by the Government of South Africa. He is appointed as independent director of the company with an objective to offer the best of his skills in every domain.



Mr. Satvinder Singh, aged 62 years, is the Additional Non-Executive & Independent Director of our Company. He holds a Diploma in Mechanical Engineering from Guru Nanak Engineering College (Polytechnic), Ludhiana. He is having vast experience of more than 35 years in the field of mechanical engineering and presently he is the Senior Vice President in GNA Group.

CONFIRMATIONS

As on the date of this Prospectus:

1. Apart from Mr. Gaurav Sarup and Mr. Prashant Sarup who are related to each other as brothers, Mr. Gaurav Sarup and Mr. Siddhant Sarup who are related to each other as father-son and Mr. Prashant Sarup and Mrs. Archana Sarup who are related to each other as spouse, none of the Directors of the Company are related to each other as per Section 2 (77) of Companies Act, 2013.
2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of the above-mentioned Directors are on the RBI List of willful defaulters.
5. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) for more than 3 months during the five years prior to the date of filing the Prospectus or (b) delisted from the stock exchanges.
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. For further details, refer Chapter titled "Outstanding Litigation and Material Developments" beginning on the page 234 of this Prospectus.
7. Our Promoters and Promoter Group have confirmed that they have not defaulted in respect of payment of interest and/or principal to the debenture/ bond/fixed deposit holder/ Banks/ FIs during the past three years.

REMUNERATION / COMPENSATION OF DIRECTORS

Directors of the Company may be paid monthly remuneration, 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 and other applicable laws and regulations. Except Mr. Gaurav Sarup, Mr. Prashant Sarup, Mr. Siddhant Sarup and Mrs. Archana Sarup who have been paid Gross Remuneration of Rs. 18.00 Lakhs, Rs. 18.00 Lakhs, Rs. 6.00 Lakhs and Rs. 9.00 Lakhs, respectively during financial year 2017-18, none of our Directors had received any remuneration/compensation during preceding financial year.

SHAREHOLDING OF OUR DIRECTORS

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares.

The following table details the shareholding of our Directors as on the date of this Prospectus:

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Gaurav Sarup	47,76,950	44.73	32.83
2.	Prashant Sarup	49,33,325	46.19	33.91
3.	Siddhant Sarup	5,68,630	5.32	3.91
4.	Archana Sarup	3,99,245	3.74	2.74
5.	Harish Pal Kumar	Nil	0.00	0.00
6.	Satvinder Singh	Nil	0.00	0.00

INTERESTS OF DIRECTORS

All of our Directors may be deemed to be interested to the extent of fees payable, if any to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable, if any to them under our Articles of Association, and/or to the extent of remuneration paid to them for services rendered as an officer or employee of our Company. Some of our Directors may be deemed to be interested to the extent of consideration received/paid such as rent paid on account of lease agreement or interest paid on any loan or advances provided to our company, any fees paid for use of their patents, or to anybody corporate including companies and firms, in which they are interested as directors, members or partners.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by and allotted to the companies and firms, if any, in which they are interested as directors, members, partner pursuant to this 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.

None of our Directors has been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

Except as stated in the chapter "Our Management" and 'Related Party Transactions' beginning on page 154 and 178 respectively of this Prospectus and described herein to the extent of shareholding in our Company, if any, our Directors do not have any other interest in our business.

Our Directors have no interest in any property acquired by our Company within two years of the date of this Prospectus except as mentioned chapter titled "Our Business" on page 110 of this Prospectus.

Our Directors are not interested in the appointment of or acting as Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

PROPERTY INTEREST

Except as stated/referred to in the heading titled "Land & Properties" beginning on page 135 of this Prospectus, our Directors has not entered into any contract, agreement or arrangements during the preceding two years from the date of this 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.

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Name	Date of event	Nature of event	Reason
Archana Sarup	March 29, 2017	Appointment	Appointment as Non-Executive Director
Siddhant Sarup	March 29, 2017	Appointment	Appointment as Non-Executive Director
Gaurav Sarup	March 31, 2017	Change in Designation	Appointment as Managing Director
Prashant Sarup	May 23, 2018	Re-appointment	Reappointed as Whole Time Director
Siddhant Sarup	May 23, 2018	Appointment	Reappointed as Whole Time Director
Harish Pal Kumar	May 23, 2018	Appointment	Appointed as Non-Executive & Independent Director
Satvinder Singh	June 05, 2018	Appointment	Appointed as Additional Non-Executive & Independent Director

BORROWING POWERS OF THE BOARD

Pursuant to special resolution passed at Extra-Ordinary General Meeting of our Company held on May 23, 2018 consent of the members of our Company was accorded to the Board of Directors of our Company pursuant to Section 180 (1)(c) of the Companies Act, 2013 for borrowing, from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business) may exceed in the aggregate, the paid-up capital of our Company and its free reserves, provided however, the total amount so borrowed in excess of the aggregate of the paid-up capital of our Company and its free reserves shall not at any time exceed Rs. 80 Crores**.**

CORPORATE GOVERNANCE

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, 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.

We have a Board constituted in compliance with the Companies Act, 2013 and as per the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 in accordance with best practices in corporate governance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our executive management provides the Board detailed reports on its performance periodically.

Currently, our Board has 6 (Six) Directors. We have 1 (One) Managing Director, 2 (Two) Whole-Time Directors, 1 (One) Non- Executive Director and 2 (Two) Non- Executive & Independent Directors. The constitution of our Board is in compliance with the Companies Act, 2013.

The following committees have been formed in compliance with the corporate governance norms:

A. Audit Committee
B. Stakeholders Relationship Committee
C. Nomination and Remuneration Committee

A) Audit Committee

Our Company has constituted an Audit Committee, as per the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, vide resolution passed in the meeting of the Board of Directors held on June 05, 2018.

The terms of reference of Audit Committee complies with the requirements of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The committee presently comprises the following 3 (Three) directors.

Composition of Audit Committee

Name of the Director	Status	Nature of Directorship
Harish Pal Kumar	Chairman	Non-Executive & Independent Director
Satvinder Singh	Member	Additional Non-Executive & Independent Director
Gaurav Sarup	Member	Managing Director

The Company Secretary of the Company acts as the Secretary to the Audit committee.

Role of the audit committee

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. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
    a. Matters required to be included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
    b. Changes, if any, in accounting policies and practices and reasons for the same.
    c. Major accounting entries involving estimates based on the exercise of judgment by management.
    d. Significant adjustments made in the financial statements arising out of audit findings.
    e. Compliance with listing and other legal requirements relating to financial statements.
    f. Disclosure of any related party transactions.
    g. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the half yearly and annual financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
8. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors on any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism, in case the same exists.
19. Approval of appointment of Chief Financial Officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience & background, etc. of the candidate.
20. To overview the Vigil Mechanism of the Company and took appropriate actions in case of repeated frivolous complaints against any Director or Employee.
21. Monitoring the end use of funds raised through public offers and related matters.

The Audit Committee shall mandatorily review the following information:

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters / letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. Statement of deviations:
    a) Half yearly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Powers of the Audit Committee

- Investigating any activity within its terms of reference;
- Seeking information from any employee;
- Obtaining outside legal or other professional advice; and
- Securing attendance of outsiders with relevant expertise, if it considers necessary.

B) **Stakeholders Relationship Committee**

Our Company has reconstituted a Stakeholders Relationship Committee to redress the complaints of the shareholders. The Stakeholders Relationship Committee was constituted as per the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 vide resolution passed at the meeting of the Board of Directors held on August 18, 2018.

Composition of Stakeholders Relationship Committee

Name of the Director	Status	Nature of Directorship
Satvinder Singh	Chairman	Additional Non-Executive & Independent Director
Prashant Sarup	Member	Whole-Time Director
Archana Sarup	Member	Non-Executive Director

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The terms of reference of the Stakeholders Relationship Committee include the following:

1. Redressal of shareholders'/investors' complaints.
2. Reviewing on a periodic basis the approval of transfer or transmission of shares, debentures or any other securities made by the Registrar and Share Transfer Agent;
3. Issue of duplicate certificates and new certificates on split/consolidation/renewal.
4. Non-receipt of declared dividends, balance sheets of the Company.
5. Carrying out any other function as prescribed under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

C) **Nomination and Remuneration Committees**

Our Company has constituted a Nomination and Remuneration Committee. The constitution of the Nomination and Remuneration Committee as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 was approved by a Meeting of the Board of Directors held on June 05, 2018.

Composition of Nomination and Remuneration Committee

Name of the Director	Status	Nature of Directorship
Harish Pal Kumar	Chairman	Non-Executive & Independent Director
Satvinder Singh	Member	Additional Non-Executive & Independent Director
Archana Sarup	Member	Non-Executive Director

The Company Secretary of the Company acts as the Secretary to the Nomination and Remuneration Committee.

Role of Nomination and Remuneration Committee

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
3. Devising a policy on diversity of Board of Directors.

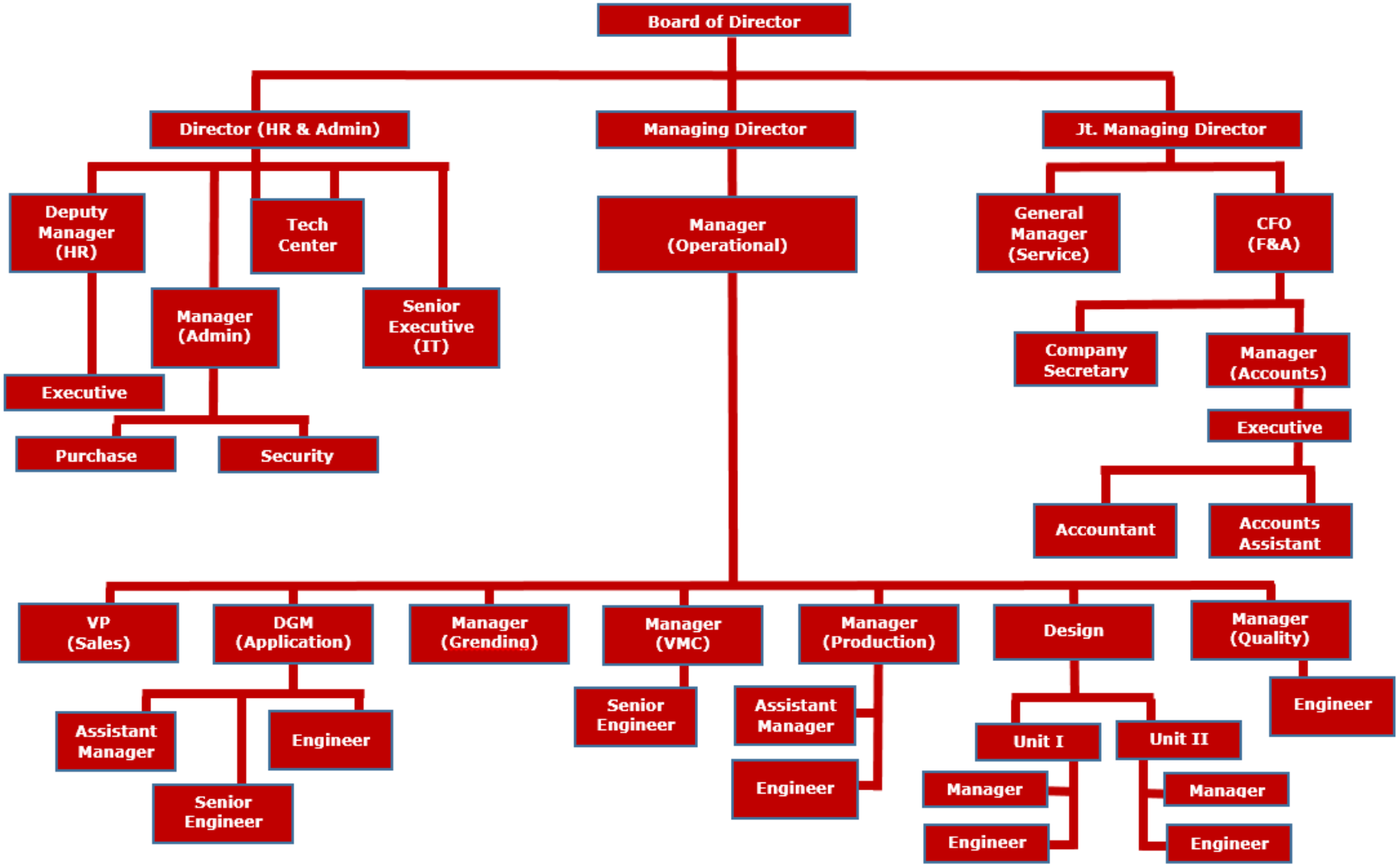
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

We will comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 after listing of our Company's shares on the Stock Exchange.

Mr. Sumit Malhotra, Company Secretary and Compliance Officer, is responsible for setting forth policies, procedures, monitoring and adhering to the rules for the prevention of dissemination of price sensitive information and the implementation of the code of conduct under the overall supervision of the Board.

ORGANISATIONAL STRUCTURE



FUNCTIONAL HEADS

Mr. Des Raj, aged 52 Years, is the Manager – Security & Admin of our Company. He is holding Bachelor's Degree in Arts. He has an experience of around 35 years in Admin. He is associated with our organization since last two years.

Mr. Sandeep Kumar, aged 33 Years, is the Deputy Manager-HR in our Company. He holds a Master's Degree in Business Administration. He has an experience of 11 years in HR domain. He is been associated with our Company since last one year.

Mr. Sukhwinder Singh, aged 37 Years is Manager – V.M.C of our Company. He has done Diploma in Mechanical Engineering and has an experience of 15 years in which he has handled operations of various organizations. He has been associated to the Company since last 11 years.

Mr. Surinder Kumar, aged 33 Years is Manager - Design of our Company. He has done Diploma in Mechanical Engineering and has an experience of 12 years and has the ability to handle various projects at the same time. He has been associated to the Company since last 10 years.

Mr. Maninder Singh, aged 35 Years, is the Assistant General Manager - Electrical in our Company. He holds a Bachelor's Degree in Electrical Engineering. He has an experience of 13 years in Electrical & CNC Automation. He is associated with our Company since last 12 Years.

Mr. Amit Paul, aged 34 Years, is the Production Manager in our Company. He has done Diploma in Mechanical Engineering. He has an experience of 15 years in Quality & Production. He is associated with our Company since last 10 Years.

Mr. Suresh Kumar Gautam, aged 31 Years, is the Quality Manager in our Company. He has done Diploma in Mechanical Engineering. He has an experience of 10 years in Quality. He is associated with our Company since last 9 Years.

Mr. Parvinder Singh Bedi, aged 35 Years, is the Manager – Grinding Section in our Company. He has done Diploma in Mechanical Engineering. He has an experience of 12 years in Vertical Machining Center & Grinding. He is associated with our Company since last 11 Years.

Mr. Anjay Goliya, aged 48 Years, is the General Manager - Service in our Company. He has done Diploma in Mechanical Engineering. He has an experience of 27 years in Sales & Service. He is associated with our Company since last one year.

KEY MANAGERIAL PERSONNEL

Mr. Gaurav Sarup *(Promoter & Managing Director)*

Mr. Gaurav Sarup, aged 53 Years, is the Promoter and Managing Director of our Company. He holds a degree in Production Engineering from Punjab University. He has experience of more than 30 years in designing innovative machine tools. He has conducted awareness sessions about Industry 4.0 at forums like NIQR (National Institute of Quality & Reliability) and also invited to speak at events organized by CII, TIE and other institutions. Currently, he is looking after production, sales & marketing, Research & Development, new business lines and overall business development of the Company.

Mr. Prashant Sarup *(Promoter & Whole- Time Director)*

Mr. Prashant Sarup, aged 50 Years, is the Promoter and Whole Time Director of our Company. He is an engineer by qualification. He has experience of more than 25 years in designing and electronic integration. He has been instrumental in designing machines, electronic integration & interfacing of systems to develop various machines, especially after company has shifted focus to manufacture CNC machines. Currently, he is looking after finance, CNC-Robot Interfacing, Product Development, purchase and overall business development of the Company.

Mr. Siddhant Sarup *(Promoter & Whole- Time Director)*

Mr. Siddhant Sarup, aged 26 years, is the Whole Time Director of our Company. He is a B.Tech in Industrial Engineering and holds a Master's Degree in Operations Management (MBA) from Thapar University, Patiala, Punjab. He manages the production and inspection/testing of Automated & Smart machines and also involved in Research & Development of Smart Correct Gauging Stations.

Mr. Phulljit Singh Grover *(Chief Financial Officer)*

Mr. Phulljit Singh Grover, aged 38 years, is the Chief Financial Officer of our Company. He is a member of Institute of Chartered Accountants of India. He has an experience of more than 14 years post qualification in finance, accounts and banking. He has worked with SEL Manufacturing Co. Limited, Deepak Fasteners Limited, ICICI Bank and ICAI. Considering his experience, he was appointed as Chief Financial Officer of our Company w.e.f May 21, 2018. Since he had joined the Company as CFO on May 21, 2018, remuneration has not been paid to him during the financial year 2017-18 as CFO.

Mr. Sumit Malhotra *(Company Secretary & Compliance Officer)*

Mr. Sumit Malhotra, aged 26 years, is the Company Secretary & Compliance Officer of our Company. He is a graduate in Commerce. He is an associate member of the Institute of Company Secretaries of India. He has an experience of over 16 months in corporate & legal matters. Since he had joined the Company on May 03, 2018 i.e. in FY 2018-19, no remuneration has been paid to her during financial year 2017-18.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

Apart from Mr. Gaurav Sarup and Mr. Prashant Sarup who are related to each other as brothers and Mr. Gaurav Sarup and Mr. Siddhant Sarup who are related to each other as father-son, there is no family relationship between the Key Managerial Personnel of our Company.

FAMILY RELATIONSHIPS OF DIRECTORS WITH KEY MANAGERIAL PERSONNEL

Apart from Mr. Gaurav Sarup and Mr. Prashant Sarup who are related to each other as brothers, Mr. Prashant Sarup and Mrs. Archana Sarup who are related to each other as spouses and Mr. Gaurav Sarup Sharma and Mr. Siddhant Sarup who are related to each other as father-son, there is no family relationship between the Key Managerial Personnel and Directors of our Company. All of Key Managerial Personnel are permanent employees of our company.

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

None of our Directors has been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

None of the Key Managerial Personnel hold any Equity shares of our Company as on the date of this Prospectus except the following:

Sr. No.	Name of the shareholder	No. of shares held
1.	Gaurav Sarup	47,76,950
2.	Prashant Sarup	49,33,325
3.	Siddhant Sarup	5,68,630

BONUS OR PROFIT SHARING PLAN OF THE KEY MANAGERIAL PERSONNEL

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Key Managerial Personnel.

LOANS TO KEY MANAGERIAL PERSONNEL

No loans and advances given to the Key Managerial Personnel as on the date of this Prospectus.

INTEREST OF KEY MANAGERIAL PERSONNEL

The key managerial personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any.

Except as disclosed in this Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration and reimbursement of expenses.

Our Key Managerial Personnel have no interest in any property acquired by our Company within two years of the date of this Prospectus.

CHANGES IN KEY MANAGERIAL PERSONNEL DURING LAST THREE (3) YEARS

The changes in the key managerial personnel in the last three years are as follows:

Name of Managerial Personnel	Designation	Date of Event	Reason
Gaurav Sarup	Managing Director	March 31, 2017	Designation changed to Managing Director
Sumit Malhotra	Company Secretary & Compliance Officer	May 03, 2018	Appointment as Company Secretary & Compliance Officer
Phulljit Singh Grover	Chief Financial Officer	May 21, 2018	Appointment as Chief Financial Officer
Prashant Sarup	Whole Time Director	May 23, 2018	Reappointed as Whole- Time Director
Siddhant Sarup	Whole Time Director	May 23, 2018	Appointed as Whole- Time Director

Other than the above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.

ESOP/ESPS SCHEME TO EMPLOYEES

Presently, our company does not have any ESOP/ESPS Scheme for employees.

PAYMENT OR BENEFIT TO OUR OFFICERS

Except as disclosed in the heading titled "Related Party Disclosure" in the section titled "Financial Statements" beginning on page 180 of this Prospectus, no amount or benefit has been paid or given within the two 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 PROMOTERS AND PROMOTER GROUP

OUR PROMOTERS

1. Mr. Gaurav Sarup
2. Mr. Prashant Sarup

DETAILS OF OUR PROMOTERS

1. Mr. Gaurav Sarup



Mr. Gaurav Sarup, aged 53 Years, is the Promoter and Managing Director of our Company. He holds a degree in Production Engineering from Punjab University. He has experience of more than 30 years in designing innovative machine tools. He has conducted awareness sessions about Industry 4.0 at forums like NIQR (National Institute of Quality & Reliability) and also invited to speak at events organized by CII, TIE and other institutions. Currently, he is looking after production, sales & marketing, Research & Development, new business lines and overall business development of the Company.

Particulars	Details
Permanent Account Number	ADTPS0989E
Aadhaar No.	6122 0983 1694
Passport No.	N2215703
Bank Account Details	**Kotak Mahindra Bank** 180, Grand Trunk Road, Near Sona Complex, Miller Ganj, Ludhiana - 141003 Account No. – 6311568802

2. Mr. Prashant Sarup



Mr. Prashant Sarup, aged 50 Years, is the Promoter and Whole Time Director of our Company. He is an engineer by qualification. He has experience of more than 25 years in designing and electronic integration. He has been instrumental in designing machines, electronic integration & interfacing of systems to develop various machines, especially after company has shifted focus to manufacture CNC machines. Currently, he is looking after finance, CNC-Robot Interfacing, Product Development and purchases of the Company.

Particulars	Details
Permanent Account Number	ADTPS0990D
Aadhaar No:	7721 5924 2110
Passport No.	G7672375
Bank Account Details	**Kotak Mahindra Bank** 180, Grand Trunk Road, Near Sona Complex, Miller Ganj, Ludhiana - 141003 Account No. - 0611564366

OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1) (zb) of SEBI (ICDR) Regulations includes the following persons:

1. Individuals

The natural persons who are part of our Promoter Group (due to the relationship with our Promoters), other than the Promoters named above are as follows:

Relationship	Mr. Gaurav Sarup	Mr. Prashant Sarup
Father	Late Gautam Sarup	Late Gautam Sarup
Mother	Adarsh Gautam	Adarsh Gautam
Spouse	Ambika Sarup	Archana Sarup
Brother	Parshant Sarup	Gaurav Sarup
Sister	-	-
Children	Siddhant Sarup Surabhi Sarup	Saumyaa Sarup Shubhra Sarup
Spouse Father	Subhash Karol	Harish Kumar Chopra
Spouse Mother	Savita Karol	Renu Chopra
Spouse Brother	Raman Karol Rohit Karol	Mukul Chopra
Spouse Sister	Anjali Mohan Suruchi Mehra	-

2. Companies and proprietorship firms forming part of our Promoter Group are as follows:

Relationship with promoters	Mr. Gaurav Sarup	Mr. Prashant Sarup
Any company in which 10% or more of the share capital is held by the promoter or an immediate relative of the promoter or a firm or HUF in which the promoter or any one or more of his immediate relative is a member	Marshall Automation America Inc.	Marshall Automation America Inc.
Any company in which a company (mentioned above) holds 10% of the total holding	Nil	Nil
Any HUF or firm in which the aggregate share of the promoter and his immediate relatives is equal to or more than 10% of the total holding	Marshall Industries	Marshall Industries

OTHER UNDERTAKINGS AND CONFIRMATIONS

Our Company undertakes that the details of Permanent Account Number, Bank Account Number and Passport Number/Aadhaar Number of the Promoters will be submitted to the NSE Emerge Platform, where the securities of our Company are proposed to be listed at the time of submission of this Prospectus.

COMMON PURSUITS OF OUR PROMOTER GROUP

All the Group Companies/Entities have objects similar to that of our Company's business but have not started any business yet, the details as mentioned in the Chapter "Our Group Entities" beginning on page 174 of this Prospectus. Currently we do not have any non-compete agreement/arrangement with any of our Group Companies /Entities. Such a conflict of interest may have adverse effect on our business and growth. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

INTEREST OF THE PROMOTERS

Interest in the promotion of Our Company

Our promoters may be deemed to be interested in the promotion of the Issuer to the extent of the Equity Shares held by them as well as their relatives and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. Further, our Promoters may also be interested to the extent of Equity Shares held by or that may be subscribed by and allotted to companies and firms in which either of them are interested as a director, member or partner.

Interest in the property of Our Company

Our Promoters do not have any interest in any property acquired by our Company in last two years or proposed to be acquired by our Company except as mentioned in the Chapter "Our Business" beginning on page 110 of this Prospectus.

Interest as Member of our Company

As on the date of this Prospectus, our Promoters, Mr. Gaurav Sarup holds 47,76,950 Equity Shares and Mr. Prashant Sarup holds 49,33,325 Equity Shares of our Company and are therefore interested to the extent of their shareholding and the dividend declared, if any, by our Company. Except to the extent of shareholding of the Promoters in our Company our Promoters do not hold any other interest in our Company.

Payment Amounts or Benefit to Our Promoters during the Last Two Years

No payment has been made or benefit given to our Promoters in the two years preceding the date of this Prospectus except as mentioned / referred to in this chapter and in the section titled 'Our Management', 'Financial Statements' and 'Capital Structure' on pages 154, 180 and 62 respectively of this Prospectus. Further as on the date of this Prospectus, there is no bonus or profit sharing plan for our Promoters.

OTHER COMPANIES/UNDERTAKINGS/VENTURES OF OUR PROMOTERS

Except as disclosed in the chapter titled "Our Management" and "Our Group Entities" beginning on pages 154 and 174 respectively of this Prospectus, there are no Companies/Undertakings/Ventures promoted by our Promoters in which they have any business or any other interest.

CHANGE IN CONTROL & MANAGEMENT

There has been no change in control and management of our company during the last three years immediately preceding the date of filing of the Prospectus.

LITIGATION INVOLVING OUR PROMOTERS

For details of litigation involving our Promoters, refer chapter titled "Outstanding Litigation and Material Developments" beginning on page 234 of this Prospectus.

COMPANIES WITH WHICH OUR PROMOTER HAS DISASSOCIATED IN THE LAST THREE YEARS

Our Promoters have not disassociated themselves as promoter(s) from any Company in three years preceding the date of this Prospectus.

CONFIRMATIONS

For details on litigations and disputes pending against the Promoters and defaults made by them including violations of securities laws, please refer to the section titled "*Outstanding Litigation and Material Developments*" on page 234 of this Prospectus. Our Promoters have not been declared as willful defaulters by the RBI or any other governmental authority. . Further, Our Promoters and Promoter Group have confirmed that they have not defaulted in respect of payment of interest and/or principal to the debenture/ bond/fixed deposit holder/ Banks/ FIs during the past three years.

RELATED PARTY TRANSACTIONS

Except as disclosed in the "*Related Party Transactions*" beginning on page 178 of this Prospectus, our Company has not entered into any related party transactions with our Promoters.

OUR GROUP ENTITIES

As per the SEBI ICDR Regulations for the purpose of identification of group companies, our Company has considered companies in which our Company, promoter or an immediate relative of the promoter hold 10% or more of shareholding as on the date of this Prospectus.

A. Group Companies

1. Marshall Automation America Inc., USA

B. Other Group Entities of Promoters

1. Marshall Industries

Group Companies

1. MARSHALL AUTOMATION AMERICA INC., USA

Brief Information

M/s. Marshall Automation America Inc. was established on October 21, 2016 as a Domestic Profit Corporation. The office of the corporation is situated at 415 Lakehill Court, Johns Creek, GA 30022, USA. The Control Number of the Corporation is 16097652.

The Domestic Profit Corporation is carrying on the business of importation and service for machine tools & Quality management equipment, selling of SmartConnect Gauging Station and other machine tools manufacturing equipment. However, Marshall Automation America Inc. is yet to start operations.

As on the date of this Prospectus the corporation has three members:

Sr. No.	Particulars	% Stake
1.	Anurag Agnihotri	33.33
2.	Gaurav Sarup	33.33
3.	Prashant Sarup	33.34
	Total	**100.00**

Our Company has entered into an agreement with Gaurav Sarup and Prashant Sarup to take over their above shares after due approvals and Marshall Automation America Inc. shall become a subsidiary of our Company within FY 2018-19.

