**Prospectus**
**Dated: July 03, 2017**
**Please read Section 26 of Companies Act, 2013**
**100% Fixed Price Issue**

# SALASAR TECHNO ENGINEERING LIMITED

Initially our Company was incorporated as "Salasar Petrochemicals Private Limited" under the provisions of the Companies Act, 1956 vide certificate of incorporation dated October 24, 2001 in Jaipur, Rajasthan. Thereafter Company was taken over by our Promoters in March, 2005. Further the name of the Company changed from "Salasar Petrochemicals Private Limited" to "Salasar Techno Engineering Private Limited" vide fresh certificate of incorporation dated June 13, 2006. Due to change in registered office from one state (Registrar of Companies, Rajasthan) to another state (Registrar of Companies NCT of Delhi & Haryana) the Corporate Identification Number (CIN) of the Company was also changed from U23201RJ2001PLC17253 to U23201DL2001PLC174076 dated December 26, 2007. Subsequently, our Company was converted into public limited company pursuant to a special resolution of our shareholders dated August 02, 2016 and the name of our Company was changed to "Salasar Techno Engineering Limited" to reflect the legal status of our Company pursuant to a fresh certificate of incorporation granted by the RoC dated August 16, 2016. The Corporate Identification Number of Our Company is U23201DL2001PLC174076. For details of change in registered office of our Company please refer to chapter titled "Our History and Certain Other Corporate Matters" beginning on page 148 of this Prospectus.

**Registered Office:** E-20, South Extension I, New Delhi-110049, India
**Tel No.:** +91 11 41648566/8577; **E-mail:** compliance@salasartechno.com**; Website:** www.salasartechno.com
**Contact Person:** Mr. Kamlesh Kumar Sharma, Chief Financial Officer
**Promoters of our Company: Mr. Gyanendra Kumar Agarwal, Mr. Alok Kumar, Mr. Shalabh Agarwal and Ms. Tripti Gupta**

## THE ISSUE

**PUBLIC ISSUE OF 3,321,000 EQUITY SHARES OF FACE VALUE OF Rs. 10/- EACH ("EQUITY SHARES") OF SALASAR TECHNO ENGINEERING LIMITED ("SALASAR" OR "OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF Rs. 108/- PER EQUITY SHARE (THE "ISSUE PRICE") (INCLUDING SHARE PREMIUM OF Rs. 98/- PER EQUITY SHARE) AGGREGATING Rs. 358.67 MILLION (THE "ISSUE"). A NET ISSUE TO THE PUBLIC OF 3,321,000 EQUITY SHARES HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE NET ISSUE WILL CONSTITUTE 25.01% 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. 108/-. THE ISSUE PRICE IS 10.80 TIMES THE FACE VALUE.**

**THIS ISSUE IS BEING MADE THROUGH FIXED PRICE PROCESS IN ACCORDANCE WITH REGULATION 26(1) OF CHAPTER III OF THE SEBI (ICDR) REGULATIONS, 2009 (AS AMENDED FROM TIME TO TIME).**

*For further details please refer to "Section VII - Issue Information" beginning on Page 383 of this Prospectus.*

All potential investors shall participate in the Issue through 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 "Issue Procedure" on page 389 of this Prospectus.

## RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is Rs. 10/- and the Issue Price is 10.80 times of the face value. The Issue Price (as determined and justified by our Company in consultation with the Lead Manager as stated under chapter titled "Basis for Issue Price" beginning on page 95 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

## GENERAL RISKS

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 entire 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 the contents of this Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" on page 18 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 and BSE. Our Company has received an "in-principle" approval from the NSE and the BSE for the listing of the Equity Shares pursuant to letters dated April 05, 2017 and April 26, 2017 respectively. For the purpose of this Issue, the Designated Stock Exchange will be the NSE.

| LEAD MANAGER TO THE ISSUE | REGISTRAR TO THE ISSUE |
|---|---|
| **SARTHI CAPITAL ADVISORS PRIVATE LIMITED**<br>Unit No. 411, 4th Floor, Pratap Bhawan,<br>5, Bahadurshah Zafar Marg,<br>New Delhi – 110002<br>**Tel:** (011) 23739425/26/27<br>**Fax:** (011) 23739424<br>**Investor Grievance Email:** ipo@sarthiwm.in<br>**Website:** www.sarthi.in<br>**Contact Person:** Mr. Anand Lakhotia<br>**SEBI Registration No.:** INM000012011 | **BIGSHARE SERVICES PRIVATE LIMITED**<br>E2 Ansa Industrial Estate, Sakivihar Road,<br>Sakinaka, Andheri East,<br>Mumbai- 400072<br>**Tel:** (022) 40430200<br>**Fax:** (022) 28475207<br>**Email:** ipo@bigshareonline.com<br>**Website:** www.bigshareonline.com<br>**Contact Person:** Mr. Ashok Shetty<br>**SEBI Registration No:** INR000001385 |

## ISSUE PROGRAMME

| ISSUE OPENS ON: JULY 12, 2017 | ISSUE CLOSES ON: JULY 17, 2017 |
|---|---|

CONTENTS


| | |
|---|---|
| **SECTION I – GENERAL** | **2** |
| DEFINITIONS AND ABBREVIATIONS | 2 |
| PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA | 15 |
| FORWARD - LOOKING STATEMENTS | 17 |
| **SECTION II - RISK FACTORS** | **18** |
| **SECTION III – INTRODUCTION** | **39** |
| SUMMARY OF OUR INDUSTRY | 39 |
| SUMMARY OF OUR BUSINESS | 44 |
| SUMMARY OF FINANCIAL STATEMENTS | 46 |
| THE ISSUE | 55 |
| GENERAL INFORMATION | 56 |
| CAPITAL STRUCTURE | 64 |
| OBJECTS OF THE ISSUE | 89 |
| BASIS FOR ISSUE PRICE | 95 |
| STATEMENT OF TAX BENEFITS | 98 |
| **SECTION IV – ABOUT THE COMPANY** | **100** |
| OUR INDUSTRY | 100 |
| OUR BUSINESS | 120 |
| KEY INDUSTRY REGULATION AND POLICIES | 143 |
| OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS | 148 |
| OUR MANAGEMENT | 154 |
| OUR PROMOTERS AND PROMOTER GROUP | 171 |
| OUR SUBSIDIARY | 177 |
| OUR GROUP ENTITIES | 182 |
| RELATED PARTY TRANSACTIONS | 191 |
| DIVIDEND POLICY | 192 |
| **SECTION V – FINANCIAL INFORMATION** | **193** |
| FINANCIAL STATEMENT, AS RESTATED | 193 |
| SIGNIFICANT DIFFERENCES BETWEEN INDIAN GAAP AND IND AS | 322 |
| MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS | 326 |
| FINANCIAL INDEBTEDNESS | 343 |
| **SECTION VI – LEGAL AND OTHER INFORMATION** | **349** |
| OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS | 349 |
| GOVERNMENT AND OTHER STATUTORY APPROVALS | 360 |
| OTHER REGULATORY AND STATUTORY DISCLOSURES | 368 |
| **SECTION VII – ISSUE INFORMATION** | **383** |
| TERMS OF THE ISSUE | 383 |
| ISSUE STRUCTURE | 387 |
| ISSUE PROCEDURE | 389 |
| RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES | 442 |
| **SECTION VIII – MAIN PROVISION OF ARTICLES OF ASSOCIATION** | **443** |
| **SECTION IX – OTHER INFORMATION** | **518** |
| MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION | 518 |
| DECLARATION | 520 |

SALASAR

## 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 |
| Auditor or Statutory Auditor | The Statutory Auditor of our Company, being VAPS & Co., Chartered Accountants having their office at C-42, South Extension Part-II, New Delhi-110049. |
| Audit Committee | The audit committee of our Board. |
| Bankers to our Company | Bank of India and HDFC Bank Limited |
| Banker to our Wholly owned Subsidiary Company i.e. Salasar Stainless Ltd. | Punjab National Bank |
| "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 | Ms. Bavneet Kaur |
| CSR Committee | The corporate social responsibility committee of our Board. |
| Director(s) | The Director(s) of our Company, unless otherwise specified. For further details in relation to our Directors please refer chapter titled "Our Management" beginning on page 154 of this Prospectus. |
| 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 182 of this Prospectus. |
| IPO Committee | The committee constituted by our Board for the Initial Public Offer |
| 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. |

| | |
|---|---|
| "Salasar Techno Engineering Limited", or "Salasar", or "the Company", or "our Company" or "we", "us", or "our" and the "Issuer Company" | Salasar Techno Engineering Limited, a public limited company incorporated under the provisions of the Companies Act, 1956. |
| Memorandum of Association or Memorandum or MOA | The memorandum of association of our Company, as amended from time to time. |
| Nomination and Remuneration Committee | The nomination and remuneration committee of our Board. |
| Peer Review Auditor | The Peer Review Auditor of our Company, being Arun Naresh & Co., Chartered Accountants having their office at KP-1, Pritampura, New Delhi-110034. |
| "Promoters" or "Our Promoters" | Promoters of our company being Mr. Gyanendra Kumar Agarwal, Mr. Alok Kumar, Mr. Shalabh Agarwal and Ms. Tripti Gupta. |
| Promoter Group | Includes such persons and entities constituting our promoter group in terms of Regulation 2(1)(zb) of the SEBI (ICDR) Regulations and a list of which is provided in the chapter titled "Our Promoters and Promoter Group" beginning on page 171 of this Prospectus. |
| Registered Office | The Registered Office of our Company is located at E-20, South Extension I, New Delhi-110049. |
| Registrar of Companies/RoC | Registrar of Companies, National capital Territory of Delhi & Haryana. |
| Restated Standalone Financial Statements | The audited standalone financial statements of our Company for the years ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 together with the related schedules and annexures thereto, prepared in accordance with applicable provisions of the Companies Act, 1956, the Companies Act, 2013 and Indian GAAP, and restated in accordance with the SEBI Regulations. |
| Restated Consolidated Financial Statements | The audited consolidated financial statements of our Company and its subsidiary for the years ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 together with the related schedules and annexures thereto, prepared in accordance with applicable provisions of the Companies Act and Indian GAAP, and restated in accordance with the SEBI Regulations. |
| Restated Financial Statements | Collectively, the Restated Consolidated Financial Statements and the Restated Standalone Financial Statements. |
| Stakeholder's Relationship Committee | The stakeholder's relationship committee of our Board. |
| Wholly Owned Subsidiary/ Subsidiary | Salasar Stainless Limited |

## 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 be 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 specified in the Application form submitted by ASBA applicant |
| 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(s)/ Public Issue Bank. | 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 389 of this Prospectus. |
| Demographic Details | The demographic details of the Applicants such as their address, PAN, occupation and bank account details. |
| Depository Participant | A Depository Participant as defined under the Depositories Act, 1996 |
| Designated SCSB 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. |

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| Designated Date | Designated date means the date on which fund transfer instructions will to release to the controlling branches of SCSB's upon approval of basis of allotment by designated Stock exchange, NSE, following which the Board of Directors shall allot/credit the equity shares to successful applicants. |
| Designated Stock Exchange | National Stock Exchange of India Limited (NSE). |
| Draft Prospectus | The Draft Prospectus issued in accordance with Section 26 of the Companies Act, 2013 and filed with SEBI under SEBI (ICDR) Regulations, 2009 as amended and with NSE & BSE |
| 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. |
| 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 3,321,000 Equity Shares of face value of Rs. 10/- each fully paid of Salasar Techno Engineering Limited for cash at a price of Rs. 108/- per Equity Share (including a premium of Rs. 98/- per Equity Share) aggregating Rs. 358.67 million. |
| Issue Agreement | The agreement dated January 09, 2017 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. 108/- 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. 358.67 million. |
| Lead Manager/ LM | Lead Manager to the Issue in this case being Sarthi Capital Advisors Private Limited, SEBI Registered Category I Merchant Banker. |
| Mutual Fund(s) | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time. |
| Net Issue | The Issue of 3,321,000 Equity Shares of face value of Rs. 10/- each fully paid for cash at a price of Rs. 108/- Equity Share aggregating Rs. 358.67 million by our Company. |

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| 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 89 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 and which was in existence on October 03, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the 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 and/or incorporated in the jurisdiction in which it exists and operates, as the context requires. |
| Prospectus | The Prospectus to be filed with RoC containing, *interalia,* the issue opening and closing dates and other information. |
| Public Issue Account | Public Issue Account means the accounts opened with the Banker(s) to the Issue i.e. Axis Bank Limited to receive monies from the SCSBs by the ASBA Applicants, in each case on the Designated Date. |
| Public Issue Account Agreement | Agreement entered into by our Company, the Registrar to the Issue, the Lead Manager, and the Banker to the Issue for collection of the Application Amounts. |
| Qualified Institutional Buyers or QIBs | QIBs, as defined under Regulation 2(1)(zd) of SEBI (ICDR) Regulations, 2009 as amended. |
| Refund Account (s) | Account(s) to which Application monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of 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 Account in case listing of 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 registered office at E2, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Mumbai– 400072. |

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| Registered Brokers | Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate having terminals at any of the Broker Centres. |
| 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. | The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on<br>www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34., and updated from time to time. |
| Working Day | Unless the context otherwise requires:<br>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 |
|---|---|
| CAPL | Continuous annealing and processing line, used for the production of cold rolled steel. |
| CR | Cold Rolled |
| Dia | Diameter |
| El | Elongation |
| ERW | Electrical resistance welding |
| GI | Galvanised iron |
| HDG | Hot dip galvanised |
| HR | Hot Rolled |
| ID | Inside Diameter |
| MT | Metric Tonne |
| OD | Outside Diameter |
| P&O | Pickled & Oiled |
| P.E | Plain Ended |
| P.E.U.C | Plain Ended Uncoated |
| S&S | Screwed & Socketed |
| T.S | Tensile Strength |
| Y.S | Yield Strength |

## Conventional and General Terms/ Abbreviations

| Term | Description |
|---|---|
| A/c | Account |
| Act | The Companies Act, 1956 and amendments thereto including provisions of Companies Act 2013, wherever notified. |
| AGM | Annual General Meeting |
| AMC | Annual Maintenance Contract |
| 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.Tech | Bachelor of Technology |
| B.Com | Bachelor's Degree in Commerce |
| BIFR | Board for Industrial and Financial Reconstruction |
| BL | Block Level |
| BSE | BSE Limited |
| NSE | National Stock Exchange of India Limited |
| 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 |
| CMMI | Capability Maturity Model Integration |
| Companies Act | Companies Act, 1956 as amended from time to time, including sections of Companies Act, 2013 wherever notified by the Central Government. |
| 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 |
| ESOP | Employee Stock Option Plan |
| EPF | Employee's Provident Fund |
| EPS | Earnings per Share |
| FDI | Foreign Direct Investment |
| FCNR Account | Foreign Currency Non-Resident Account |
| FEMA | Foreign Exchange Management Act, 1999 as amended from time to time and the regulations framed there under. |
| 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 and Services Tax |
| HNI | High Networth 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. |
| Ind AS | Indian Accounting Standards. |
| ICAI | Institute of Chartered Accountants of India |
| ICSI | Institute of Company Secretaries of India |
| IFRS | International financial reporting standards. |
| IPC | Indian Penal Code |
| IPO | Initial Public Offering |
| IPR | Intellectual Property Right |
| IST | Indian Standard Time |
| 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. |
| LRO | Land Reforms Officer |
| Ltd. | Limited |
| MBA | Master in Business Administration |
| M.Com | Master of Commerce |
| MD | Managing Director |
| MoU | Memorandum of Understanding |

| | |
|---|---|
| "Mn" or "mn" | Million |
| 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 | The 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. |
| Stock Exchanges | National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) |
| 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 |
| VAT | Value Added Tax |
| 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 443 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 193 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 98 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 193 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 month 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 193 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 or derived from publicly available information as well as various industry publications and sources. 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 and neither we, nor the Lead Manager, jointly or severally, make any representation as to its accuracy or completeness. The extent to which the market and industry data used in this Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. 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. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in the section "Risk Factors" beginning on page 18 of this Prospectus. Similarly, internal Company reports, while believed by us to be reliable, have not been verified by any independent sources.