Financial performance of Marshall Automation America Inc. for last one year is mentioned below:

(Rs. In Lakhs)

Particulars	December 31, 2017
Equity Capital	15.27
Reserve & Surplus	-
Total Revenue	-
Profit/(Loss) after Tax	-

Earnings Per Share (Basic) (Rs.)	-
Earnings Per Share (Diluted) (Rs.)	-
Net worth	15.27

**1 USD = 67.86 INR*

Other Group Entities:

1. MARSHALL INDUSTRIES

Brief Information

M/s. Marshall Industries was established on September 17, 2014 as a Partnership Firm. The office of the Firm is situated at C-86, Focal Point, Ludhiana – 141001, Punjab. The Permanent Account Number (PAN) of Firm is AAZFM9407G.

The partnership firm is carrying on the business of developing, manufacturing and marketing of Machine Tool Equipment. However it has not carried any business and has earned rental income for last three years.

As on the date of this Prospectus the firm has three partners in the following profit sharing ratio:

Sr. No.	Particulars	% Stake
1.	Prashant Sarup	33.34
2.	Gaurav Sarup	33.33
3.	Adarsh Gautam	33.33
	Total	**100.00**

Financial performance of Marshall Industries for last three years as mentioned below:

(Rs. In Lakhs)

Particulars	For the Year ended		
	March 31, 2018	March 31, 2017	March 31, 2016
Total Capital	1.22	4.27	4.34
Total Income (Gross)	2.40	-	2.40
Net Profit	1.68	-	1.68

CONFIRMATION

Our Promoters and persons forming part of Promoter Group have confirmed that they have not been declared as willful defaulters by the RBI or any other governmental authority. Further, Our Promoters and Promoter Group have confirmed that they have not defaulted in respect of payment of interest and/or principal to the debenture/ bond/fixed deposit holder/ Banks/ FIs during the past three years and there are no violations of security laws committed by them in the past and no proceedings pertaining to such proceedings are pending against them. Additionally, none of the Promoters and persons forming part of Promoter Group has been restrained from accessing the capital markets for any

reasons by SEBI or any other authorities. None of the Group Entities has a negative net worth as on the date of this Prospectus.

INTERESTS OF OUR GROUP COMPANIES

(i) In the Promotion of our Company

Our Group Company is not interested in the promotion of our Company except as disclosed in the section titled "Financial Statements" beginning on page 180 of this Prospectus and to the extent of their shareholding in our Company.

(ii) In the properties acquired or proposed to be acquired by our Company in the past two years before filing the Prospectus

Our Group Company is not interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of this Prospectus.

(iii) In transactions for acquisition of land

Our Group Company is not interested in any transactions for the acquisition of land.

SICK COMPANIES / WINDING UP

There are no group companies incorporated in India. Hence declaration of any group company as a sick company under the Sick Industrial Companies (Special Provisions) Act, 1985 does not arise. As such there is no winding up proceedings against any of the Promoter Group Company.

LITIGATION

For details on litigations and disputes pending against the Promoters and Promoter Group Entities and defaults made by them, please refer to the chapter titled, 'Outstanding Litigations and Material Developments' beginning on page 234 of this Prospectus.

DEFUNCT GROUP COMPANIES

None of our Group Companies has remain defunct and no application has been made to Registrar of Companies for striking off the name of any of our Group Companies during the five years preceding the date of filing of this Prospectus.

RELATED BUSINESS TRANSACTIONS WITHIN THE GROUP COMPANIES/ENTITIES AND SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY

For more information on Related Business Transactions within the Group Companies/Entities and significance on the financial performance of our Company, see section titled "Related Party Transactions" on page 178 of this Prospectus.

BUSINESS INTEREST OF GROUP COMPANIES

Except to extent of our promoter's shareholding in the group Company/entity, our Group Company has no interest in promotion and business interest or other business interest in our Company. For further details please refer to the chapter titled, 'Capital Structure' beginning on page 62 of this Prospectus.

SALES/PURCHASES BETWEEN OUR COMPANY AND GROUP ENTITIES

Except as disclosed in the section titled 'Related Party Transactions' beginning on page 178 of this Prospectus, there have been no sales/purchases of products and services between our Company and Group Entities during the financial year 2017-18.

COMMON PURSUITS

Our Group Entities have objects similar to that of our Company's business. Our group company/entity has not been conducting business similar to our Company as of now, however their main objects allows them to do so. Currently we do not have any non-compete agreement/arrangement with any of our Group Entities. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

OTHER CONFIRMATIONS

1. None of the securities of our Group Company are listed on any stock exchange and none of our Group Company have made any public or right issue of securities in the preceding three years.
2. None of the Group Company have been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
3. None of the Group Company/Entity is a Wilful Defaulter.

RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to Annexure VIII of restated financial statement under the section titled, '*Financial Statements*' beginning on page 180 of this Prospectus.

DIVIDEND POLICY

Under the Companies Act, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders, who have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. Under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous Years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

Dividends are payable within 30 days of approval by the Equity Shareholders at the Annual General Meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the "record date" are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by Our Company.

We have not declared dividend in any Financial Year.

SECTION V – FINANCIAL INFORMATION

FINANCIAL INFORMATION AS RESTATED

INDEPENDENT AUDITOR'S REPORT ON EXAMINATION OF RESTATED STANDALONE FINANCIAL INFORMATION

To,
The Board of Directors,
Marshall Machines Limited
(Formerly Marshall Machines Private Limited)
C 86, Phase V, Focal Point,
Ludhiana – 141010, Punjab

Dear Sirs,

1. We have examined the attached Restated Standalone Financial Information of **Marshall Machines Limited** (Formerly Marshall Machines Private Limited and hereinafter referred to as "the Company") as approved by the Board of Directors of the Company in their meeting on July 16, 2018, prepared by the management of the company in terms of requirement of Section 26 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rule 2014, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (the 'SEBI Regulations'), the Guidance Note on 'Reports in Company's Prospectus (Revised)' issued by the Institute of Chartered Accountants of India ('ICAI') to the extent applicable ('Guidance Note'), and in terms of our engagement agreed with you, in connection with the proposed Initial Public Offer (IPO) of the Company.

2. These Restated Standalone Financial Information (included in Annexure I to XIII) have been extracted by the Management of the Company from:

   (a) The Company's Standalone Audited Financial Statements for the years ended 31st March, 2018, 2017, 2016, 2015 and 2014 which have been approved by the Board of Directors at their meeting held on June 11, 2018, 24th July, 2017, 01st July, 2016, 02nd September, 2015 and 05th September, 2014 respectively and books of accounts underlying those financial statements and other records of the Company, to the extent considered necessary for the preparation of the Restated Standalone Financial Information, are the responsibility of the Company's Management. The Standalone Financial Statement of the Company for the financial year ended 31st March, 2018, 2017 and 2016 have been audited by S. Sood & Co. and for the financial year ended 31st March, 2015 and 2014 have been audited by Kapoor Sanjay & Associates as sole statutory auditors and had issued unqualified reports for these years.

3. In accordance with the requirement of Section 26 of the Companies Act,2013 read with Companies (Prospectus and Allotment of Securities) Rules 2014, the SEBI Regulations, the Guidance Note, as amended from time to time and in terms of our engagement agreed with you, we further report that:

   (i) The Restated Standalone Statement of Assets and Liabilities as at 31st March, 2018, 2017, 2016, 2015 and 2014 examined by us, as set out under Annexure – I (along with Annexures I.1 to I.16) to this report, read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure- IV and 'Notes to the Restated Standalone

Financial Statements' appearing in Annexure VI are after making such adjustments and regrouping/re-classification as in our opinion were appropriate and are more fully described in the statement of Material Adjustments to the Standalone Financial Statements appearing in Annexure – V. As a result of these adjustments, the amounts reporting in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

(ii) The Restated Standalone Statement of Profit and Loss of the Company for the years ended 31st March, 2018, 2017, 2016, 2015 and 2014 examined by us, as set out un Annexure – II (along with Annexures II.1 to II.8) to this report, read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure- IV and ' Notes to the Restated Standalone Financial Statements' appearing in Annexure VI are after making such adjustments and regrouping/re-classification as in our opinion were appropriate and are more fully described in the statement of Material Adjustments to the Standalone Financial Statements appearing in Annexure – V. As a result of these adjustments, the amounts reporting in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

(iii) The Restated Standalone Statement of Cash flows of the Company for the years ended 31st March, 2018, 2017, 2016, 2015 and 2014 examined by us, as set out un Annexure – III (to this report, read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure- IV and ' Notes to the Restated Standalone Financial Statements' appearing in Annexure VI are after making such adjustments and regrouping/re-classification as in our opinion were appropriate and are more fully described in the statement of Material Adjustments to the Standalone Financial Statements appearing in Annexure – V. As a result of these adjustments, the amounts reporting in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

4. Based on the above, and to the best of our information and according to the explanation given to us, we are of the opinion that Restated Standalone Financial Information :

(a) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policies for all the reporting periods based on the significant accounting policies adopted by the Company as at March 31, 2018.

(b) have been made after incorporating adjustments for prior period and other material amounts in the respective financial years to which they relate to; and;

(c) do not contain any extra ordinary items that need to be disclosed separately other than those presented in the Restated Standalone Financial Information and do not contain any qualification requiring adjustments.

5. We have also examined the following other Restated Standalone Financial Information as set out in the Annexures to this report and forming part of the Restated Standalone Financial Information, prepared by the management of the Company and approved by the Board of Directors on June 15, 2018 relating to the company for the years ended 31st March, 2018 2017, 2016, 2015 and 2014:

i) Restated Standalone Statement of Share Capital included in Annexure – I.1;
ii) Restated Standalone Statement of Reserve & Surplus included in Annexure – I.2 ;
iii) Restated Standalone Statement of Long Term Borrowings included in Annexure I.3;
iv) Restated Standalone Statement of Deferred Tax liability/Assets (net)included in Annexure I.4;
v) Restated Standalone Statement of Long Term Provisions included in Annexure I.5;
vi) Restated Standalone Statement of Short Term Borrowings included in Annexure I.6;
vii) Restated Standalone Statement of Trade Payables included in Annexure I.7;
viii) Restated Standalone Statement of Other Current Liabilities included in Annexure I.8;
ix) Restated Standalone Statement of Short Term Provisions included in Annexure I.9;
x) Restated Standalone Statement of Fixed Assets included in Annexure I.10;
xi) Restated Standalone Statement of Long Term Loans and Advances included in Annexure I.11;
xii) Restated Standalone Statement of Other Non-Current Assets included in Annexure I.12;
xiii) Restated Standalone Statement of Inventories included in Annexure I.13;
xiv) Restated Standalone Statement of Trade Receivables included in Annexure I.14;
xv) Restated Standalone Statement of Cash and Cash Equivalents included in Annexure I.15;
xvi) Restated Standalone Statement of Short Term Loans and Advances included in Annexure I.16;
xvii) Restated Standalone Statement of Revenue from Operations included in Annexure II.1;
xviii) Restated Standalone Statement of Other Income included in Annexure II.2;
xix) Restated Standalone Statement of Cost of Material Consumed included in Annexure II.3;
xx) Restated Standalone Statement of Change in Inventories included in Annexure II.4;
xxi) Restated Standalone Statement of Employees Benefit Expenses included in Annexure II.5;
xxii) Restated Standalone Statement of Finance Cost included in Annexure II.6;
xxiii) Restated Standalone Statement of Other Expenses included in Annexure II.7;
xxiv) Restated Standalone Statement of Expenditure in Foreign Currency included in Annexure II.8;
xxv) Restated Standalone Statement of Cash Flows included in Annexure III;
xxvi) Restated Standalone Statement of Accounting Policies included in Annexure IV;
xxvii) Restated Standalone Statement of Material Adjustment included in Annexure V;
xxviii) Restated Standalone Statement of Notes to Financial Statements included in Annexure VI;
xxix) Restated Standalone Statement of Contingent Liabilities, included in Annexure VII;
xxx) Restated Standalone Statement of Related Party Transaction, included in Annexure VIII ;
xxxi) Restated Standalone Statement of Accounting Ratios, included in Annexure IX;
xxxii) Restated Standalone Statement of Capitalisation, included in Annexure X;
xxxiii) Restated Standalone Statement of Tax Shelters, included in Annexure XI.
xxxiv) Restated Standalone Statement of Financial Indebtedness, included in Annexure XII.
xxxv) Restated Standalone Statement of Dividend, included in Annexure XIII.

6. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as an opinion on any of the Standalone Financial Information referred to herein.

7. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

8. In our opinion, the above Restated Standalone Financial Information contained in Annexure I to XIII to this report read along with the Basis of Preparation and Significant Accounting policies (Refer Annexure – IV) and Notes to Restated Standalone Financial Information (Refer Annexure – VI) after making adjustments and regrouping/re-classification as considered appropriate and have been prepared in accordance with the provisions of Section 26 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules 2014, to the extent applicable, the SEBI Regulations, the Guidance Note issued in this regard by the ICAI, as amended from time to time, and in terms of our engagement agreed with you.

9. Our report is intended solely for use of the Management and for inclusion in the offer documents in connection with the proposed issue of equity shares of the Company and is not to be used, referred to or distributed for any other purpose except with our prior written consent.

For **RPMD & Associates**
Chartered Accountants
ICAI Firm Regn No: 005961C

Rahul Jain
Partner
Mem No: 518352

Place: Delhi
Date: August 14, 2018

MARSHALL MACHINES LIMITED
(Formerly Known as **MARSHALL MACHINES PRIVATE LIMITED**)

ANNEXURE – I : RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lakhs)

Sr. No.	Particulars	Note No.	As at 31st March				
			2018	2017	2016	2015	2014
A.	**Equity and Liabilities**						
1	**Shareholders' Funds**						
	Share Capital	**I.1**	213.60	181.01	181.01	181.01	181.01
	Reserves & Surplus	**I.2**	1,573.46	804.83	694.34	652.81	627.85
	Share application money pending allotment						
2	**Non-Current Liabilities**						
	Long-term borrowings	**I.3**	740.87	592.67	748.13	834.06	755.83
	Deferred Tax Liabilities (Net)	**I.4**	181.83	15.01	(2.88)	0.41	20.83
	Long Term Provisions	**I.5**	90.46	86.62	82.83	79.50	75.88
3	**Current Liabilities**						
	Short Term Borrowings	**I.6**	1,622.34	1,516.23	1,621.40	1,650.26	1,315.75
	Trade Payables	**I.7**	1,838.62	1,839.22	1,455.48	1,478.00	1,159.36
	Other Current Liabilities	**I.8**	1,543.41	1,406.80	1,110.93	1,068.60	1,115.15
	Short Term Provisions	**I.9**	159.54	61.34	44.51	11.07	19.08
	Total		**7,964.13**	**6,503.73**	**5,935.76**	**5,955.71**	**5,270.74**
B.	**Assets**						
1	**Non-Current Assets**						
	Fixed Assets	**I.10**					
	Tangible Assets		1,644.54	1,485.16	1,129.84	1,236.98	1,430.85
	Intangible Assets		454.83	14.31	17.11	14.76	14.11
	Intangible Assets under development		179.43	100.79	100.79	-	-
	Capital Work In Progress		-	-	-	11.96	-
	Long Term Loans and Advances	**I.11**	23.86	24.08	21.43	14.89	13.48
	Other Non-Current assets	**I.12**	170.85	67.11	66.12	66.68	206.20

2	**Current Assets**						
	Inventories	**I.13**	3,829.78	3,673.34	3,907.99	3,966.56	2,988.09
	Trade Receivables	**I.14**	1,141.75	823.42	472.38	496.20	393.14
	Cash and Cash Equivalents	**I.15**	221.92	193.37	132.71	69.57	77.48
	Short-term loans and advances	**I.16**	297.18	122.15	87.39	78.12	147.38
	Total		**7,964.13**	**6,503.73**	**5,935.76**	**5,955.71**	**5,270.74**

As per our Report of even date

For **RPMD & Associates**
Chartered Accountants
ICAI Firm Regn No: 005961C

Rahul Jain
Partner
Mem No: 518352

Place: Delhi
Date: August 14, 2018

ANNEXURE – II : RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS

(Rs. in Lakhs)

Sr. No	Particulars	Note No.	For The Year Ended March 31,				
			2018	2017	2016	2015	2014
A.	**Revenue:**						
	Revenue from Operations (gross)		6,952.11	5,635.93	4,866.94	4,661.43	4,373.45
	Less: Excise Duty		101.15	616.87	486.84	449.80	479.40
	Less: Goods and Service Tax		914.36	-	-	-	-
	Revenue from operations (net)	**II.1**	5,936.60	5,019.06	4,380.10	4,211.63	3,894.06
	Other income	**II.2**	5.83	35.37	10.57	45.83	34.37
	Total revenue		**5,942.43**	**5,054.42**	**4,390.66**	**4,257.46**	**3,928.43**
B.	**Expenses:**						
	Cost of material consumed	**II.3**	4,482.49	3,441.30	3,198.01	3,128.31	2,906.93
	Changes in Inventories	**II.4**	(553.14)	(44.45)	(31.34)	(349.28)	(273.05)
	Employee benefit expenses	**II.5**	457.46	424.28	375.93	409.39	410.26
	Finance costs	**II.6**	321.57	310.71	362.25	350.12	286.27
	Depreciation and Amortization	**I.11**	219.77	160.02	122.99	225.26	138.51
	Other expenses	**II.7**	267.92	582.92	289.72	453.16	368.17
	Total Expenses		**5,196.07**	**4,874.79**	**4,317.57**	**4,216.96**	**3,837.09**
	Profit/(Loss) before exceptional items and tax		**746.36**	**179.64**	**73.09**	**40.50**	**91.34**
	Less/(Add) : Exceptional Items		-	-	-	-	-
	Profit before tax		**746.36**	**179.64**	**73.09**	**40.50**	**91.34**
	Tax expense :						
	Current tax		149.33	45.00	28.00	35.91	26.62
	Prior period taxes adjusted		-	6.25	6.86	0.04	1.64
	Deferred Tax		166.81	17.90	(3.30)	(20.41)	4.31

	MAT Credit Entitlement		(70.08)	-	-	-	-
	Profit/(Loss) for the period/ year		**500.30**	**110.49**	**41.53**	**24.96**	**58.76**
	Earning per equity share in Rs.:						
	(1) Basic		5.47	1.22	0.46	0.28	0.65
	(2) Diluted		5.47	1.22	0.46	0.28	0.65

As per our Report of even date

For **RPMD & Associates**
Chartered Accountants
ICAI Firm Regn No: 005961C

Rahul Jain
Partner
Mem No: 518352

Place: Delhi
Date: August 14, 2018

ANNEXURE – III : RESTATED STANDALONE STATEMENT OF CASH FLOWS

(Rs. in Lakhs)

Particulars	For The Year Ended March 31,				
	2018	2017	2016	2015	2014
A. CASH FLOW FROM OPERATING ACTIVITIES					
Profit/ (Loss) before tax	**746.37**	**179.64**	**73.09**	**40.50**	**91.34**
Adjustments for:					
Depreciation	219.77	160.02	122.99	225.26	138.51
Interest Expense	301.97	296.62	344.31	345.03	284.67
Interest Received	(5.83)	(3.35)	(2.14)	(13.11)	(16.28)
(Profit)/Loss on Sale of Fixed Assets	-	-	-	-	-
Operating profit before working capital changes	**1,262.27**	**632.93**	**538.26**	**597.68**	**498.24**
Movements in working capital :					
(Increase)/ Decrease in Inventories	(156.44)	234.64	58.57	(978.47)	(456.44)
(Increase)/Decrease in Trade Receivables	(318.33)	(351.04)	23.82	(103.05)	(73.03)
(Increase)/Decrease in Other Current Assets/ Non-Current Assets	(103.74)	(0.99)	0.56	139.52	(206.20)
(Increase)/Decrease in Loans & Advances	(174.81)	(37.41)	(15.81)	67.85	(0.71)
Increase/(Decrease) in Trade Payables and Other Current Liabilities	(14.39)	660.28	137.69	227.87	409.62
Cash generated from operations	**494.56**	**1,138.41**	**743.08**	**(48.60)**	**171.47**
Income tax paid	79.25	51.25	34.86	35.95	28.39
Net cash from operating activities (A)	**415.31**	**1,087.16**	**708.22**	**(84.56)**	**143.08**
B. CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of Fixed Assets	(898.31)	(512.53)	(107.04)	(43.99)	(256.87)
Interest Received	5.83	3.35	2.14	13.11	16.28
Net cash from investing activities (B)	**(892.48)**	**(509.18)**	**(104.90)**	**(30.87)**	**(240.59)**
Proceeds from issue of share capital	300.92	**-**	**-**	**-**	**-**
Interest paid on borrowings	(301.97)	(296.62)	(344.31)	(345.03)	(284.67)
Proceeds/(Repayment) of Borrowings	506.76	(220.70)	(195.88)	452.55	189.94
Net cash from financing activities (C)	**505.71**	**(517.32)**	**(540.19)**	**107.52**	**(94.72)**

Net increase in cash and cash equivalents (A+B+C)	**28.54**	**60.67**	**63.13**	**(7.91)**	**(192.24)**
Cash and cash equivalents at the beginning of the year	193.37	132.71	69.57	77.48	269.72
Cash and cash equivalents at the end of the year	**221.92**	**193.37**	**132.71**	**69.57**	**77.48**

As per our Report of even date

For **RPMD & Associates**
Chartered Accountants
ICAI Firm Regn No: 005961C

Rahul Jain
Partner
Mem No: 518352

Place: Delhi
Date: August 14, 2018

ANNUXURE – IV: Basis of Preparation and Significant Accounting Policies and Practices of the Restated Standalone Financial Statements for the years ended 31st March 2018, 2017, 2016, 2015 and 2014.

1) Company Overview

The Company is engaged in the business of developing, manufacturing and marketing of Machine Tool Equipment including wide range of single spindle, patented double and four spindle CNC machines, automated robotic solutions.

2) Basis of Preparation of Financial Statement

1. The Restated Standalone Financial Statements of Assets and Liabilities of the Company as at 31st March, 2018, 2017, 2016, 2015 and 2014 and the related Restated Standalone Statement of Profit and Loss and Cash Flows for the year ended on 31st March, 2018, 2017, 2016, 2015 and 2014 (collectively referred to as "Restated Standalone Financial Information") have been prepared specifically for the purpose of inclusion in the Prospectus - Prospectus to be filed by the Company with the Stock Exchange / Securities and Exchange Board of India (SEBI) / Registrar of Companies (ROC) in connection with the proposed Initial Public Offering (hereinafter referred to as 'IPO').

2. The Restated Standalone Financial Information has been prepared by applying necessary adjustments to:

   a. the Standalone Financial Statements ('financial Statement') of the Company for the years ended 31st March, 2018, 2017, 2016, 2015 and 2014 prepared and presented under the historical cost convention, except for certain financial instruments which are measured at fair value, using the accrual system of accounting in accordance with the generally accepted accounting principles in India ('Indian GAAP'), the provisions of the Companies Act, 1956 (up to 31st March 2014), and notified sections, schedules and rules of the Comp[anise Act, 2013 (with the effect from 1st April 2014), including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per the Section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013, ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014), to the extent applicable and in the manner so required, and;

3. With effect from 1st April 2014, Schedule III notified under the Act, has become applicable to the company for the preparation and presentation of its financial statements. Accordingly, previous year's figures have been regrouped/reclassified wherever applicable. Appropriate reclassification/regrouping have been made in the Restated Standalone Financial information wherever required, to corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the presentation and recognition as per the audited financial statements of the Company and the requirement of SEBI Regulations. The financial statements are prepared in Indian rupees round off to the nearest Lakh.

3) Significant Accounting Policies

1. Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalent.

2. **Revenue Recognition**

Revenue (Income) is recognized on accrual basis when no significant uncertainty as to measurability or collect ability exists.

Revenue has been recognized on sales excluding of any taxes and including of any other receipts or income on account of exchange fluctuations and claims receivables.

3. **Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and future periods.

3. **Inventory**

Raw Material is valued at Cost. Stock-in-Progress Finished Goods are valued at cost or net realizable value whichever is lower.

4. **Fixed Assets**

Fixed Assets are stated at cost less accumulated depreciation and impairments, if any. The cost includes cost of acquisition/construction, installation.

5. **Depreciation**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets have been provided on Written Down Value method as per the useful life prescribed in Schedule II to the Companies Act, 2013 effective from 1st April 2014 and depreciation on tangible fixed assets upto 31st March 2014 was provided at the rates and manner prescribed in schedule in Schedule XIV of the Companies Act, 1956.

6. **Taxation**

Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax after the tax holiday period. Accordingly, MAT is recognized as an asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will fructify. Deferred tax expenses or benefit is recognized on timing differences beings the difference between taxable income and accounting income tax originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognized only to the extent that there is virtual certainty that sufficient future taxable income will be available to release such assets. In other situations, deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance taxes paid and income tax provisions arising in the same tax jurisdiction for relevant taxpaying units and where the Company is able to and intends to settle the asset and liability on a net basis.

The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

7. **Borrowing Cost**

As per Accounting Standard -16, borrowing cost attributable to the acquisition of fixed assets is capitalized as part of the cost of fixed assets till the date it is put to use. Other borrowing cost is recognized as expenditure in the period in which they are accrued.

8. **Impairment of Assets**

At each balance sheet date, the management reviews the carrying amounts of its assets included in each case generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

Reversal of impairment loss is recognized immediately as income in the statement of profit and loss.

9. **Earnings per share**

The company reports basic and diluted earnings per share (EPS) in accordance with the Accounting Standard 20(AS-20) issued by the Institute of Chartered Accountants of India. The basic EPS is computed by dividing the net profit or loss for the year by weighted average number of equity shares outstanding, during the accounting period. Diluted earnings per equity share are computed by using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period.

10. **Foreign currency transactions**

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of the transaction.

Assets and liabilities denominated in foreign currency are converted at the exchange rates prevailing as at the balance sheet date. Exchange differences other than those relating to acquisition of fixed assets are recognized in the statement of profit and loss. Exchange differences relating to purchase of fixed assets are adjusted to the carrying cost of fixed assets

11. **Provisions, Contingent liabilities and Contingent assets**

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) 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 and adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

12. **Related Party Transactions**

Disclosure is being made separately for all the transactions with related parties as specified under Accounting Standard 18, issued by the Institute Chartered Accountants of India.

13. **Micro, Small & Medium Enterprises Development Act, 2006**

The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as Micro, Small and Medium Enterprises. Consequently the amount paid/ payable to these parties during the year is not ascertainable. Consequently, as of now, it is neither possible for the Company to ascertain whether payment to such enterprises has been made within 45 days from the date of acceptance of supply of goods or services rendered by a supplier nor to give the relevant disclosures as required under the Act. This has been relied upon by the auditors.

ANNEXURE - I.1 : RESTATED STANDALONE STATEMENT OF SHARE CAPITAL

(Rs. In Lakhs)

Particulars	As at 31st March				
	2018	2017	2016	2015	2014
Authorized					
Equity Shares of Rs. 10 each	400.00	200.00	200.00	200.00	200.00
Issued					
Equity Shares of Rs. 10 each	213.60	181.01	181.01	181.01	181.01
Subscribed & Fully Paid Up					
Equity Shares of Rs. 10 each	213.60	181.01	181.01	181.01	181.01
Total	**213.60**	**181.01**	**181.01**	**181.01**	**181.01**

Notes :

I.1.1 Right, Preferences and Restrictions attached to Shares :

The Company has one class of equity shares having a par value of Rs. 10/- per share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.

I.1.2 Reconciliation of No. of Shares Outstanding at the end of the year

Particulars	As at 31st March				
	2018	2017	2016	2015	2014
Shares outstanding at the beginning of the year	1,810,080	1,810,080	1,810,080	1,810,080	1,810,080
Shares issued during the year	325,920	-	-	-	-
Any other movement (please specify)	-	-	-	-	-
Share outstanding at the end of the year	**2,136,000**	**1,810,080**	**1,810,080**	**1,810,080**	**1,810,080**

I.1.3 The company has increased the authorized capital from Rs. 200 Lacs to Rs. 400 lacs vide shareholders' approval dated January 04, 2018

I.1.4 The company has increased the authorized capital from Rs. 400 Lacs to Rs. 1500 lacs vide shareholders' approval dated April 24, 2018.

I.1.5 The company has allotted 85,44,000 Shares as Bonus Shares in the ratio of 4:1 i.e. 4 Equity shares of face value of Rs. 10/- each was allotted as bonus shares for each equity shares held by the shareholders on May 25, 2018 as approved by the members during Extra-ordinary General Meeting held on May 23, 2018.

I.1.5 Details of Shareholding more than 5% of the aggregate shares in the company

Name of Shareholder	31-Mar-18		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
Gautam Sarup	-	0.00%	-	0.00%	-	0.00%	-	0.00%	918,060	50.72%
Gaurav Sarup	944,745	44.23%	904,695	49.98%	904,695	49.98%	662,016	36.57%	356,000	19.67%
Prashant Sarup	1,096,665	51.34%	904,695	49.98%	904,695	49.98%	662,016	36.57%	356,000	19.67%
Adarsh Gautam	3,726	0.17%	100	0.01%	100	0.01%	341,678	18.88%	35,640	1.97%

ANNEXURE – I.2 : Restated Standalone Statement of Reserves and Surplus

(Rs. In Lakhs)

Particulars	As at 31st March				
	2018	2017	2016	2015	2014
Securities Premium					
Balance as at the beginning of the year	53.00	53.00	53.00	53.00	53.00
Add: Addition during the year	268.33	-	-	-	-
Balance as at the end of the year	**321.33**	**53.00**	**53.00**	**53.00**	**53.00**
Balance in Statement of Profit & Loss					
Balance as at the beginning of the year	751.83	641.34	599.81	574.85	516.09
Add: Profit for the year	500.30	110.49	41.53	24.96	58.76
Balance as at the end of the year	**1,252.14**	**751.83**	**641.34**	**599.81**	**574.85**
Grand Total	**1,573.46**	**804.83**	**694.34**	**652.81**	**627.85**

ANNEXURE – I.3 : RESTATED STANDALONE STATEMENT OF LONG TERM BORROWINGS

(Rs. In Lakhs)

Particulars	31-Mar-18		31-Mar-17		31-Mar-16		31-Mar-15		31-Mar-14	
	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current	Current
Secured:										
Term Loan:										
Kotak Mahindra Bank(Mtl) L102	-	-	-	-	-	17.19	17.19	35.61	-	-

Kotak Mahindra Bank(Mtl) L103	-	-	-	-	-	21.82	21.82	22.26	-	-
Kotak Mahindra Bank(Mtl) L104	-	-	-	-	-	-	-	3.76	-	-
Kotak Mahindra Bank(Mtl) L105	-	-	-	-	-	-	-	29.89	-	-
Kotak Mahindra Bank(Mtl) L106	58.53	70.23	128.76	60.50	189.25	56.46	247.67	47.87	-	-
Bank Of India (Mtl)	-	-	-	-	-	-	-	-	79.01	88.80
Bank Of India Building Loan	-	-	-	-	-	-	-	-	42.40	21.20
Hdfc Bank Loan	-	-	-	-	-	-	-	-	-	-
Bajaj Finance Limited	-	-	-	-	-	-	-	-	-	7.02
Tata Capital Financial Services Limited	-	-	-	-	-	-	-	-	-	4.78
Siemens Financial Services P Ltd.	-	-	-	-	-	2.47	2.47	13.60	16.04	11.72
Electronica Financial Services P Ltd. (Mtl)	-	-	-	17.76	17.76	10.35	28.11	9.10	37.21	8.00
Electronica Financial Services P Ltd. (Business Loan)	-	12.41	12.41	12.64	-	13.59	13.59	5.58	-	-
Electronica Finance Ltd. (Mtl 2)	62.59	71.06	-	-	-	-	-	-	-	-

Equitas Small Finance Bank Limited	3.66	13.05	-	-	-	-	-	-	-	-
Ivl Finance Ltd.	-	21.23	-	-	-	-	-	-	-	-
Shriram City Union Finance Limited	3.89	10.25	-	-	-	-	-	-	-	-
Siemens Financial Services Ltd. (2 Hass)	38.11	10.60	-	-	-	-	-	-	-	-
Siemens Financial Services Pvt. Ltd (3)	-	54.26	-	-	-	-	-	-	-	-
Siemens Financial Services Pvt. Ltd. (1)	-	44.16	-	-	-	-	-	-	-	-
Tata Capital Financial Service Ltd.(B.L)	5.11	18.26	-	-	-	-	-	-	-	-
Tata Capital Financial Service Ltd.(Tl1)	210.50	70.15	-	-	-	-	-	-	-	-
Tata Capital Financial Service Ltd.(Tl2)	161.00	42.00	-	-	-	-	-	-	-	-
Intec Capital Limited (Mtl)-1	-	-	-	70.97	70.97	44.96	-	58.61	-	106.49
Intec Capital Limited (Mtl)-2	-	-	-	25.06	25.06	32.14	-	32.84	-	-
Vehicle Loan:										
Hdfc Bank Limited (Car Loan-Indigo)	-	-	-	-	-	-	-	1.48	1.48	10.22
Hdfc Bank Limited (Car Loan)	-	7.74	7.74	14.09	21.83	0.76	-	-	-	-

Unsecured:										
Term Loan:										
Hdfc Bank Ltd.	1.27	8.45	9.72	14.76	15.99	-	16.51	15.99	7.04	10.61
Icici Bank Ltd	-	-	-	-	-	11.53	9.93	11.53	21.46	8.54
Bajaj Finance Limited	-	-	-	-	-	9.67	16.33	9.67	-	-
Capital First Limited	-	21.95	21.95	18.45	-	15.16	13.57	15.39	-	-
Hdb Financial	4.05	7.17	11.22	6.09	-	-	-	-	-	-
Magma Fincorp Ltd.	21.06	24.01	-	19.32	-	-	-	-	-	-
Indusind Bank	2.11	21.49	23.60	16.40	-	-	-	-	-	-
From Directors/ Shareholders										
Adarsh Gautam	-	-	2.71	-	2.45	-	2.21	-	1.99	-
Ambika Sarup	-	-	9.69	-	8.75	-	8.80	-	7.71	-
Archna Sarup	-	-	14.22	-	12.83	-	11.58	-	10.45	-
Gaurav Sarup	-	-	9.92	-	24.71	-	43.96	-	41.48	-
Gautam Sarup	-	-	23.30	-	23.30	-	23.30	-	20.55	-
Parshant Sarup	-	-	113.93	-	110.34	-	107.13	-	104.71	-
From Others	169.00	-	203.50	-	224.90	-	249.90	4.00	364.30	-
Total	**740.87**	**528.49**	**592.67**	**276.03**	**748.13**	**236.10**	**834.06**	**317.20**	**755.83**	**277.38**
Less : Amount disclosed under the head "Other current liabilities" (Refer Note I.7)	-	**528.49**	-	**276.03**	-	**236.10**	-	**317.20**	-	277.38
Total	**740.87**	**528.49**	**592.67**	**276.03**	**748.13**	**236.10**	**834.06**	**317.20**	**755.83**	**277.38**

Note I.3.1: There were no re-schedulement or default in the repayment of loans taken by the Company.

ANNEXURE – I.4 : Restated Standalone Statement of Deferred Tax Assets/(Liabilities) (Net)

(Rs. In Lakhs)

Particulars	As at 31st March				
	2018	2017	2016	2015	2014
Deferred Tax Assets					
Related to Fixed Assets	-	-	2.88	-	-
Total (a)	**-**	**-**	**2.88**	**-**	**-**
Deferred Tax Liability					
Preliminary expenses	-	-	-	-	-
Related to Fixed Assets	181.83	15.01	-	0.41	20.83
Disallowance under the Income Tax Act	-	-	-	-	-
Total (b)	**181.83**	**15.01**	**-**	**0.41**	**20.83**
Net deferred tax (asset)/liability{(b)-(a)}	**181.83**	**15.01**	**(2.88)**	**0.41**	**20.83**

ANNEXURE – I.5 : Restated Standalone Statement of Long term provisions

(Rs. In Lakhs)

Particulars	As at 31st March				
	2018	2017	2016	2015	2014
Provision for Gratuity	90.46	86.62	82.83	79.50	75.88
Grand Total	**90.46**	**86.62**	**82.83**	**79.50**	**75.88**

ANNEXURE – I.6 : Restated Standalone Statement of Short Term Borrowings

(Rs. In Lakhs)

Particulars	As at 31st March				
	2018	2017	2016	2015	2014
Secured Loan Repayable on Demand :					
Bank of India CC A/c	-	-	-	-	1,217.64
BOI CC B/d A/c	-	-	-	-	50.00
Bank of India O/D A/c	-	-	-	-	48.11
Kotak Mahindra Bank CC	1,622.34	1,516.23	1,621.40	1,650.26	-
Grand Total	**1,622.34**	**1,516.23**	**1,621.40**	**1,650.26**	**1,315.75**

I.6.1 The short term Borrowings from the banks are secured by the hypothecation of companies all kinds of stocks including Raw Materials, WIP, Finished Goods & stores & spares etc., all book debts of the company and Equitable morgage of properties of the company as well as the Personal Guarantee of Directors.

ANNEXURE – I.7 : Restated Standalone Statement of Trade Payables

(Rs. In Lakhs)

Particulars	As at 31st March				
	2018	2017	2016	2015	2014
Trade Payables due to					
- Micro and Small Enterprises	-	-	-	-	-

- Others	1,838.62	1,839.22	1,455.48	1,478.00	1,159.36
Grand Total	**1,838.62**	**1,839.22**	**1,455.48**	**1,478.00**	**1,159.36**

ANNEXURE – I.8 : Restated Standalone Statement of Other Current Liabilities

(Rs. In Lakhs)

Particulars	As at 31st March				
	2018	2017	2016	2015	2014
Current Maturities of Long Term Borrowings	528.49	276.03	236.10	317.20	277.38
Advance from Customers	321.10	475.70	601.47	562.07	665.59
Other Payables	100.16	38.02	18.56	10.42	9.11
Cheques issued but not presented to banks yet for payment	251.11	222.30	66.33	21.53	93.21
Employee Benefits payable	53.96	54.59	59.18	60.56	53.30
Statutory Dues	288.58	340.15	129.29	96.82	16.56
Grand Total	**1,543.41**	**1,406.80**	**1,110.93**	**1,068.60**	**1,115.15**

ANNEXURE – I.9 : Restated Standalone Statement of Short Term Provisions

(Rs. In Lakhs)

Particulars	As at 31st March				
	2018	2017	2016	2015	2014
Provision for Income Tax (net of income tax paid)	149.00	51.25	34.86	1.80	10.24
Provision for Employee benefit	10.54	10.09	9.65	9.26	8.84
Grand Total	**159.54**	**61.34**	**44.51**	**11.07**	**19.08**

ANNEXURE – I.10 : Restated Standalone Statement of Fixed Assets

(Rs. In Lakhs)

Particulars	As at 31st March				
	2018	2017	2016	2015	2014
Tangible Assets					
Land					
Gross Block	172.70	172.70	172.70	172.70	172.70
Less: Accumulated Depreciation	-	-	-	-	-
Net Block	172.70	172.70	172.70	172.70	172.70
Building					
Gross Block	611.33	611.33	611.33	611.33	605.29
Less: Accumulated Depreciation	251.35	213.65	172.01	125.98	75.77
Net Block	359.98	397.68	439.32	485.35	529.53
Plant and Machinery					
Gross Block	1,827.11	1,464.74	961.30	949.21	934.27
Less: Accumulated Depreciation	748.34	589.57	496.23	449.75	336.27
Net Block	1,078.77	875.17	465.07	499.46	598.01
Electric Installation					
Gross Block	49.20	49.20	48.83	48.83	47.81

Less: Accumulated Depreciation	40.37	37.27	32.61	25.63	15.51
Net Block	8.83	11.93	16.21	23.20	32.30
Furniture & Fixtures					
Gross Block	25.49	24.55	23.03	22.99	22.79
Less: Accumulated Depreciation	19.87	18.13	15.88	13.04	9.07
Net Block	5.62	6.42	7.15	9.95	13.72
Office Equipments					
Gross Block	60.73	58.16	56.89	55.91	53.32
Less: Accumulated Depreciation	55.93	53.33	48.61	41.23	17.51
Net Block	4.80	4.83	8.29	14.67	35.81
Computers					
Gross Block	36.38	30.31	26.20	25.86	23.76
Less: Accumulated Depreciation	30.68	26.24	23.93	22.07	17.14
Net Block	5.71	4.07	2.27	3.79	6.62
Vehicles					
Gross Block	130.14	130.14	130.14	130.14	128.81
Less: Accumulated Depreciation	122.01	117.77	111.32	102.28	86.63
Net Block	8.13	12.37	18.82	27.86	42.18
Total Tangible Assets	**1,644.54**	**1,485.16**	**1,129.84**	**1,236.98**	**1,430.85**
Computer Software					
Gross Block	11.80	11.80	11.80	11.79	11.79
Less: Accumulated Depreciation	10.66	10.29	9.79	9.41	7.82
Net Block	1.13	1.51	2.00	2.38	3.97
Patent Registration					
Gross Block	7.13	3.32	1.51	1.51	1.51
Less: Accumulated Depreciation	2.16	1.49	1.02	0.93	0.83
Net Block	**4.97**	1.83	0.49	0.59	0.68
Patterns					
Gross Block	24.06	22.12	22.12	17.36	13.55
Less: Accumulated Depreciation	14.31	11.15	7.50	5.58	4.09
Net Block	**9.75**	10.97	14.62	11.78	9.46
R&D Capitalised Cost for Development of New Product					
Gross Block	441.97	-	-	-	-
Less: Accumulated Depreciation	2.99	-	-	-	-
Net Block	438.98	-	-	-	-
Total Intangible Assets	**454.83**	**14.31**	**17.11**	**14.76**	**14.11**
Intangible assets under development					
Opening Balance	100.79	100.79	**-**	-	-
Addition During The year	179.43	**-**	100.79	-	-
Less: Capitalized during the year	100.79	**-**	-	-	-
Closing Balance	**179.43**	**100.79**	**100.79**		
Capital Work in Progress	**-**	**-**	**-**	**11.96**	**-**

ANNEXURE – I.11 : Restated Standalone Statement of Long Term Loans and Advances

(Rs. In Lakhs)

Particulars	As at 31st March				
	2018	2017	2016	2015	2014
(Unsecured considered good)					
Security Deposits	22.34	24.08	21.43	14.89	13.48
Others	1.51	-	-	-	-
Grand Total	**23.86**	**24.08**	**21.43**	**14.89**	**13.48**

ANNEXURE – I.12 : Restated Standalone Statement of Other Non-Current assets

(Rs. In Lakhs)

Particulars	As at 31st March				
	2018	2017	2016	2015	2014
(Unsecured considered good)					
Term Deposits with Bank as margin money/ Security	125.85	-	-	-	95.42
Margin money with Electronica Finance Ltd	45.00	18.61	17.62	16.68	15.73
Margin money with Intec Capital Ltd	-	48.50	48.50	50.00	95.05
Grand Total	**170.85**	**67.11**	**66.12**	**66.68**	**206.20**

ANNEXURE – I.13 : Restated Standalone Statement of Inventories

(Rs. In Lakhs)

Particulars	As at 31st March				
	2018	2017	2016	2015	2014
(at cost or net realizable value, whichever is lower)					
Raw Material	1,420.73	1,817.43	2,095.67	2,185.76	1,556.89
Stock in process	1,620.69	1,060.45	948.36	1,001.56	986.83
Finished Stock	786.10	791.95	862.53	778.31	443.36
Scrap	2.26	3.51	0.57	0.25	0.65
Others	-	-	0.86	0.68	0.36
Grand Total	**3,829.78**	**3,673.34**	**3,907.99**	**3,966.56**	**2,988.09**

ANNEXURE – I.14 : Restated Standalone Statement of Trade Receivables

(Rs. In Lakhs)

Particulars	As at 31st March				
	2018	2017	2016	2015	2014
Trade Receivables :					
Outstanding for a period less than six months from the date they are due for payment					
Unsecured, Considered Good	744.73	506.51	195.55	284.33	181.28
Outstanding for a period exceeding six months from the date they are due for payment					
Unsecured, Considered Good	397.03	316.92	276.83	211.87	211.87
Unsecured, Considered Doubtful	-	-	-	-	-
Grand Total	**1,141.75**	**823.42**	**472.38**	**496.20**	**393.14**

ANNEXURE – I.15 : Restated Standalone Statement of Cash and Bank Balances

(Rs. In Lakhs)

Particulars	As at 31st March				
	2018	2017	2016	2015	2014
Cash & Cash Equivalents					
Cash in hand	162.78	140.99	92.06	40.39	39.62
Balances with Banks:					
-in current accounts	32.62	36.85	28.46	13.78	37.85
Other Bank Balances:					
Term deposits kept as margin money/security with maturity of less than 12 months	26.51	15.54	12.19	15.40	0.02
Grand Total	**221.92**	**193.37**	**132.71**	**69.57**	**77.48**

ANNEXURE – I.16 : Restated Standalone Statement of Short Term Loans and Advances

(Rs. In Lakhs)

Particulars	As at 31st March				
	2018	2017	2016	2015	2014
Advance to Suppliers					
-To Related parties	-	-	-	-	-
-To others	65.61	25.83	-	11.03	30.86
Other Advances & securities	99.88	26.39	12.97	14.57	12.80
Balances with Revenue Authorities :					
Indirect Taxes	18.91	41.65	50.22	4.29	35.50
TDS Recoverable/Income Tax Refund	1.19	0.91	0.81	1.19	48.81
MAT Credit	70.08	-	-	-	-
Prepaid expenses	16.23	9.26	7.18	33.44	15.38
TDS Receivable from parties	14.64	7.46	5.55	3.57	4.03
Bank Charges/ Interest recoverable	10.65	10.65	10.65	10.04	-
Grand Total	**297.18**	**122.15**	**87.39**	**78.12**	**147.38**

Out of the above amounts outstanding from promoters/promoter group/group directors/relative of directors are as follows:

(Rs. In Lakhs)

Particulars	As at 31st March				
	2018	2017	2016	2015	2014
From Promoters/Directors/Relatives	-	-	-	-	-
From Group Companies	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**

ANNEXURE – II.1 : Restated Standalone Statement of Revenue from Operations

(Rs. In Lakhs)

Particulars	For The Year Ended March 31,				
	2018	2017	2016	2015	2014
Sales					
-Domestic	5,812.89	4,966.86	4,140.38	4,061.00	3,879.91
-Export	96.85	20.60	213.95	131.16	-
Other Operating Revenue	26.86	31.60	25.77	19.48	14.14
Revenue from operations (gross)	**5,936.60**	**5,019.06**	**4,380.10**	**4,211.63**	**3,894.06**

Note II.1.1 Other Operating Revenue comprises of:

(Rs. In Lakhs)

Particulars	For The Year Ended March 31,				
	2018	2017	2016	2015	2014
Service Charges Received	25.75	31.60	24.13	16.98	14.14
Export Incentives	1.11	-	1.65	2.50	-
Revenue from operations (gross)	**26.86**	**31.60**	**25.77**	**19.48**	**14.14**

ANNEXURE – II.2 : Restated Standalone Statement of Other Income

(Rs. In Lakhs)

Particulars	For The Year Ended March 31,				
	2018	2017	2016	2015	2014
Commission Received	-	-	-	-	12.96
Interest received	5.83	3.35	2.14	13.11	16.28
Foreign Exchange Gain/(Loss)	-	29.97	-	20.56	-
Display charges	-	-	5.20	10.55	-
Amount written back	-	1.04	3.22	0.61	5.13
Miscellaneous Receipts	-	1.00	-	1.00	-
Grand Total	**5.83**	**35.37**	**10.57**	**45.83**	**34.37**

ANNEXURE – II.4 : Cost of material consumed

(Rs. In Lakhs)

Particulars	For The Year Ended March 31,				
	2018	2017	2016	2015	2014
Opening Stock	1,817.43	2,095.67	2,185.76	1,556.89	1,373.34
Add: Purchases	4,085.79	3,163.06	3,107.92	3,715.35	3,067.90
Add: Custom Duty	-	-	-	41.83	22.58
Less: Closing Stock	(1,420.73)	(1,817.43)	(2,095.67)	(2,185.76)	(1,556.89)
Grand Total	**4,482.49**	**3,441.30**	**3,198.01**	**3,128.31**	**2,906.93**

ANNEXURE – II.4 : Restated Standalone Statement of Changes in Inventories

(Rs. In Lakhs)

Particulars	For The Year Ended March 31,				
	2018	2017	2016	2015	2014
Closing Stock					
Finished Goods	786.10	791.95	862.53	778.31	443.36
Stock in process	1,620.69	1,060.45	948.36	1,001.56	986.83
Scrap	2.26	3.51	0.57	0.25	0.65
Total (a)	**2,409.05**	**1,855.91**	**1,811.46**	**1,780.12**	**1,430.84**
Opening Stock					
Finished Goods	791.95	862.53	778.31	443.36	603.01
Stock in process	1,060.45	948.36	1,001.56	986.83	554.33
Scrap	3.51	0.57	0.25	0.65	0.46
Total (b)	**1,855.91**	**1,811.46**	**1,780.12**	**1,430.84**	**1,157.80**
Increase/(Decrease) in stock	**553.14**	**44.45**	**31.34**	**349.28**	**273.05**

ANNEXURE – II.5 : Restated Standalone Statement of Employee benefit expense

(Rs. In Lakhs)

Particulars	For The Year Ended March 31,				
	2018	2017	2016	2015	2014
Salaries and wages	382.06	376.74	330.43	360.05	357.26
Gratuity	4.29	4.23	3.71	4.04	4.01
Contribution to Provident and other funds	11.45	10.45	10.31	7.91	4.34
Director's remuneration	51.00	24.00	24.00	29.50	36.00
Staff welfare expenses	8.67	8.86	7.47	7.89	8.65
Grand Total	**457.46**	**424.28**	**375.93**	**409.39**	**410.26**

ANNEXURE – II.6 : Restated Standalone Statement of Finance costs

(Rs. In Lakhs)

Particulars	For The Year Ended March 31,				
	2018	2017	2016	2015	2014
Interest on Borrowings	288.37	278.06	330.68	334.21	275.60
Interest on Delayed payment of Stat Dues	6.47	3.23	4.61	0.21	0.48
Interest on trade payables	7.13	15.34	9.03	10.61	8.60
Other Borrowing Charges	19.60	14.09	17.94	5.09	1.60
Grand Total	**321.57**	**310.71**	**362.25**	**350.12**	**286.27**

ANNEXURE – II.7 : Restated Standalone Statement of Other Expenses

(Rs. In Lakhs)

Particulars	For The Year Ended March 31,				
	2018	2017	2016	2015	2014
Advertisement/ Business Promotion Expenses	18.90	18.43	11.34	9.59	26.95
Remuneration To Auditors :					
- Audit Fees	1.51	1.51	1.38	1.03	0.90
- Tax Audit	-	-	-	0.34	0.30
Commission Expenses	-	-	3.50	0.38	-

Conveyance & Travelling Expenses	67.51	68.21	83.57	77.99	87.95
Excise-Custom Duty Expense/ (Reversal of provision of Excise Duty on Closing Finished Stocks)	(80.27)	41.86	(60.22)	117.83	(0.00)
Exhibition Expenses	-	-	34.64	22.59	41.64
Fees & Taxes	3.98	3.64	2.08	1.95	0.60
Foreign Exchange Loss /(Gain)	25.84	-	26.72	-	14.00
Freight & Cartage	22.47	13.97	15.44	56.48	39.41
General Expenses	18.66	14.17	6.79	6.71	7.22
Indirect Taxes Paid	0.74	1.35	9.78	2.39	1.92
Insurance	14.52	6.30	3.65	5.33	5.45
Job Work Expenses	1.77	2.70	4.24	5.13	4.86
Legal and professional charges	50.60	30.50	9.09	9.55	9.49
Packing Expenses	2.53	6.97	6.41	4.37	3.00
Power & Fuel	33.27	31.63	46.95	51.75	37.71
Printing and Stationery	2.89	3.58	5.67	5.02	4.95
Rebate & Discount	8.01	0.91	-	-	4.12
Research & Development Expenses	-	268.64	-	-	-
Rent, Rates And Taxes	7.69	4.57	27.66	27.52	31.74
Repairs & Maintenance	36.17	32.27	22.30	17.78	19.09
Security Guard Expenses	10.53	10.48	9.97	10.92	8.99
Telephone & Postage Expenses	20.58	21.23	18.76	18.51	17.89
Grand Total	**267.92**	**582.92**	**289.72**	**453.16**	**368.17**

ANNEXURE – II.8 : Restated Standalone Statement of Expenditure in Foreign currency

(Rs. In Lakhs)

Particulars	**For The Year Ended March 31,**				
	2018	**2017**	**2016**	**2015**	**2014**
Import of Goods	428.04	373.73	440.07	381.33	238.03
Grand Total	**428.04**	**373.73**	**440.07**	**381.33**	**238.03**

ANNEXURE – V: MATERIAL ADJUSTMENT TO THE RESTATED STANDALONE FINANCIAL STATEMENT

1 Material Regrouping

Appropriate adjustments have been made in the Restated Standalone Financial Statements of Assets and Liabilities, Profit and Losses and Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the regroupings as per the audited financial statements of the company and the requirements of SEBI Regulations.

2 Material Adjustments

The Summary of results of restatement made in the Audited Standalone Financial Statements for the respective years and its impact on the profit/ (loss) of the Company is as follows:

Particulars	For The Year Ended March 31,				
	2018	2017	2016	2015	2014
(A) Net Profits as per audited financial statements (A)	500.59	122.87	44.81	28.77	65.11
Add/(Less) : Adjustments on account of-					
1) Prior Period Taxes charged to P/L	-	(6.25)	(6.86)	(0.04)	(1.64)
2) Deferred Tax	(0.28)	(1.90)	7.30	0.28	(0.70)
3) Provision for gratuity	-	(4.23)	(3.71)	(4.04)	(4.01)
Total Adjustments (B)	**(0.28)**	**(12.38)**	**(3.28)**	**(3.81)**	**(6.35)**
Restated Profit/ (Loss) (A+B)	**500.30**	**110.49**	**41.53**	**24.96**	**58.76**

3 Notes on Material Adjustments pertaining to prior years

(1) Prior Period Taxes Charged to Profit & Loss

During the earlier years the changes in prior period provision for Income Tax were directly charged to the Reserves & Surplus account for some Financial Years. Those tax expenses are routed through Profit & Loss account.

(2) Deferred tax

During these years, deferred taxes have been short/ excess reported. The deferred taxes have been accordingly adjusted in those years.

(3) Provision for Gratuity

The Company has created provision for gratuity in this FY 2017-18 only. Accordingly provisions have been created for earlier years also and balance amount has been adjusted in the opening balance of reserve & surplus.

(Rs. In Lakhs)

Particulars	For The Year Ended March 31, 2014
(A) Opening Balance of Balance in Profit & Loss Account as per audited financial statements (A)	**599.90**
Add/(Less) : Adjustments on account of -	
1) Provision for Income taxes for Prior Period	(0.13)
2) Additonal Dep W/off	(2.97)
3) Prov for Gratuity	(80.71)
Total Adjustments (B)	**(83.80)**
Restated opening Balance of balance in Profit & Loss Account(A+B)	**516.09**

ANNEXURE – VI: Notes to the Restated Standalone Financial Statements for the financial years ended 31st March, 2018, 2017, 2016, 2015 and 2014.

1. The Company is engaged in the business of developing, manufacturing and marketing of Machine Tool Equipment including wide range of single spindle, patented double and four spindle CNC machines, automated robotic solutions i.e same type/class of services and has no other operations and as such there is no reportable segment as per Accounting Standard (AS-17) dealing with the Segment Reporting.

2. The company cannot identify the enterprises which have been providing goods and services to the company and which qualify under the definition of Micro Small and Medium Enterprise Development Act, 2006. Hence, the details required to be disclosed in this respect, cannot be disclosed

3. In the opinion of the Board of Directors, the Current Assets, Loans & Advances are approximately of the value stated if realized in ordinary course of business. Provisions for known liabilities are made & not in excess of the amount reasonably necessary. Moreover Balances of Unsecured Loans, Receivables, Loans & Advances and Current Liabilities are subject to confirmation, reconciliation and adjustments, if any

4. The figures of the previous year have been regrouped / recast wherever necessary so as to make them comparable with current year's figures. Figures have been rounded to nearest rupees in lakhs.

ANNEXURE - VII : RESTATED STANDALONE STATEMENT OF CONTINGENT LIABILITIES

(Rs. In Lakhs)

Particulars	As at 31st March				
	2018	2017	2016	2015	2014
1. Bank Guarantee/LC Discounting for which FDR margin money has been given to the bank as Security	94.07	42.13	163.38	85.45	21.51
2. Income Tax Demand	0.05	0.05	0.05	0.05	0.05
3. TDS Demand	1.70	1.64	1.50	1.47	1.46
Total	**95.82**	**43.82**	**164.93**	**86.97**	**23.02**

ANNEXURE - VIII : RESTATED STANDALONE STATEMENT OF RELATED PARTY DISCLOSURES AS RESTATED

As required under Accounting Standard 18 "Related Party Disclosures" as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18.