Further, in accordance with Regulation 51A of the SEBI Regulations, and SEBI Listing Regulations, as applicable, our Company may be required to undertake an annual updation of the disclosures made in this Prospectus and make it publicly available in the manner specified by SEBI.

Additionally, certain industry related information in the sections titled "Summary of Industry", "Summary of Business", "Our Industry", "Our Business", "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 39,44,100,120,18 and 326 respectively of this Prospectus, has been derived from an industry report dated December 23, 2016, titled "Industry Research Report on Steel and Allied Sector", prepared by CARE Advisory, an independent research house, pursuant to an engagement with our Company, which contains the following disclaimer:

*"CARE Research, a research report of CARE Advisory (CARE), has taken due care and caution in preparing this Report based on the information obtained by CARE from sources which it considers reliable (Data). However, CARE does not guarantee the accuracy, adequacy or completeness of the Data / Report and is not responsible for any errors or omissions in analysis/inferences/views or for results obtained from the use of Data / Report. This Report is not a recommendation to invest / disinvest in any company covered in the Report. CARE especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this Report. CARE Advisory operates independently of ratings division, which may have obtained in regular course of operations, obtain information of a confidential nature. The opinion expressed in this report cannot be compared to the rating assigned to the Company within this industry by the ratings division. No part of this Report may be published / reproduced in any form without CARE Advisory's prior written approval."*

For further details, see "Risk Factors –Prospectus contains information from an industry report which was prepared by CARE pursuant to an engagement with our Company." beginning on page 18 of this Prospectus.

## 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.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company has businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in laws, regulations and taxes and changes in competition in our industry. Important factors that could cause actual results to differ materially from our expectations include, among others:

- Fluctuations in operating costs due to raw material price;
- Termination of customer contracts/agreements;
- Any manufacturing or quality control problems;
- Loss of one or more of our significant customers, the deterioration of their financial condition or prospects, or a reduction in their demand for our products;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our ability to meet our capital expenditure and working capital requirements;
- Increased competition in Steel & Allied Industry;
- The performance of the financial markets in India and globally;
- The occurrence of natural disasters or calamities;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies.

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 18 and 326 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.

We cannot assure investors that the expectation reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Future looking statements speak only as of the date of this Prospectus. Neither we, our Directors, 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 Exchanges.

## SECTION II – RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision prospective investors must rely on their own examination of our Company and the terms of this 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.*

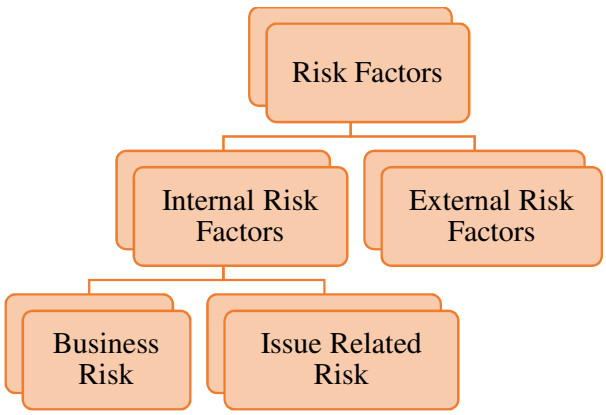
*Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. To obtain a complete understanding, you should read this section in conjunction with the chapters titled "Our Business" beginning on page 120, "Our Industry" beginning on page 100 and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 326 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 2 of this Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.*

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



## A. INTERNAL RISK FACTORS

### A. Business Risks/ Company specific Risk

***1. Application is pending with under Enforcement Department, Securities Exchange Board of India ("SEBI") for settlement of adjudication proceedings. Any liability on account of said proceedings which may have adverse effect on business and financial position of our Company.***

Our Company had received notice bearing reference no. EFD/DRAIV/OW/33331/8/2016 dated December 09, 2016 issued from Enforcement Department, SEBI for violation of provisions of Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 in the matter of non-disclosure of purchase/sale of shares in the scrip of Ashutosh Paper Mills Limited. List of dates and events w.r.t Settlement Application filed with under Securities Exchange Board of India (Settlement of Administrative and Civil Proceedings) Regulations, 2014 are given as under:

| Sr. No. | Date | Particulars |
|---|---|---|
| 1. | 09.12.2016 | Our Company had received Notice of Approved Enforcement Action (Ref: EFD/DRAIV/OW/33331/8/2016) for Violation of Regulation 13(3) r/w 13(5) of SEBI (Prohibition of Insider Trading) Regulations, 1992 and Regulation 29(2) r/w 29(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. The violation was regarding non disclosure of 2,42,700 (3.72%) shares of Ashutosh Paper Mills Ltd sold by Salasar on 27.12.2011 and 28.12.2011. |
| 2. | 09.01.2017 | In response thereto, our Company filed an Application for Settlement by letter dated 09.01.2017 (filed with SEBI on 23.01.2017) |
| 3. | 08.03.2017 | Our Company was in receipt of Show Cause Notice dated 08.03.2017 (Ref: SEBI/HO/EAD/5176/2017) for the same exact violation as alleged in aforesaid Notice of Approved Enforcement Action dated 09.12.2016 |
| 4. | 21.03.2017 | Our Company by letter dated 21.03.2017, informed the Ld. Adjudicating Officer, SEBI that it had already filed Application for Settlement for the alleged violation mentioned in the SCN. |
| 5. | 23.03.2017 | SEBI vide letter dated 23.03.2017 (Ref: SEBI/HO/EFD2/CSD/OW/P/2017/0000006470/1) returned the Application for Settlement due to certain deficiencies. Further, SEBI advised our Company to file a revised Application for Settlement. |
| 6. | 13.04.2017 | Our Company vide letter dated 13.04.2017, submitted revised Application for Settlement as advised by SEBI whereby a reference was also made to the SCN dated 08.03.2017 issued against our Company. |

Presently, our Company is awaiting for communication from SEBI wherein the Company will be called before Internal Committee meeting for formulating settlement terms. If the application rejected by the internal settlement committee then matter will go to adjudicating officer thereafter adjudicating officer will pass order and may impose the penalty.For further reference, kindly refer chapter titled "Outstanding Litigations and Material Developments" beginning on page 349 of this Prospectus.

2. ***Increase in the cost of, or a shortfall in the availability of our raw materials, and in particular, Steel shapes & sections and Zinc, could have an adverse effect on our business, results of operations and financial condition.***

The principal raw materials used by us for manufacturing galvanized steel structures are Steel shapes & sections which includes MS Plates, MS Angles, MS Pipes and Zinc. The price of these metals have been fluctuating which is evident from the cost of materials consumed to revenue ratio of 66.30%, 64.58% and 70.12% of our total revenues for the Fiscal Years 2016-17, 2015-16 & 2014-15, respectively. The price and availability of these raw materials depend on several factors beyond our control, including overall economic conditions, production levels, market demand and competition for such materials, production and transportation cost, duties and taxes and trade restrictions. We buy steel from Tata Steels Ltd, Jindal Pipes Ltd, Hi-Tech Pipes Ltd, Madhav Stelco Pvt. Ltd. etc. We buy zinc in bulk from Hindustan Zinc Ltd, sometimes we buy from local vendors also. We usually do not enter into long term supply contracts with any of our raw material 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 raw materials that we require. If we are unable to compensate for or pass on our increased costs to end-customer, such price increases could have an adverse impact on our result of operations, financial condition and cash flows. However, where the supply contracts is for a longer duration, say 6 months and above, generally we insist on price escalation clause. 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.

3. ***Within the parameters as mentioned in the chapter titled 'Objects of this Issue' beginning on page 89 of this Prospectus, our Company's management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.***

The fund requirement and deployment, as mentioned in the "Objects of the Issue" on page 89 of the Draft Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan and order position. We cannot assure that the current business plan will be implemented or order 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. However in accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds as disclosed in this Draft Prospectus without obtaining the Shareholders' approval through a special resolution. In the event of any such circumstance, where Board of Directors of our Company decides to do any variation in the utilisation of the Net Proceeds, we will follow the provisions of Companies Act, 2013.

4. ***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 89 of this Prospectus.

5. ***Decrease in Sales of our wholly owned subsidiary, Salasar Stainless Limited in last three financial years.***

Sales of our wholly owned subsidiary, Salasar Stainless Limited has been on downtrend for last three financial years due to competition from unorganized sector and decrease in demand of stainless steel pipes which is generally used in capital goods.We have already put substantial resources in setting up the manufacturing plant. If the downtrend continues, we may have to impair our assets which will erode our profitability on consolidation basis. With the government focus on "Make in India", capital goods industry's output may rise which may lead to increase in our sales. For further details regarding financial performance of our Subsidiary, please refer to Chapter titled "Our Subsidiary" beginning on page 177 of this Prospectus. The subsidiary is also doing job work for the Company. Further, the risk mentioned above has not materialized in past as the subsidiary company has not posted any losses in last 3 years.

The details of audited financials are as under:

(Rs. in million)

| Particulars | As at March 31, | | |
|---|---|---|---|
| | 2017 | 2016 | 2015 |
| Installed Capacity (in MT) | 7,200 | 7,200 | 7,200 |
| Production (in MT) | 606 | 1,460 | 2,032 |
| Utilisation (in %) | 8.42 | 20.28 | 28.22 |
| Sale of Products (Stainless Steel pipes) | | | |
| (a) Domestic Sales | 77.70 | 355.42 | 587.80 |
| (b) Export Sales | 41.15 | 14.67 | 14.89 |
| Sale of Services (Job work done) | 133.09 | 67.90 | 53.35 |
| Other Operating Income | 0.74 | 0.75 | 4.31 |
| **Total Sales/Revenue** | **252.68** | **438.73** | **660.35** |
| Profit / (Loss) after Tax | 19.93 | 0.75 | 16.36 |

6. ***Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy could have an adverse effect on our business, results of operations and financial condition.***

Some of our strategic initiatives in the past have not resulted in the achievement of optimal growth and scale in our business and operations. For instance, in the year 2013, we entered into a joint venture and formed a company titled UNI Global Solution Inc to conduct the business of marketing of fabricated steel structures in USA. However, in Fiscal Year 2014-15, we closed this joint venture and wrote off investment of Rs. 0.46 million and loan of Rs. 19.82 million provided by us to UNI Global Solution, Inc. We cannot assure you that we will not sustain similar losses in future. We strive for enhancing shareholders value and work towards that goal, in view of that we will keep options open for strategic alliances. In this direction we have entered recently into a joint venture with M/s. Sikka Engineering Limited, a partnership firm on March 30, 2017, wherein an Association of person (AOP) in the name of Sikka Salasar JV was formed. The JV has received the order for Design, Supply, Erection, Testing & Commissioning of 25Kv, 50HZ, Single Phase, Ac, Electrification Works including OHE & TSS as Composite electrical Works from Central Organization for Railway Electrification (CIIF/CORE).

7. ***Any delay or default in payment from our customers could result in the reduction of our profits and affect our cash flows.***

Our operations involve extending credit, ranging typically from 60 to 90 days, to our customers in respect of our products. Consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. Accordingly, we had and may continue to have high levels of outstanding receivables. For the the Fiscal Years ended 2016-17, 2015-16 & 2014-15, our trade receivables were Rs. 776.56 million, Rs. 568.94 million and Rs. 389.20 million, respectively, which constituted 20.80%, 20.55% and 14.10 % respectively of our total revenues for the same periods respectively as per restated standalone financial statements. Debtors over six months have also increased, during the aforesaid period.

The details of top 5 debtors as on March 31, 2017 are as under:

(Rs. in million)

| Sr. No. | Name of Debtors | Amount as on March 31, 2017 |
|---|---|---|
| 1 | Executive Engineer (UPPTCL) | 177.83 |
| 2 | Reliance Jio Infocomm Ltd. | 165.02 |
| 3 | Indus Towers Limited | 75.27 |
| 4 | ATC India Tower Corporation Private Ltd. | 55.25 |
| 5 | Mahindra Susten Private Limited | 42.24 |

If our customers delay or default in making these payments, our profits margins and cash flows could be adversely affected. We have written off Rs. 23.16 million as bad debts during the last 5 years as per standalone financial statements & provided for doubtful debtors of Rs. 16.01 million. The total turnover of last 5 years was Rs. 14,612.57 million. The bad debts written off & provision for doubtful debts constitutes 0.27% of the total turnover in past 5 years. The Issuer Company has already reduced the profits in the respective financial years by respective amounts in restated standalone financials.

8. ***Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Prospectus is based on certain assumptions and has been subjected to rounding off, and future production and capacity utilization may vary.***

Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Prospectus is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials, assumptions relating to operational efficiencies, as well as assumption in relation to galvanization of products manufactured by us. Actual production levels and utilization may differ significantly from the estimated production capacities or historical estimated capacity utilization of our facilities. Undue reliance should therefore not be placed on our production capacity or historical estimated capacity utilization information for our existing facilities included in this Prospectus. For further information, see the section titled "Our Business" on page 120 of this Prospectus.

9. ***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. As on March 31, 2017, more than 170 contract labourers were engaged at our manufacturing units apart from project sites. Although we do not engage these labourers directly, we may be held responsible for any wage payments to be made to such labourers 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 labourers 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.

10. ***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 products, 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 products 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 terns 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.

11. ***We face foreign exchange risks, primarily in our export operations that could adversely affect our results of operations.***

We export our products to other countries that are generally priced in foreign currency. Accordingly any rise in the value of the Rupee against the foreign currency would decrease the Rupee cost of such products. Further, our consolidated revenues include other operating income which includes foreign exchange fluctuation. Although we closely follow our exposure to foreign currencies and selectively enter into hedging transactions in an attempt to reduce the risks of currency fluctuations, these activities are not always sufficient to protect us against incurring potential losses if currencies fluctuate significantly. Any such losses on account of foreign exchange fluctuations may adversely affect our results of operations.

12. ***We may not be able to qualify for, compete and win orders for Transmission Towers, which could adversely affect our business and results of operations.***

We obtain orders for Transmission Towers through a competitive bidding process on turnkey basis. For the year ended March 31, 2017, transmission towers sales contributed 26.40% of sales as compared to 6.33% for the year ended March 31, 2016 and 4.50%. for the year ended March 31, 2015 In selecting contractors for major projects, clients generally limit the tender to contractors (or sub-contractors) who have pre-qualifications qualified based on several criteria including experience, technical and technological capacity, previous performance, reputation for quality, safety record, the financial strength of the bidder as well as its ability to provide performance guarantees. However, price competitiveness of the bid is typically one of the most important selection criterion. We are currently qualified to bid for orders up to a certain value and size and therefore may not be able to compete for larger orders for Transmission Towers. If we are unable to pre-qualify for orders that we intend to bid on, or successfully compete for and win such orders, our business, results of operations and financial condition may be adversely affected.

13. ***Our transmission business is substantially dependent on projects awarded or funded by the Central or State Governments and we derive substantial revenues from contracts with a limited number of government entities. Any changes in the Central or State Government policies or focus, or delay in payment may affect our business and results of operations.***

Our transmission business increasingly relies on projects awarded or funded by the Government or State Governments. We have various government clients and our top client in transmission business is UP Power Transmission Corporation Limited and Paschimanchal Vidyut Vitaran Nigam Limited. Our business is thus subject to risks relating to or arising from the Government or State Governments' personnel, structural, or policy changes or any changes in practices or focus at the Government or State Government level.