A. List of Related Parties and Nature of Relationship :

Particulars	Name of Related Parties				
	2018	2017	2016	2015	2014
1. Enterprises where control exist					
a) Companies/ Firms	Marshall Industries (Partnership Firm)				
2. Other Related Parties:					
a) Key Management Personnel's	Late Shri Gautam Sarup (Expired on 17.09.2014)				
	Mr. Gaurav Sarup				
	Mr. Prashant Sarup				
	Mrs. Archana Sarup				
	Mr. Siddhant Sarup				
b) Relatives of Key Management Personnel's	Mrs. Adarsh Gautam				
	Mrs. Ambika Sarup				

Note: Mr. Siddhant Sarup and Mrs. Archana Sarup became directors on 29.03.2017

B. Transactions carried out with related parties referred to in (1) above, in ordinary course of business:

(Rs. In Lakhs)

Nature of Transactions	Name of Related Parties	As at March 31				
		2018	2017	2016	2015	2014
1. Managerial Remuneration	Late Shri Gautam Sarup	-	-	-	5.50	12.00
	Gaurav Sarup	18.00	12.00	12.00	12.00	12.00
	Prashant Sarup	18.00	12.00	12.00	12.00	12.00
	Siddhant Sarup	6.00	4.31	3.60	-	-
	Archana Sarup	9.00	6.81	6.00	4.80	2.70
Total		**51.00**	**35.12**	**33.60**	**34.30**	**38.70**
2. Salary paid to relative of KMP	Ambika Sarup	-	-	-	-	1.80
Total		**-**	**-**	**-**	**-**	**1.80**
3. Rent Paid	Late Shri Gautam Sarup	-	-	-	1.10	2.40
	Marshall Industries	2.40	-	2.40	1.30	-
Total		**2.40**	**-**	**2.40**	**2.40**	**2.40**

4. Interest Paid	Late Shri Gautam Sarup	-	-	-	-	1.38
	Gaurav Sarup	1.25	1.62	3.61	4.97	4.63
	Prashant Sarup	14.06	12.87	12.29	12.13	11.69
	Adarsh Gautam	0.33	0.29	0.27	0.24	0.22
	Ambika Sarup	1.16	1.05	1.06	1.04	0.84
	Archana Sarup	2.01	1.54	1.39	1.25	11.31
Total		**18.81**	**17.37**	**18.62**	**19.63**	**30.06**
5. Loan Received/ (Repayment)	Late Shri Gautam Sarup	(23.30)	-	-	2.75	6.75
	Prashant Sarup	(126.58)	(8.00)	-	(8.50)	(6.00)
	Gaurav Sarup	(10.71)	(16.25)	(22.50)	(2.00)	-
	Adarsh Gautam	(3.00)	-	-	-	-
	Archana Sarup	(16.02)	-	-	-	-
	Ambika Sarup	(10.73)	0.00		0.15	-
Total		**(190.35)**	**(24.25)**	**(22.50)**	**(7.60)**	**0.75**

C. Outstanding Balance as at the end of the year

(Rs. In Lakhs)

Nature of Transactions	Name of Related Parties	As at March 31				
		2018	2017	2016	2015	2014
1. Receivables		-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**
2. Payables	Adarsh Gautam	-	2.71	2.45	2.21	1.99
	Ambika Sarup	-	9.69	8.75	8.80	7.71
	Archana Sarup	-	14.22	12.83	11.58	10.45
	Gaurav Sarup	-	9.92	24.71	43.96	41.48
	Late Shri Gautam Sarup	-	23.30	23.30	23.30	20.55
	Prashant Sarup	-	113.93	110.34	107.13	104.71
Total		**-**	**173.76**	**182.37**	**196.96**	**186.90**

ANNEXURE - IX : RESTATED STANDALONE STATEMENT OF ACCOUNTING RATIOS

Particulars	As at 31st March				
	2018	2017	2016	2015	2014
Restated PAT as per P& L Account (Rs. in Lakhs)	500.30	110.49	41.53	24.96	58.76
Equity Shares at the end of the Year (Note -2)	10,680,000	9,050,400	9,050,400	9,050,400	9,050,400
Weighted Average Number of Equity Shares at the end of the Year (Note - 2)	9,143,600	9,050,400	9,050,400	9,050,400	9,050,400
Net Worth	1153.94	872.25	759.45	821.45	798.72

Earnings Per Share (with Bonus affect)					
Basic (In Rupees) (Note 1.a)	5.47	1.22	0.46	0.28	0.65
Diluted (In Rupees)* (Note 1.b)	5.47	1.22	0.46	0.28	0.65
Return on Net Worth (%) (Note -4)	**43.36%**	**12.67%**	**5.47%**	**3.04%**	**7.36%**
Net Asset Value Per Share (Note -4)(Rs)	**12.62**	**9.64**	**8.39**	**9.08**	**8.83**
Nominal Value per Equity share (Rs.)	10	10	10	10	10

* The Company does not have any diluted potential Equity Shares. Consequently the basic and diluted profit/earning per share of the company remain the same.

Notes :

1) The ratios have been calculated as below:

a) Basic Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares outstanding during the six months/year.

b) Diluted Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the six months/year.

c) Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/ Net Worth X 100

d) Restated Net Asset Value per equity share (Rs.) = Restated Net Worth as at the end of the six months/year/ Total Number of Equity Shares outstanding during the six months/year.

2) Weighted Average Number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion to total number of days during the year. Further, number of shares are after considering impact of the bonus shares in the ratio of 4 bonus share for 1 fully paid up equity share to the existing shareholders (Allotted on 25-05-2018) , an issue without consideration, treating the said issue as if it had occurred prior to the beginning of the year 2013-14, the earliest period reported.

3) Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.

4) Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss) - Intangible Assets except Computer Softwares

5) The figures disclosed above are based on the Restated Standalone Financial Statements of the Company.

ANNEXURE - X : RESTATED STANDALONE STATEMENT OF CAPITALISATION

(Rs. In Lakhs)

Sr. No	Particulars	Pre issue	Post issue
	Debts		
A	Long Term Debt	1,269.36	1,269.36
B	Short Term Debt	1,622.34	1,622.34
C	**Total Debt**	**2,891.70**	**2,891.70**
	Equity Shareholders Funds		
	Equity Share Capital	1,068.00	1,455.00
	Reserves and Surplus	719.06	1,957.46
D	**Total Equity**	**1,787.06**	**3,412.46**
E	**Total Capitalization**	**4,678.76**	**6,310.16**
	Long Term Debt/ Equity Ratio (A/D)	0.71	0.37
	Total Debt/ Equity Ratio (C/D)	1.62	0.85

Notes:

1) Long Term Debt are borrowings other than short-term borrowings and also includes current maturities of long- term debt included in other current liabilities.

2) The company has allotted 85,44,000 Shares as Bonus Shares in the ratio of 4:1 i.e. 4 Equity shares of face value of Rs. 10/- each was allotted as bonus shares for each equity shares held by the shareholders on May 25, 2018 as approved by the members during Extra-ordinary General Meeting held on May 23, 2018. Preissue Equity and Reserves have been calculated considering those issuance of bonus shares.

3) For post issue Capitalization calculation will be done considering the allotment of shares in the IPO. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at March 31, 2018.

ANNEXURE - XI : RESTATED STANDALONE STATEMENT OF TAX SHELTERS

(Rs. In Lakhs)

Sr. No	Particulars	As at 31st March				
		2018	2017	2016	2015	2014
A	**Restated Profit before tax**	746.37	179.64	73.09	40.50	91.34
	Short Term Capital Gain at special rate	-	-	-	-	-
	Normal Corporate Tax Rates (%)	33.06%	33.06%	30.90%	32.45%	30.90%
	Short Term Capital Gain at special rate	-	-	-	-	-
	MAT Tax Rates (%)	20.39%	20.39%	19.06%	20.01%	19.06%

B	**Tax thereon (including surcharge and education cess)**					
	Tax on normal profits	246.77	59.39	22.59	13.14	28.22
	Short Term Capital Gain at special rate	-	-	-	-	-
	Total	**246.77**	**59.39**	**22.59**	**13.14**	**28.22**
	Adjustments:					
C	**Permanent Differences**					
	Deduction allowed under Income Tax Act	-	-	-	-	(2.99)
	Exempt Income	-	-	-	-	-
	Allowance of Expenses under the Income Tax Act	-	-	-	-	-
	Disallowance of Income under the Income Tax Act	-	-	-	-	-
	Disallowance of Expenses under the Income Tax Act	-	11.56	10.56	0.21	0.48
	Total Permanent Differences	**-**	**11.56**	**10.56**	**0.21**	**(2.51)**
D	**Timing Differences**					
	Difference between tax depreciation and book depreciation	(510.96)	(55.32)	11.61	66.13	(11.15)
	Provision for Gratuity disallowed	4.29	4.23	3.71	4.04	4.01
	Expense disallowed u/s 43B	-	-	-	-	-
	Total Timing Differences	**(506.67)**	**(51.09)**	**15.33**	**70.17**	**(7.13)**
E	**Net Adjustments E= (C+D)**	**(506.67)**	**(39.53)**	**25.89**	**70.38**	**(9.65)**
F	**Tax expense/(saving) thereon**	(167.52)	(13.07)	8.00	22.84	(2.98)
G	**Total Income/(loss) (A+E)**	**239.70**	**140.11**	**98.98**	**110.89**	**81.69**
	Taxable Income/ (Loss) as per MAT	746.37	179.64	73.09	40.50	91.34
I	**Income Tax as per normal provision**	79.25	46.33	30.59	35.98	25.24
J	**Income Tax under Minimum Alternative Tax under Section 115**	152.18	36.63	13.93	8.10	17.40

	JB of the Income Tax Act					
	Net Tax Expenses (Higher of I,J)	152.18	46.33	30.59	35.98	25.24
K	Relief u/s 90/91	-	-	-	-	-
	Total Current Tax Expenses	**152.18**	**46.33**	**30.59**	**35.98**	**25.24**
L	Adjustment for Interest on income tax	-	-	-		-
	Total Current Tax Expenses	**152.18**	**46.33**	**30.59**	**35.98**	**25.24**

ANNEXURE - XII : RESTATED STANDALONE STATEMENT OF FINANCIAL INDEBTEDNESS

(Rs. In Lakhs)

Sr. No	Bank Name	Facility Key term			Outstanding as on March 31, 2018	Security
		Loan Amount	Margin (%)	Total Term (Months)		
1	Kotak Mahindra Bank Limited	1500	25%	Cash Credit	1622.34	First and exclusive charge on all existing and future current assets/ moveable fixed assets of the borrower.
		(1200)	NIL	Working Capital Demand Loan (Sublimit of CC)		
		204		Working Capital Term Loan	128.76	
		12	NA	Term Loan 1		
		150	10%	ILC/FLC		
		(150)	10%	Bank Guarantee (Sublimit of ILC/FLC)	94.7	
		225		Conditional WCDL	0	

**This includes Current Maturities on long term debt.*

Collateral Security for the above Facilities:

1. C-86, Phase V, Industrial Focal Point, Ludhiana- 141010, Punjab in the name of the Marshall Industries.

2. D-116 A, Phase V, Industrial Focal Point, Ludhiana- 141010, Punjab.

Personal Guarantee

1. Gaurav Sarup
2. Prashant Sarup

DETAILS OF OTHER SECURED LOANS

Details of Other Secured Loans as on March 31, 2018 are as under:

(Rs in Lakhs)

Sr. No.	Name	Amount	Balance as on March 31, 2018	Rate of Interest (%)	Tenure (In Months)	Nature
1.	Electronica Finance Limited	175.00	146.06	12.95%	60	Machine Loan
2.	Equitas Small Finance Bank Limited	25.00	16.71	19.00%	24	Business Loan against Financials
3.	IVL Finance Limited	25.06	21.23	20.50%	12	Business Loan
4.	Shriram City Union Finance Limited	20.00	14.14	20.00%	24	Business Loan
5.	Siemens Financial Services Private limited	151.79	147.13	10.00%	48	Machine Loan and Business Loans
6.	Tata Capital Financial Service Limited	514.00	483.65	12.75%	60	Machine Loan and Business Loans
7.	HDFC Bank Limited	63.01	7.74	EMI Based	36	Car Loans
	Total		**836.66**			

Note: All the above loans are secured by personal guarantee of our promoters. The above loans include current maturities.

UNSECURED LOANS

Details of Unsecured Loans as on March 31, 2018 are as under:

(Rs in Lakhs)

Sr. No.	Name	Amount (In Rs.)	Balance as on March 31, 2018 (In Rs.)	Rate of Interest (%)	Tenure (In Months)	Nature
1.	HDFC Bank Limited	30.00	9.72	EMI Based	24	Business Loan
2.	Capital First Limited	40.40	21.95	10.19%	24	Business Loan
3.	HDB Financial Services Limited	20.00	11.22	16.52%	36	Business Loan
4.	Magma Fincorp Limited	50.00	45.07	21.12%	24	Business Loan
5.	Indusind Bank Limited	40.00	23.6	18.50%	24	Business Loan
6.	Tata Capital Financial Service Limited	35.00	23.36	18.33%	24	Business Loan
	Total		**134.92**			

Note: The above loans include current maturities.

ANNEXURE - XIII : RESTATED STANDALONE STATEMENT OF DIVIDEND

(Rs. In Lakhs)

Particulars	As at 31st March				
	2018	2017	2016	2015	2014
Share Capital					
Equity Share Capital	213.60	181.01	181.01	181.01	181.01
Dividend on equity shares paid during the year	-	-	-	-	-
Dividend in %	0%	0%	0%	0%	0%

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements as of and for the years ended March 31, 2018, 2017, 2016, 2015 and 2014 prepared in accordance with the Companies Act, 2013 and Companies Act, 1956 to the extent applicable and Indian GAAP and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in "Financial Statements" beginning on page 180 of this Prospectus.

Indian GAAP differs in certain material respects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and the SEBI ICDR Regulations.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in "Risk Factors" and "Forward-Looking Statements" beginning on pages 20 and 19 respectively, of this Prospectus.

COMPANY OVERVIEW

Our Company was incorporated on May 23, 1994 as a private limited company under the provisions of Companies Act, 1956 with Registrar of Companies, Punjab, H.P. & Chandigarh in the name and style of V. B. Spinning Mills Private Limited. The Company's name was changed to Marshall Machines Private Limited on January 02, 2002. Thereafter the control & management of the Company was completely taken over by Mr. Gaurav Sarup and Mr. Prashant Sarup in February 2002 along with their father Late Shri Gautam Sarup.

Our Company is in the business of developing, manufacturing and marketing of Machine Tool Equipment. The business was originally founded by Mr. Gautam Sarup, who set up the business in the name and style of "Marshall Industries" more than 54 year ago to initially manufacture hosiery machines. In coming years, the business moved to design & manufacture of high precision Bench Lathes, Heavy Duty Lathes & Capstan Lathes, thousands of which were sold all over the country. The firm became known brand in the design and manufacture of high precision bench lathes, heavy duty lathes & capstan lathes. It was amongst first Indian CNC Machine manufacturers and launched CNC Machines way back in 1998.

Later, Mr. Gautam Sarup was joined in the business by his sons, Gaurav Sarup & Prashant Sarup ("Promoters") after completing their engineering education. As a team, they grew the product range to include All Geared Lathes, Multi Spindle Drilling/Tapping Machines & Special Purpose Machines.

BUSINESS OVERVIEW

Marshall Machines Limited is in the business of developing, manufacturing and marketing of Machine Tool Equipment including wide range of single spindle, patented double and four spindle CNC machines, automated robotic solutions and patent pending IoT*Q* suite of intelligent equipment. Moreover, our company sells machine parts of the manufactured machines as well to existing machinery buyers.

Technology is all around us and it has changed our lives and industries smarter, safer, and more convenient. As technology further leads us, intelligent machines are now becoming a reality. Over the past decade, Marshall has been a driving force behind innovation in Indian machine tool industry, automated solutions & smart technologies to solve the major problems of manufacturers and help improve productivity & profits. Our company has spent the past decade continuously improving its manufacturing operations and enhancing its technology to be able to immediately address

its customers' changing needs. In today's competitive 24/7 manufacturing world where demands are high and increased quality, efficiency and productivity are critical for success, manufacturers need a machine manufacturer that can deliver what they need, when they need it. Marshall Machines has become a domestic leader in reliable automated turning solutions because of its passion for innovation and overall commitment to the manufacturing industry gives customers constant access to new, cutting-edge solutions, while further solidifying its position as a leading provider of innovative, productive machine tools and systems.

We are providing our product offering and solutions to wide range of industries including manufacturers of Axles, Crankshafts, Auto Parts, Fans, Pumps, Bearings, Gear Blanks, Bushes, etc. Our machines are known for reliability and quality. Innovative technology, quality manufacturing and complete service and support are part & parcel of the Marshall experience. By utilizing the latest in automation technology, Marshall can respond to specific customer requirements and provides the most efficient machining solutions in the market. By using Marshall automated Turning Centers our customers have cut costs, increased productivity, and, at the end of the day, have more saleable components on the floor, for less cost.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

In the opinion of the Board of Directors of our Company, there have not arisen, since the date of the last financial statements disclosed in this Prospectus i.e. March 31, 2018, any significant developments or 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 was converted into Public Limited Company vide fresh Certificate of Incorporation dated May 17, 2018 issued by Registrar of Companies, Chandigarh vide shareholder's approval on April 24, 2018.
2. The Authorized Share Capital of Rs. 4,00,00,000 (Rupees Four Crore only) was increased to Rs. 15,00,00,000 (Rupees Fifteen Crores only) pursuant to a resolution of the shareholders dated April 24, 2018.
3. Reappointment of Mr. Prashant Sarup as Whole Time Director on May 23, 2018.
4. Appointment of Mr. Siddhant Sarup as Whole Time Director on May 23, 2018.
5. Appointment of Mr. Harish Pal Kumar and Mr. Satvinder Singh as Non-Executive & Independent Director on May 23, 2018.
6. The Company has allotted 85,44,000 Equity Shares as bonus issue of face value of Rs. 10/- each in the ratio of 4 equity shares for every 1 equity share pursuant to a resolution of the shareholders dated May 23, 2018.

SIGNIFICANT 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 20 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Increase in cost of material/components consumed;
- Technology upgradation;
- Maintenance of Quality Standards;
- Our ability to retain our Patents rights.
- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance.
- Company's results of operations and financial performance.
- Performance of Company's competitors.
- Interest rate fluctuation.
- Significant developments in India's economic and fiscal policies.
- Significant developments in India's environmental regulations.
- Volatility in the Indian and global capital market;

DISCUSSION ON RESULT OF OPERATION

The following discussion on results of operations should be read in conjunction with the restated standalone financial results of our Company for years ended March 31, 2018, 2017, 2016, 2015 and 2014.

OVERVIEW OF REVENUE & EXPENDITURE

Revenues

Our Company's revenue is primarily generated from sales of machines and other operating revenue:-

(Rs. In Lakhs)

Particulars	As at March 31				
	2018	2017	2016	2015	2014
Income					
Revenue from Operations	5936.60	5019.06	4380.10	4211.63	3894.06
Increase/Decrease in %	18.28	14.59	4.00	8.16	NA
Other Income	5.83	35.37	10.57	45.83	34.37
Increase/Decrease in %	(83.52)	234.63	(76.94)	33.34	NA
Total Revenue	**5942.43**	**5054.43**	**4390.67**	**4257.46**	**3928.43**

The following is the Income mix in terms of value of total income of our Company for sale of products and other operating income.

(Rs. In Lakhs)

Particulars	As at March 31				
	2018	2017	2016	2015	2014
Revenue from Operation					
Sale of products					
Domestic	5,812.89	4,966.86	4,140.38	4,061.00	3,879.91
Export	96.85	20.60	213.95	131.16	-
Total Sale of Products	**5,909.74**	**4,987.46**	**4,354.33**	**4,192.16**	**3,879.91**
Other Operating Revenue	26.86	31.60	25.77	19.48	14.14
Total Revenue from Operation	**5,936.60**	**5,019.06**	**4,380.10**	**4,211.63**	**3,894.06**

The following is the Income mix in terms of percentage of total income of our Company for sale of products and other operating income.

Particulars	As at March 31				
	2018	2017	2016	2015	2014
Revenue from Operation					
Sale of products					
Domestic	97.92%	98.96%	94.53%	96.42%	99.64%
Export	1.63%	0.41%	4.88%	3.11%	-
Total Sale of Products	**99.55%**	**99.37%**	**99.41%**	**99.54%**	**99.64%**
Other Operating Revenue	0.45%	0.63%	0.59%	0.46%	0.36%
Total Revenue from Operation	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Other Income

Other income consists of Interest income, Commission received, Foreign Exchange Gain/(Loss), Amount written off and miscellaneous reciepts.

(Rs. In Lakhs)

Particulars	As at March 31				
	2018	2017	2016	2015	2014
Commission Received	-	-	-	-	12.96
Interest received	5.83	3.35	2.14	13.11	16.28
Foreign Exchange Gain/(Loss)	-	29.97	-	20.56	-
Display charges	-	-	5.20	10.55	-
Amount written back	-	1.04	3.22	0.61	5.13
Miscellaneous Receipts	-	1.00	-	1.00	-
Total Other Income	**5.83**	**35.37**	**10.57**	**45.83**	**34.37**

The following is the other income mix in terms of percentage of other income of our Company for other incomes:

Particulars	As at March 31				
	2018	2017	2016	2015	2014
Commission Received	0.00%	0.00%	0.00%	0.00%	37.71%
Interest received	100.00%	9.47%	20.27%	28.61%	47.37%
Foreign Exchange Gain/(Loss)	0.00%	84.76%	0.00%	44.86%	0.00%
Display charges	0.00%	0.00%	49.24%	23.02%	0.00%
Amount written off	0.00%	2.94%	30.49%	1.33%	14.93%
Miscellaneous Receipts	0.00%	2.83%	0.00%	2.18%	0.00%
Total Other Income	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Trade Receivables

The following table presents the details of our Company's trade receivables:

Particulars	As at March 31				
	2018	2017	2016	2015	2014
Unsecured and Considered Good					
Outstanding for a period not exceeding six months	**744.73**	**506.51**	**195.55**	**284.33**	**181.28**
As a % of total Trade receivables	65.23	61.51	41.40	57.30	46.11
Outstanding for a period exceeding six months	**397.03**	**316.92**	**276.83**	**211.87**	**211.87**
As a % of total Trade receivables	34.77	38.49	58.60	42.70	53.89
Unsecured and Considered Doubtful	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
As a % of total Trade receivables	0.00	0.00	0.00	0.00	0.00
Less: Provision for doubtful debts	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
As a % of total Trade receivables	0.00	0.00	0.00	0.00	0.00

Total Trade receivables	**1141.76**	**823.43**	**472.38**	**496.20**	**393.15**
Avg. Trade receivables	982.60	647.91	484.29	444.68	NA
Trade receivables Turnover Ratio	**5.20**	**6.10**	**9.27**	**8.49**	**9.90**
Average Collection Period (in days)	**70.20**	**59.88**	**39.36**	**43.00**	**36.85**

Main Components of our Revenues

Income

Our total income comprises of revenue from operations and other income.

Revenue from Operations

Revenue from Operations includes sale of products and other operating revenues. Our revenue from operations as a percentage of total income was 99.90%, 99.30% and 99.76% in fiscal years 2018, 2017 and 2016 respectively.

Other Income

Our other income includes interest incomes, foreign exchange gain, amount written back and miscellaneous receipts. Other income, as a percentage of total income was 0.10%, 0.70% and 0.24% in fiscal years 2018, 2017 and 2016 respectively.

Expenditure

Our total expenditure primarily consists of (i) Cost of material consumed and change in inventories (ii) Employee Benefit Expenses (iii) Finance Costs (iv) Depreciation and (v) Other Expenses.

The following table sets forth our expenditure in Rupees and as a percentage of our total revenue for the periods indicated:

(Rs. in Lakhs)

Particulars	For the Year Ended March 31,				
	2018	2017	2016	2015	2014
Cost of Material Consumed & Change in Inventories	3,929.35	3,396.85	3,166.67	2,779.03	2,633.91
As a % of Total Revenue	66.12	67.21	72.12	65.27	67.05
Employee Benefits Expense	457.46	424.28	375.93	409.39	410.26
As a % of Total Revenue	7.70	8.39	8.56	9.62	10.44
Finance Cost	321.57	310.71	362.25	350.12	286.27
As a % of Total Revenue	5.41	6.15	8.25	8.22	7.29
Depreciation	219.77	160.02	122.99	225.26	138.51
As a % of Total Revenue	3.70	3.17	2.80	5.29	3.53
Other Expenses	267.92	582.92	289.72	453.16	368.17
As a % of Total Revenue	4.51	11.53	6.60	10.64	9.37
Total Expenditure	**5,196.07**	**4,874.78**	**4,317.56**	**4,216.96**	**3,837.10**

Main Components of our Expenditure

Cost of Material Consumed and Change in Inventories

Cost of material consumed and change in inventories is in relation to various materials consumed and inventories in the process of manufacturing/assembling. Cost of material consumed accounted for 66.12%, 67.21% and 72.12% of our total revenue for the financial year ended on March 31, 2018, 2017 and 2016 respectively.

Employee Benefit Expenses

Expenses in relation to employees' remuneration and benefits include salary and wages, contribution to provident and other funds, staff welfare expenses, Director's remuneration, Employee benefit expenses accounted for 7.70%, 8.39% and 8.56% of our total revenue for the financial year ended as on March 31, 2018, 2017 and 2016 respectively.

Finance Cost

Finance Cost primarily consists of Interest on borrowings, interest on trade payables and Bank Charges. Our finance costs accounted for 5.41%, 6.15% and 8.25% of our total revenue for the financial year ended as on March 31, 2018, 2017 and 2016 respectively.

Depreciation & Amortization

Depreciation & Amortization primarily consist of depreciation on the fixed assets of our Company which primarily includes Land, Building, Plant & Machinery, Vehicles, Furniture and fixtures, Computers and Office Equipments, electric installation and amortization on intangible assets, computer software, patent registration, patterns. It is provided using the written down value method as per the useful lives of assets estimated by the management or at the rates over the useful life prescribed under Schedule II of the Companies Act, 2013. Our depreciation accounted for 3.70%, 3.17% and 2.80% of our total revenue for the financial year ended as on March 31, 2018, 2017 and 2016 respectively.

Other Expenses

Other expenses primarily include advertisement expenses, remuneration to auditors, Conveyance & Travelling Expenses, Exhibition Expense, Foreign Exchange Loss, Freight & Cartage, general expenses, Indirect Taxes Paid, insurance, Legal and professional charges, packing charges, power & fuel, printing & stationery, rent, rates and taxes, Security Guard Expenses , Telephone & Postage Expenses etc. Other expenses accounted for 4.51%, 11.53% and 6.60% of our total revenue for the financial year ended as on March 31, 2018, 2017 and 2016 respectively.

Provision for Tax

Income taxes are accounted for in accordance with Accounting Standard – 22 on "Accounting for Taxes on Income" ("AS-22"), prescribed under the Companies (Accounting Standards) Rules, 2006. Our Company provides for current tax as well as deferred tax, as applicable.

Provision for current taxes is made at the current tax rates after taking into consideration the benefits available to our Company under the provisions of the IT Act.

Deferred tax arises from the timing differences between book profits and taxable profits that originate in one period and are capable of reversal in one or more subsequent periods and is measured using the tax rates and laws applicable as of the date of the financial statements. Our Company provides for deferred tax asset / liability on such timing differences subject to prudent considerations in respect of deferred tax assets.

Statement of profits and losses

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's restated financial statements, in each case stated in absolute terms and as a percentage of total sales and/or total revenue.