There can be no assurance that the Government or the State Governments will continue to place emphasis on the power sector. In the event of any adverse change in budgetary allocations for power transmission or a downturn in available work in the sector, we may suffer significant losses or incur substantial costs.

14. ***Our top five clients contribute 55.11 % of our revenues for the year ended March 31, 2017. Any loss of business from one or more of them may adversely affect our revenues and profitability.***

Our top five clients contribute 55.11 % of our revenues for the year ended March 31, 2017 and this ratio was 64.48% and 63.09% for year ended March 31, 2016 and March 31, 2015 respectively. Any decline in our quality standards, growing competition and any change in the demand for our products by these customers may adversely affect our ability to retain them. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability. However, the composition and revenue generated from these clients might change as we continue to add new clients in normal course of business. We intend to retain our customers by offering solutions to address specific needs in a proactive, cost effective and time efficient manner. This helps us in providing better value to each customer thereby increasing our engagement with our new and existing customer base that presents a substantial opportunity for growth.

15. ***Our Company has been investing a part of surplus funds in equity markets.***

Our Company has been investing a part of surplus funds in equity markets. Total exposure as on March 31, 2017 was Rs. 11.91 million. Our Company made a loss of Rs. 2.04 million on sale of share after the financial year vended on March 31, 2017. The exposure to equity market as on date is Rs. 1.65 million. In the past and present we have incurred loss and we cannot assure that we will not lose in future in remaining investments.

16. ***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. We believe that we have obtained all the requisite 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 these approvals are granted for fixed periods of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. Further, certain licenses and registrations obtained by our Company contain certain terms and conditions, which are required to be complied with by us. Any default by our Company in complying with the same, may result in inter alia 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.

We have regular system of checking for any regulatory license being expiring & to apply for renewal within stipulated time. For further details, please refer to section titled "Government and Other Statutory Approvals" beginning on page 360 of this Prospectus.

17. ***We face competition in our business from domestic competitors. Such competition would have an adverse impact on our business and financial performance.***

The industry, in which we are operating, is highly and increasingly competitive and our results of operations and financial condition are sensitive to, and may be materially adversely affected by, competitive pricing and other factors. Competition may result in pricing pressures, reduced profit margins or lost market share or a failure to grow our market share, any of which could substantially harm our business and results of operations. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

18. ***One of our Group Entity namely Hill View Infrabuild Ltd had incurred loss in financial year 2015-16.***

One of our Group Entity namely Hill View Infrabuild Ltd had incurred loss in the financial year 2015-16. For further details regarding financial performance of our Group Entities, please refer to Chapter titled "Our Group Entities" beginning on page 182 of this Prospectus. Sustained financial loss by our Group Entity may not be perceived positively by external parties such as customers, bankers, suppliers etc, which may affect our credibility and business operations. The loss has been due to onetime write off of loan amounting of Rs. 6.50 million.

19. ***Our Company and Subsidiary had deposited cash during demonetization period.***

Our Company and Subsidiary had deposited cash in bank accounts during demonetization from November 08, 2016 to March 31, 2017 aggregating to Rs. 5.36 million. Our Company has filed reply to the compliance notice from the Income Tax department regarding the same and further action, if any by Income Tax Department is awaited.

20. ***There are outstanding litigation by/against our Company, our Subsidiary 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 Subsidiary 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.

***Proceedings by our Company***

| Nature of Cases | No. of cases outstanding | Amount Involved (In million)* |
|---|---|---|
| Civil proceedings | 01 | 3.70 |
| Criminal proceedings | 08 | 8.61 |
| Taxation matters | Nil | Nil |
| Statutory or Regulatory authorities matters | Nil | Nil |

***Proceedings against our Company***

| Nature of Cases | No. of cases outstanding | Amount Involved (In million)* |
|---|---|---|
| Civil proceedings | Nil | Nil |
| Criminal proceedings | Nil | Nil |
| Taxation matters** | 07 | 2.10 |
| Statutory or Regulatory authorities matters | 01 | Unidentified |

**To the extent ascertainable*

**A survey was conducted by office of Deputy commissioner (SIB), Commercial Tax, Ghaziabad on December 12, 2016 in our factory premises situated at unit I Khasra No. 265, 281-283, Village –Parsaun-Dasna, P.O. Jindal Nagar, Distt.-Hapur, Uttar Pradesh-201313 and Unit II: Khasra No. 1184 & 1185, Village –Khera, P.O. Pikhuwa, Distt.-Hapur, Uttar Pradesh-245304. The department has seized certain documents related to our operations. We have not received any notice or intimation seeking for the information/documents

***Proceedings by our Subsidiary Company***

| Nature of Cases | No. of cases outstanding | Amount Involved (In million)* |
|---|---|---|
| Civil proceedings | 03 | 2.33 |
| Criminal proceedings | Nil | Nil |
| Taxation matters | Nil | Nil |
| Statutory or Regulatory authorities matters | Nil | Nil |

**To the extent ascertainable*

***Proceedings against our Subsidiary Company***

| Nature of Cases | No. of cases outstanding | Amount Involved (Rs. in million)* |
|---|---|---|
| Civil proceedings | 01 | 3.78 |
| Criminal proceedings | Nil | Nil |
| Taxation matters | 04 | 7.80 |
| Statutory or Regulatory authorities matters | Nil | Nil |

**To the extent ascertainable*

***Tax proceedings against our Promoters***

| Name of Promoters | Nature of tax involved | Amount involved (Rs. in million)* |
|---|---|---|
| Mr. Gyanendra Kumar Agarwal | Income Tax Demand | Negligible |
| Mr. Shalabh Agarwal | Income Tax Demand | Negligible |

**To the extent ascertainable*

***Tax proceedings against our Directors***

| Name of Promoters | Nature of tax involved | Amount involved (in Rs. million)* |
|---|---|---|
| Mr. Shalabh Agarwal | Income Tax Demand | Negligible |

**To the extent ascertainable*

***Tax proceedings against our Group Companies***

| Nature of tax involved | Number of cases outstanding | Amount involved (in Rs. million)* |
|---|---|---|
| Direct tax | 1 | 0.05 |
| **Total** | **1** | **0.05** |

**To the extent ascertainable*

For further details of certain material legal proceedings against our Company, our Subsidiary Company, our Promoters, our Directors and our Group Entities, see the section titled "*Outstanding Litigation and Material Developments*" beginning on page 349 of this Prospectus.

We cannot assure you that these legal proceedings will be decided in favour of our Company, our Subsidiary Company, our Promoters, our Directors and our Group Entities, as the case may be, or that no further liability will arise out of these proceedings. Further, such legal proceedings could divert management time and attention and consume financial resources. 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.

21. ***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 Standalone 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 Standalone Financial Statements and the same are summarized as under:

(Rs. In million)

| Particulars | As on March 31, 2017 | As on March 31, 2016 | As on March 31, 2015 | As on March 31, 2014 | As on March 31, 2013 |
|---|---|---|---|---|---|
| Cash Flow from/ (used in) Operating Activities | (36.86) | 112.81 | 109.71 | 51.31 | 74.76 |
| Cash Flow from/ (used in) Investing Activities | (77.43) | (30.73) | (3.76) | (188.82) | (8.74) |
| Cash Flow from/ (used in) Financing Activities | 151.51 | (85.03) | (119.11) | 156.15 | (61.57) |

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.

22. ***Our registered office is not owned by us & is taken on lease.***

Our registered office has been taken on lease. Our registered office is situated at E-20, South Extension I, New Delhi-110049, have been taken on rent vide lease agreement dated August 24, 2016 for a period of 10 months and we are in the process of renewal the said agreement. In case the owner of the property does not renew the said lease agreement or renew the same on the term which are detrimental to the company we may suffer increased relocating costs. For further details of the property refer chapter titled "Our Business" beginning on page 120 of this Prospectus.

***23. If we are unable to raise additional capital, our business prospects could be adversely affected.***

We intend to fund our development plans through our internal accruals, borrowings and capital. We will continue to incur significant expenditure in maintaining and growing our existing manufacturing infrastructure. We cannot assure you that we will have sufficient capital resources for our current operations or any future expansion plans that we may have. While we expect our internal accruals and cash flow from operations to be adequate to fund our existing commitments, our ability to incur any future borrowings is dependent upon the success of our operations. Additionally, the inability to obtain sufficient financing could adversely affect our ability to complete expansion plans. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. If we decide to meet our capital requirements through debt financing, we may be subject to certain restrictive covenants. If we are unable to raise adequate capital in a timely manner and on favourable terms, or at all, our business, results of operations, cash flows and financial condition could be adversely affected.

***24. Our Company has availed certain unsecured loans that are recallable by the lenders at any time.***

Our Company has availed unsecured loans to the tune of Rs. 20.11 million as on March 31, 2017 that are recallable on demand by the lenders including our Promoters, shareholders and our group companies. In such cases, the lender is empowered to require repayment of the facility at any point in time during the tenure. We may not be able to secure fresh funds or have internal accruals to repay those loans. As a result, our cash flow may be affected resulting in working capital constraints. However since all of them belong to promoter group, we do not foresee any such situation. For further details please refer chapter titled "Financial Information" beginning on page 193 of this Prospectus.

***25. 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, 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 193 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.

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

As on March 31, 2017 our Company has contingent liabilities of Rs. 836.39 million towards bank guarantees, corporate guarantee & tax demands not provided for. The said contingent liabilities if materialises may adversely affect the financial position of our Company. The Bank guarantee is issued to customers against advance or as performance guarantee. These bank guarantees are released after a stipulated period of time even after project completion. Though in past there has been no instance of our bank guarantees being encashed, we cannot assure you that this will not happen in future. The corporate guarantee of Rs. 320.00 million given by our Company to Punjab National Bank against their working capital limits to our subsidiary has since been withdrawn.

27. ***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.

28. ***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 success largely depends on the continued services and performance of our management and other key personnel which is defind as under:

| Name | Designation | Department |
|---|---|---|
| Mr. Alok Kumar | Chairman & Managing Director | Purchases & Finance |
| Mr. Shashank Agarwal | Jt. Managing Director | Operations, Sales & Marketing of telecom towers and solar mounting structures |
| Mr. Shalabh Agarwal | Whole Time Director | Operations, Sales & Marketing of Power Transmission Line Towers. |

Though they have been assisted by team of professionals, the loss of service of the Promoters and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. Further, the loss of any of the senior management or other key personnel may adversely affect the operations, finances and profitability of our Company. Any failure or inability of our Company to efficiently retain and manage its human resources would adversely affect our ability to implement new turn key projects and expand our business.

29. ***One of our Key Management Personnel are associated with the Company less than one year.***

One of our Key Management Personnel i.e. Company Secretary is 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.

30. ***Certain documents in relation to educational qualifications and experience of our Directors and Key Managerial Persons are not available.***

Certain supporting documentation for details required to be stated under brief profiles of Directors and KMPs of our Company in "Our Management" on page 154, including in respect of educational qualifications and work experience could not be made available to our Company, despite due enquiries with such Directors and KMPs. We have relied on certain indirect sources for such information.

31. ***Our trademark or logo SALASAR is under the process of registration. If we are unable to protect our trademarks and trade-names, others may be able to use our trademarks and trade-names to compete more effectively.***

We have filed the application dated December 21, 2016 in form TM-1 for registration of our Logo SALASAR under the Trademarks Act, 1999. In case of no registration, our Company may not be able to successfully enforce or protect our intellectual property rights and obtain statutory protections available under the Trademarks Act, 1999, as otherwise available for registered trademarks. The current status is objected and we have filed our reply dated February 28, 2017 with Registrar of Trademark for reconsideration. We cannot assure you that we will be able to obtain such registrations in a timely manner. As a result, we may be unable to prevent use of these names or variations thereof 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 trademark, logo and/or trade name in a manner that may have a material adverse effect on our business prospects, reputation and goodwill.

32. ***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 chemicals, dust or other pollutants into the air, soil or water that exceed permitted levels 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. Environmental laws and regulations in India have been increasing in stringency and it is possible that they will become significantly more stringent in the future. Stricter laws and regulations, or stricter interpretation of the existing laws and regulations, may impose new liabilities on us or result in the need for additional investment in pollution control equipment, either of which could adversely affect our business, financial condition or prospects. While as of 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. Such legal proceedings could divert management time and attention, and consume financial resources in defense or prosecution of such legal proceedings or cause delays in the production, development or commencement of operations of our projects. No assurance can be given that we will be successful in all, or any, of such proceedings.

33. ***We are subject to risk of fraud, theft, embezzlement by our employees, contractors and customers, employee negligence or similar incidents may adversely affect our results of operations and financial condition.***

As of March 31, 2017, we had total inventory consisting of raw materials, stock in process and finished goods to the value of Rs. 610.83 million as per our Restated Standalone Financial Statements. Our operations may be subject to incidents of theft or damage to inventory in transit, prior to or during stocking. We may also encounter some inventory loss on account of employee/contractor/vendor fraud, theft, embezzlement and general administrative error. Although, we have set up various security measures, including CCTV in our offices and the existing Manufacturing Units at Ghaziabad, deployment of security guards and follow stringent operational processes such as periodic stock taking, there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future, which could adversely affect our results of operations and financial condition.

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

Under the provisions of Companies Act, certain forms are required to be filed within prescribed timelines. In 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 every officer of the company who is in default is punishable with fine.

35. ***Certain of our old corporate records in connection with the allotment of our Equity Shares are not available.***

We are unable to trace certain corporate records in relation to allotment of shares of our Company. These corporate records include documents relating to applications for certain allotments of our equity shares. These documents pertain to the period commencing from year 2006 to 2009. We have also been unable to trace copies of certain transfer deeds for transfer of equity shares made by and to our Directors, their relatives & group entity. 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, board resolutions and minutes, annual returns to verify the details of our equity shares allotted during this period, and details of transfers of equity shares made by and to our Directors, their relatives and group entities.

36. ***Loans availed by our Company have been secured on personal guarantees of our Promoter and Promoter Group members. 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 Promoter and Promoter Group members.***

Our Promoter and Promoter Group Members has provided personal guarantees as security to secure our existing borrowings of Rs. 1,650.00 million taken from Bank of India and HDFC Bank Limited 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 and Promoter Group Members 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 343 of this Prospectus.

37. ***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. Total Insurance coverage by our Company in respect of fixed assets and stock, for fire & special perils amounted to Rs. 926.70 million. Total fixed assets and stock as on March 31, 2017 were Rs. 739.05 million and insurance coverage constitute 125.39% of total fixed assets and stock of our company. Further, 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 – Insurance*" on page 120 of this Prospectus.

***38. This Prospectus contains information from an industry report which was prepared by CARE pursuant to an engagement with our Company.***

This Prospectus includes information that is derived from the industry report dated December 23, 2016, titled "Overview of the Steel & Allied Industry in India" ("CARE Report") prepared by CARE, an independent consultant, pursuant to an engagement with our Company. The CARE Report was prepared by CARE for the purpose of confirming our understanding of the customized galvanized and non-galvanized fabricated steel structures like Telecom Towers, Transmission Towers, Solar Module Mounting Structures etc. Neither we, nor any of the LM, nor any other person connected with the Issue has verified the information in the CARE Report. The CARE Report highlights certain industry and market data. Such data is subject to many assumptions. There are no standard data gathering methodologies in the industries in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that CARE's assumptions are correct or will not change and accordingly our position in the market may differ from that presented in this Prospectus. Prospective investors are advised not to unduly rely on the CARE Report when making their investment decisions.