(Rs. In Lakhs)

Particulars	For the Year Ended March 31,				
	2018	2017	2016	2015	2014
INCOME					
Revenue from Operations					
Revenue	5936.60	5019.06	4380.10	4211.63	3894.06
Increase/Decrease in %	18.28	14.59	4.00	8.16	NA
Other Income	5.83	35.37	10.57	45.83	34.37
Increase/Decrease in %	(83.52)	234.63	(76.94)	33.34	NA
Total Revenue	**5942.43**	**5054.43**	**4390.67**	**4257.46**	**3928.43**
EXPENDITURE					
Cost of Material Consumed & Changed in Inventories	3,929.35	3,396.85	3,166.67	2,728.33	2,611.00
As a % of Total Revenue	66.12	67.21	72.12	64.08	66.46
Employee Benefits Expense	457.46	424.28	375.93	409.39	410.26
As a % of Total Revenue	7.70	8.39	8.56	9.62	10.44
Finance Cost	321.57	310.71	362.25	350.12	286.27
As a % of Total Revenue	5.41	6.15	8.25	8.22	7.29
Depreciation	219.77	160.02	122.99	225.26	138.51
As a % of Total Revenue	3.70	3.17	2.80	5.29	3.53
Other Expenses	267.92	582.92	289.72	503.86	391.06
As a % of Total Revenue	4.51	11.53	6.60	11.83	9.95
Total Expenditure	**5,196.07**	**4,874.78**	**4,317.56**	**4,216.96**	**3,837.10**
As a % of Total Revenue	87.44	96.45	98.33	99.05	97.68
Profit Before Exceptional & Extraordinary items and tax	**746.36**	**179.65**	**73.11**	**40.51**	**91.32**
As a % of Total Revenue	12.56	3.55	1.67	0.95	2.32
Exceptional Items	0.00	0.00	0.00	0.00	0.00
As a % of Total Revenue	0.00	0.00	0.00	0.00	0.00
Extraordinary Items	0.00	0.00	0.00	0.00	0.00
As a % of Total Revenue	0.00	0.00	0.00	0.00	0.03
Profit before tax	**746.36**	**179.65**	**73.11**	**40.51**	**91.32**
PBT Margin	12.56%	3.55%	1.67%	0.95%	2.32%

Tax expense:					
(i) Current tax	149.33	45.00	28.00	35.91	26.62
(ii)Prior Period Taxes	-	6.25	6.86	0.04	1.64
(iii) Deferred Tax Liability/(Assets)	166.81	17.90	(3.30)	(20.41)	4.31
(iv) MAT Credit Entitlement	(70.08)	-	-	-	-
Total	**246.06**	**69.15**	**31.56**	**15.54**	**32.57**
As a % of Total Revenue	4.14%	1.37%	0.72%	0.37%	0.83%
Profit for the year	**500.30**	**110.50**	**41.55**	**24.97**	**58.75**
PAT Margin	**8.42%**	**2.19%**	**0.95%**	**0.59%**	**1.50%**
Cash Profit	**720.07**	**270.52**	**164.54**	**250.23**	**197.26**
Cash Profit Margin	**12.12%**	**5.35%**	**3.75%**	**5.88%**	**5.02%**

FISCAL YEAR ENDED MARCH 31, 2018 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2017

Income

Total revenue increased by Rs. 888.00Lacs and 17.57% from Rs. 5054.43 lacs in the fiscal year ended March 31, 2017 to Rs. 5942.43 lacs in the fiscal year ended March 31, 2018. The revenue has increased mainly due to increase in sales domestically.

Expenditure

Total Expenditure increased by Rs. 321.29 Lacs and 6.59%, from Rs. 4874.78Lacs in the fiscal year ended March 31, 2017 to Rs. 5196.07Lacs in the fiscal year ended March 31, 2018. Overall expenditure has increased due to increase in cost of material consumed, finance cost, depreciation and employee benefit expenses.

Cost of Material Consumed and Change in Inventories

Cost of Material Consumed and Change in Inventories in terms of value and percentage increased by Rs. 532.50 Lacs and 15.68% from Rs. 3396.85 Lacs in the fiscal year ended March 31, 2017 to Rs. 3929.35 Lacs in the fiscal year ended March 31, 2018. Cost of Material Consumed and Change in Inventories has increased due to increase in purchases in line with increase in sales.

Employee Benefit Expenses

Employee Benefit Expenses in terms of value and percentage increased by Rs. 33.18Lacs and 7.82% from Rs. 424.28 Lacs in the fiscal year ended March 31, 2017 to Rs. 457.46 Lacs in the fiscal year ended March 31, 2018. Overall employee cost has increased due to increase in general increment in salary and directors remuneration.

Finance Costs

Finance Costs in terms of value and percentage increased by Rs. 10.86 Lacs and 3.50% from Rs. 310.71 Lacs in the fiscal year ended March 31, 2017 to Rs. 321.57 Lacs in the fiscal year ended March 31, 2018. Finance Costs has increased mainly due to higher interest out go on borrowings and other borrowing charges.

Depreciation and Amortization

Depreciation and Amortization in terms of value increased by Rs.59.75Lacs and37.34% from Rs 160.02 Lacs in the fiscal year ended March 31, 2017 to Rs. 219.77 Lacs in the fiscal year ended March 31, 2018. Depreciation and Amortization has increased due to increase in depreciation on plant & machinery, R&D Capitalized Cost for Development of New Product and patent registration.

Other Expenses

Other Expenses in terms of value and percentage decreased by Rs. 315.00 Lacs and 54.04% from Rs. 582.92 Lacs in the fiscal year ended March 31, 2017 to Rs. 267.92 Lacs in the fiscal year ended March 31, 2018. Other Expenses has decreased mainly due to Reversal of provision of Excise Duty on Closing Finished Stocks of previous year, and reduction in research and development expenses on new patents.

Profit before exceptional & extraordinary items and Tax

Profit before exceptional & extraordinary items and Tax has increased by Rs. 566.71 Lacs and 315.45% from Rs. 179.65 Lacs in the fiscal year ended March 31, 2017 to Rs. 746.36 Lacs in the fiscal year ended March 31, 2018. Profit before exceptional & extraordinary items and Tax has increased due to comparative increase in revenue than expenses.

Net Profit after Tax and Extraordinary items

Net Profit has increased by Rs. 389.80 Lacs and 352.76% from profit of Rs. 110.50 Lacs in the fiscal year ended March 31, 2017 to profit of Rs. 500.30 Lacs in the fiscal year ended March 31, 2018. Net profit has increased due to increase in revenue from operations and better utilization of resources.

FISCAL YEAR ENDED MARCH 31, 2017 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2016

Income

Total revenue increased by Rs. 663.76 Lacs and 15.12%, from Rs. 4390.67 Lacs in the fiscal year ended March 31, 2016 to Rs. 5054.43 Lacs in the fiscal year ended March 31, 2017. The revenue has increased due to increase in domestic sale and service charges received by the Company.

Expenditure

Total Expenditure increased by Rs. 557.22 Lacs, and 12.91%, from Rs. 4317.56 Lacs in the fiscal year ended March 31, 2016 to Rs. 4874.78 Lacs in the fiscal year ended March 31, 2017. Overall expenditure has increased mainly due to increase in cost of material consumed, employee benefit expenses, depreciation and amortization and other expenses of the Company.

Cost of Material Consumed and Change in Inventories

Cost of material Consumed and Change in Inventories in terms of value and percentage increased by Rs. 230.18 Lacs and 7.27% from Rs. 3166.67 Lacs in the fiscal year ended March 31, 2016 to Rs. 3396.85 Lacs in the fiscal year ended March 31, 2017. Cost of material Consumed and Change in Inventories has increased due to increase in purchases and stocks, in alignment with sales.

Employee Benefit Expenses

Employee benefit expenses in terms of value and percentage increased by Rs. 48.35 Lacs and 12.86% from Rs. 375.93 Lacs in the fiscal year ended March 31, 2016 to Rs. 424.28 Lacs in the fiscal year ended March 31, 2017. Overall employee cost has increased mainly due to increase in general increment in salary, increase in number of employees and other staff related expenses of the Company.

Finance Costs

Finance Costs in terms of value and percentage decreased by Rs. 51.54 Lacs and 14.23% from Rs. 362.25 Lacs in the fiscal year ended March 31, 2016 to Rs. 310.71 Lacs in the fiscal year ended March 31, 2017. Finance Costs has decreased mainly due to decrease in interest outgo on borrowings and payment of bank charges.

Depreciation

Depreciation in terms of value increased by 37.03 Lacs and 30.11% from Rs 122.99 Lacs in the fiscal year ended March 31, 2016 to Rs. 160.02 Lacs in the fiscal year ended March 31, 2017. Increase in Depreciation was due to depreciation of plant and machinery capitalized during the year.

Other Expenses

Other Expenses in terms of value and percentage increased by Rs. 293.20 Lacs and 101.20% from Rs. 289.72 Lacs in the fiscal year ended March 31, 2016 to Rs. 582.92 Lacs in the fiscal year ended March 31, 2017. Other Expenses has increased mainly due to increase in Advertisement/ Business Promotion Expenses, general expenses, insurance, legal and professional charges, research and development expenses, repairs and maintenance and telephone and postage expenses.

Profit before exceptional & extraordinary items and Tax

Profit before exceptional & extraordinary items and Tax has increased by Rs. 106.54 Lacs and 145.73% from Rs. 73.11 Lacs in the fiscal year ended March 31, 2016 to Rs. 179.65 Lacs in the fiscal year ended March 31, 2017. Profit before exceptional & extraordinary items and Tax has increased due to comparative increase in revenue than expenses of the company.

Net Profit after Tax and Extraordinary items

Net Profit has increased by Rs. 68.95 Lacs and 165.94% from Rs. 41.55 Lacs in the fiscal year ended March 31, 2016 to Rs. 110.50 Lacs in the fiscal year ended March 31, 2017. Net profit has increased due to comparative increase in revenue of the company.

FISCAL YEAR ENDED MARCH 31, 2016 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2015

Income

Total revenue increased by Rs. 133.20 Lacs and 3.13%, from Rs. 4257.47 Lacs in the fiscal year ended March 31, 2015 to Rs. 4390.67 Lacs in the fiscal year ended March 31, 2016. The revenue has increased due to increase in sale of products in domestic market as well as in international market.

Expenditure

Total Expenditure increased by Rs. 100.60 Lacs and 2.39%, from Rs. 4216.96 Lacs in the fiscal year ended March 31, 2015 to Rs. 4317.56 Lacs in the fiscal year ended March 31, 2016. Increase in overall expenditure is in accordance with increase in revenue.

Cost of Material Consumed and Change in Inventories

Cost of Material Consumed and change in Inventories in terms of value and percentage increased by Rs. 387.64 Lacs and 13.95% from Rs. 2779.03 Lacs in the fiscal year ended March 31, 2015 to Rs. 3166.67 Lacs in the fiscal year ended March 31, 2016. Cost of Material Consumed and change in Inventories has increased due to increase in purchases in line with increase in sales.

Employee Benefit Expenses

Employee benefit expenses in terms of value and percentage decreased by Rs. 33.46 Lacs and 8.17% from Rs. 409.39 Lacs in the fiscal year ended March 31, 2015 to Rs. 375.93 Lacs in the fiscal year ended March 31, 2016. Overall employee cost has decreased mainly due to consolidation of staff.

Finance Costs

Finance Costs in terms of value and percentage increased by Rs. 12.13 Lacs and 3.46% from Rs. 350.12 Lacs in the fiscal year ended March 31, 2015 to Rs. 362.25 Lacs in the fiscal year ended March 31, 2016. Finance Costs has increased mainly due to increase in other borrowing charges.

Depreciation

Depreciation in terms of value decreased by 102.27 Lacs and 45.40% from Rs 225.26 Lacs in the fiscal year ended March 31, 2015 to Rs. 122.99 Lakh in the fiscal year ended March 31, 2016. Depreciation has fallen as in previous year higher depreciation was charged in terms of Companies Act, 2013.

Other Expenses

Other Expenses in terms of value and percentage decreased by Rs. 163.44 Lacs and 36.07% from Rs. 453.16 Lacs in the fiscal year ended March 31, 2015 to Rs. 289.72 Lacs in the fiscal year ended March 31, 2016. Other Expenses has decreased mainly due to decrease in clearing and forwarding charges, Excise-Custom Duty Expense/ (Reversal of provision of Excise Duty on Closing Finished Stocks), freight and cartage, insurance and power and fuel.

Profit before Exceptional &Extraordinary items and Tax

Profit before exceptional & extraordinary items and tax has increased by Rs. 32.60 Lacs and 80.47% from Rs. 40.51 Lacs in the fiscal year ended March 31, 2015 to Rs. 73.11 Lacs in the fiscal year ended March 31, 2016. Profit before exceptional & extraordinary items and tax has increased due to comparative increase in revenue and expenses.

Net Profit after Tax and Extraordinary items

Net Profit has increased by 16.58 Lacs and 66.40% from Rs. 24.97 Lacs in the fiscal year ended March 31, 2015 to Rs. 41.55 Lacs in the fiscal year ended March 31, 2016. Net profit has increased due to decrease in taxes.

CASH FLOWS

(Rs. In Lakhs)

Particulars	Year ended March 31,		
	2018	2017	2016
Net Cash from Operating Activities	415.31	1,087.16	708.22
Net Cash from Investing Activities	(892.48)	(509.18)	(104.90)
Net Cash from Financial Activities	505.71	(517.32)	(540.19)

Cash Flows from Operating Activities

Net cash generated from operating activities in fiscal 2017-18 was Rs. 415.31 lakhs as compared to the PBT of Rs. 746.37 lakhs for the same period. This is primarily on account of changes in inventory, trade receivables, loans & advances, other current assets, trade payables and other current liabilities.

Net cash generated from operating activities in fiscal 2016-17 was Rs. 1,087.16 lakhs as compared to the PBT of Rs. 179.64 lakhs for the same period. This is primarily on account of changes in inventory, trade receivables, loans & advances, other current assets, trade payables and other current liabilities.

Net cash flow from operating activities in fiscal 2015-16 was Rs. 708.22 lakhs as compared to the PBT of Rs. 73.09 lakhs for the same period. This is primarily on account of changes in inventory, trade receivables, loans & advances, other current assets, trade payables and other current liabilities.

Cash Flows from Investment Activities

In fiscal 2017-18, the net cash invested in Investing Activities was negative Rs. 892.48 lakhs. This was mainly on account of interest received and purchase of fixed Assets.

In fiscal 2016-17, the net cash invested in Investing Activities was negative Rs. 509.18 lakhs. This was mainly on account of interest received and purchase of fixed assets.

In fiscal 2015-16, the net cash invested in Investing Activities was negative Rs. 104.90 lakhs. This was mainly on account of interest received and purchase of fixed assets.

Cash Flows from Financing Activities

Net cash from financing activities in fiscal 2017-18 was Rs. 505.71 lakhs. This was on account of proceeds from issue of share capital, proceeds of borrowings and interest paid on borrowings.

Net cash from financing activities in fiscal 2016-17 was negative Rs. 517.32 lakhs. This was on account of proceeds of borrowings and interest paid on borrowings.

Net cash from financing activities in fiscal 2015-16 was negative Rs. 540.19 lakhs. This was on account of proceeds of borrowings and interest paid on borrowings.

OTHER MATTERS

1. Unusual or infrequent events or transactions

Except as described in this Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent except Rs. 268.64 Lakhs incurred in financial year 2016-17 towards Research and development.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations

Other than as described in the section titled *"Risk Factors"* beginning on page 20 of this Prospectus respectively, to our knowledge there are no known significant economic changes that materially affected or are likely to affect income from continuing operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations

Other than as described in the section titled *"Risk Factors* beginning on page 20 of this Prospectus respectively to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

4. Future relationship between Costs and Income

Our Company's future costs and revenues will be determined by capital spending by companies, technology upgradation, economic activity, government policies and availability of materials/components.

5. The extent to which material increase/decreases in net revenue are due to increase/decrease in sale of our products.

Increase in revenues are by and large linked to increase in volume of business activities carried out by the Company.

6. Total turnover of each major industry segment in which the issuer company operates.

The Company is operating in machine tools industry, relevant industry data, as available, has been included in the chapter titled *"Our Industry"* beginning on page 102 of this Prospectus.

7. Status of any publicly announced new products or business segments

Our Company has not announced any new products and segment, other than through this Prospectus.

8. The extent to which the business is seasonal

Our Company business is not seasonal in nature.

9. Any significant dependence on a single or few suppliers or customers.

Our business is generally not dependent on few customers. The line of customers keep on changing depending upon their capital spending. We do depend upon certain suppliers for critical components, but we keep sufficient stock for such components/materials.

10. Competitive Conditions

We face competition from existing and potential competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled "Our Business" on page 110 of this Prospectus.

FINANCIAL INDEBTEDNESS

Our Company avails loans and bank facilities in the ordinary course of its business. As on date such loans are primarily for business expansion and working capital requirements. Our Company has obtained necessary consents required under relevant loan documentations for undertaking the Initial Public Issue including for change in its capital structure, shareholding pattern and amendment to its constitutional documents.

Pursuant to a resolution dated May 23, 2018 passed by our shareholders, our Board has been authorized to borrow any sum or sums of monies for and on behalf of our Company, from time to time provided that the sum or sums of monies so borrowed together with monies, if any, already borrowed by our Company (apart from the temporary loans obtained from our Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid up capital of the Company and its free reserves provided further that the total amount up to which the monies may be borrowed shall not exceed Rs. 8000.00 Lakhs at any point of time.

FINANCIAL INDEBTEDNESS OF OUR COMPANY

The Details of indebtedness of our Company as at March 31, 2018 is provided below:

1. **Financial Indebtedness from Kotak Mahindra Bank.**

Particulars	
Date of Creation of Charge	May 23, 2015
Charge Holder	Kotak Mahindra Bank, 27BKC, C 27, G Block, Bandra Kurla Complex, Bandra (E), Mumbai, Maharashtra- 400051
Charge Amount (Rs. In Lakhs)	2,091.00

FACILITY 1: Cash Credit Limit (CC)

Particulars	
Facility Name	Cash Credit Limit
Extent of Credit	Rs. 1500.00 Lakhs
Purpose	Working Capital Requirements
Margin	25%
Interest	Rate of interest as on date is 11.30%. consisting of applicable K-MCLR 6 months @ 8.50% and spread @ 2.80%
Tenor	Revolving in nature.

FACILITY 2: Working Capital Demand Loan (WCDL) (Sublimit of CC)

Particulars	
Facility Name	Working Capital Demand Loan (Sublimit of CC)
Limit	Rs. (1200.00) Lakhs
Purpose	Working Capital Requirements
Repayment	90 days (Revolving in nature)

FACILITY 3: Working Capital Term Loan (WCTL)

Particulars	
Facility Name	Working Capital Term Loan
Limit	Rs. 204.00 Lakhs

Purpose	Working Capital Requirements
Security (Primary)	Deposit of title deed
Repayment	60 Months

FACILITY 4: Term Loan (TL)

Particulars	
Facility Name	Term Loan
Balance	Rs. 12.00 Lakhs
Purpose	For working capital facility
Security (Primary)	Deposit of title deed
Repayment	25 Months

FACILITY 5: Inland Letter of Credit/Foreign Letter of Credit (ILC/FLC)

Particulars	
Facility Name	ILC/FLC
Limit	Rs. 150.00 Lakhs

FACILITY 6: Bank Guarantee [Sublimit of Inland Letter of Credit/Foreign Letter of Credit (ILC/FLC)]

Particulars	
Facility Name	BG (Sublimit of ILC/FLC)
Limit	Rs. (150.00) Lakhs

FACILITY 7: Conditional Working Capital Demand Loan (Conditional WCDL)

Particulars	
Facility Name	Conditional WCDL
Limit	Rs. 225.00 Lakhs
Purpose	For working capital facility
Validity	Revolving in nature

Following are the personal guarantors for the above Facilities:

Sr. No.	Name of the Guarantor	Relationship with the Company
1.	Mr. Gaurav Sarup	Promoter & Managing Director
2.	Mr. Prashant Sarup	Promoter &Wholetime Director

Primary Security for the above Facilities:

Sr. No.	Facility	Primary Security
1.	CC	First and exclusive charge on all existing and future current assets/ moveable fixed assets of the borrower.
2.	Term Loan	
3.	ILC/FLC	

Collateral Security for the above Facilities:

Sr. No.	Facility	Collateral Security
1.	CC	3. C-86, Phase V, Industrial Focal Point, Ludhiana- 141010 held in name of Marshall Industries 4. D-116 A, Phase V, Industrial Focal Point, Ludhiana- 141010
2.	Term Loan	
3.	ILC/FLC	

Other General Conditions are:

- Stock Audit to be conducted on Quarterly Basis.
- Cash margin @ 10% on NFB Limits.
- Monthly stock & book debts statements shall be submitted by the borrower in the prescribed format on or before 15th of the succeeding month.
- The borrower shall provide a Chartered Accountant certificate for total investment in the expansion/improvement project within 30 days after the final disbursement.
- TBC of Rs. 14.86 crores to be maintained during the currency of our loan.

DETAILS OF OTHER SECURED LOANS

Details of Other Secured Loans as on March 31, 2018 are as under:

(Rs in Lakhs)

Sr. No.	Name	Amount	Balance as on March 31, 2018	Rate of Interest (%)	Tenure (In Months)	Nature
1.	Electronica Finance Limited	175.00	146.06	12.95%	60	Machine Loan
2.	Equitas Small Finance Bank Limited	25.00	16.71	19.00%	24	Business Loan against Financials
3.	IVL Finance Limited	25.06	21.23	20.50%	12	Business Loan
4.	Shriram City Union Finance Limited	20.00	14.14	20.00%	24	Business Loan
5.	Siemens Financial Services Private limited	151.79	147.13	10.00%	48	Machine Loan and Business Loans
6.	Tata Capital Financial Service Limited	514.00	483.65	12.75%	60	Machine Loan and Business Loans
7.	HDFC Bank Limited	63.01	7.74	EMI Based	36	Car Loans
	Total		**836.66**			

For further details please refer chapter titled "Financial Statements" beginning on page 180 of this Prospectus.

Note: The above loans include current maturities.

UNSECURED LOANS

Details of Unsecured Loans as on March 31, 2018 are as under:

(Rs in Lakhs)

Sr. No.	Name	Amount (In Rs.)	Balance as on March 31, 2018 (In Rs.)	Rate of Interest (%)	Tenure (In Months)	Nature
1.	HDFC Bank Limited	30.00	9.72	EMI Based	24	Business Loan
2.	Capital First Limited	40.40	21.95	10.19%	24	Business Loan
3.	HDB Financial Services Limited	20.00	11.22	16.52%	36	Business Loan
4.	Magma Fincorp Limited	50.00	45.07	21.12%	24	Business Loan
5.	Indusind Bank Limited	40.00	23.6	18.50%	24	Business Loan
6.	Tata Capital Financial Service Limited	35.00	23.36	18.33%	24	Business Loan
	Total		**134.92**			

Note: The above loans include current maturities.

CHARGES FILED WITH ROC

(Rs in Lakhs)

Sr. No.	Name	Date of Creation	Amount	Nature
1.	Siemens Financial Services Private Limited	February 28, 2018	49.56	Machine Loan & Business Loan
2.	Tata Capital Financial Services Limited	January 04, 2018	210.00	Machine Loan & Business Loan
3.	Electronica Finance Limited	November 21, 2017	150.00	Machine Loan
4.	Tata Capital Financial Services Limited	April 22, 2017	325.00	Machine Loan & Business Loan
5.	Kotak Mahindra Bank Limited	May 23, 2015	2361.00	Credit Facilities
6.	Electronica Finance Limited	June 22, 2013	50.00	Machine Loan

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated below there are no outstanding litigations, suits, criminal or civil prosecutions, proceedings or tax liabilities against/by the Company, its Directors, its Promoters and its Group Companies and there are no defaults, non-payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions by the Company, default in creation of full security as per terms of issue/other liabilities, no amounts owed to small scale undertakings or any other creditor exceeding Rs. 1.00 lakh, which is outstanding for more than 30 days, no proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under Schedule V to 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, its Promoters, its Directors and Group Companies.

Further, except as stated herein, there are no past cases in which penalties have been imposed on the Company, its Promoters, its Directors or its Group Companies, and there is no outstanding litigation against any other Company whose outcome could have a material adverse effect on the position of the Company. Further, there are no cases of litigation, defaults etc. in respect of companies/firms/ventures with which the Promoters were associated in the past but are no longer associated, in respect of which the name(s) of the Promoters continues to be associated.

Further, apart from those as stated below, there are no show-cause notices / claims served on the Company, its Promoters, its Directors or it's Group Companies from any statutory authority / revenue authority that would have a material adverse effect on our business.

1. LITIGATION RELATING TO OUR COMPANY

Cases filed by our Company

Sr. No.	Respondent	Court/Case No./Judge	Case Details	Current Status
1.	J.V Export	Additional District Judge	Civil Suit for permanent injunction from restraining J.V Exports not to infringe the registered design of Marshall's Design of Double Spindle CNC Machines. Also mandatory Injunction seeking delivery and destruction of infringing material, machinery etc. and suit for rendition of accounts.	**Next Hearing**: September 07, 2018
2.	J.V Export & Janish Engineers	Additional District Judge	Contempt petition for violation of court order for preventing removal of goods from the premises of J.V Exports and for illegal sales in violation of the court orders.	**Next Hearing**: September 18, 2018
3.	J.V Export & V.V Rao	Additional District Judge	Contempt petition for violation of court order for preventing removal of goods from the premises of J.V Exports and for illegal sales in violation of the court orders.	**Next Hearing**: September 18, 2018

4.	Nirapjit & Others	Judicial Magistrate First Class	FIR filed for committing offences including the violation of Section 63/65 of the Copy Right Act.	**Next Hearing**: August 20, 2018
5.	Galaxy Machinery Pvt. Ltd. And Others CO-COM-2-2018	High Court of Punjab & Haryana	Civil case filed for infringement of the registered Design against the respondent. Interim injunction has been passed against the respondent.	**Next Hearing**: September 04, 2018
6.	Macpower CNC Machines Ltd & Another CO-COM-1-2018	High Court of Punjab & Haryana	Civil case filed for infringement of the registered Design against the respondent. Interim injunction has been passed against the respondent.	**Next Hearing**: September 04, 2018
7.	Ace Designers Ltd CS (COMM) 217/2018	High Court of Delhi	Civil case filed for infringement of the registered Design against the respondent u/s 22 of the Design Act, 2000.	**Next Hearing**: August 27, 2018
8.	Hema Ashok Hattangady CM (M) 720/2018	High Court of Delhi	Contempt notice issued against the Director of Ace Designers Ltd.	**Next Hearing**: September 05, 2018

Case filed against our Company

1) Doosan Machine Tools Co. Ltd., Korea Vs Marshall Machines Limited (CP-205-2016)

The main dispute in the present case is that a machine (Doosan CNC Horizontal Machining Centre HC 500 with CNC Control Fanuc 321A) was sent to Marshall Machines Pvt. Ltd. by Doosan Infracore Co. Ltd., Korea (**currently known as Doosan Machine Tools Co. Ltd**.) on the consignment basis for the period of one year 27.05.2012 to 26.05.2013 to show case in its Display center in terms of a consignment agreement. The consignment agreement had option to sell the machine in case Marshall can in India and remit payment to Doosan in case of sale.
After the display time was over, Marshall asked Doosan to take back `the machine as it could not be sold by Marshall. Marshall asked Doosan to take machine and refund the custom duties including other costs.
However Doosan filed a Company Petition before the High Court of Punjab and Haryana under section 433(e) of Companies Act, 1956 requesting for winding up the Marshall Company for its inability to pay the debt due to the Doosan, which was not due to them.
Then the Petition was transferred to National Company Law Tribunal (NCLT) in terms of Rule 5 of the Companies (Transfer of Proceedings Rules), 2016.
However in fact the notice to the Marshall Company was served upon 13.12.2016, which is before 15.12.2016 (Before the date of effect from which 'Rules' came into force) and Marshall was served before 15.12.2016 while the matter was pending in the Hon'ble High Court of Punjab and Haryana, accordingly NCLT returned the case to High Court as per order dated 28.08.2017.
Till date no hearing for the case has been done. The application for winding up has not been admitted in Hon'ble High Court Punjab and Haryana till date for want of hearing. Now the case is fixed for hearing in the High Court for 14.09.2018 in which Marshall has to file reply.

2) J.V. Export and Others Vs Marshall Machines Limited

Civil Suit for permanent injunction from restraining J.V. Exports not to infringe the registered design of Marshall's Double Spindle CNC Machines was filed by the Marshall Machines Limited. Contempt proceedings has already been initiated against J.V. Exports.
J.V. Exports has filed petition in High Court seeking early proceedings in the contempt case filed by Marshall Machines Limited against them.
The Case has been dismissed on August 09, 2018.

Cases pending with Tax Authorities

Details of outstanding demand in respect of Income Tax:

A.Y	Section	Outstanding demand amount (Rs. in Lakhs)
2012-13	220(2)	0.05

Details of outstanding demand in respect of TDS:

A total demand of Rs. 1.70 Lakhs is outstanding in respect of TDS as on August 16, 2018 for various assessment years.