***39. 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 of galvanized steel products, which attracts tax liability such as Excise, Value added Tax and Service Tax as per the applicable provisions of Law. We are also subject to the labour laws like depositing of contributions with Provident Fund, Labour cess etc. Though, we have deposited the required returns under various applicable Acts but 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.

***40. 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 of March 31, 2017, our Promoters and the members of our Promoter Group hold entire issued equity share capital of the Company. After completion of the Issue, our Promoters and the members of our Promoter Group will hold 74.99% 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.

41. ***High dependence on the smooth supply and transportation of our products. Supply and transportation are subject to various uncertainties and risks, and delays in delivery or non-delivery may result in rejected or discounted deliveries.***

We depend on transportation services to deliver our products. We rely on third parties to provide such services. Disruptions of transportation services because of weather related problems, strikes, lock-outs, inadequacies in road infrastructure or other events could impair our ability to supply our products to our customers. There is no assurance that such disruptions will not occur in the future. Any such disruptions could materially adversely affect our business, financial condition and results of operations.

42. ***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.

43. ***Public companies in India, including our Company, shall be required to prepare financial statements under Indian Accounting Standards. In addition, all income-tax assessees in India, including our Company, will be required to follow the Income Computation and Disclosure Standards.***

India has decided to adopt the "Convergence of its existing standards with IFRS" and not the "International Financial Reporting Standards" ("IFRS"). These "IFRS based / synchronised Accounting Standards" are referred to in India as the Indian Accounting Standards ("Ind AS"). The Ministry of Corporate Affairs, Government of India, has through a notification dated February 16, 2015, set out the Ind AS and the timelines for their implementation. Accordingly, our Company is required to prepare their financial statements in accordance with Ind AS for periods beginning on or after April 01, 2017. Given that Ind AS is different in many respects from Indian GAAP under which our financial statements are currently prepared, our financial statements for the period commencing from April 01, 2017 may not be comparable to our historical financial statements. Further, our Restated Financial Statements have been prepared in accordance with Indian GAAP and the Companies Act, and restated in accordance with the SEBI Regulations. These statements have not been drawn up in accordance with Ind AS and they may be impacted if Ind AS were applied to them.

There can be no assurance that the adoption of Ind AS will not affect our reported results of operations or cash flows. Further, we may be required to retroactively apply Ind AS to our historical financial statements, subject to certain exemptions, which may require us to restate financial statements after March 31, 2016, once included. In addition, our management may also have to divert its time and other resources for the successful and timely implementation of Ind AS. Any failure to successfully adopt Ind AS may have an adverse effect on the trading price of our Equity Shares and/or may lead to regulatory action and other legal consequences. Moreover, our transition to Ind AS reporting may be hampered by increasing competition and increased costs

for the relatively small number of Ind AS-experienced accounting personnel available as more Indian companies begin to prepare Ind AS financial statements. Any of these factors relating to the use of Ind AS may adversely affect our financial condition, results of operations and cash flows. We have not attempted to quantify the impact of Ind AS on the financial information included in this Prospectus, nor have we provided a reconciliation of our financial statements to those under Ind AS.

Further, the Ministry of Finance has issued a notification dated March 31, 2015 notifying Income Computation and Disclosure Standards ("ICDS"), thereby creating a new framework for the computation of taxable income. The ICDS came into force with effect from April 01, 2015 and shall apply to the assessment year 2017-18 and subsequent years. The adoption of ICDS is expected to significantly alter the way companies compute their taxable income, as ICDS deviates from several concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. For example, where ICDS-based calculations of taxable income differ from Indian GAAP or Ind AS-based concepts, the ICDS-based calculations will have the effect of requiring taxable income to be recognised earlier, higher overall levels of taxation to apply or both. In addition, ICDS shall be applicable for the computation of income for tax purposes but shall not be applicable for the computation of income for Minimum Alternate Tax.

The application and interpretation of the ICDS by assessing authorities may differ substantially from our interpretation, and such variations could lead to additional tax demands. It is also possible that the resultant computation of taxable income based on the ICDS and net income based on our Company's financial statements may be significantly different, and, if they differ, we may be required to recognise taxable income for tax purposes earlier and/or pay higher overall taxes, thus either negatively impacting our effective tax rates, or the amount of taxes paid out relative to the income reported by the relevant accounting standards. This may lead to tax outflows happening in accounting periods earlier relative to the period when these incomes would get reported under the relevant accounting standards.

**I.** ***Risk related to this Issue and our Equity Shares***

***44. 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.

***45. 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*

***46. Natural calamities and force majeure events may have an adverse impact on our business.***

Natural disasters may cause significant interruption to our operations, and damage to the environment that could have a material adverse impact on us. The extent and severity of these natural disasters determines their impact on the Indian economy. Prolonged spells of deficient or abnormal rainfall and other natural calamities could have an adverse impact on the Indian economy, which could adversely affect our business and results of operations.

**47. *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 95 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.

**48. *The Goods and Services Tax (GST) regimes enacted by the Government of India may have material impact on our operations.***

The Government of India has enacted a comprehensive national Goods and Services Tax (GST) regime that will combine taxes and levies by the Central and State Governments into unified rate structure which will be effective from July 01, 2017. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Though the government is taking neccessery steps to guide the impact of GST, We are unable to provide the impact of this tax regime on our operations.

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

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months is not subject to capital gains tax in India if securities transaction tax ("STT") is paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realized on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax. Any change in tax provisions may significantly impact your return on investments.

In Finance Bill 2017 it is proposed to amend section 10(38) to provide that exemption under this section for income arising on transfer of equity share acquired on or after 1st day of October, 2004 shall be available only if the acquisition of share is chargeable to Securities Transactions Tax (STT) under Chapter VII of the Finance (No 2) Act, 2004. In case this provision becomes effective, sale shares acquired on or after 1st day of October, 2004 on which STT was not charged will attract tax under provisions of Long Term Capital Gains.

**50. *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.

51. ***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.

52. ***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.

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

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

54. ***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.

55. ***Investors may be adversely affected due to retrospective tax law changes made by the GoI affecting us.***

Certain recent changes to the Income Tax Act provide that income arising directly or indirectly through the sale of a capital asset of an offshore company, including shares, will be subject to tax in India, if such shares derive indirectly or directly their value substantially from assets located in India. The term "substantially" has not been defined under the Income Tax Act and therefore, the applicability and implications of these changes are largely unclear. Due to these recent changes, investors may be subject to Indian income taxes on the income arising directly or indirectly through the sale of the Equity Shares. In the past, there have been instances where changes in the Income Tax Act have been made retrospectively and to that extent, there cannot be an assurance that such retrospective changes will not happen again.

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

Capital gains arising from the sale of our Equity Shares are generally taxable in India. Any gain realised on the sale of our Equity Shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the STT has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which our Equity Shares are sold. Any gain realised on the sale of our Equity Shares held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no STT has been paid, will be subject to a long-term capital gains tax in India. Further, any gain realised on the sale of our Equity Shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the 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 for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. For further details, see the section titled "Statement of Tax Benefits" on page 98 of this prospectus.

## *PROMINENT NOTES*

a) The Public Issue of 3,321,000 Equity Shares of face value of Rs. 10/- each fully paid for cash at a price of Rs. 108/- per Equity Share aggregating Rs. 358.67 million ("the Issue"). Issue of Equity Shares will constitute 25.01% of the fully diluted Post-Issue paid up capital of our Company. For more information, please refer to chapter titled "The Issue" on page 55 of this Prospectus.

b) The net worth and book value of our Company is as under:

(In million)

| Sr. No. | Particulars | Financial Statement | As on March 31, 2017 | As on March 31, 2016 | As on March 31, 2015 |
|---|---|---|---|---|---|
| 1. | Net worth | Consolidated | 958.33 | 751.14 | 640.74 |
| | | Standalone | 910.13 | 726.47 | 624.47 |
| 2. | Book Value | Consolidated | 96.25 | 75.44 | 65.02 |
| | | Standalone | 91.41 | 72.97 | 63.36 |

For more information, please refer to section titled "Financial Statements" beginning on page 193 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.) |
|---|---|---|
| Mr. Gyanendra Kumar Agarwal | 293,816 | 22.48 |
| Mr. Alok Kumar | 894,000 | 6.12 |
| Mr. Shalabh Agarwal | 1,280,592 | 4.53 |
| Ms. Tripti Gupta | 400,000 | Nil |

d) For details of Related Party Transactions entered into by our Company, please refer to the chapter titled "*Related Party Transactions*" beginning on page 191 of this Prospectus.

e) Except as disclosed in the chapter titled "*Capital Structure*", "*Our Promoters and Promoter Group*" and "*Our Management*" beginning on pages 64, 171 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 64 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 56 of this Prospectus.

h) Investors are advised to refer to chapter titled "*Basis for Issue Price*" on page 95 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 182 and chapter titled "Related Party Transactions" beginning on page 191 of this Prospectus, our Group Entities have no business interest or other interest in our Company.

l) 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 387 of this Prospectus.

## SECTION III-INTRODUCTION

## SUMMARY OF INDUSTRY

*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources, including the report titled "Overview of Research Report on Steel and Allied Sector in India" prepared by CARE Advisory ("CARE Report"). The information has not been independently verified by us, the Lead Manager, or any of our or their respective affiliates or advisors. The information may not be consistent with other information compiled by third parties within or outside India. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on, or base their investment decision on this information. The information in this section should be read in conjunction with the sections titled "Risk Factors" and "Our Business" on page 18 and 120, respectively.*

*The CARE Report is subject to the following disclaimer: "CARE Research, a research report of CARE Advisory (CARE), has taken due care and caution in preparing this Report based on the information obtained by CARE from sources which it considers reliable (Data). However, CARE does not guarantee the accuracy, adequacy or completeness of the Data / Report and is not responsible for any errors or omissions in analysis/inferences/views or for results obtained from the use of Data / Report. This Report is not a recommendation to invest / disinvest in any company covered in the Report. CARE especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this Report. CARE Advisory operates independently of ratings division, which may have obtained in regular course of operations, obtain information of a confidential nature. The opinion expressed in this report cannot be compared to the rating assigned to the Company within this industry by the ratings division. No part of this Report may be published / reproduced in any form without CARE Advisory's prior written approval."*

**Global Economy**

As per International Monetary Fund (IMF) October 2015 World Economic Outlook (WEO), global growth, estimated at 3.1% in 2015, is projected to grow at 3.4% in 2016 and 3.6% in 2017. The pickup in global activity is projected to be more gradual especially in emerging market and developing economies.

In advanced economies, a modest and uneven recovery is expected to continue, with a gradual further narrowing of output gaps. The picture for emerging market and developing economies is diverse but in many cases challenging. The slowdown and rebalancing of the Chinese economy, lower commodity prices, and strains in some large emerging market economies will continue to weigh on growth prospects in 2016–17.

The projected pickup in growth in the next two years — despite the ongoing slowdown in China — primarily reflects forecasts of a gradual improvement of growth rates in countries currently in economic distress, notably Brazil, Russia, and some countries in the Middle East, though even this projected partial recovery could be hit by new economic or political shocks.

On the other hand, the World Bank is revising its 2016 global economic growth forecast down to 2.4 percent from the 2.9 percent pace projected in January. The move is due to sluggish growth in advanced economies, stubbornly low commodity prices, weak global trade, and diminishing capital flows. Commodity-exporting emerging market and developing economies have struggled to adapt to lower prices for oil and other key commodities. Growth in these economies is projected to advance at a meager 0.4 percent pace this year, whereas growth in commodity importers has been more resilient. In an environment of weak growth and eroding policy buffers, structural reforms have become even more urgent.

Emerging market and developing economies (EMDEs) are facing stronger headwinds, including weaker growth among advanced economies and low commodity prices. Significant divergences persist between commodity

exporters struggling to adjust to depressed prices and commodity importers showing continued resilience. Global growth is projected to pick up to 3% by 2018, as stabilizing commodity prices provide support to commodity exporting EMDEs.

As of 2015, Brazil, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, the United Kingdom, the United States and the European Union, these countries or regions have reached an economy of at least the US$ 2 billion for GDP in nominal terms or PPP.

Globally investment remains soft amid weaker growth prospects and high political uncertainty, while export growth has slowed due to moderate external demand. Despite the expected momentum of lower energy prices, and the ongoing improvement of labor markets, growth is projected to level off in 2016 rather than accelerate.

Investment growth has also slowed substantially, especially in commodity exporters, reflecting in part the tightening of domestic policies and weak capital flows. In China, a gradual rebalancing is taking place at the national level, with strong growth in services and policy support measures that mitigate the slowdown in industrial activity. Brazil and the Russian Federation are still in recession. Global merchandise trade remains subdued, reflecting rebalancing in China and weaker demand from commodity exporters, which together contributed to an outright contraction in overall EMDE merchandise imports in 2015.

**Indian Economy:**

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF). According to the Economic Survey 2015-16, the Indian economy will continue to grow more than 7 per cent in 2016-17.

The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, RBI's inflation focus supported by benign global commodity prices.

India's Consumer Confidence score in the April-June 2016 quarter declined to 128 from the high of 134 in the January-March 2016 quarter. India was ranked the highest globally in terms of consumer confidence during October-December quarter of 2015, continuing its earlier trend of being ranked the highest during first three quarters of 2015, as per the global consumer confidence index created by Nielsen.

**Market Size:**

According to the IMF World Economic Outlook Update (January 2016), India's economy is forecast to grow between 7 and 7.75 percent during FY 2016-17, despite the uncertainties in the world market. The Economic Survey of 2015 – 16 predicts that India's economy will grow more than seven percent for the third consecutive year 2016-17 and may begin to grow to eight percent or more over the next two years.

As per industry inc., after the recent demonetisation of certain currency notes by the GoI, GDP growth rate in FY'17 may dip a little compared to the last two years, but even then India is likely to outpace most other major economies .

Further, India's foreign exchange reserves stood at US$ 360 billion by end of March 2016, as compared with US$ 342 billion at same time last year, according to data from the Reserve Bank of India (RBI).

The steps taken by the government in recent times have shown positive results as India's gross domestic product (GDP) at factor cost at constant (2011-12) prices 2014-15 is Rs.106.4 trillion (US$ 1.58 trillion), as against Rs.99.21 trillion (US$ 1.47 trillion) in 2013-14, registering a growth rate of 7.3 per cent. The economic activities which witnessed significant growth were

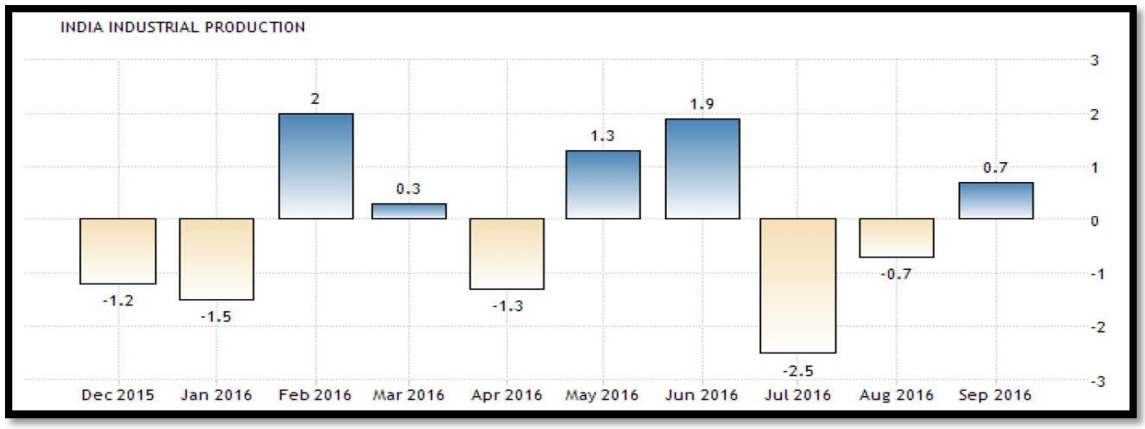
'financing, insurance, real estate and business services' at 11.5 per cent and 'trade, hotels, transport, communication services' at 10.7 per cent.

According to some economists, India could grow at a potential 8 per cent on average during from fiscal 2016 to 2020 if powered by greater access to banking, technology adoption, urbanisation and other structural reforms.

**Recent Developments across various sectors:**

**India Industrial Production:**

Industrial production in India went up 0.7 percent year-on-year in September of 2016, following two straight months of falls (-0.7 percent in August and -2.5 percent in July) and slightly above market expectations of a 0.5 percent gain. Manufacturing rose 0.9 percent (-0.2 percent in August), also the first gain in three months and the strongest since October last year. Electricity increased 2.4 percent (0.1 percent in August) while mining shrank 3.1 percent (-5.8 percent). From April to September, industrial production declined 0.1 percent. Industrial Production in India averaged 6.22 percent from 1994 until 2016, reaching an all-time high of 20.00 percent in November of 2006 and a record low of -7.20 percent in February of 2009.




**India's Gross Capital Formation:**

Gross Fixed Capital Formation in India decreased to Rs.8,583.37 Billion in the third quarter of 2016 from Rs.8,639.56 Billion in the second quarter of 2016. Gross Fixed Capital Formation in India averaged Rs.4,951.59 Billion from 2001 until 2016, reaching an all-time high of Rs.9,091.17 Billion in the third quarter of 2015 and a record low of Rs.2,021.90 Billion in the first quarter of 2002.




*(Source: Trading Economics)*

With the improvement in the economic scenario, there have been various investments leading to increased M&A activity in the country. India has emerged as one of the strongest performers in terms of deals related to mergers and acquisitions (M&A). The total M&A deals involving Indian companies grew by 82 per cent to US$ 27 billion during January to June 2016, which is the highest in the first six months in any year since 2011, led by a four and a half time increase of Indian acquisitions abroad at US$ 4.5 billion.

Under the new National Mineral Exploration Policy (NMEP), the Government of India plans to conduct e-auction of 62 mineral blocks of minerals such as iron ore, limestone and gold located across several states to further open up the mining sector and increase output of minerals in 2016-17.

**Steel Sector Overview**

**Introduction**

India is the world's third-largest producer of crude steel (up from eighth in 2003) and is expected to become the second-largest producer by the end of FY 2016. The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India's manufacturing output.

Indian Iron and steel industry, with its strong forward and backward linkages, contributes significantly to overall growth and development of the economy. As per official estimates, the Industry today directly contributes 2% of India's Gross Domestic Product (GDP) and its weightage in the official Index of Industrial Production (IIP) is 6.2%[1]. The per capita consumption of total finished steel in the country has risen from 51 kg in 2009-10 to about 60 kg in 2014-15.

Being a core sector, steel industry tracks the overall economic growth in the long term. Also, steel demand, being derived from other sectors like automobiles, consumer durables and infrastructure, its fortune is dependent on the growth of these user industries. The Indian steel sector enjoys advantages of domestic availability of raw materials and relatively cheap labour. Iron ore is also available in abundant quantities. This provides major cost advantage to the domestic steel industry.

The Indian steel industry is largely iron-based through the blast furnace (BF) or the direct reduced iron (DRI) route. Indian steel industry is highly consolidated. About 60% of the crude steel capacity is resident with integrated steel producers (ISP). But the changing ratio of hot metal to crude steel production indicates the increasing presence of secondary steel producers (non -integrated steel producers) manufacturing steel through scrap route, enhancing their dependence on imported raw material.

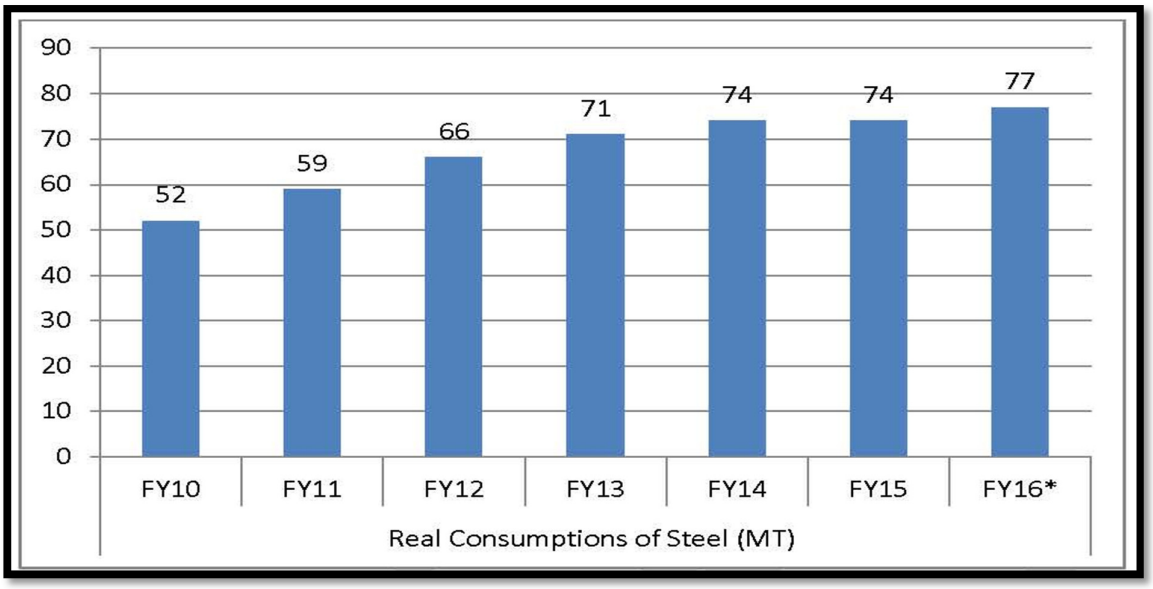
**Market Size**

In 2015 India produced 91.46 million tonnes (MT) of finished steel. Total finished steel production in the country increased at a CAGR of 7.45 per cent over FY11–15. During April-August 2016, crude steel production in the country grew by 7 per cent year-on-year to ~40 MT.

Over April-August 2016, steel imports fell 34.5 per cent year-on-year to 3.01 MT, while steel exports rose 23.6 per cent year-on-year to 2.38 MT.

**[1]Erstwhile Planning Commission Report**

Steel consumption in the country is expected to grow 5.3 per cent year-on-year to ~ 85 MT during FY 2016-17, led by growth in the construction and capital goods sector.




*(Source: IBEF)*

## SUMMARY OF BUSINESS

*The following information should be read together with the more detailed financial and other information included in this Prospectus, including the information contained in the sections titled "Our Business", "Risk Factors", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Statements" beginning on page 120, 18, 326 and 193 of this Prospectus, respectively. In this section, unless the context requires otherwise, any reference to the terms "we", "us" and "our" refers to our Company and our Subsidiary. Unless otherwise stated, all financial and other data regarding our Company's business and operations presented in this section is on a consolidated basis and are derived from the Restated Financial Statements.*

*Certain information in this section is also derived from the report titled "Overview of the Steel and Allied Sector in India" prepared by CARE, an independent consultant, pursuant to engagement with our Company ("CARE Report").*

### OVERVIEW

We are an ISO 9001: 2008, 14001: 2004 and 18001: 2007 certified company managed by experienced and dedicated promoters to address the changing needs of the customers in Infrastructure space. Our Company is a provider of customised steel fabrication and infrastructure solutions in India for Telecommunication Towers, Transmission Towers & Substation Structures and Solar Module Mounting Structures. The objective of our Company is to supply customized, high-quality material to its impressive and ever-growing clientele. We provide 360 degree solutions by carrying out engineering, designing, fabrication, galvanization and deployment. Our products include Telecommunication Towers, Power Transmission Line Towers, Smart Lighting Poles, Monopoles, Guard Rails, Substation Structures, Solar Module Mounting Structures and Customized Galvanized & Non-galvanized steel structures. Our services include providing complete engineering, procurement and control for projects such as Rural Electrification, Power Transmission Lines, and Solar Power Plants.

Our Company commenced its manufacturing/fabrication activities in the Financial Year 2006-07 when first unit became operational. With the addition of a second unit in 2008-09, our Company now provides all kinds of steel fabrication and infrastructure solutions in addition to Telecom Towers and its projects have been executed in all kinds of geographical locations nationally. We have maintained an excellent track record ever since.

We have full in house fabrication and Hot Dip Galvanizing Facilities that assist us in the manufacturing of galvanized Towers as per customer needs and drawings and strengthen our market distinguished position Towers Suppliers. In a big leap forward, the company recently increased its installed annual manufacturing/fabrication capacity from 50,000 MT to 1,00,000 MT with the installation of new Galvanizing Plant at its wholly owned subsidiary – Salasar Stainless Limited.

In addition to manufacturing/fabrication, we also undertake civil foundation work, erection of towers both telecom & transmission at site including painting. We have also undertaken EPC Turnkey projects for solar mounting structures for our clients.

Our Company provides individual attention to its customers and all of its products are fabricated as per the customer's requirements in accordance with applicable standards. Fabrication is carried out in a state-of-the-art manufacturing facility ensuring strict quality control and safety at every level of production.

Our Company has established its execution capabilities in a short span of time and developed firm relationships with its suppliers and customers. Our Company has a strong customer profile and caters to the leading names in India. These relationships have allowed us to carry out massive touchstone projects such as establishing Transmission and Substation for U.P. Power Transmission Corporation Ltd, Tata Power Delhi Distribution Ltd., Unitech Power Transmission Ltd., executing orders of Telecom Towers including erection of towers for ATC India Tower Corporation Pvt Ltd, Indus Towers Ltd, ATC Telecom Infrastructure Pvt Ltd, Bharti Infratel Ltd, Reliance Jio Infocomm Ltd, Tower Vision India Pvt Ltd, Viom Networks Ltd, and supplying Solar Mounting Module Structures for Jakson Engineers Ltd, Prayatna Developers Pvt Ltd, Welspun Renewables Energy Pvt Ltd., Insta Power Energy Efficiency Pvt Ltd etc.

## LOCATION OF MANUFACTURING UNITS

Our Company has 2 manufacturing units located at:

1. Unit-I, Khasra No. 265, 281 & 283, Village-Parsaun Post-Jindal Nagar, dasna, Ghaziabad-245304, Uttar Pradesh (UP)
2. Unit-II, Khasra No. 1184, 1185, Village Khera, P.O. Pilkhuwa, Hapur-245304.

## MANUFACTURING PROCESS

Hi-tech international machinery and equipment are used to manufacture our products. As much of the process is automated as possible. As heavy parts are dealt with, cranes and hydras are employed extensively. Quality control and security measures are ensured at each production stage. Technicians are trained as per customer requirements for each order. Our Company goes out of its way to ensure that customers' needs are met.

Galvanising

Galvanising is the process of coating zinc on the surface of steel for preventing corrosion. The zinc coating renders zinc iron alloy on the surface which is stable and protects the parent metal from corrosion. The hot dip galvanizing process is the oldest and most used in the steel industry. The steel is first dipped in the flux solution to prepare the surface for zinc adherence and good bonding between the steel and zinc. The steel is dipped into molten zinc at 450 C, and reaction is initiated between steel and zinc. The quantum of free zinc on the alloy layer depends on the wire speed, wiping methodology and zinc temperature.

Quality Testing

Our Company is in strict adherence to its ISO 9001:2015, ISO 14001:2015 & OHSAS 18001:2007 accreditation, and has an in-house QAP (Quality Assurance Plan) to provide quality products both in manufacturing and services. The focus on supreme quality standards right from the procurement of raw materials to delivering the end product is observed thereby making quality improvement and adherence a continuous process.

In-House Testing

Our Company is well equipped with latest Mechanical & Chemical testing equipment to carry out necessary mechanical and chemical tests as per relevant IS/International Standards required for both incoming as well as outgoing finished product. In house computerized Universal Testing Machine (UTM) is installed to check the tensile and compressive strength of raw material. To ensure prime quality galvanizing, our Company carries out various chemical tests, zinc coating tests, hammer tests etc. through its well-equipped Chemical Laboratory.

Control

For manufacturing, superior quality products, our focus is concentrated on efficient execution of every stage of manufacturing. Our experienced quality assurance personnel are responsible for the formulation of an inward raw material inspection procedure and an advanced standard operating procedure in order to implement them for all processes for achieving the desired quality of products. Factories are equipped with most modern testing equipment of galvanized coating testing for our products.

Our Company believes in providing the best product in best quality to its customers. For this purpose, it carries out extensive in-house testing and quality control at all stages of production.

SALASAR

## SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our Restated Financial Statements for the years ended March 31, 2017, 2016, 2015, 2014 and 2013. These financial statements have been prepared in accordance with Indian GAAP, applicable provisions of the Companies Act, 1956, Companies Act, 2013 and restated in accordance with the SEBI Regulations, and are presented in the section titled "Financial Statements" beginning on page 193 of this Prospectus.

The consolidated summary financial information presented below should be read in conjunction with our Restated Financial Statements, the notes thereto and the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 326 of this Prospectus.