2. LITIGATIONS RELATING TO THE PROMOTERS OF OUR COMPANY

Cases filed by our Promoters

Nil

Cases filed against our Promoters

Nil

Case Pending with Tax Authorities

Nil

3. LITIGATIONS RELATING TO THE DIRECTORS OTHER THAN PROMOTERS OF THE COMPANY

Cases filed against the Directors

Nil

Cases filed by the Directors

Nil

Case Pending with Tax Authorities

Nil

4. LITIGATIONS RELATING TO THE GROUP COMPANY/ENTITY

Cases Filed Against the Group Company/Entity

Nil

Cases Filed by the Group Company/Entity

Nil

Case Pending with Tax Authorities

Nil

5. LITIGATIONS RELATING TO THE DIRECTORS OF GROUP COMPANY/ENTITY

Cases filed against the Directors of Group Company

Nil

Cases filed by the Directors of Group Company

Nil

6. PAST CASES IN WHICH PENALTIES HAVE BEEN IMPOSED ON OUR COMPANY

There are no cases in the last five years in which penalties have been imposed on our Company.

7. CREDITORS OF THE COMPANY FOR THE AMOUNT EXCEEDING RS. 1 LAKHS OUTSTANDING FOR MORE THAN 30 DAYS

The Company has total of 103 trade creditors as on March 31, 2018 for the total amount of Rs. 1218.38 Lakhs which is outstanding for more than 30 days.

MATERIAL DEVELOPMENTS

Except as stated in the chapter titled *"Management's Discussion and Analysis of Financial Conditions and Results of Operations"* beginning on page 217 of this Prospectus, no material developments have taken place after March 31, 2018, the date of the latest balance sheet, that would materially adversely affect the performance of Prospectus of the Company. In accordance with SEBI requirements, our Company and the Lead Manager shall ensure that investors are informed of material developments until such time as the grant of listing and trading permission by the National Stock Exchange of India Limited.

We certify that except as stated herein above:

a. There are no pending proceedings for offences for non-payment of statutory dues by the promoters of the Company.
b. There are no cases of litigation pending against our Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of our Company.
c. There are no pending litigation against the Promoters/ Directors in their personal capacities and also involving violation of statutory regulations or criminal offences.
d. There are no pending proceedings initiated for economic offences against the Directors, Promoters, Companies and firms promoted by the Promoters.
e. There are no outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.
f. There are no litigations against the Promoters / Directors in their personal capacity.
g. The Company, its Promoters and other Companies with which promoters are associated have neither been suspended by SEBI nor has any disciplinary action been taken by SEBI.
h. Following are the trade creditors as on March 31, 2018 to whom Company owes sum exceeding Rs. 1,00,000 and are outstanding for more than 30 days as certified by the management of Our Company.

Sr. No.	Organization	Amount (Rs. in Lakhs)
1.	Advance Cooling Systems Pvt. Ltd.	11.07
2.	Advance Metal Working Solution	1.59
3.	Agarwal Traders	5.58
4.	Airtech Pvt. Ltd.	25.68
5.	Akal Industries	3.37
6.	Algra S.P.A.	5.23
7.	Amrit Castings	22.41
8.	Amrit Industries	27.46
9.	Apollo Stationers	1.25
10.	Automation Systems	10.86
11.	Automax (India)	1.70
12.	B.S.W.Tools Corporation	13.45
13.	Bemco Fluidtechnik Pvt Ltd	1.28
14.	BGS Enterprises	3.02

15.	Bhupindra Engineering Works	10.00
16.	Bhupindra Steel Industries	12.98
17.	Blum Novotest GMBH	4.85
18.	Bosch Rexroth (India) Ltd.	35.18
19.	Cenlub Industires Limited	3.96
20.	Chawla Iron & Steel Co.	12.70
21.	Chetna Hi Tech Engineers	1.98
22.	Chuckmatic Pvt. Ltd.	9.00
23.	Color Dots Prepress Studio	1.76
24.	Dropco Multilub Systems Pvt. Ltd.	1.65
25.	Durga Bearings Co. Pvt. Ltd.	27.95
26.	Emm Aar Traders	1.39
27.	Ess Ess Kay Engg. Co. (P) Ltd.	32.06
28.	Estovir Technologies	2.76
29.	ETE Electrogears Pvt. Ltd.	15.96
30.	Fenwick & Ravi	9.50
31.	Fluid Logic Systems Pvt Ltd	14.80
32.	G.S. Engitech Pvt. Ltd.	2.68
33.	Gagan Bearing & Mill Store	3.21
34.	Gates Unitta India Company Pvt Ltd.	1.26
35.	George Products Company	7.26
36.	Gogan Engineering Works	2.76
37.	Goodwill Elektro Controls	7.50
38.	Hind Ispat Udyog	10.00
39.	Hind Motor Transport Co.	1.02
40.	Hi-Tech Tools & Gauges	2.62
41.	HV Industrial Corporation	13.30
42.	Indotech Engineers	7.10
43.	International Automation Inc.	3.51
44.	J.V. Engineering & Conveyors (P.) Ltd.	10.59
45.	Jai Automation	3.44
46.	Jaspal Industrial Corporation	3.76
47.	Jaspal International	3.31
48.	K and D Communication Ltd.	1.00
49.	Laxmi Associates	1.76
50.	Machine Tools India Ltd	2.20
51.	Madan Gopal & Sons	7.65
52.	Mahesh Iron Traders	8.67
53.	Maheshwari Industrial Traders	2.00
54.	Marposs India Pvt. Ltd.	87.49
55.	MCU GMBH & Co. KG	7.12
56.	Mehra Electrode Company	1.44
57.	Mikronix Gauges Pvt Ltd	6.28
58.	Mittal Alloys	2.84
59.	Mittal Steel Traders	3.34

60.	Namrata Marketing Agencies	13.24
61.	Northern Hydraulics	2.67
62.	Om Power Systems	3.50
63.	Perfect Electricals	5.07
64.	Pradeep Electricals	5.72
65.	Pragati Automation Pvt. Ltd	38.56
66.	Pragati Udyog (India)	1.01
67.	Precision Metal Fab	17.16
68.	Premier(India) Bearings Ltd.	19.55
69.	Priyanshu Engineering Co.	2.13
70.	Protection Engineering	20.60
71.	R K Steels	5.13
72.	Rajamane Industries Pvt Ltd.	5.23
73.	Rajat Hydraulic Automation	2.97
74.	Rajiv Castings	4.73
75.	Ringfeder Power Transmission India P.Ltd	6.08
76.	Rollmann Trading Company	32.58
77.	Sanwalka Electricals	8.06
78.	Sayal Sales Corporation	1.98
79.	Schunk Intec India Pvt. Ltd.	8.59
80.	Secant Technologies	1.58
81.	Securitas Engineers	1.05
82.	Sharda Tools Company Pvt. Ltd.	1.39
83.	Shiv Electric Store	11.69
84.	Shree Balaji Engineering	47.27
85.	Siemens AG	173.34
86.	Siemens Ltd.	98.50
87.	Singh Pattern Works	7.03
88.	SKF India Ltd.	8.08
89.	SKF India Ltd.	1.08
90.	SKF India Ltd.	14.66
91.	SMC Pneumatics (India) Pvt Ltd.	9.40
92.	Soni Electrical & Electronics	16.92
93.	Sphoorti Machine Tools Pvt Ltd.	9.35
94.	Srujan Solutions	4.77
95.	Sunbeam Appliances	3.23
96.	Taegu Tec India P Ltd	1.35
97.	The Jaws Mfg. Co.	2.41
98.	THM Huade Hydraulics	17.88
99.	Tripat Electricals	6.71
100.	Triveni Needles Pvt. Ltd.	15.29
101.	V. Puri & Associates	1.05
102.	Vaibhav Enterprises	10.00
103.	Vivek Industries	2.25
	Total	**1,218.38**

GOVERNMENT AND OTHER STATUTORY APPROVALS

On the basis of the list of material approvals provided below, our Company can undertake the Issue and its current business activities and other than as stated below, no further approvals from any regulatory authority are required to undertake the Issue or continue such business activities. In case, if any of licenses and approvals which have expired; we have either made an application for renewal or are in process of making an application for renewal. Unless otherwise stated, these approvals are valid as of the date of this Prospectus. For further details, in connection with the applicable regulatory and legal framework, kindly refer "Key Industry Regulation and Policies" on page 140 of this Prospectus.

I. APPROVALS IN RELATION TO THE ISSUE

Corporate Approvals

1. Our Board has, pursuant to a resolution passed at its meeting held on May 21, 2018 authorized the Issue.
2. Our shareholders have pursuant to a resolution passed at their meeting May 23, 2018 under Section 62(1)(c) of the Companies Act 2013, authorized the Issue.

Approvals from Lenders

1. Our Company has obtained approval for the IPO from Kotak Mahindra Bank dated June 13, 2018.

II. INCORPORATION DETAILS

1. Corporate Identity Number: U29299PB1994PLC014605
2. Certificate of Incorporation dated May 23, 1994 issued by the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh vide CIN U29223PB1994PTC14605 in the name of V. B. Spinning Mills Private Limited.
3. Fresh Certificate of Incorporation dated January 02, 2002 issued by the Registrar of Companies, Punjab, Himachal Pradesh and Chandigarh vide CIN U29299PB1994PTC014605 pursuant to change of name from V. B. Spinning Mills Private Limited to Marshall Machines Private Limited.
4. Fresh Certificate of Incorporation dated May 17, 2018 issued by the Registrar of Companies, Chandigarh vide CIN U29299PB1994PLC014605 pursuant to conversion from private to public company.

III. APPROVALS/ LICENSES IN RELATION TO THE BUSINESS OF OUR COMPANY

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:

A. Under Direct and Indirect Laws

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
1.	Registration in Income Tax Department	Income Tax Department, Govt. of India	PAN: AADCM1377N	Perpetual	-
2.	Allotment of Tax Deduction Account Number (TAN)	Income Tax Department, Govt. of India	TAN: JLDM03658E	Perpetual	-

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
3.	Registration under Goods and Service Tax	Central Board of Indirect Taxes and Customs, Central Excise Division, Punjab	GSTIN: 03AADCM1377N1ZC	Perpetual	-

B. Under Industrial and Labour Law

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
1.	Registration under Employees Provident Funds and Miscellaneous Act, 1952 for property situated at C-86, Phase -V, Focal Point, Ludhiana–141010, Punjab	Employees Provident Fund Organization, Regional Office: Ludhiana	EPF Code: LDLDH1171867000	Perpetual	
2.	Registration under Employees' State Insurance Act, 1948 for property situated at C-86, Phase -V, Focal Point, Ludhiana–141010, Punjab	Employees' State Insurance Corporation, Regional Office, Sector – 19A, Chandigarh	ESI Code: 12-28662-65	Perpetual	-
3.	Registration under Factories Act, 1948 for property situated at C-86, Focal Point, Phase – V, Ludhiana 141010, Punjab.	Labour Department, Punjab	Registration No. LDH-7/M-32/646	December 31, 2018	-
4.	Consent order from Punjab Pollution Control Board under Air (Prevention & Control of Pollution) Act, 1981.	Punjab Pollution Control Board, Zonal Office - 1, Ludhiana	Consent Order No. CTOA/Renewal/LDHI/2018/7284592	September 30, 2022	-
5.	Consent order from Punjab Pollution Control Board under Water (Prevention & Control of Pollution) Act, 1974.	Punjab Pollution Control Board, Zonal Office - 1, Ludhiana	Consent Order No. CTOW/Renewal/LDHI/2018/7284612	September 30, 2022	-

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
6.	Certificate of Importer-Exporter Code (IEC)	Ministry of Commerce and Industry, Office of Jt. Director General of Foreign Trade	IEC Number: 3094001475	Perpetual	-

C. Other Registration and Certificates

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
1.	ISO 9001:2008 certification to Design, manufacturer and supplier of CNC Turning Centres, CNC Turnmill Centres & Double Head CNC Chuckers.	Intertek Certification Limited, United Kingdom	Certificate No. 0056935-00	September 14, 2018	-

D. Under Previous Indirect Laws

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
1.	Registration under Central Board of Excise and Customs for property situated at C-86, Phase-V, Focal Point, Ludhiana, Punjab - 141010	Central Board of Excise and Customs, Central Excise Division, Ludhiana	Registration No. AADCM1377NXM001	-	For manufacturing of Excisable Goods i.e. CNC Lathe Machines, Machine Tools and Other Lathes.
2.	Registration for Service Tax for property situated at C-86, Phase-V, Focal Point, Ludhiana, Punjab - 141010	Central Board of Excise and Customs, Central Excise Division, Ludhiana	Registration No. AADCM1377NST001	-	Maintenance or repair service, Business auxiliary service, Transport of goods by road/goods transport agency service, works contract service.

3.	Registration under Punjab Value Added Tax Act, 2005	Commercial Tax Department, Government of Punjab	TIN: 03621051483	-	-

INTELLECTUAL PROPERTY

A1: We have patents registered in the name of our Company which are summarized as below: -

Sr. No.	Patent	Act Under Which Application Was Made	Country	Date of Application/ Approval date	Application No./Patent No.	Class	Current Status	Valid Upto
1.	Computer Controlled Lathe	Patents Act, 1970	India	July 29, 2011	238418	15-99	Registered	July 28, 2021
2.	Method and apparatus for performing an automatic heath check up for a CNC turning center	Patents (Amendment) Act, 2005	India	January 24, 2017	201711002737	-	Application Not Yet Published	-
3.	Method and Apparatus for Tool life monitoring and Management in a CNC Environment	Patents (Amendment) Act, 2005	India	January 25, 2017	201711002831	-	Application Not Yet Published	-
4.	Method And Apparatus For Detecting Occurrence Of An Accident A CNC Environment And Taking Autonomous Actions Thereof	Patents (Amendment) Act, 2005	India	February 16, 2017	201711005604	-	Application Not Yet Published	-

A2: We have patents registered in the name of our Promoter/Relative of the Promoter/Group Entity, which are summarized as below: -

Sr. No.	Patent	Act Under Which Application Was Made	Country	Date of Application/ Approval date	Application No./Patent No.	Class	Current Status	Valid Upto
1.	An Improved Computer Controlled Lathe Machine	Patents Act, 1970	India	May 14, 2001	196748#	7	Registered	May 13, 2021
2.	CNC Turning Centre	Patents Act, 1970	India	August 25, 2005	200721*	15-99	Registered	August 25, 2020
3.	Method And System For Gauging And Auto Correcting Geometric Tolerances	Patents (Amendment) Act, 2005	India	June 08, 2016	201611019606**	-	Application Published	-
4.	Method And System For Gauging And Auto Correcting Geometric Tolerances	United States Code – 35	United States of America	June 28, 2016	15194590**	-	Application Published	-
5.	Smart coolant delivery system In CNC machines	Patents (Amendment) Act, 2005	India	February 12, 2018	201811005229**	-	Application Not Yet Published	-
6.	Auto Loading and unloading system and method for CNC machines	Patents (Amendment) Act, 2005	India	February 24, 2018	201811007024**	-	Application Not Yet Published	-

7.	Auto loading & unloading system and method for double spindle CNC machines	Patents (Amendment) Act, 2005	India	March 05, 2018	201811008029**	-	Application Not Yet Published	-
8.	Smart coolant delivery block in a CNC machine	Patents (Amendment) Act, 2005	India	March 14, 2018	201811009362**	-	Application Not Yet Published	-
9.	Smart plate for ensuring coolant flow in a CNC machine	Patents (Amendment) Act, 2005	India	March 14, 2018	201811009363**	-	Application Not Yet Published	-
10.	Robotic Catcher	Patents (Amendment) Act, 2005	India	April 05, 2018	201811013038##	-	Application Not Yet Published	-
11.	Smart Twin CNC	Patents (Amendment) Act, 2005	India	May 10, 2018		-	Application Not Yet Published	-

 # In the name of Gautam Sarup
** In the name of Marshsall Industries*
***In the name of Gaurav Sarup, Prashant Sarup and Siddhant Sarup*
##In the name of Siddhant Sarup

B: We have various trademark registered in the name of our Company which are summarized as below: -

Sr. No.	Logo	Act Under Which Application Was Made	Country	Date of Application/ Approval date	Application No./Trademark No.	Class	Current Status	Valid Upto
1.	MARSHALL SPINNER	Trade Marks Act, 1999	India	August 19, 2010	2011088	7	Registered	August 18, 2020
2.	QUATRO	Trade Marks Act, 1999	India	August 19, 2010	2011090	7	Registered	August 18, 2020
3.	RIGIDTURN	Trade Marks Act, 1999	India	May 08, 2012	2327887	7	Registered	May 07, 2022

4.	NANOTURN	Trade Marks Act, 1999	India	August 02, 2010	2002560	7	Registered	August 01, 2020
5.	SPINNER	Trade Marks Act, 1999	India	January 13, 2009	1773405	7	Registered	January 12, 2019
6.	QUATROTURN	Trade Marks Act, 1999	India	August 19, 2010	2011089	7	Registered	August 18, 2020
7.	DOUBLE SPINDLE	Trade Marks Act, 1999	India	November 01, 2010	2048245	7	Registered	October 31, 2020
8.	FOUR SPINDLE	Trade Marks Act, 1999	India	November 01, 2010	2048244	7	Registered	October 31, 2020
9.	TWINTURN	Trade Marks Act, 1999	India	August 02, 2010	2002555	7	Registered	August 01, 2020
10	SmartInsert	Trade Marks Act, 1999	India	January 17, 2017	3459837	7	Registered	January 16, 2027
11	SmartChek	Trade Marks Act, 1999	India	January 17, 2017	3459836	7	Registered	January 16, 2027
12	IoTQ Internet of Things for Quality	Trade Marks Act, 1999	India	December 02, 2016	3425652	7	Registered	December 01, 2026
13	ULTRA PRECISION	Trade Marks Act, 1999	India	February 28, 2012	2290607	7	Registered	February 27, 2022
14	SUPER PRECISION	Trade Marks Act, 1999	India	February 28, 2012	2290606	7	Registered	February 27, 2022

15	MARSHALL PRECISION	Trade Marks Act, 1999	India	February 28, 2012	2290605	7	Registered	February 27, 2022
16	ROBOTURN	Trade Marks Act, 1999	India	October 25, 2012	2417563	7	Registered	October 24, 2022
17	IoTQ	Trade Marks Act, 1999	India	December 02, 2016	3425653	7	Registered	December 01, 2026
18	MILLTURN	Trade Marks Act, 1999	India	February 04, 2013	2471043	7	Registered	February 03, 2023
19	MILTURN	Trade Marks Act, 1999	India	February 04, 2013	2471042	7	Registered	February 03, 2023
20	CLAMPTECH	Trade Marks Act, 1999	India	July 21, 2014	2777703	42	Registered	July 20, 2024
21	Smartcorrect	Trade Marks Act, 1999	India	January 23, 2015	2888544	7	Registered	January 22, 2025
22	CLAPTECH	Trade Marks Act, 1999	India	July 17, 2014	2776141	42	Registered	July 16, 2024
23	Smartdoor	Trade Marks Act, 1999	India	January 21, 2015	2886756	7	Registered	January 20, 2025
24	Smarteye	Trade Marks Act, 1999	India	January 21, 2015	2886755	7	Registered	January 20, 2025

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 May 21, 2018 and by the shareholders of our Company by a special resolution, pursuant to Section 62(1)(c) of the Companies Act, 2013, passed at the Extra Ordinary General Meeting of our Company held on May 23, 2018 at registered office of the Company.

PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoters, our Directors and our 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.

The Companies with which our Promoters, our Directors or persons in control of our Company are/ were associated as promoters, directors or persons in control have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

None of our Directors are in any manner associated with the securities market. There has been no action taken by SEBI against any of our Directors or any entity our Directors are associated with as directors.

PROHIBITION BY RBI

Neither our Company, nor our Promoters, or the relatives (as defined under the Companies Act) of our Promoters or Group Companies have been identified as wilful defaulters by the RBI or any other governmental authority. There are no violations of securities laws committed by them in the past or no proceedings thereof are pending against them.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in terms of Regulation 106M(2) of chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue face value capital exceeds Rs. 1,000.00 Lakhs, may issue shares to the public in accordance with the provisions of Chapter XB of the SEBI (ICDR) Regulations, 2009. Our Company also complies with the eligibility conditions laid by the NSE Emerge Platform for listing of our Equity Shares.

We confirm that:

1. In accordance with regulation 106(P) of the SEBI ICDR Regulations, this Issue is 100% underwritten and that the LM has underwritten 100% of the total issue size. For further details pertaining to underwriting please refer to chapter titled "General Information" beginning on page 54 of this Prospectus.
2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight 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 u/s 40 of the Companies Act, 2013.
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 Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
4. In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the Lead Manager will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue. We have signed Market Making Agreement dated May 24, 2018 with Choice Equity Broking Private Limited. For further details of the market making arrangement see chapter titled "General Information" beginning on page 54 of this Prospectus.

5. The Company has Net Tangible assets of at least Rs. 1.00 crore as per the latest audited financial results.
6. The Net worth (excluding revaluation reserves) of the Company is at least Rs. 1.00 crore as per the latest audited financial results. Net worth of the Company as on March 31, 2018 is Rs. 17.87 crores.
7. The Post-issue paid up capital of the Company shall be at least Rs. 1 Crore. The paid-up capital shall be Rs. 14.55 Crores after the issue.
8. The Company shall mandatorily facilitate trading in demat securities. We have entered into the tripartite agreements with both the depositories.
9. The Company has not been referred to Board for Industrial and Financial Reconstruction.
10. No petition for winding up is admitted by a court of competent jurisdiction or a liquidator has been appointed against the Company.
11. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
12. No defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years.
13. The Company has a website: www.marshallcnc.com

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER, SARTHI CAPITAL ADVISORS PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS FOR THE TIME BEING IN FORCE. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS PROSPECTUS, THE LEAD MANAGER, SARTHI 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 LEAD MANAGER, SARTHI CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO STOCK EXCHANGE A DUE DILIGENCE CERTIFICATE DATED AUGUST 18, 2018, WHICH SHALL ALSO BE SUBMITTED TO SEBI AFTER REGISTERING THE PROSPECTUS WITH ROC AND BEFORE OPENING OF THE ISSUE IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992.

"WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, CIVIL LITIGATIONS, DISPUTES WITH COLLABORATORS, CRIMINAL LITIGATIONS ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE 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 PROSPECTUS FILED WITH THE EXCHANGE 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 PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013/ COMPANIES ACT, 1956, 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 PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
4. **WE SHALL SATISFY OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITER TO FULFILL THEIR UNDERWRITING COMMITMENTS.**
5. **WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTER's CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTER's CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMPLETION OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.**
6. **WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTER's CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE 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 PROMOTER's 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 PROMOTER's CONTRIBUTION SHALL BE KEPT IN AN PUBLIC ISSUE ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE**

8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT IN A SCHEDULED BANK AS PER THE PROVISIONS 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 THE STOCK EXCHANGE 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 PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. – NOT APPLICABLE, AS IN TERMS OF THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013, THE SHARES ISSUED IN THE PUBLIC ISSUE SHALL BE IN DEMAT MODE 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 PROSPECTUS:**

    A. **AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND**

    B. **AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.**

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.**

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER's EXPERIENCE, ETC.**

15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**

16. **WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR – DETAILS ARE ENCLOSED IN "ANNEXURE - A"**

17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTION HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS."**

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 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 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 ARE IN THE PROCESS OF BEING 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 PROSPECTUS. – NOT APPLICABLE

(6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION [106P] AND [106V] OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.

Note:

The filing of this Prospectus does not, however, absolve our Company from any liabilities under Section 34, Section 35, Section 36 OR Section 38(1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Lead manager any irregularities or lapses in the Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Chandigarh, in terms of Section 26 and 33 of the Companies Act, 2013.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website, www.marshallcnc.com would be doing so at his or her own risk.

Caution

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the Lead Manager and our Company dated May 24, 2018 the Underwriting Agreement dated May 24, 2018 entered into among the Underwriter and our Company and the Market Making Agreement dated May 24, 2018 to be entered among the Market Maker, Lead Manager and our Company.

Our Company and the Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers, *etc.*

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

For details regarding the price information and the track record of the past Issues handled by the Lead Manager to the Issue as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by the SEBI, please refer to 'Annexure A' to this Prospectus and the website of the Lead Manager at www.sarthiwm.in.

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FIIs, Eligible NRIs, QFIs, multilateral and bilateral development financial

institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Ludhiana, Punjab only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Prospectus has been filed with NSE for its observations and NSE shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE NSE

National Stock Exchange of India Limited (NSE) has given in-principle approval vide letter dated August 17, 2018, to use its name in the offer documents in respect of the proposed issue of equity shares. The Disclaimer Clause as intimated by NSE exchange is as given below:

"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 Ref.: NSE/LIST/104 dated April 30, 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 draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this 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

This Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in term of Regulation 106(M)(3). However, a copy of the Prospectus shall be filed with SEBI at the SEBI Northern Regional Office, 5th Floor, Bank of Baroda Building, 16, Sansad Marg, New Delhi - 110001. A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar of Companies, Corporate Bhavan, 1st Floor, Plot No. 4-B, Madhya Marg, Sector-27B, Chandigarh - 160019.

LISTING

An application will be made to the NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE-Emerge will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The NSE has given its in-principle approval for using its name in the Prospectus vide its letter dated August 17, 2018.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE-Emerge mentioned above are taken within Six Working Days from the Issue Closing Date.

CONSENTS

Consents in writing of: (a) the Promoters, the Directors, the Company Secretary and Compliance Officer, Chief Financial Officer, the Statutory Auditor, Peer Review Auditor, the Banker to the Company and lenders and (b) Lead Manager, Underwriter, Market Maker, Registrar to the Issue, Banker(s) to the Issue, Legal Advisor to the Issue, Lenders, to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Section 26 of Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Prospectus and such consent and report is not withdrawn up to the time of delivery of this Prospectus with NSE.

EXPERT TO THE ISSUE

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

1. Report of the Statutory Auditor on Statement of Tax Benefits.

EXPENSES OF THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, see the chapter "Objects of the Issue" beginning on page 91 of this Prospectus.

DETAILS OF FEES PAYABLE

Fees Payable to the Lead Manager

The total fees payable to the Lead Manager will be as per the Mandate Letter dated November 11, 2017 issued by Lead Manager to our Company, 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 dated May 24, 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 allotment advice by registered post/ speed post/ under certificate of posting.

Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor and Advertiser, *etc.* will be as per the terms of their respective engagement letters.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and selling commission for this Issue is as set out in the Underwriting Agreement entered into between our Company and the Lead Manager. Payment of underwriting commission, brokerage and selling commission would be in accordance with applicable laws.

PREVIOUS RIGHTS AND PUBLIC ISSUES DURING THE LAST FIVE YEARS

We have not made any previous rights and/or public issues during the last five years 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 62 of this Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the initial public 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 186 OF COMPANIES ACT, 2013 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS

The equity shares of our Group Company is not listed on any recognized stock exchange. Our group company has not 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 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 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 Company Secretary and 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 center 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 Applicant 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 June 05, 2018. For further details, please refer to the chapter titled "*Our Management*" beginning on page 154 of this Prospectus.

Our Company has appointed Mr. Sumit Malhotra as the Company Secretary and Compliance Officer and he may be contacted at the following address:

MARSHALL MACHINES LIMITED

C 86, Phase V, Focal Point,

Ludhiana – 141010, Punjab

Tel: +91 161 5012406/2407/9648

E-mail: csmarshall@marshallcnc.com

Website: www.marshallcnc.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, *etc*.

CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS

Our Company has appointed S. Sood & Co., Chartered Accountants in place of Kapoor Sanjay & Associates, Chartered Accountants from financial year 2015-16, except that there has been no change in the statutory auditor 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 62 of this Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation.

PURCHASE OF PROPERTY

Other than as disclosed in this Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Prospectus.

Except as stated elsewhere in this Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made thereunder.

SERVICING BEHAVIOR

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits. Further, Our Promoters and Promoter Group have confirmed that they have not defaulted in respect of payment of interest and/or principal to the debenture/ bond/fixed deposit holder/ Banks/ FIs during the past three years

SECTION VII – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, the Memorandum and Articles, the terms of this Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN') 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, guidelines, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE, RoC, RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process.

RANKING OF EQUITY SHARES

The Equity Shares being offered shall be subject to the provisions of the Companies Act, 2013, our Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to the section titled, 'Main Provisions of the Articles of Association of the Company' on page 286 of this Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 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 dividends in cash and as per provisions of the Companies Act, 2013. For further details, please refer to the chapter titled 'Dividend Policy' on page 179 of this Prospectus.