**Restated Standalone Summary statement of Assets and Liabilities**

(Rs. in Million)

| S. N. | Particulars | Note No. | As at 31st March | | | | |
|---|---|---|---|---|---|---|---|
| | | | 2017 | 2016 | 2015 | 2014 | 2013 |
| **A.** | **Equity and Liabilities** | | | | | | |
| | | | | | | | |
| **1** | **Shareholders' Funds** | | | | | | |
| | Share Capital | **I.1** | 99.56 | 49.78 | 49.78 | 48.76 | 48.76 |
| | Reserves & Surplus | **I.2** | 810.56 | 676.69 | 574.69 | 516.78 | 461.79 |
| | **Share application money pending allotment** | | | | | | |
| | | | | | | | |
| **2** | **Non-Current Liabilities** | | | | | | |
| | Long-term borrowings | **I.3** | 22.09 | 32.22 | 46.40 | 73.48 | 10.08 |
| | Deferred Tax Liabilities (Net) | **I.4** | 7.65 | 12.69 | 11.44 | 11.95 | 7.48 |
| | Long Term Provisions | **I.5** | 7.51 | 4.41 | 3.35 | 2.25 | 4.77 |
| | Other Non-current Liabilities | I.6 | 98.50 | | | | |
| | | | | | | | |
| **3** | **Current Liabilities** | | | | | | |
| | Short Term Borrowings | **I.7** | 515.68 | 396.49 | 407.24 | 447.50 | 285.29 |
| | Trade Payables | **I.8** | 327.28 | 151.37 | 152.25 | 341.69 | 157.20 |
| | Other Current Liabilities | **I.9** | 369.77 | 183.18 | 171.50 | 207.18 | 122.17 |
| | Short Term Provisions | **I.10** | 37.27 | 33.46 | 40.45 | 17.86 | 17.42 |
| | **Total** | | **2,295.87** | **1,540.29** | **1,457.10** | **1,667.45** | **1,114.96** |
| **B.** | **Assets** | | | | | | |
| **4** | **Non-Current Assets** | | | | | | |
| | Fixed Assets | | | | | | |
| | Tangible Assets | **I.11** | 273.64 | 244.21 | 239.85 | 222.52 | 87.46 |
| | Intangible Assets | | - | - | - | - | - |
| | Capital Work In Progress | | - | - | - | - | - |
| | Non - Current Investments | **I.12** | 179.46 | 179.46 | 179.46 | 179.46 | 179.46 |
| | Long Term Loans and Advances | **I.13** | 52.08 | 4.68 | 3.94 | 53.57 | 3.86 |
| | | | | | | | |
| **5** | **Current Assets** | | | | | | |
| | Current Investment | **I.14** | 12.91 | 16.96 | 1.86 | 4.63 | 4.63 |
| | Inventories | **I.15** | 610.83 | 414.16 | 442.08 | 389.62 | 319.00 |
| | Trade Receivables | **I.16** | 776.56 | 568.94 | 389.20 | 542.16 | 373.12 |
| | Cash and Cash Equivalents | **I.17** | 57.81 | 20.59 | 23.55 | 36.70 | 18.06 |
| | Short-term loans and advances | **I.18** | 155.14 | 82.90 | 172.43 | 234.94 | 128.09 |
| | Other Current Assets | **I.19** | 177.44 | 8.39 | 4.73 | 3.85 | 1.28 |
| | **Total** | | **2,295.87** | **1,540.29** | **1,457.10** | **1,667.45** | **1,114.96** |

**Restated Standalone Summary statement of Profit and Loss**

(Rs. in Million)

| S. N. | Particulars | Note No. | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|---|---|
| | | | 2017 | 2016 | 2015 | 2014 | 2013 |
| **A.** | **Revenue:** | | | | | | |
| | | | | | | | |
| | Revenue from Operations (gross) | **II.1** | 4,037.87 | 3,038.49 | 2,998.82 | 2,703.00 | 1,834.39 |
| | Less: Excise Duty | | 308.26 | 271.85 | 239.66 | 252.33 | 159.94 |
| | Revenue from operations (net) | | 3,729.60 | 2,766.65 | 2,759.16 | 2,450.67 | 1,674.45 |
| | Other income | **II.2** | 3.00 | 1.49 | 2.04 | 1.55 | 0.67 |
| | **Total revenue** | | **3,732.60** | **2,768.14** | **2,761.20** | **2,452.23** | **1,675.12** |
| | | | | | | | |
| **B.** | **Expenses:** | | | | | | |
| | Cost of material Consumed | **II.3** | 2,474.63 | 1,787.58 | 1,936.15 | 1,849.78 | 1,186.81 |
| | Purchase of Traded Goods | **II.4** | 96.71 | 13.54 | 6.83 | 46.87 | 61.91 |
| | Manufacturing and Operating Costs | **II.5** | 778.62 | 445.07 | 344.58 | 276.64 | 206.74 |
| | Changes in inventories of Finished goods, work-in-progress and others | **II.6** | (255.30) | 47.41 | (15.68) | (141.36) | (20.35) |
| | Employee benefit expenses | **II.7** | 102.38 | 88.39 | 79.16 | 57.10 | 45.52 |
| | Finance costs | **II.8** | 56.05 | 60.10 | 64.57 | 69.45 | 42.51 |
| | Depreciation and Amortization | | 12.47 | 12.02 | 19.44 | 5.60 | 3.92 |
| | Other expenses | **II.9** | 191.06 | 151.84 | 217.37 | 199.37 | 102.00 |
| | **Total Expenses** | | **3,456.63** | **2,605.96** | **2,652.41** | **2,363.45** | **1,629.05** |
| | | | | | | | |
| | **Profit/(Loss) before exceptional item & tax** | | **275.98** | **162.18** | **108.79** | **88.78** | **46.08** |
| | Less/(Add) : Exceptional Items | **II.10** | (4.82) | - | 20.86 | - | - |
| | **Profit/(Loss) before tax** | | **280.80** | **162.18** | **87.93** | **88.78** | **46.08** |
| | | | | | | | |
| | **Tax expense :** | | | | | | |
| | | | | | | | |
| | Current tax | | 100.10 | 57.55 | 41.76 | 29.33 | 15.75 |
| | MAT Credit | | - | - | - | - | - |
| | Prior Period Taxes | | - | - | - | - | - |
| | Deferred Tax | | (5.03) | 1.25 | (0.51) | 4.47 | (0.13) |
| | | | | | | | |
| | **Profit/(Loss) for the period/ year** | | **185.73** | **103.37** | **46.69** | **54.99** | **30.47** |
| | CSR Expenses | | 2.08 | 1.37 | 0.55 | - | - |
| | | | | | | | |
| | **Profit/(Loss) for the period/ year** | | **183.65** | **102.00** | **46.13** | **54.99** | **30.47** |
| | | | | | | | |
| | | | | | | | |
| | **Earning per equity share in Rs.:** | | | | | | |
| | (1) Basic | | 18.45 | 10.25 | 4.68 | 5.64 | 3.12 |
| | (2) Diluted | | 18.45 | 10.25 | 4.68 | 5.64 | 3.12 |

SALASAR

**Restated Standalone Summary statement of Cash Flows**

(Rs. in Million)

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| **A. CASH FLOW FROM OPERATING ACTIVITIES** | | | | | |
| Profit/ (Loss) before tax | **280.80** | **162.18** | **87.93** | **88.78** | **46.08** |
| Adjustments for: | | | | | |
| Depreciation | 12.47 | 12.02 | 19.44 | 5.60 | 3.92 |
| Interest Expense | 56.05 | 60.10 | 64.57 | 69.45 | 42.51 |
| Fixed Asset Written Off | - | - | - | - | - |
| Provision for Doubtful Debts | - | 2.06 | 0.56 | 3.14 | - |
| Bad Debts written off | - | - | 0.13 | - | - |
| Interest/ Other Income Received | (3.00) | (1.49) | (2.04) | (1.55) | (0.67) |
| Loss /(Profit) on Sale of Investments | (4.82) | - | 0.58 | - | - |
| Insurance Claim Received | - | - | - | - | - |
| Loss of Investments & Advances Written off | - | - | 20.86 | - | - |
| Profit/(Loss) on Sale of Fixed Assets | - | - | - | - | - |
| **Operating profit before working capital changes** | **341.49** | **234.87** | **192.02** | **165.42** | **91.83** |
| Movements in working capital : | | | | | |
| (Increase)/ Decrease in Inventories | (196.67) | 27.92 | (52.46) | (70.62) | (61.83) |
| (Increase)/Decrease in Trade Receivables | (207.62) | (181.79) | 152.27 | (172.18) | (67.27) |
| (Increase)/Decrease in Other Current Assets | (169.06) | (3.66) | (0.89) | (2.57) | 1.27 |
| (Increase)/Decrease in Loans & Advances | (72.24) | 89.53 | 62.50 | (106.85) | 11.84 |
| Increase/(Decrease) in Trade Payables and Other Current Liabilities | 369.41 | 4.86 | (201.43) | 267.43 | 114.67 |
| **Cash generated from operations** | **65.31** | **171.73** | **152.02** | **80.63** | **90.50** |
| CSR Expenses | 2.08 | 1.37 | 0.55 | - | - |
| Income tax paid during the year | 100.10 | 57.55 | 41.76 | 29.33 | 15.75 |
| **Net cash from operating activities (A)** | **(36.86)** | **112.81** | **109.71** | **51.31** | **74.76** |
| **B. CASH FLOW FROM INVESTING ACTIVITIES** | | | | | |
| Purchase of Fixed Assets | (41.90) | (16.39) | (36.77) | (140.66) | (9.61) |
| Purchase of Long Term Investments | - | - | (0.46) | - | - |
| Purchase of Current Investments | - | (15.10) | - | - | - |
| Sale of Fixed Assets | - | - | - | - | - |
| Sale of Current Investments | 8.87 | - | 2.20 | - | - |
| Long Term Loans & Advances | (47.41) | (0.73) | 29.23 | (49.71) | 0.20 |
| Interest Received / Other Income | 3.00 | 1.49 | 2.04 | 1.55 | 0.67 |
| **Net cash from investing activities (B)** | **(77.43)** | **(30.73)** | **(3.76)** | **(188.82)** | **(8.74)** |
| Proceeds from issue of share capital/application money | - | - | 12.80 | - | - |
| Interest paid on borrowings | (56.05) | (60.10) | (64.57) | (69.45) | (42.51) |
| Proceeds/(Repayment) of Security Deposit | 98.50 | - | - | - | - |
| Proceeds/(Repayment) of Borrowings | 119.20 | (10.75) | (40.26) | 162.21 | (18.91) |
| Proceeds/ (Repayment) of Unsecured Loans | (10.14) | (14.18) | (27.08) | 63.40 | (0.15) |
| **Net cash from financing activities (C)** | **151.51** | **(85.03)** | **(119.11)** | **156.15** | **(61.57)** |

| | | | | | |
|---|---|---|---|---|---|
| **Net increase in cash and cash equivalents (A+B+C)** | 37.21 | (2.96) | (13.16) | 18.65 | 4.45 |
| **Cash and cash equivalents at the beginning of the year** | 20.59 | 23.55 | 36.70 | 18.06 | 13.61 |
| **Cash and cash equivalents at the end of the year** | **57.81** | **20.59** | **23.55** | **36.70** | **18.06** |

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**Restated Consolidated Summary statement of Assets and Liabilities**

(Rs. in Million)

| Sr. No. | Particulars | Note No. | As at 31st March, | | | | |
|---|---|---|---|---|---|---|---|
| | | | 2017 | 2016 | 2015 | 2014 | 2013 |
| **A.** | **Equity and Liabilities** | | | | | | |
| | | | | | | | |
| **1** | **Shareholders' Funds** | | | | | | |
| | Share Capital | **I.1** | 99.56 | 49.78 | 49.78 | 48.76 | 48.76 |
| | Reserves & Surplus | **I.2** | 858.76 | 705.21 | 594.82 | 520.36 | 457.78 |
| | **Share application money pending allotment** | | - | - | - | - | 0.11 |
| | | | | | | | |
| **2** | **Non-Current Liabilities** | | | | | | |
| | Long-term borrowings | **I.3** | 70.49 | 113.03 | 138.21 | 191.13 | 177.99 |
| | Deferred Tax Liabilities (Net) | **I.4** | 37.12 | 37.08 | 32.29 | 35.90 | 25.07 |
| | Long Term Provisions | **I.5** | 9.01 | 5.17 | 3.94 | 2.89 | 4.77 |
| | Other Non-current Liabilities | **I.6** | 98.50 | - | - | - | - |
| | | | | | | | |
| **3** | **Current Liabilities** | | | | | | |
| | Short Term Borrowings | **I.7** | 616.05 | 446.07 | 576.17 | 597.16 | 447.96 |
| | Trade Payables | **I.8** | 341.04 | 156.97 | 211.48 | 383.52 | 217.34 |
| | Other Current Liabilities | **I.9** | 399.70 | 215.02 | 222.35 | 254.94 | 176.77 |
| | Short Term Provisions | **I.10** | 40.92 | 34.64 | 47.39 | 32.66 | 34.41 |
| | **Total** | | **2,571.15** | **1,762.97** | **1,876.42** | **2,067.31** | **1,590.96** |
| | | | | | | | |
| **B.** | **Assets** | | | | | | |
| **4** | **Non-Current Assets** | | | | | | |
| | Fixed Assets | **I.11** | | | | | |
| | -Tangible Assets | | 615.78 | 548.09 | 537.64 | 542.79 | 372.77 |
| | -Intangible Assets | | 0.04 | 0.04 | 0.04 | 0.56 | 0.70 |
| | -Capital Work In Progress | | - | 2.15 | - | - | 8.69 |
| | -Goodwill on Consolidation | | - | 0.25 | 0.25 | 0.25 | 0.25 |
| | Non - Current Investments | **I.12** | - | - | - | - | - |
| | Long Term Loans and Advances | **I.13** | 58.37 | 9.52 | 8.47 | 7.05 | 7.96 |
| | Other Non-Current Assets | **I.14** | - | - | 0.09 | 0.18 | 0.31 |
| | | | | | | | |
| **5** | **Current Assets** | | | | | | |
| | Current Investments | **I.15** | 12.91 | 16.96 | 1.86 | 4.64 | 4.64 |
| | Inventories | **I.16** | 688.15 | 449.05 | 567.01 | 599.09 | 510.94 |
| | Trade Receivables | **I.17** | 797.06 | 609.75 | 574.16 | 707.59 | 521.43 |
| | Cash and Cash Equivalents | **I.18** | 63.83 | 23.94 | 27.01 | 39.50 | 20.78 |
| | Short-term loans and advances | **I.19** | 155.82 | 93.26 | 153.81 | 160.38 | 137.80 |
| | Other Current Assets | **I.20** | 179.19 | 9.96 | 6.07 | 5.29 | 4.71 |
| | **Total** | | **2,571.16** | **1,762.97** | **1,876.42** | **2,067.31** | **1,590.96** |

**Restated Consolidated Summary statement of Profit and Loss**

(Rs. in Million)

| Sr. No | Particulars | Notes No. | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|---|---|
| | | | 2017 | 2016 | 2015 | 2014 | 2013 |
| **A.** | **Revenue:** | | | | | | |
| | Revenue from Operations (gross) | **II.1** | 4,162.41 | 3,411.14 | 3,603.98 | 3,232.84 | 2,330.61 |
| | Less: Excise Duty | | 319.55 | 311.09 | 302.86 | 309.14 | 202.68 |
| | Revenue from operations (net) | | 3,842.86 | 3,100.05 | 3,301.12 | 2,923.70 | 2,127.93 |
| | Other income | **II.2** | 3.51 | 1.90 | 2.50 | 1.97 | 1.06 |
| | **Total revenue** | | **3,846.36** | **3,101.95** | **3,303.62** | **2,925.67** | **2,129.00** |
| | | | | | | | |
| **B.** | **Expenses:** | | | | | | |
| | Cost of material Consumed | **II.3** | 2,542.76 | 1,968.63 | 2,305.80 | 2,229.44 | 1,624.34 |
| | Purchase of Traded Goods | **II.4** | 96.71 | 13.54 | 6.83 | 46.87 | 61.91 |
| | Manufacturing & Operating Costs | **II.5** | 698.83 | 425.63 | 331.40 | 284.09 | 210.10 |
| | Changes in inventories of Finished goods, work-in-progress | **II.6** | (249.72) | 127.82 | 36.79 | (161.82) | (120.36) |
| | Employee benefit expenses | **II.7** | 142.50 | 111.37 | 105.95 | 80.18 | 61.02 |
| | Finance costs | **II.8** | 72.67 | 87.52 | 100.25 | 110.66 | 82.10 |
| | Depreciation and amortization exp. | | 32.88 | 30.89 | 59.54 | 19.49 | 16.89 |
| | Other expenses | **II.9** | 204.06 | 162.43 | 234.67 | 213.68 | 121.95 |
| | **Total Expenses** | | **3,540.70** | **2,927.84** | **3,181.23** | **2,822.59** | **2,057.95** |
| | | | | | | | |
| | **Restated Profit/(Loss) before exceptional Items & tax** | | **305.66** | **174.11** | **122.40** | **103.08** | **71.05** |
| | Less/(Add): Exceptional Items | **II.10** | (4.82) | - | 20.86 | **-** | **-** |
| | **Restated Profit/(Loss) before Tax** | | **310.48** | **174.11** | **101.54** | **103.08** | **71.05** |
| | | | | | | | |
| | **Tax expense:** | | | | | | |
| | Current tax | | 105.66 | 58.30 | 44.64 | 32.59 | 21.20 |
| | MAT Credit | | (4.74) | (0.75) | (2.72) | (2.91) | (4.99) |
| | Deferred Tax | | 0.04 | 4.79 | (3.60) | 10.82 | 5.50 |
| | **Restated Profit/(Loss) for the period/year** | | **209.52** | **111.76** | **63.23** | **62.58** | **49.33** |
| | CSR Expenses | | 2.08 | 1.37 | 0.55 | - | - |
| | **Restated Profit/(Loss) for the period/year** | | **207.44** | **110.39** | **62.68** | **62.58** | **49.33** |
| | | | | | | | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | **Restated Earning per equity share in Rs.:** | | | | | | |
| | (1) Basic | | 20.83 | 11.09 | 6.36 | 6.42 | 5.06 |
| | (2) Diluted | | 20.83 | 11.09 | 6.36 | 6.42 | 5.06 |