FACE VALUE AND ISSUE PRICE

The Equity Shares having a Face Value of Rs. 10/- each are being offered in terms of this Prospectus at the price of Rs. 42/- per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled 'Basis for Issue Price' beginning on page 98 of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; Right of free transferability; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum and Articles of Association of the Company.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

As per the provisions of the Depositories Act, 1996 & regulations made thereunder and Section 29(1) of the Companies Act, 2013, the equity shares of a body corporate can be in dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of 3000 Equity Shares and the same may be modified by the NSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of 3000 Equity Shares subject to a minimum allotment of 3000 Equity Shares to the successful Applicants terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

MINIMUM NUMBER OF ALLOTTEES

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within 6 working days of closure of Issue.

JOINT HOLDERS

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with section 72 of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

a. to register himself or herself as the holder of the Equity Shares; or
b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may, at any time, give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may, thereafter, withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, 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 Applicants require changing of their nomination, they are requested to inform their respective depository participant.

MINIMUM SUBSCRIPTION

In the event our Company does not receive a minimum subscription of 100% of the Issue, subject to the Issue being made for at least 25% of the post-Issue paid up Indian Equity Share capital of our Company, in accordance with Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, including devolvement to the Underwriters within 60 days from the Issue Closing Date, we shall forthwith refund the entire subscription amount received not later than 70 days from the Issue Closing Date. If there is a delay beyond eight days after the expiry of 70 days from the Issue Closing Date, the Directors of our Company who are officers in default shall jointly and severally be liable to repay the money with such interest as prescriber under section 39(3) of the Companies Act, 2013 and Companies (Prospectus and Allotment of Securities) Rules, 2014. Further Section 39(5) states that in case of default under section 39(3), the Company and its officers who are in default shall be liable to a penalty of Rs. 1,000 for each day during which the default continues or Rs. 1,00,000, whichever is less.

Additionally, section 40(3) of the 2013 Act requires application money to be refunded in the event of failure to Allot Equity Shares for any other reason. If a default is made in complying with the provisions of this section the Company shall be punishable with a fine which shall not be less than Rs. 5,00,000, but which may extend to Rs. 5,000,000 and every officer of the Company who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than Rs. 50,000 but which may extend to Rs. 3,00,000 or with both.

MIGRATION TO MAIN BOARD

Our company may migrate to the main board of National Stock Exchange of India Limited at a later date subject to the following:

a) If the Paid-up Capital of our Company is likely to increase above Rs. 25 crore by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), our Company shall apply to NSE 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 our company is more than 10 crores but below Rs. 25 crores, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

MARKET MAKING

The shares offered through this issue are proposed to be listed on the NSE Emerge Platform wherein the Lead Manager to the issue shall ensure compulsory Market Making through registered Market Makers of the National Stock Exchange of India Limited for a minimum period of three years from the date of listing of shares offered though this Prospectus. For further details of the Market Making arrangement see chapter titled *"General Information - Details of the Market Making Arrangements for this Issue"* beginning on page 54 of this Prospectus.

RESTRICTIONS, IF ANY, ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution as detailed in chapter titled "Capital Structure" beginning on page 62 of this Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of Equity Shares and

on their consolidation/ splitting except as provided in the Articles of Association. Please refer to the section "Main Provisions of the Articles of Association" beginning on page 286 of this Prospectus.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of 3000 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the NSE Emerge Platform.

ALLOTMENT OF EQUITY SHARES IN DEMATERIALIZED FORM

Our Company shall issue shares only in dematerialized form. Investors making application in dematerialized form may get the specified securities rematerialized subsequent to allotment.

NEW FINANCIAL INSTRUMENTS

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Ludhiana, Punjab.

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

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

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(2) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post-issue face value capital exceeds ten crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the NSE Emerge). For further details regarding the salient features and terms of such an Issue please refer to the chapters titled 'Terms of the Issue' and 'Issue Procedure' beginning on page 259 and 265 of this Prospectus.

The Issue is being made by way of Fixed Price method.

FOLLOWING IS THE ISSUE STRUCTURE:

Public Issue of 38,70,000 Equity Shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs. 42/- per Equity Share aggregating to Rs. 1,625.40 Lakhs ('the Issue') by our Company.

The Issue comprises a Net Issue to Public of 36,72,000 Equity Shares ('the Net Issue') and a reservation of 1,98,000 Equity Shares for subscription by the designated Market Maker ('the Market Maker Reservation Portion').

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares available for allocation	36,72,000 Equity Shares	1,98,000 Equity Shares
Percentage of Issue Size available for allocation	94.88% of the Issue size (50% to Retail Individual Investors and the balance 50% to other investors).	5.12 % of the Issue size
Basis of Allotment	Proportionate subject to minimum allotment of 3000 Equity Shares and further allotment in multiples of 3000 Equity Shares each. For further details, please refer to the "Basis of Allotment" on page 276 of this Prospectus.	Firm Allotment
Mode of Application	All Applicants must compulsorily apply through ASBA Process (online or the physical form)	Through ASBA Process Only
Minimum Application Size	For QIB and NII: Such number of Equity Shares in multiples of 3000 Equity Shares such that the Application Value exceeds Rs. 2,00,000/- For Retail Individuals: 3000 Equity Shares	1,98,000 Equity Shares
Maximum Application Size	For QIB and NII: Such number of equity shares in multiples of 3000 Equity Shares such that the	Application size shall be 1,98,000 equity shares since there is a firm allotment

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
	Application Size does not exceed 36,72,000 Equity Shares. For Retail Individuals: Such number of Equity Shares in multiples of 3000 Equity Shares such that the Application Value does not exceed Rs. 2,00,000/-.	
Mode of Allotment	Dematerialized Form	
Trading Lot	3000 Equity Shares	3000 Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of Payment	The entire Application Amount will be payable at the time of submission of the Application Form.	

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details, please refer to "Issue Structure" on page 263 of this Prospectus.

*As per Regulation 43, sub regulation (4) of the SEBI (ICDR) Regulations, the allocation in the net issue to 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.

For the purpose of Regulation 43(4), if the retail individual investor category is entitled to more than fifty percent, on proportionate basis, the retail individual investors shall be allocated that higher percentage.

ISSUE OPENING DATE	AUGUST 28, 2018
ISSUE CLOSING DATE	AUGUST 30, 2018

Applications and any revision to the same (except that on the Issue Closing Date) will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form. On the Issue Closing date application and revision to the same will be accepted between 10.00 a.m. and 3.00 p.m. Applications will be accepted only on Working Days, i.e., all trading days of stock exchange excluding Sundays and bank holidays.

ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("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 section "PART B – General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013, applicable provisions of Companies Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations as amended. 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.

Pursuant to the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, there have been certain changes in the issue procedure for initial public offerings including making ASBA Process mandatory for all investors, allowing registrar, share transfer agents, collecting depository participants and stock brokers to accept application forms. Further, SEBI, by its circular No. (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, reduced the time taken for listing after the closure of an issue to six working days. These changes are applicable for all public issues which open on or after January 01, 2016.

Please note that the information stated/ covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Prospectus and the Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

Our Company and the LM are not liable for any amendments, modifications or change in applicable laws or regulations, which may occur after the date of this Prospectus.

FIXED PRICE ISSUE PROCEDURE

This Issue is being made in terms of Regulation 106(M)(2) of Chapter XB of SEBI (ICDR) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to the SCSB or Registered Brokers of Stock Exchanges or Registered Registrar to an Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI.

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing. In case of Non-Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

As per the provisions Section 29(1) of the Companies Act, 2013, the Allotment of Equity Shares in the Issue shall be only in a de-materialized form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). The Equity Shares on Allotment shall, however, be traded only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

APPLICATION FORM

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA applicants.

The prescribed color of the Application Form for various categories is as follows:

Category	Color of Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs applying on a repatriation basis	Blue

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process.

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus.

WHO CAN APPLY?

Persons eligible to invest under all applicable laws, rules, regulations and guidelines: -

- Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors as natural/legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*. Applications by HUFs would be considered at par with those from individuals;
- 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;
- Mutual Funds registered with SEBI;
- 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;
- 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);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional applicants category;

- Alternative Investment Funds, Venture Capital Funds, Foreign Venture Capital Investors registered with SEBI;
- Portfolio Manager registered with SEBI;
- State Industrial Development Corporations;
- 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;
- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- Provident Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Pension Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- 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;
- Insurance funds set up and managed by army, navy or air force of the Union of India.

As per the existing regulations, OCBs cannot participate in this Issue.

PARTICIPATION BY ASSOCIATES OF LM

The LM shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the LM may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis. All categories of Applicants, including associates and affiliates of the LM, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum Form 2A containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue and The Registrar to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of National Stock Exchange of India Limited i.e. www.nseindia.com.

OPTION TO SUBSCRIBE IN THE ISSUE

a) As per Section 29(1) of the Companies Act 2013, Investors will get the allotment of Equity Shares in dematerialization form only.

b) The Equity Shares, on allotment, shall be traded on Stock Exchange in demat segment only.

c) In a single Application Form 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.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON-REPATRIATION

Application must be made only in the names of individuals, limited companies or Statutory Corporations/institutions and not in the names of minors, foreign nationals, non-residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu undivided families, partnership firms or their nominees. In case of HUF's application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis should authorize their SCSB to block their NRE/FCNR accounts as well as NRO accounts.

APPLICATION BY MUTUAL FUNDS

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to reject any application without assigning any reason thereof. Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made. As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any single Company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific funds/Schemes. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

APPLICATIONS BY ELIGIBLE NRIS

NRIs may obtain copies of Application Form from the offices of the Lead Manager and the Designated Intermediaries. Eligible NRI Applicants applying 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 Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated May 03, 2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 (thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour).

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

APPLICATIONS BY ELIGIBLE FIIs/FPIs

On January 07, 2014, SEBI notified the SEBI FPI Regulations pursuant to which the existing classes of portfolio investors namely "foreign institutional investors" and "qualified foreign investors" will be subsumed under a new category namely "foreign portfolio investors" or "FPIs". RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, 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 Offer, 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. Further, a qualified foreign investor who had not obtained a certificate of registration as and FPI could only continue to buy, sell or otherwise deal in securities until January 06, 2015. Hence, such qualified foreign investors who have not registered as FPIS under the SEBI FPI Regulations shall not be eligible to participate in this Offer. In case of Applications 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 Application Form, failing which our Company reserves the right to reject any application without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Offer, 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 Applications made by SEBI-registered FIIs or subaccounts, 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 Application Form, failing which our Company reserves the right to reject any Application without assigning any reason. In terms of the SEBI FPI Regulations, the offer 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 24.00% of the paid-up Equity Share capital of our Company. The aggregate limit of 24.00% 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 24.00% of the total paid-up Equity Share capital of our Company, respectively. As per the circular issued by SEBI on November 24, 2014, these investment restrictions shall also apply to subscribers of offshore derivative instruments ("ODIs"). Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company. FPIs are permitted to participate in the Offer 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 Offer are advised to use the Application Form for Non-Residents (blue in colour). FPIs are required to apply through the ASBA process to participate in the Offer.

AS PER THE CURRENT REGULATIONS, THE FOLLOWING RESTRICTIONS ARE APPLICABLE FOR INVESTMENTS BY FPIS:

1. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by a domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of Schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized Stock Exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian Company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted nonconvertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-Convertible debentures or bonds issued by Non – Banking Financial Companies categorized as 'Infrastructure Finance Companies' (IFC) by the Reserve Bank of India; (i) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.

2. Where a foreign institutional investor or a sub account, prior to commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014, hold equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after Initial Public Offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment from the time being in force.

3. In respect of investments in the secondary market, the following additional conditions shall apply:

   a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;

   b) Nothing contained in clause (a) shall apply to:

      - ❖ Any transactions in derivatives on a recognized stock exchange;
      - ❖ Short selling transactions in accordance with the framework specified by the Board;
      - ❖ Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
      - ❖ Any other transaction specified by the Board.

   c) No transaction on the stock exchange shall be carried forward;

   d) The transaction of business in securities by a foreign portfolio investor shall be only through stockbrokers registered by the Board; provided nothing contained in this clause shall apply to;

      i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;

      ii. Sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

iii. Sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;

v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines of Disinvestment of shares of Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;

vi. Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;

vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

viii. Any other transaction specified by Board.

e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form: Provided that any shares held in non-dematerialized form, before the commencement of these regulation, can be held in non-dematerialized form, if such shares cannot be dematerialized.

4. Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.

5. The purchase of Equity Shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.

6. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.

7. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.

8. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority

b) Such offshore derivatives instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal, in offshore derivatives instruments directly or indirectly.

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulation, 2014 shall be deemed to have been issued under the corresponding provision of SEBI (Foreign Portfolio Investors) Regulation, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10 per cent of the total issued capital of the company.

An FII or its subaccount which holds a valid certificate of registration shall, subject to the payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

Qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provision of SEBI (Foreign Portfolio Investors) Regulation, 2014, for a period of one year from the date of commencement of aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

APPLICATIONS BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors:

Accordingly, the holding by any individual venture capital fund registered with SEBI in one company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one company. Further, Venture Capital Funds and Foreign Venture Capital Investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment Funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to a further 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 Regulations.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

APPLICATIONS BY INSURANCE COMPANIES

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the "IRDA Investment Regulations"), are broadly set forth below:

a. Equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

b. The entire group of the investee company: the least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of ULIPS); and

c. The industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of ULIPS).

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in the infrastructure and housing sectors on December 26, 2008, providing, among other things, that the exposure of an insurer to an infrastructure company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

APPLICATIONS BY BANKING COMPANIES

Applications by Banking Companies: In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company and the Selling Shareholders reserve the right to reject any Application without assigning any reason. The investment limit for banking companies as per the Banking Regulation Act, 1949, as amended, is 30.00% of the paid up share capital of the investee company or 30.00% of the banks' own paid up share capital and reserves, whichever is less (except in certain specified exceptions, such as setting up or investing in a subsidiary, which requires RBI approval). Further, the RBI Master Circular of July 01, 2015 sets forth prudential norms required to be followed for classification, valuation and operation of investment portfolio of banking companies.

Applications by SCSBs: SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 02, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

APPLICATION BY PROVIDENT FUNDS/ PENSION FUNDS

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

APPLICATION UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs (including FIIs), Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/ or bye laws must be lodged along with the Application Form. Failing this, our Company reserve the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In addition to the above, certain additional documents are required to be submitted by the following entities:

(a) With respect to applications by VCFs, FVCIs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

(b) With respect to applications 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 with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

(c) With respect to applications made by provident funds with minimum corpus of Rs. 250.00 million (subject to applicable law) and pension funds with a minimum corpus of Rs. 250.00 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

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 Application Form, subject to such terms and conditions that our Company, the lead manager may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

MAXIMUM AND MINIMUM APPLICATION SIZE

a) For Retail Individual Applicants

The Application must be for a minimum of 3000 Equity Shares. As the Application Price payable by the Applicant cannot exceed Rs. 2,00,000/-, they can make Application for only minimum Application size i.e. for 3000 Equity Shares.

b) For Other Applicants (Non- Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 2,00,000/- and in multiples of 3000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non- Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000/- for being considered for allocation in the Non- Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

INFORMATION FOR THE APPLICANTS

a) Our Company will file the Prospectus with the Registrar of Companies, Chandigarh, at least 3 (three) days before the Issue Opening Date.
b) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office or from the office of the LM.
c) Applicants who are interested in subscribing for the Equity Shares should approach the LM or their authorized agent(s) to register their Applications.

INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. ASBA Application Forms should bear the stamp of the SCSB's. ASBA Application Forms, which do not bear the stamp of the SCSB, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker ("broker") network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of National Stock Exchange of India Limited i.e. www.nseindia.com.

APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS

Please note that, providing bank account details in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). Applicants should carefully fill in their Depository Account details in the Application Form.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

BASIS OF ALLOTMENT

Allotment will be made in consultation with the 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 here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than 3000 equity shares the allotment will be made as follows:
   a) Each successful applicant shall be allotted 3000 equity shares; and
   b) The successful applicants out of the total applicants 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 (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 3000 equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of 3000 equity shares subject to a minimum allotment of 3000 equity shares.
5. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 3000 equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.
6. The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
   a) As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
   b) The balance net offer of shares to the public shall be made available for allotment to
      i. Individual applicants other than retails individual investors and
      ii. Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
   c) The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

For the purpose of Regulation 43(4), if the retail individual investor category is entitled to more than fifty percent, on proportionate basis, the retail individual investors shall be allocated that higher percentage.

The Executive Director / Managing Director of NSE – the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

PAYMENT BY STOCK INVEST

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003 04 dated November 05, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- All Applicants should submit their application through ASBA process only.

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form
- Do not apply on another Application Form after you have submitted an Application to the Bankers of the Issue.
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post.
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

OTHER INSTRUCTIONS

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

(i) All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications.

(ii) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.

(iii) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of' know your client' norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

PERMANENT ACCOUNT NUMBER OR PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ('PAN') to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 02, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Applications without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non- Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

GROUNDS FOR REJECTIONS

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form, duplicate PAN and mismatch of PAN;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of The Issue;
- Applications for number of Equity Shares which are not in multiples of 3000;

- Category not ticked;
- Multiple Applications as defined in this Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date;
- Detailed of ASBA Account not provided in the Application Form;
- Amount not blocked in ASBA within prescribed time;
- More than five application forms blocked from one ASBA Account.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013 which is reproduced below:

'Any person who:

a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.

SIGNING OF UNDERWRITING AGREEMENT

Vide an Underwriting agreement dated May 24, 2018 and addendum to the Underwriting Agreement dated August 14, 2018 this issue is 100% Underwritten.

FILING OF THE PROSPECTUS WITH THE ROC

The Company will file a copy of the Prospectus with the Registrar of Companies, Chandigarh, in terms of Section 26 of Companies Act, 2013.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013 the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation. In the pre-issue advertisement, we shall state the Offer Opening Date and the Offer 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.

DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

The Company will issue and dispatch letters of allotment/ securities certificates and/ or letters of regret or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date.

In case the Company issues Letters of allotment, the corresponding Security Certificates will be kept ready within two months from the date of allotment thereof or such extended time as may be approved by the Company Law Board under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

Allottees are requested to preserve such Letters of Allotment, which would be exchanged later for the Security Certificates. After the funds are transferred from the SCSB's to Public Issue Account on the Designated Date, the Company would ensure the credit to the successful Applicants depository account. Allotment of the Equity Shares to the Allottees shall be within one working day of the date of approval of Basis of Allotment by Designated Stock Exchange. Investors are advised to instruct their Depository Participants to accept the Equity Shares that may be allocated/ allotted to them pursuant to this issue.

PAYMENT OF REFUND

In the event that the listing of the Equity Shares does not occur in the manner described in this Prospectus, the Lead Manager shall intimate Public Issue bank and Public Issue Bank shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary applicants.

UNDERTAKINGS BY OUR COMPANY

The Company undertakes the following:

1. that if our Company do not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice in the newspapers to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers in which the Pre-Issue advertisement was published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
2. that if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the ROC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
3. that the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;

4. that all steps shall be taken to ensure the listing and commencement of trading of the Equity Shares at the Stock Exchange where the Equity Shares are proposed to be listed are taken within six Working days of Issue Closing Date or such time as prescribed;

5. that if allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under applicable law for the delayed period;

6. that the letter of allotment/unblocking of funds to the non-resident Indians shall be dispatched within specified time; and

7. that no further issue of Equity Shares shall be made till the Equity Shares offered through this Prospectus are listed.

UTILIZATION OF ISSUE PROCEEDS

Our Board certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in Section 40 of the Companies Act, 2013;

2. Details of all monies utilized out of the issue referred to in point 1 above shall be disclosed and continued to be disclosed till the time any part of the issue proceeds remains unutilized under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilized;

3. Details of all unutilized monies out of the Issue referred to in 1, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and

4. Our Company shall comply with the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.

5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

WITHDRAWAL OF THE ISSUE

Our Company, in consultation with the Lead Manager, reserves the right not to proceed with the Issue, in whole or any part thereof at any time after the Issue Opening Date but before the Allotment, with assigning reason thereof. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared within Two days of Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for such decision and. The LM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. Our Company shall also inform the same to the Stock Exchange on which Equity Shares are proposed to be listed. Notwithstanding the foregoing; the Issue is also subject to obtaining the following:

1. The final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and

2. The final RoC approval of the Prospectus after it is filed with the concerned RoC.

If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with afresh public offering of Equity Shares, our Company shall file a fresh Prospectus with Stock Exchange.

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 process of entering following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

(a) We have entered into a tripartite agreement between NSDL, the Company and the Registrar to the Issue.

(b) We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the Issue.

The Company's Equity shares bear an ISIN No. INE00SZ01018

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

COMMUNICATIONS

All future communications in connection with the Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip. Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED AMOUNT) APPLICANTS

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the LM are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. Our Company and the LM are not liable for any amendments, modifications, or changes in applicable laws or regulations,

which may occur after the date of this Prospectus. ASBA Applicants are advised to make the independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

ASBA PROCESS

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ('ASBA Account') is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the LM.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTAs or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

Who can apply?

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 01, 2010 all the investors can apply through ASBA process and after SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all investors must apply through the ASBA Process.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the Public Issue Account. The balance amount, if any against



the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the Public Issue Account as per the provisions of section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account. However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. 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. Foreign investment is allowed up to 100% under automatic route in our Company.

India's current Foreign Direct Investment ("FDI") Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI ("DIPP") by circular of 2016 with effect from June 07, 2016 ("Circular of 2016"), consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP. The Government usually updates the consolidated circular on FDI Policy once every Year and therefore, this circular of 2016 will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a Non-resident does not require the prior approval of the FIPB or the RBI, subject to fulfilment of certain conditions as specified by DIPP / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI and such other conditions as provided in the FDI Policy from time to time. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company.

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

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.

SECTION VIII – MAIN PROVISION OF ARTICLES OF ASSOCIATION

Pursuant to Schedule II of the Companies Act and the SEBI Regulation, the main provisions of our Articles relating to, inter alia, voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each Provision herein below is numbered as per the corresponding article number in our Articles and capitalized/defined terms herein have the same meaning given to them in our Articles.

SHARE CAPITAL

3. The Authorised Share Capital of the company shall be such amounts and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital in accordance with the Company's regulations and legislative provisions for the time being in force on that behalf with the powers to divide the share capital, whether original or increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such manner as may for the time being be provided by the Regulations of the Company and allowed by law.

4. Subject to the provisions of these Articles and of the Act, the shares shall be under the control of the Board of Directors, who may allot or otherwise dispose off the same to such persons, on such terms and conditions and at such time as they think fit and with full power to give any person the option to call of or be allotted shares of the Company of any class, either at a premium or at par and for such time and for such consideration as the Board of Directors think fit (subject to the provisions of Section 53, 54, 56 and 58 of the Act), provided that option or right to call of shares shall not be given to any person except with the sanction of the Company in General Meeting. The Board shall cause to be made the returns as the allotment provided for in Section 39 of the Act.

5. Any 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 the Articles, be a member.

6. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Section 48 of the Act, the consent in writing of the holders of three fourths of the issued shares of that class or with a sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

8. (1) The company may exercise the powers of paying commissions conferred by Section 40 of the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Section.

   (2) The rate of commission shall not exceed the rate of 5% (five percent) of the price at which the shares in respect whereof the same is paid are issued or an amount equal to 5% (five percent) of such price, as the case may be and in the case of debentures 2½% (two and a half per cent) of the price at which the debentures in respect whereof the same is paid are issued or an amount equal to 2½% (two and a half per cent) of such price, as the case may be.

   (3) The commission may be satisfied by payment in cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.

(4) The Company may also, on any issue of shares, pay such brokerage as may be lawful.

9. (1) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment (or within such other period as the conditions of issue shall provide) or within one month after the application for the registration of transfer is received by the Company.

(a) One certificate for all his shares without payment, or

(b) Several certificates, each for one or more of his shares, provided that any subdivision, consolidation or splitting of certificates required in marketable lots shall be done by the Company free of any charges.

(2) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid up thereon.

(3) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

10. The Company agrees, that it will not charge any fees exceeding those which may be agreed upon with the Stock Exchange.

(i) for issue of new certificates in replacement of those that are torn out, defaced lost or destroyed;

(ii) for sub-division and consolidation of shares and debenture certificates and for subdivision of Letters of Allotment and Split, Consolidation, Renewal and Pucca Transfer Receipts into denominations other than those fixed for the market units of trading".

11. If any shares stands in the names of two or more persons, the person first named in the register of members shall as regards receipt of dividends, the service of notices and subject to the provisions of these Articles, all or any other matter connected with the Company except the issue of share certificates, voting at meeting and the transfer of the share, be deemed the sole holder thereof.

LIEN

12. Subject to the provisions of Companies Act, 2013 the Company shall have a first and paramount lien upon all the shares (not being a fully paid up share) for all monies (presently payable) registered in the name of such member (whether solely or jointly with others) and upon the proceeds of sale thereof for his debts, liabilities and engagements (whether presently payable or not) solely or jointly with any other person, to or with the Company, whether the period for the payment, fulfillment or discharge thereof shall have actually lien or not and such lien shall extend to all dividends, from time to time, declared in respect of shares, subject to section 123 of the Companies Act 2013. The Board of Directors may at any time declare any shares to be wholly or in part exempt from the provisions of this clause.

13. The Company may sell, in such manner as the Board think fit, any share on which the Company has a lien provided that no sale shall be made :-

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

14. (1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(2) The purchaser shall be registered as the shareholder of the shares comprised in any such transfer.

(3) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the sale.

15. (1) The proceeds of the sale shall be received by the company and applied in payment of the whole or part of the amount in respect of which the lien exist as is presently payable.

(2) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares as the date of sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

16. (1) The Board of Directors may, from time to time, make calls upon the members in respect of money unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(2) Each member shall, subject to receiving at least Fourteen days notice specifying the time or times and place of payment of the call money pay to the Company at the time or times and place so specified, the amount called on his shares.

(3) A call may be revoked or postponed at the discretion of the Board.

17. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed. Call money may be required to be paid by instalments.

18. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

19. (1) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten percent or at such lower rate, if any as the Board may determine.

(2) The Board shall be at liberty to waive payment of any such interest wholly or in part.

20. (1) Any sum which by the terms of issue of a share become payable on allotment or at any fixed date, whether on account of the nominal value of the shares or by way of premium, shall for purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(2) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

21. Subject to the provisions of Section 50 and 179 of the Act, the Board :-

(a) May, if it thinks fit, receive from any member willing to advance all or any part of the money uncalled and unpaid upon any shares held by him; and

(b) If it thinks fit, may pay interest upon all or any of the moneys advanced on uncalled and unpaid shares (until the same would but for such advance become presently payable) at such rate not exceeding, unless the Company in general meeting shall otherwise direct, 12% (twelve percent) per annum as may be agreed upon between the Board and the member paying the sums or advances, Money so paid in advance shall not confer a right to dividend or to participate in profits.

22. On the trial or hearing on any suit or proceedings brought by the Company against any member or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of members of the company as a holder or one of the holders of the number of shares in respect of which such claim is made and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who resolved to make any call, nor that a quorum of Directors was present at Board Meeting at which any call was resolved to be made, nor that the meeting at which any call was resolved to be made was duly convened or constituted nor any other matter, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

23. Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall, preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

TRANSFER AND TRANSMISSION OF SECURITIES

24. The Company shall keep a "Register of Transfers" and therein shall fairly and distinctly enter particulars of every transfer or transmission of any share(s) or securities.

25. (1) the instrument of transfer of any securities in the Company shall be executed by or on behalf of both the transferor and the transferee;

(2) the transferor shall be deemed to remain a holder of the security until a properly signed deed of transfer is received by the Company within 2 months of its execution and proper note thereof has been taken and name of transferee has been entered in the Register of Members/Securities, as the case may be;

(3) that there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law;

(4) that a common form of transfer shall be used;

(5) that fully paid shares shall be free from all lien and that in the case of partly paid shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares;

(6) that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;

(7) that any amount paid up in advance of calls on any share may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits;

(8) that option or right to call of shares shall not be given to any person except with the sanction of the Company in general meetings;

(9) Permission for Sub-Division/Consolidation of Share Certificate.

26. The instrument of transfer shall be in writing and all the provisions of Companies Act 2013 and modification thereof for the time being shall be complied with in respect of all transfers of shares and registration thereof.

27. Unless the Directors decide otherwise, when an instrument of transfer is tendered by the transferee, before registering any such transfer, the Directors shall give notice by letter sent by registered acknowledgement due post to the registered holder that such transfer has been lodged and that unless objection is taken the transfer will be registered. If such registered holder fails to lodge an objection in writing at the office within ten days from the posting of such notice to him, he shall be deemed to have admitted the validity of the said transfer. Where no notice is received by the registered holder, the Directors shall be deemed to have decided not to give notice and in any event to the non-receipt by the registered holder of any notice shall not entitle him to make any claim of any kind against the Company or the Directors in respect of such non-receipt.