**Restated Consolidated Summary statement of Cash Flows**

(Rs. in Millions)

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| **A. CASH FLOW FROM OPERATING ACTIVITIES** | | | | | |
| **Profit/ (Loss) before tax** | **310.48** | **174.11** | **101.54** | **103.08** | **71.05** |
| Adjustments for: | | | | | |
| Depreciation | 32.88 | 30.89 | 59.54 | 19.49 | 16.89 |
| Interest Expense | 72.67 | 87.52 | 100.25 | 110.66 | 82.10 |
| Fixed Asset Written Off | - | - | - | - | - |
| Provision for Bad Debts | - | 2.06 | 0.56 | 3.14 | - |
| Bad Debts written off | - | - | 0.13 | - | - |
| Investment/Advance written off | - | - | 20.28 | - | - |
| Interest /Other Income Received | (3.51) | (1.90) | (2.50) | (1.97) | (1.06) |
| Loss/(Profit) on Sale of Investments | (4.82) | - | 0.58 | - | - |
| Insurance Claim received | - | - | - | - | - |
| Profit/(Loss) on Sale of Fixed Assets | - | - | - | - | - |
| **Operating profit before working capital changes** | **407.71** | **292.68** | **280.37** | **234.40** | **168.97** |
| **Movements in working capital:** | | | | | |
| (Increase)/ Decrease in Inventories | (239.10) | 117.97 | 32.07 | (88.15) | (190.69) |
| (Increase)/Decrease in Trade Receivables | (119.16) | (37.65) | 132.74 | (189.30) | (205.98) |
| (Increase)/Decrease in Other Long-Term Assets | - | 0.09 | 0.09 | 0.12 | 0.06 |
| (Increase)/Decrease in Loans & Advances | (62.56) | 60.55 | 6.57 | (22.58) | 74.34 |
| (Increase)/Decrease in Other Current Assets | (169.23) | (3.89) | (0.78) | (0.58) | (2.05) |
| Increase/(Decrease) in Trade Payables and Other Current Liabilities | 378.63 | (73.36) | (188.85) | 240.72 | 208.72 |
| **Cash generated from operations** | **124.27** | **356.39** | **262.21** | **174.63** | **53.38** |
| Less: Income Tax Paid | 100.93 | 57.55 | 41.92 | 29.68 | 16.21 |
| Less: CSR Expenses | 2.08 | 1.37 | 0.55 | - | - |
| **Net cash from operating activities (A)** | **21.27** | **297.47** | **219.74** | **144.95** | **37.17** |
| Purchase of Fixed Assets | (98.17) | (43.49) | (53.87) | (180.68) | (36.53) |
| Purchase of Non current Investments | - | - | (0.46) | - | - |
| Purchase of Current Investments | - | (15.10) | - | - | - |
| Sale of Fixed Assets | - | - | - | - | - |
| Long Term Loans & Advances | (48.85) | (1.04) | (21.25) | 0.91 | (2.70) |
| Sale of Investments | 8.87 | - | 2.20 | - | - |
| Interest Received/Other Income | 3.51 | 1.90 | 2.50 | 1.97 | 1.06 |
| **Net cash from investing activities (B)** | **(134.65)** | **(57.74)** | **(70.87)** | **(177.81)** | **(38.17)** |
| **CASH FLOW FROM FINANCING ACTIVITIES** | | | | | |
| Proceeds from share application money | - | - | - | (0.11) | 0.11 |
| Proceeds from issue of shares | - | - | 12.80 | - | - |
| Proceeds/(Repayment) of Security Deposit | 98.50 | - | - | - | - |
| Interest paid on Borrowings | (72.67) | (87.52) | (100.25) | (110.66) | (82.10) |

| | | | | | |
|---|---|---|---|---|---|
| Proceeds/(Repayment) of Short Term Loans | 169.97 | (130.10) | (20.99) | 149.20 | 46.22 |
| Proceeds/ (Repayment) of Long Term Loans | (42.54) | (25.17) | (52.92) | 13.14 | 41.54 |
| **Net cash from financing activities (C)** | **153.27** | **(242.79)** | **(161.36)** | **51.57** | **5.76** |
| **Net increase in cash and cash equivalents (A+B+C)** | **39.89** | **(3.06)** | **(12.49)** | **18.72** | **4.76** |
| **Cash and cash equivalents at the beg. of the year** | **23.94** | **27.01** | **39.50** | **20.78** | **16.02** |
| **Cash and cash equivalents at the end of the year** | **63.83** | **23.94** | **27.01** | **39.50** | **20.78** |

## THE ISSUE

| Particulars | Number of Equity Shares |
|---|---|
| Equity Shares Offered | 3,321,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 108/-per Equity Share aggregating Rs. 358.67 Millions. |
| Fresh Issue Consisting of | |
| Net Issue to the Public | 3,321,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 108/-per Equity Share aggregating Rs. 358.67 Millions. |
| | Which includes |
| | 1,660,500 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 108/- per Equity Share will be available for allocation to investors up to Rs. 2.00 Lakhs, |
| | 1,660,500 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs.108/- per Equity Share will be available for allocation to investors above Rs. 2.00 Lakhs |
| Equity Shares outstanding prior to the Issue | 9,956,300 Equity Shares |
| Equity Shares outstanding after the Issue | 13,277,300 Equity Shares |
| Utilisation of Net Proceeds | Please See the chapter titled "Objects of the Issue" on page 89 of this Prospectus for information about the use of the Net Proceeds. |

*The Fresh Issue has been authorized by the Board of Directors and the Shareholders, pursuant to their resolution dated November 01, 2016 and December 10, 2016, respectively.*

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 387 of this Prospectus.

## GENERAL INFORMATION

Initially our Company was incorporated as Salasar Petrochemicals Private Limited under the provisions of the Companies Act, 1956 vide certificate of incorporation dated October 24, 2001 in Jaipur, Rajasthan. Thereafter Company was taken over by our Promoters in March, 2005. Further the name of the Company changed from Salasar Petrochemicals Private Limited to Salasar Techno Engineering Private Limited vide fresh certificate of incorporation dated June 13, 2006. Due to change in registered office from one state (Registrar of Companies, Rajasthan) to another state (Registrar of Companies NCT of Delhi & Haryana) the Corporate Identification Number (CIN) of the Company was also changed from U23201RJ2001PLC17253 to U23201DL2001PLC174076 dated December 26, 2007, Subsequently, our Company was converted into public limited company pursuant to a special resolution of our shareholders dated August 02, 2016 and the name of our Company was changed to "Salasar Techno Engineering Limited" to reflect the legal status of our Company pursuant to a fresh certificate of incorporation granted by the RoC dated August 16, 2016. For further details please refer to chapter titled 'Our History and Certain Other Corporate Matters' beginning on page 148 of this Prospectus.

For details of the business of our Company, please refer to chapter titled 'Our Business' beginning on page 120 of this Prospectus.

### REGISTERED OFFICE OF OUR COMPANY

**SALASAR TECHNO ENGINEERING LIMITED**

E-20, South Extension I,

New Delhi – 110049, India

**Tel:** +91 11 41648566/8577

**Email:** compliance@salasartechno.com

**Website:** www.salasartechno.com

**Registration Number:** 174076

**Corporate Identification Number:** U23201DL2001PLC174076

### FACTORY ADDRESSES OF OUR COMPANY

**SALASAR TECHNO ENGINEERING LIMITED**

Unit-1, Khasra No. 265, 281-283,

Village- Parsaun, Dasna,

P.O. Jindal Nagar,

District, Hapur-245304,

Uttar Pradesh.

**Tel.** +91 8938802180/7351991000

Unit-II, Khasra No. 1184, 1185,

Village- Khera,

P.O. Pikhuwa, Teshil Hapur,

District, Hapur-245304,

Uttar Pradesh.

**Tel.** +91 8938802184

### REGISTRAR OF COMPANIES

**REGISTRAR OF COMPANIES, NATIONAL CAPITAL TERRITORY OF DELHI AND HARYANA**

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

New Delhi – 110019

Delhi, India

**Website:** www.mca.gov.in

## DESIGNATED STOCK EXCHANGE

**NATIONAL STOCK EXCHANGE OF INDIA LTD (NSE)**

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

Bandra-Kurla Complex, Bandra (E)

Mumbai - 400051

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 148 of this Prospectus.

## BOARD OF DIRECTORS OF OUR COMPANY

| Sr. No. | Name | Age | DIN | Address | Designation |
|---|---|---|---|---|---|
| 1. | Mr. Alok Kumar | 61 Years | 01474484 | KL-46, Kavi Nagar, Ghaziabad-201001, U.P., India | Chairman & Managing Director |
| 2. | Mr. Shashank Agarwal | 48 Years | 00316141 | B-166, Sector-50, Gautam Budh Nagar, Noida-201301, U.P., India | Joint Managing Director |
| 3. | Mr. Shalabh Agarwal | 43 Years | 00316155 | R1/11, Raj Nagar, Ghaziabad-201001, U.P., India | Whole-Time Director |
| 4. | Ms. Tripti Gupta | 33 Years | 06938805 | KL-46, Kavi Nagar, Ghaziabad-201001, U.P., India | Whole-Time Director |
| 5. | Mr. Anil Kumar Jain | 56 Years | 00204935 | 410 Parshav Vihar, Patparganj, Delhi | Non-Executive & Independent Director |
| 6. | Mr. Sanjay Chandak | 51 Years | 07663328 | 1076, Sector -17, Faridabad-121007 | Non-Executive & Independent Director |
| 7. | Mr. Vijay Kumar Jain | 73 Years | 00281757 | B-53, Sector 30, Distt. G. B. Nagar, Noida-201303 | Non-Executive & Independent Director |
| 8. | Mr. Amit Jain | 38 Years | 06783422 | B-202, Alaknanda Apartment, GH-45, Sector-56, Gurgaon-122011, Haryana, India | 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.

## CHIEF FINANCIAL OFFICER

**KAMLESH KUMAR SHARMA**

**SALASAR TECHNO ENGINEERING LIMITED**

Unit-1, Khasra No. 265, 281-283,

Village- Parsaun, Dasna,

P.O. Jindal Nagar,

District, Hapur-245304,

Uttar Pradesh.

**Tel.** +91 8527979371/7351991000

**Email:** kamlesh.sharma@salasartechno.com

## COMPANY SECRETARY AND COMPLIANCE OFFICER

**BAVNEET KAUR**

**SALASAR TECHNO ENGINEERING LIMITED**

E-20, South Extension I,

New Delhi – 110049, India

**Tel:** +91 11 41648566/8577

**Email:** co.secy@salasartechno.com

Investors may contact the Company Secretary & 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, non-credit of allotted Equity Shares in the respective beneficiary account, unblocking of amount in ASBA etc.

Additionally, for redressal of complaints, applicants may also write to the Lead Manager. All complaints, queries or comments received by SEBI shall be forwarded to the Lead Manager, who shall respond to such complaints.

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

Further, the applicant shall also enclose a copy of the Acknowledgment slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

## ADDRESS OF OUR SUBSIDIARY COMPANY

**SALASAR STAINLESS LIMITED**

C-211,2nd Floor, C-Block, Narwana Apartment,

I.P Extn. Patparganj, Delhi-110092

**Tel:** 09759180899

**Email:** info@salasarstainless.com

## FACTORY ADDRESS OF OUR SUBSIDIARY COMPANY

**SALASAR STAINLESS LIMITED**

Khasra No. 686, Village - Khera,

P.O. - Pilkhua, Ghaziabad-201314,

Uttar Pradesh, India

**Tel:** 09759180899

**Email:** info@salasarstainless.com

## LEAD MANAGER TO THE ISSUE

**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

**Website:** www.sarthi.in

**Contact Person:** Mr. Deepak Sharma

**Email:** ipo@sarthiwm.in

**SEBI Registration No.:** INM000012011

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

## STATUTORY AUDITOR

**VAPS & CO.**

Chartered Accountants

C-42, South Extension Part-II,

New Delhi-110049.

**Tel:** +91-11-41645051

**Fax:** +91-11-41644896

**E-mail:** vapscompany@gmail.com

**Contact Person:** Mr. Vipin Aggarwal

**Firm Registration No.:** 003612N

**Membership No.:** 082498

## PEER REVIEW AUDITOR

**ARUN NARESH & CO.**

Chartered Accountants

KP-1, Pitampura

New Delhi-110034

**Tel:** +91-11-45139005

**E-mail:** arunnaresh.ca@gmail.com

**Contact Person:** Mr. Arun Kumar Jain

**Firm Registration No.:** 007127N

**Membership No.:** 084598

**Peer Review Certificate No.:** 007683

## REGISTRAR TO THE ISSUE

**BIGSHARE SERVICES PRIVATE LIMITED**

E2 Ansa Industrial Estate,

Sakivihar Road, Sakinaka,

Andheri East, Mumbai-400072

**Tel:** +91-22-40430200

**Fax:** +91-22-28475207

**E-mail:** ipo@bigshareonline.com

**Contact Person:** Mr. Ashok Shetty

**SEBI Registration No.:** INR000001385

## SECRETARIAL AUDITORS

**RND COMPANY SECRETARIES**

**Address:** 785, Pocket E, Mayur Vihar- Phase-2, Delhi-110091

**Tel:** + 91- 9212642523

**E-mail:** jinu.jaincs@gmail.com

**Contact Person:** Ms. Jinu Jain

**Membership No.:** 22076

**Certificate of Practice No.:** 10379

## LEGAL ADVISOR TO THE ISSUE

**LAURUS LEGAL**

Advocates & Solicitors

Chamber No. 666,

Patiala House Court,

New Delhi-110001, India

**Tel:** +91 981 828 5641

**E-mail:** inderjeet@lauruslegal.com

**Contact Person:** Mr. Inderjeet Singh

**Website:** www.Lauruslegal.com

## BANKERS TO OUR COMPANY

**BANK OF INDIA**

59-60, G. T. Road, Ghaziabad-201001 (U.P.)

**Tel:** 0120-5850386/2851728

**Fax:** 0120- 2856511

**Email:** ghaziabad.ghaziabad@bankofindia.co.in

**Contact Person:** Mr. Anil Kumar Sharma

**HDFC BANK LIMITED**

5185-86, Naya Bazar, Lahori Gate,

Khari Baoli, Delhi-110006.

**TeL:** +91-9313853234

**Email:** mohita.garg@hdfcbank.com

**Contact Person:** Mr. Mohit Garg

## BANKER TO OUR SUBSIDIARY COMPANY

**PUNJAB NATIONAL BANK**

Sector - 27, Noida, Gautam Budh Nagar- 201301 (U.P.)