TRANSFER OF SECURITIES

28. The Board of Directors may, subject to the right of appeal conferred by Section 58 of the Companies Act, 2013 decline to register :-

(a) the transfer of a share not being a fully paid up share, to a person of whom they do not approve; or

(b) any transfer of the share on which the Company has a lien, provided that the registration transfer shall not be refused on the ground of transferor being either alone or jointly with any person or persons indebted to the Company on any account except a lien.

29. The Board may decline to recognize any instrument of transfer unless:-

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

30. All instruments of transfer which shall be registered shall be retained by the Company, but may be destroyed upon the expiration of such period as the Board may from time to time determine. Any instrument of transfer which the Board declines to register shall (except in any case of fraud) be returned to the person depositing the same.

31. (a) On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

(b) There shall be no charge for :

(a) registration of shares or debentures.

(b) sub-division and/or consolidation of shares and debentures certificates and sub-division of Letters of Allotment and split consolidation, renewal and pucca transfer receipts into denominations corresponding to the market unit or trading;

(c) sub-division of renouncible Letters of Right;

(d) issue of new certificates in replacement of those which are decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilised;

(e) registration of any Powers of Attorney, Letter of Administration and similar other documents.

TRANSMISSION OF SECURITIES

32. (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 persons recognised by the company as having any title to his interest in the shares.

(b) Nothing in clause (a) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

33. (a) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either :-

(i) to be registered himself as holder of the share; or

(ii) to make such transfer of the share as the deceased or insolvent member could have made.

(b) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

34. (a) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(b) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(c) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

35. On the transfer of the share being registered in his name a person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company.

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within 90 (ninety) days, the Board may thereafter with hold payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice have been complied with.

36. Where the Company has knowledge through any of its principal officers within the meaning of Section 2 of the Estate Duty Act, 1953 of the death of any member of or debenture holder in the company, it shall furnish to the controller within the meaning of such section, the prescribed particulars in accordance with that Act and the rules made thereunder and it shall not be lawful for the Company to register the transfer of any shares or debentures standing in the name of the deceased, unless the transferor has acquired such shares for valuable consideration or a certificate from the Controller is produced before the Company to the effect that the Estate Duty in respect of such shares and debentures has been paid or will be paid or that none is due, as the case may be.

37. The Company shall incur liability whatever in consequence of its registering or giving effect, to any transfer of share made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the register of members) to the prejudice of persons having or claiming any equitable right, title of interest to or in the said 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 required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability 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 though not bound so to do, shall be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

FORFEITURE OF SHARES

38. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

39. The notice aforesaid shall:-

(a) name a further day (not being earlier than the expiry of 14 (fourteen) days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

40. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time, thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the date of forfeiture, which shall be the date on which the resolution of the Board is passed forfeiting the shares.

41. (1) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(2) At any time before a sale or disposal, as aforesaid, the Board may annul the forfeiture on such terms as it thinks fit.

42. (1) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys which, at date of forfeiture, were presently payable by him to the Company in respect of the shares together with interest thereon from the time of forfeiture until payment at the rate of 9 % (nine percent) per annum.

(2) The Liability of such person shall cease if and when the Company shall have received payments in full of all such money in respect of the shares.

43. (1) A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

(2) The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed off.

(3) The transferee shall thereupon be registered as the holder of the share.

(4) The transferee shall not bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale of disposal of the share.

44. The provisions of these regulations as to forfeiture shall apply, in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

45. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of the share, and all other rights incidental thereto except only such of those right as by these Articles are expressly saved.

46. Upon any sale, after forfeiture or for enforcing a lien in purported exercise of 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 in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings or to be application of the purchase money and after his name has been entered in the Register 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.

47. Upon any sale, re-allotment or other disposal under the provisions of these Articles relating to lien or to forfeiture, 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. When any shares, under the powers in that behalf herein contained are sold by the Board and the certificate in respect thereof has not been delivered up to the Company by the former holder of such shares, the Board may, issue a new certificate for such shares distinguishing it in such manner as it may think fit, from the certificate not so delivered.

48. The Directors may subject to the provisions of the Act, accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof.

ALTERATION OF CAPITAL

49. The Company may, from time to time, by ordinary resolution increase its share capital by such sum, to be divided into shares of such amount, as the resolution shall specify.

50. Subject to the provision of Section 61, the Company may, by ordinary resolution in general meeting :

(a) consolidate and divide all or any of its capital into shares of larger amounts than its existing shares:

(b) convert all or any of its fully paid-up shares into stocks, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them, into shares of smaller amounts than is fixed by the Memorandum of Association, so however, that in the sub-division the proportion between the amount paid

and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;

(d) cancel any share which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

51. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law :-

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

52. The Company may, from time to time, by special resolution and on compliance with the provisions of Section 66 of the Act, reduce its share capital.

53. The Company shall have power to establish Branch Offices, subject to the provisions of the Act or any statutory modifications thereof.

54. The Company shall have power to pay interest out of its capital on so much of shares which were issued for the purpose of raising money to defray the expenses of the construction of any work or building or the provision of any plant for the Company in accordance with the provisions of the Act.

55. The Company, if authorised by a special resolution passed at a General Meeting may amalgamate or cause itself to be amalgamated with any other person, firm or body corporate, subject however, to the provisions of Section 230 to 232 of the Act.

CONVERSION OF SHARES INTO STOCK

56. The Company may, by an ordinary resolution:-

(a) convert any paid-up shares into stock; and

(b) reconvert any stock into paid-up shares of any denomination authorised by these regulations.

57. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit:

Provided 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.

58. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regard dividends voting and meeting of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

59. Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholder" respectively.

SHARE WARRANTS

60. The Company may issue share warrant, subject to and in accordance with, the provisions of the Companies Act 2013 and accordingly the Board may in its discretion with respect of any share which is fully paid up, on application in writing signed by the person registered as holder of the share and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the person signing the application and on receiving the certificate (if any) 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.

61. (1) The bearer of a share warrant may at any time deposit the warrant at the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company and of attending and voting and exercising, the other privileges of a 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 shares included in the deposited warrant.

(2) Not more than one person shall be recognised as depositor of the share warrant.

(3) The Company shall, on two days written notice, return the deposited share warrant to the depositor.

62. (1) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling meeting of the Company or attend or vote or exercise any other privilege of a member at a meeting of the company or be entitled to receive any notice from the Company.

(2) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he was named in the register of member as the holder of the shares including in the warrant and he shall be deemed to be a member of the Company in respect thereof.

63. The Board may, from time to time, make rules as to the 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 of the original.

CAPITALISATION OF PROFITS

64. (1) The company in General Meeting may, upon the recommendation of the Board resolve:-

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss Account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) among the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(2) The sum aforesaid shall not be paid in cash, but shall be applied, subject to the provisions contained in clause (3), either in or towards :-

(i) paying up any amounts for the time being upaid 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-claue (i) and partly in that is specified in sub-cluse (ii).

(3) Any share/securities premium account and any capital redemption reserve fund may, for the purpose of this regulation, only be applied in the paying up of unissued share to be issued to members of the Company as fully paid bonus shares.

(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

65. (1) Whenever such as resolution as aforesaid shall have been passed, the Board shall:-

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, if any; and

(b) 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 the 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 capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(3) Any agreement made under such authority shall be effective and binding on all such members.

BUY-BACK OF SHARES

66. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETING

67. All General Meetings other than the Annual General Meetings of the Company shall be called Extra-Ordinary General Meetings.

68. (1) The Board may, whenever it thinks fit call an Extraordinary General Meeting.

(2) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

CONDUCT OF GENERAL MEETINGS

69. No general meeting, annual or extraordinary, shall be competent to enter upon, discuss or transact any business which has not been stated in the notice by which it was convened or called.

70. (1) No business shall be transacted at any general meeting, unless a quorum of members is present at the time when the meeting proceeds to business.

(2) Save as otherwise provided in Section 103 of the Act, a minimum of:-

a) five members personally present if the number of members as on the date of meeting is not more than one thousand;

b) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;

c) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;

Furthermore, A body corporate, being member, shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act.

CONDUCT OF MEETINGS

71. The Chairman, if any of the Board shall preside as Chairman at every general meeting of the company.

72. If there is no such Chairman or if he is not present within fifteen minutes of the time appointed for holding the meeting or is unwilling to act as Chairman of the meeting, the Directors present shall elect one of their members to be the Chairman of the meeting.

73. If at any meeting no Director is willing to act as Chairman or if no Director is present within 15 (fifteen) minutes of the time appointed for holding the meeting, the members present shall choose one of their members to be the Chairman of the meeting.

74. No business shall be discussed at any general meeting except the election of a Chairman, whilst the chair is vacant.

ADJOURNMENT OF MEETING

75. (1) The Chairman 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 place to place.

(2) No business shall be transacted at any adjourned meeting, other than the business left unfinished at the meeting from which the adjournment took place.

(3) When a meeting is adjourned for thirty days or more, fresh notice of any adjourned meeting shall be given as in the case of an original meeting.

(4) Save as aforesaid, it shall not be necessary to give any notice of any adjournment or of the business to be transacted at an adjourned meeting.

76. In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes places or at which the poll is demanded shall be entitled to a second or casting vote.

77. Any business other than that upon which a poll has been demanded, may be proceeded with, pending the taking of the poll.

VOTING RIGHTS

78. Subject to any rights or restrictions for the time being attached to any class or classes of shares:

(a) on a show of hands, every member present in person shall have one vote; and

(b) on a poll, the voting rights of members shall be as laid down in Section 47 of the Act.

79. In the case of joint holders, the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names of joint holders stand in the Register of members.

80. A member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll by his committee or other legal guardian, and any such committee or guardian may on a poll, vote by proxy, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the office not less than 24 hours before the time of holding the meeting or adjourned meeting at which such person claims to vote on poll.

81. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

82. No member shall be entitled to vote at any general meeting unless all calls and other sums presently payable by him in respect of shares in the Company or in respect of shares, on which the Company has exercised any right of lien, have been paid.

83. (1) 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.

(2) Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision thereon shall be final and conclusive.

84. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

85. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

86. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given, Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

87. The number of Directors of the Company shall not be less than three and not more than fifteen.

88. The following are the first directors of the Company:-

1. Mr. Joginder Singh Guliani

2. Mr. Harpreet Singh

3. Mr. Rajpal Singh Guliani

4. Mr. Jaswinder Singh Guliani

89. At every Annual General Meeting of the Company one-third of such of the Directors for the time being as are liable to retire by rotation in accordance with the provisions of Section 152 of the Act or if their number is not three or a multiple of three, then the number nearest to one third shall retire from office in accordance with the provisions of Sections 152 of the Act.

90. (1) Subject to the provisions of the Companies Act, 2013 and Rules made there under each Director shall be paid sitting fees for each meeting of the Board or a committee thereof, attended by him a sum not exceeding Rs. 100,000/- (Rupees One Lacs Only);

(2) Subject to the provisions of Section 197 of the Act, the Directors shall be paid such further remuneration, whether in the form of monthly payment or by a percentage of profit or otherwise, as the Company in General Meeting may, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and in such manner as the Board may, from time to time, determine and in default of such determination, shall be divided among the directors equally of is so determined paid on a monthly basis.

(3) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day to day.

(4) Subject to the provisions of Sections 197 of the Act, if any Director be called upon to perform any extra services or make special exertions or efforts (which expression shall include work done by a Director as a member of any committee formed by the Directors) the Board may pay such Director special remuneration for such extra services or special exertions or efforts either by way of a fixed sum or by percentage of profit otherwise and may allow such Director at the cost and expense of the Company such facilities or amenities (such as rent free house, medical aid and free conveyance) as the Board may determine from time to time.

(5) In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid in accordance with company's rules to be made by the Board all travelling, hotel and other expenses properly incurred by them :-

(a) In attending and returning from meetings or adjourned meeting of the Board of Directors or any committee thereof; or

(b) In connection with the business of the Company.

91. The Directors shall not be required to hold any qualification shares in the Company.

92. Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

93. If it is provided by any trust deed securing or otherwise in connection with any issue of debentures of the Company that any person or persons shall have power to nominate a Director of the Company then in the case of any and every such issue of debentures, the persons having such power may exercise such power, from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as a Debenture Director. A Debenture Director may be removed from office at time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A debenture Director shall not be liable to retire by rotation.

94. In the course of its business and for its benefit the Company shall, subject to the provisions of the Act, be entitled to agree with any person, firm, corporation, government, financing institution or other authority that he or it shall have the right to appoint his or its nominee on the Board of Directors of the Company upon such terms and conditions as the Directors may deem fit. Such nominees and their successors in office appointed under this Article shall be called Nominee Directors. Nominee Directors shall be entitled to hold office until requested to retire by the government, authority, person, firm, institution or corporation who may have appointed them and will not be bound to retire by rotation. As and whenever a Nominee Director vacates office whether upon request as aforesaid or by death, resignation or otherwise the government, authority, person, firm, institution or corporation who appointed such Nominee Director may if the agreement so provide, appoint another Director in his place.

95. Subject to the provisions of Section 161 of the Act, the Board of Directors shall have power to appoint an alternate Director to act for a Director during his absence for a period of not less than three months from India.

96. The Directors shall have power, at any time and from time to time, to appoint any qualified person to be a director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall held 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 as aforesaid but he shall then be eligible for re-election.

97. A person may be or become a director of any company promoted by the company or in which it may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as director or shareholder of such company. Such Director, before receiving or enjoying such benefits in case in which the provisions of Section 188 of the Act are attracted will ensure that the same have been complied with.

98. Every nomination, appointment or removal of a Special Director shall be in writing and in accordance with the rules and regulations of the government, corporation or any other institution. A Special Director shall be entitled to the same rights and privileges and be subject to same obligations as any other Director or the Company.

99. The office of a Director shall become vacant:-

(i) on the happening of any of the events provided for in Section 167 of the Act;

(ii) on the contravention of the provisions of Sections 188 of the Act, or any statutory modifications thereof;

(iii) if a person is a Director of more than twenty Companies at a time, out of which not more than 10 (Ten) shall be Public Companies.

(iv) in the case of alternate Director on return of the original Director to the State, in terms of Section 161 of the Act; or

(v) on resignation of his office by notice in writing and is accepted by the Board.

100. Every Director present at any meeting of the Board or a committee thereof shall sign his name in a book to be kept for that purpose, to show his attendance thereat.

PROCEEDINGS OF THE BOARD

101. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meeting as it thinks fit.

A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

102. Subject to Section 174 of the Act, the quorum for a meeting of the Board of Directors shall be one third of its total strength (any fraction contained in that one third being rounded off as one) or two Directors, whichever is higher; provided that where at any time the number of interested Directors exceeds or is equal to two thirds of the total strength, the number of the remaining Directors, that is to say, the number of directors, who are not interested, present at the meeting, being not less than two, shall be the quorum during such time.

103. The participation of the Directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum under clause 105 of the Articles.

104. If a meeting of the Board could not be held for want of quorum, whatever number of Directors not being less than two, shall be present at the adjourned meeting, notice where of shall be given to all the Directors, shall form a quorum.

105. (1) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of vote.

(2) In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote.

106. 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 for summoning a General meeting of the Company, but for no other purpose.

107. (1) The Board may elect one of its members as Chairman of its meetings and determine the period for which he is to hold office as such.

(2) If no such Chairman is elected or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be Chairman of the meeting.

108. Subject to the restrictions contained in Section 179 & 180 of the Act, the Board may delegate any of its powers to committees of the Board consisting of such member or members of its body as it think fit and it may, from time to time, revoke such delegation and discharge any such committee of the Board either wholly or in part, and either as to persons or purposes, but every committee of the Board 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 of the Board 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.

109. 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 proceeding Article.

110. (1) A committee may elect a chairman of its meetings.

(2) If no such chairman is elected or if at any meeting the chairman is not present within five minutes of the time appointed for holding the meeting, the members present may choose one of their members to be chairman of the meeting.

111. (1) A committee may meet and adjourn as it think proper.

(2) 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 chairman shall have a second or casting vote.

112. All acts done by any meeting of the Board or by a committee thereof by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment or continuance in office of any such Directors or persons acting as aforesaid: or that they or any of them were disqualified or had vacated office or were not entitled to act as such 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, had duly continued in office was qualified, had continued to be a Director his appointment had not been terminated and he had been entitled to be a Director provided that nothing in this Article shall be deemed to give validity to any act done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

113. Subject to Section 175 of the Act and except a resolution which the Act requires specifically to be passed in any board meeting, a resolution in writing, signed by the majority members of the Board or of a committee thereof; for the time being entitled to receive notice of a meeting of the Board or committee, shall be as valid and effectual as if it had been passed at a meeting of the Board or committee, duly convened and held.

POWERS OF BOARD OF DIRECTORS

114. The Board of directors may pay all expenses incurred in the formation, promotion and registration of the Company.

115. The Company may exercise the powers conferred on it by Section 88 of the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of those Sections) make and vary such regulations as it may think fit with respect to the keeping of any such register.

116. The Directors may enter into contracts or arrangements on behalf of the Company subject to the necessary disclosures required by the provisions of Section 184 of the Act being made wherever any Director is in any way, whether directly or indirectly concerned or interested in the contract or arrangements.

BORROWING POWER

117. Subject to the provisions of Sections 73, 76, 179, and 180 of the Act, and the Regulations thereunder and Directions issued by the RBI, Directors may exercise all the powers of the company to borrow money and to mortgage or charge its undertaking, property (both present and future), or any part thereof and to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

118. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit subject to the provisions of Section 73 & 76 of the Act and rules framed thereunder.

119. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

MANAGING DIRECTOR(S) AND WHOLE TIME DIRECTOR(S)

120. Subject to provisions of Section 196 & 197 of the Act, the Board of Directors may, from time to time, appoint one or more of their body to the office of Managing Directors or whole time Directors for a period not exceeding 5 (five) years at a time and on such terms and conditions as the Board may think fit and subject to the terms of any agreement entered into with him, may revoke such appointment, and in making such appointments the Board shall ensure compliance with the requirements of the Companies Act, 2013 and shall seek and obtain such approvals as are prescribed by the Act, provided that a Director so appointed, shall not be whilst holding such office, be subject to retirement by rotation but his appointment shall automatically be determined if he ceases to be a Director.

121. The Board may entrust and confer upon Managing Director/s or whole time Director/s any of the powers of management which would not otherwise be exercisable by him upon such terms and conditions and with such restrictions as the Board may think fit, subject always to the superintendence, control and direction of the Board and the Board may, from time to time revoke, withdraw, alter or vary all or any of such powers.

122. Subject to Section 203 of the Act, a Secretary of the Company may be appointed by the Board on such terms, at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may be removed by the Board.

THE SEAL

123. (1) The Board shall provide a common seal for the purposes of the Company and shall have power, from time to time, to vary or cancel the same and substitute a new seal in lieu thereof. The Board shall provide for the safe custody of the seal for the time being.

(2) Subject to any statutory requirements as to Share Certificates or otherwise, the seal of the company shall not be affixed to any Instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVES

124. The Company in General meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

125. 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.

126. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

127. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

128. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

129. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

130. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

131. 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.

132. No dividend shall bear interest against the Company, irrespective of the reason for which it has remained unpaid.

ACCOUNTS

133. (1) The Board shall cause proper books of accounts to be maintained under Sections 128 & 129 of the Act.

(2) 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 or them, shall be open to the inspection of members not being Directors.

(3) 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.

BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

134. Balance Sheet and Profit and Loss Account of the Company will be audited once in a year by a qualified auditor for correctness as per provision of the Act.

AUDIT

135. (a) The first Auditor of the Company shall be appointed by the Board of Directors within thirty days from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.

(b) The auditor shall be hold office from the conclusion of First Annual General Meeting till conclusion of Sixth Annual General Meeting

(c) The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.

(d) The Board of Director may fill any casual vacancy in the office of the auditor and where any such vacancy continues, the remaining auditor, if any may act, but where such vacancy is caused by the resignation of the auditors and vacancy shall be filled up by the Company in General Meeting.

SECRECY

136. Subject to the provisions of law of land and the act, every manager, auditor trustee, member of a committee, officer servant, agent accountant or other persons employed in the business of the company shall, if so required by the Board of Directors before entering upon his duties, sign, declaration, pledging himself to observe strict secrecy respecting all transactions of the Company with its customers and the state of account with individuals and in matters relating thereto and shall by such declaration pledge himself, not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the directors or by any court of law and except so far as may be necessary in order to comply with any of the provisions in these presents.

WINDING UP

137. Subject to the provisions of Chapter XX of the Act and rules made thereunder:-

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

138. Subject to the provisions of Companies Act 2013, every Director, Manager, Auditor, Secretary and other officers or servants of the Company shall be indemnified, out of the assets of the Company against any bonafide liability incurred by him in defending any bonafide proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquired or in connection with any application under section 463 of the Companies Act 2013, in which relief is granted to him by the Court.

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 Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus 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 C 86, Phase V, Focal Point, Ludhiana – 141010, Punjab, India, from date of filing the Prospectus with ROC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

MATERIAL CONTRACTS

1. Mandate letter dated November 11, 2017 issue by the Lead Manager to our Company.
2. Issue Agreement dated May 24, 2018 and addendum to the issue agreement dated August 14, 2018 between our Company and the Lead Manager.
3. Agreement dated May 24, 2018 and addendum to the agreement dated August 14, 2018 between our Company and the Registrar to the Issue.
4. Public Issue Account Agreement dated August 17, 2018 among our Company, the Lead Manager, the Banker to Issue/Public Issue Bank/Refund Banker, and the Registrar to the Issue.
5. Underwriting Agreement dated May 24, 2018 and addendum to the underwriting agreement dated August 14, 2018 between our Company and Lead Manager.
6. Market Making Agreement dated May 24, 2018 and addendum to the Market Making Agreement dated August 14, 2018 between our Company, the Lead Manager and the Market Maker.
7. Agreement among NSDL, our Company and the Registrar to the Issue dated June 22, 2018.
8. Agreement among CDSL, our Company and the Registrar to the Issue dated June 14, 2018.

MATERIAL DOCUMENTS

1. Certified True Copy of the Memorandum and Articles of Association of our Company, as amended from time to time including certificates of incorporation.
2. Resolution of the Board dated May 21, 2018 authorizing the Issue.
3. Special Resolution of the shareholders passed at the Extra Ordinary General Meeting dated May 23, 2018 authorizing the Issue.
4. Statement of Tax Benefits dated July 18, 2018 issued by S. Sood & Co., Chartered Accountants, Statutory Auditor of our Company.
5. Report of the Peer Review Auditor, RPMD & Associates, Chartered Accountants on the Restated Financial Statements for the Financial Years ended as on March 31, 2018, 2017, 2016, 2015 and 2014 of our Company.
6. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Banker to our Company, Lenders, the Lead Manager, Underwriter, Registrar to the Issue, Market Maker to the Issue, Peer Review Auditor, Legal Advisor, Banker to the Issue/Public Issue Bank, Refund Banker to the Issue, to act in their respective capacities.
7. Copy of approval from NSE *vide* letter dated August 17, 2018 to use the name of NSE in this offer document for listing of Equity Shares on Emerge Platform of NSE.

8. Due Diligence Certificate dated August 18, 2018 from the Lead Manager.
9. Copy of Managing Director Agreement with Mr. Gaurav Sarup and our Company dated April 01, 2017 for his appointment.
10. Copy of the Special Resolution dated March 31, 2017 for the detailed terms of appointment of Mr. Gaurav Sarup as Managing Director of the Company.
11. Copy of Whole-Time Director Agreement with Mr. Prashant Sarup and our Company dated May 23, 2018 for his appointment.
12. Copy of the Special Resolution dated May 23, 2018 for the detailed terms of appointment of Mr. Prashant Sarup as Whole-Time Director of the Company.
13. Copy of Whole-Time Director Agreement with Mr. Siddhant Sarup and our Company dated May 23, 2018 for his appointment.
14. Copy of the Special Resolution dated May 23, 2018 for the detailed terms of appointment of Mr. Siddhant Sarup as Whole-Time Director of the Company.
15. Copy of Patent License Agreements dated May 01, 2018 for using the patents among our company, promoters, relatives of promoters and group entities.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by other parties, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby certify and declare that, all relevant provisions of the Companies Act, 2013, applicable provisions of Companies Act, 1956 and the rules/guidelines/regulations issued by the Government of India or the regulations / guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Prospectus is contrary to the provisions of the Companies Act, 2013, applicable provisions of Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Prospectus are true and correct.

Signed by the Directors of our Company

Name	DIN	Designation	Signature
Gaurav Sarup	00777489	Managing Director	
Prashant Sarup	01257440	Whole Time Director	
SiddhantSarup	07779416	Whole Time Director	
ArchanaSarup	07780273	Non-Executive Director	
Satvinder Singh	08148602	Additional Non-Executive & Independent Director	
Harish Pal Kumar	01826010	Non-Executive & Independent Director	

Signed by Company Secretary & Compliance Officer and Chief Financial Officer

Sumit Malhotra

Sumit Malhotra
Company Secretary & Compliance Officer

Phulljit Singh Grover
Chief Financial Officer

Date: August 18, 2018
Place: Ludhiana

Annexure A

DISCLOSURE OF PRICE INFORMATION OF LATEST TEN ISSUES HANDLED BY SARTHI CAPITAL ADVISORS PRIVATE LIMITED

TABLE 1

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 day from listing	+/- % change in closing price, [+/- % change in closing Benchmark]- 90th calendar day from listing	+/- % change in closing price, [+/- % change in closing Benchmark]- 180th calendar day from listing
1.	Aarvi Encon Limited	21.24	54.00	October 05, 2017	56.00	32.75[5.69]	94.50[5.61]	35.78[3.60]
2.	D P Wires Limited	26.88	75.00	October 05, 2017	78.00	-1.33[5.69]	37.33[5.61]	-9.33[3.60]
3.	Omfurn India Limited	4.17	23.00	October 13, 2017	27.60	-8.10[0.56]	8.53[4.76]	-21.23[2.46]
4.	Sanghvi Brands Limited*	18.96	69.00	November 22, 2017	75.90	104.59[14.03]	27.48[9.70]	37.98[9.00]
5.	Pulz Electronics Limited*	3.92	54.00	November 24, 2017	64.80	-18.50[1.36]	-30[-0.07]	-32.86[0.39]
6.	Brand Concepts Limited*	12.62	45.00	January 10, 2018	54.00	1.85[0.63]	124.07[-2.16]	-29.63[2.08]
7.	Arvee Laboratories (India) Limited*	8.91	61.00	February 22, 2018	61.00	-2.24[-3.70]	-10.24[0.46]	-
8.	Marvel Décor Limited*	26.26	47.00	March 23, 2018	57.75	-2.33[8.76]	-3.28[4.73]	-
9.	Mittal Life Style Limited*	4.41	21.00	April 02, 2018	21.00	-1.19[5.73]	8.10[0.70]	-
10.	Five Core Electronics Limited*	46.66	140.00	May 21, 2018	141.00	-12.71[-2.55]	-	-

**In Table 1 and Table 2 the shares of few company(s) have not reached the consequent milestones.*

Sources: All share price data is from www.bseindia.com / www.nseindia.com

Note:-

1. The BSE Sensex/ Nifty is considered as the Benchmark Index.
2. Price on BSE/ NSE is considered for all of the above calculations.
3. In case 30th/90th/180th day is not a trading day (trading holiday), closing price on BSE/ NSE of the next trading day has been considered.
4. In case 30th/90th/180th day if there is no trade then the closing price of the next day when trading has taken place has been considered.

SUMMARY STATEMENT OF DISCLOSURE

TABLE 2

Financial year	Total no. of IPOs	Total funds raised (Rs. in Crores)	No. of IPOs trading at discount – 30th calendar days from listing			No. of IPOs trading at premium – 30th calendar days from listing			No. of IPOs trading at discount – 180th calendar day from listing			No. of IPOs trading at premium – 180th calendar day from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
12-13	1	12.21	-	-	-	-	-	1	-	-	-	-	1	-
13-14	4	34.39	-	-	2	1	-	1	-	-	2	-	1	1
14-15	4	13.65	-	-	2	-	-	2	-	1	-	1	-	2
15-16	7	47.48	-	-	4	1	-	2	-	-	2	2	-	3
16-17	6	37.94	-	1	1	2	-	2	-	2	2	1	1	-
17-18	17*	279.44	-	1	8	2	1	3	-	2	6	2	2	3
18-19	2*	51.07	-	-	1	-	-	1	-	-	-	-	-	-

**In Table 1 and Table 2 the shares of few company(s) have not reached the consequent milestones.*