**Tel:** 0120-4534366

**Fax:** 0120-2546510

**Email:** bo2726@pnb.co.in

**Contact Person:** Mr. Ashok Gupta

## BANKERS TO THE ISSUE/ PUBLIC ISSUE BANK

**AXIS BANK LIMITED**

Fortune 2000, Ground Floor, Bandra Kurla Complex,

Bandra (E), Mumbai-400051,

Maharashtra **Tel:** +91 22 61483110

**Fax:** +91 22 61483119

**Email:** BKC.operationhead@axisbank.com

**Contact Person:** Mr. Percy Badhniwalla

**SEBI Registration No.:** INBI00000017

## REFUND BANKER

**AXIS BANK LIMITED**

Fortune 2000, Ground Floor, Bandra Kurla Complex,

Bandra (E), Mumbai-400051,

Maharashtra **Tel:** +91 22 61483110

**Fax:** +91 22 61483119

**Email:** BKC.operationhead@axisbank.com

**Contact Person:** Mr. Percy Badhniwalla

**SEBI Registration No.:** INBI00000017

## SELF CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as the SCSBs for the Applications Supported by Blocked Amount (ASBA) Process are provided on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34. 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.

## TRUSTEES

This being an issue of Equity shares, the appointment of trustees is not required.

## IPO GRADING

No credit agency registered with SEBI has been appointed in respect of obtaining grading for the Issue.

## 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. 5,000.00 million. Since the Issue size is only of Rs. 358.67 million, our Company has not appointed any monitoring agency for this Issue. However, the Audit Committee and IPO Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

## APPRAISING ENTITY

None of the objects for which the Net Proceeds will be utilized have been appraised by any agency.

## INTER-SE ALLOCATION OF RESPONSIBILITIES

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

## REGISTERED BROKERS

The list of Registered Brokers, including details such as postal address, telephone number and e-mail address, are provided on the website of the NSE and BSE at https://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm and http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3, as updated from time to time.

## REGISTRAR AND SHARE TRANSFER AGENTS ("RTAs")

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of NSE and BSE at https://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm and http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=7 as updated from time to time.

## EXPERT OPINION

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated January 04, 2017 from our Statutory Auditors, namely, VAPS & Co., Chartered Accountants, to include their name as required under the Companies Act, 2013 in this Prospectus and as an "Expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of the Statement of Tax Benefits, dated January 04, 2017 and consent dated January 17, 2017 from Peer Review Auditors, namely, Arun Naresh & Co., Chartered Accountants of the reports of the Peer Review Auditor on the Restated Standalone Financial Information, on the Restated Consolidated Financial Information, both dated January 24, 2017 and included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus. The term "expert" and consent thereof, does not represent an expert or consent within the meaning under the U.S. Securities Act.

## DEBENTURE TRUSTEE

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

## UNDERWRITING

The issue has not been underwritten.

SALASAR

## 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 million, except share data)

| Sr. No. | Particulars | Aggregate Value | |
|---|---|---|---|
| | | Face Value | Issue Price |
| A | **AUTHORISED SHARE CAPITAL** | | |
| | 14,000,000 Equity Shares of face value of Rs. 10/- each | 140.00 | |
| B | **ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL** | | |
| | 9,956,300 fully paid up Equity Shares of face value of Rs. 10/- each | 99.56 | |
| C | **PRESENT ISSUE IN TERMS OF PROSPECTUS*** | | |
| | Fresh Issue of 3,321,000 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 98 per Equity Shares aggregating to Rs. 358.67 million. | 33.21 | 358.67 |
| D | **ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL AFTER THE ISSUE** | | |
| | 13,277,300** Equity Shares of face value of Rs. 10/- each | 132.77 | |
| E | **SECURITIES PREMIUM ACCOUNT** | | |
| | Before the Issue | | 238.52 |
| | After the Issue | | 563.98 |

**The Issue has been authorized pursuant to a resolution of our Board dated November 01, 2016 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 December 10, 2016.*

***Assuming full subscription in the Issue.*

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. 100,000 (Rupees One Lakh only) consisting of 10,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 12,500,000 (Rupees One Crore Twenty-Five Lakhs only) consisting of 1,250,000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of the shareholders dated March 04, 2005.

b) The Authorized Share Capital of Rs. 12,500,000 (Rupees One Crore Twenty-Five Lakhs only) consisting of 1,250,000 Equity Shares of face value of Rs.10/- each was increased to Rs. 30,000,000 (Rupees Three Crores only) consisting of 3,000,000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of the shareholders dated May 07, 2007.

c) The Authorized Share Capital Rs. 30,000,000 (Rupees Three Crores only) consisting of 3,000,000 Equity Shares of face value of Rs.10/- each was increased to Rs. 60,000,000 (Rupees Six Crores only) consisting of 6,000,000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of the shareholders dated March 25, 2009.

d) The Authorized Share Capital Rs. 60,000,000 (Rupees Six Crores only) consisting of 6,000,000 Equity Shares of face value of Rs.10/- each was increased to Rs. 140,000,000 (Rupees Fourteen Crores only) consisting of 14,000,000 Equity Shares of face value of Rs.10/- each pursuant to a resolution of the shareholders dated June 10, 2016.

1. **Equity Share Capital History of our Company:**

| 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 | 10,000 | 10 | 10 | Subscription to MOA[(1)] | Cash | 10,000 | 10,000 |
| November 20, 2005 | 655,000 | 10 | 10 | Further Allotment[(2)] | Cash | 655,000 | 6,650,000 |
| January 02, 2007 | 8,000 | 10 | 10 | Further Allotment[(3)] | Cash | 673,000 | 6,730,000 |
| February 15, 2007 | 235,000 | 10 | 30 | Further Allotment[(4)] | Cash | 908,000 | 9,080,000 |
| January 04, 2007 | 105,000 | 10 | 30 | Further Allotment[(5)] | Cash | 1,013,000 | 10,130,000 |
| September 20, 2007 | 206,000 | 10 | 50 | Further Allotment[(6)] | Cash | 1,219,000 | 12,190,000 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| December 24, 2007 | 110,000 | 10 | 50 | Further Allotment[7] | Cash | 1,329,000 | 13,290,000 |
| March 20, 2008 | 400,000 | 10 | 50 | Further Allotment[8] | Cash | 1,729,000 | 17,290,000 |
| March 27, 2008 | 280,000 | 10 | 50 | Further Allotment[9] | Cash | 2,009,000 | 20,090,000 |
| March 30, 2008 | 182,000 | 10 | 50 | Further Allotment[10] | Cash | 2,191,000 | 21,910,000 |
| March 02, 2009 | 800,000 | 10 | 50 | Further Allotment[11] | Cash | 2,991,000 | 29,910,000 |
| April 25, 2009 | 600,000 | 10 | 50 | Further Allotment[12] | Cash | 3,591,000 | 35,910,000 |
| May 01, 2009 | 775,000 | 10 | 100 | Further Allotment[13] | Cash | 4,366,000 | 43,660,000 |
| March 31, 2011 | 509,750 | 10 | 200 | Further Allotment[14] | Cash | 4,875,750 | 48,757,500 |
| March 27, 2015 | 102,400 | 10 | 125 | Allotment pursuant to conversion of loan into Equity[15] | Cash | 4,978,150 | 49,781,500 |
| June 16, 2016 | 4,978,150 | 10 | - | Bonus[16] | Consideration other than cash | 9,956,300 | 99,563,000 |

[1] Initial Subscribers to Memorandum of Association hold 10,000 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. | Ashok Aggarwal | 5,000 |
| 2. | Shyam Avtar Gupta | 5,000 |
| | **Total** | **10,000** |

(2) The Company allotted 655,000 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. | Shyam Avtar Gupta | 405,000 |
| 2. | Inder Pal Singh | 125,000 |
| 3. | Jitender Pal Singh | 125,000 |
| | **Total** | **655,000** |

(3) The Company allotted 8,000 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. | Alok Kumar | 1,000 |
| 2. | Alok Kumar HUF | 1,000 |
| 3. | Shikhar Gupta | 1,000 |
| 4. | Devi Dayal | 1,000 |
| 5. | Taru Agarwal | 4,000 |
| | **Total** | **8,000** |

(4) The Company allotted 235,000 Equity Shares of face value of Rs. 10/- each at premium of Rs. 20 as per the details given below:

| Sr. No | Name of Person | No. of Shares Allotted |
|---|---|---|
| 1. | Jalco Financial Services Pvt. Ltd. | 185,000 |
| 2. | Paonta Finance & Deposits Pvt. Ltd. | 50,000 |
| | **Total** | **235,000** |

(5) The Company allotted 105,000 Equity Shares of face value of Rs. 10/- each at premium of Rs. 20 as per the details given below:

| Sr. No | Name of Person | No. of Shares Allotted |
|---|---|---|
| 1. | ANG Finvest Pvt. Ltd. | 35,000 |
| 2. | CEE ARR Decors Pvt. Ltd. | 35,000 |
| 3. | Dost International Ltd. | 35,000 |
| | **Total** | **105,000** |

(6) The Company allotted 206,000 Equity Shares of face value of Rs. 10/- each at premium of Rs. 40 as per the details given below:

| Sr. No | Name of Person | No. of Shares Allotted |
|---|---|---|
| 1. | WIN Capital Ltd. | 5,000 |
| 2. | Ved Prakash | 50,000 |
| 3. | Raj Singh Bansal | 18,000 |
| 4. | VM Softvorex Technologies Pvt. Ltd. | 8,000 |
| 5. | Ram Pyari Bansal | 20,000 |
| 6. | Sanjay Bansal | 10,000 |
| 7. | Columns Net Channels Pvt. Ltd. | 7,000 |
| 8. | Sita Ram Bansal | 10,000 |
| 9. | Shikha Bansal | 16,000 |
| 10. | Ram Kishore Bansal | 18,000 |
| 11. | Bhutani Leasing & Finance Ltd. | 10,000 |
| 12. | Raj Kumari Bansal | 8,000 |
| 13. | Manhbhavati Devi | 8,000 |
| 14. | Monika Bansal | 8,000 |
| 15. | Manju Bansal | 10,000 |
| | **Total** | **206,000** |

(7) The Company allotted 110,000 Equity Shares of face value of Rs. 10/- each at premium of Rs. 40 as per the details given below:

| Sr. No | Name of Person | No. of Shares Allotted |
|---|---|---|
| 1. | Vikram Sahny | 40,000 |
| 2. | Sahny Securities Pvt. Ltd. | 70,000 |
| | **Total** | **110,000** |

(8) The Company allotted 400,000 Equity Shares of face value of Rs. 10/- each at premium of Rs. 40 as per the details given below:

| Sr. No | Name of Person | No. of Shares Allotted |
|---|---|---|
| 1. | Amit Garg | 10,000 |
| 2. | Kuldeep Kumar | 8,000 |
| 3. | Naresh Bansal | 10,000 |
| 4. | Priti Garg | 12,000 |
| 5. | Parmod Kumar | 8,000 |
| 6. | Manbhavati Devi | 6,000 |
| 7. | Sita Ram Bansal | 8,000 |
| 8. | Sunita Devi | 10,000 |
| 9. | Vinay | 8,000 |
| 10. | Shalabh Agarwal | 100,000 |
| 11. | Shikhar Febtech Pvt. Ltd. | 160,000 |
| 12. | Shashank Agarwal | 60,000 |
| | **Total** | **400,000** |

(9) The Company allotted 280,000 Equity Shares of face value of Rs. 10/- each at premium of Rs. 40 as per the details given below:

| Sr. No | Name of Person | No. of Shares Allotted |
|---|---|---|
| 1. | Murti Constructions Pvt. Ltd. | 120,000 |
| 2. | Jalco Financial Services Pvt. Ltd. | 120,000 |
| 3. | Securecorp Securities Pvt. Ltd. | 40,000 |
| | **Total** | **280,000** |

(10) The Company allotted 182,000 Equity Shares of face value of Rs. 10/- each at premium of Rs. 40 as per the details given below:

| Sr. No | Name of Person | No. of Shares Allotted |
|---|---|---|
| 1. | Alok Kumar HUF | 9,000 |
| 2. | Gyanendra Kumar | 120,000 |
| 3. | Anshu Agarwal | 8,000 |
| 4. | Shashank Agarwal | 45,000 |
| | **Total** | **182,000** |

(11) The Company allotted 800,000 Equity Shares of face value of Rs. 10/- each at premium of Rs. 40 as per the details given below:

| Sr. No | Name of Person | No. of Shares Allotted |
|---|---|---|
| 1. | Skyweb (India ) Pvt. Ltd. | 30,000 |
| 2. | Cellular Fincap Pvt. Ltd. | 30,000 |
| 3. | A. R. Agro Industries Pvt. Ltd. | 40,000 |
| 4. | Bankstreet Securities Pvt. Ltd. | 60,000 |
| 5. | Rashi Leasing Ltd. | 40,000 |
| 6. | Nakodaji Buildwell Ltd. | 100,000 |
| 7. | Chintu Press and Prakashan (P) Ltd. | 50,000 |
| 8. | Yatendra Kumar | 8,000 |
| 9. | Suresh Kumar | 8,000 |
| 10. | Shivalik Myco Foods and Industries Ltd. | 50,000 |
| 11. | Ravi Kumar | 10,000 |
| 12. | Mukesh Kumar | 8,000 |
| 13. | Kartik Kumar | 8,000 |
| 14. | Abhishek Kumar Srivastava | 8,000 |
| 15. | Pradeep Singh | 5,000 |
| 16. | Krishna Srivastav | 5,000 |
| 17. | Ramesh Kumar | 6,000 |
| 18. | Rishiraj | 5,000 |
| 19. | Amarisn Rai | 6,000 |
| 20. | Ashish Mishra | 5,000 |
| 21. | Naresh Bansal | 12,000 |
| 22. | Higrow Polymers Pvt. Ltd. | 20,000 |
| 23. | Samriti Builders & Developers Pvt. Ltd. | 10,000 |
| 24. | Bawa Sports Complex Pvt. Ltd. | 20,000 |
| 25. | Jaiswal Securities Ptv. Ltd. | 24,000 |

| Sr. No | Name of Person | No. of Shares Allotted |
|---|---|---|
| 26. | Inter Stellar Exports Pvt. Ltd. | 26,000 |
| 27. | Chinu Press & Prakashan Pvt. Ltd. | 40,000 |
| 28. | Shivalik Myco Foods & Industries Ltd. | 60,000 |
| 29. | Raj Singh Bansal | 10,000 |
| 30. | Ram Pyari Bansal | 22,000 |
| 31. | Hill View Infrabuild Ltd. | 50,000 |
| 32. | Baljendar Singh | 6,000 |
| 33. | Amit Jain | 18,000 |
| | **Total** | **800,000** |

(12) The Company allotted 600,000 Equity Shares of face value of Rs. 10/- each at premium of Rs. 40 as per the details given below:

| Sr. No | Name of Person | No. of Shares Allotted |
|---|---|---|
| 1. | Happening Motors Pvt. Ltd. | 10,000 |
| 2. | Startrans Logistics Pvt. Ltd. | 50,000 |
| 3. | Starvision Media Pvt. Ltd. | 40,000 |
| 4. | Bhagirathi Industries Ltd. | 50,000 |
| 5. | Acumen Papers Binders Pvt. Ltd. | 50,000 |
| 6. | Shri Balaji Sainath Buildwell Pvt. Ltd. | 50,000 |
| 7. | R. J. Fabtex Pvt. Ltd. | 100,000 |
| 8. | Uniword Bartercard Pvt. Ltd. | 50,000 |
| 9. | Chintu Press and Prakashan (P) Ltd. | 100,000 |
| 10. | Shivalik Myco Foods and Industries Ltd. | 100,000 |
| | **Total** | **600,000** |

(13) The Company allotted 775,000 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. | Hill View Infrabuild Ltd. | 775,000 |
| | **Total** | **775,000** |

(14) The Company allotted 509,750 Equity Shares of face value of Rs. 10/- each at premium of Rs. 190 as per the details given below:

| Sr. No | Name of Person | No. of Shares Allotted |
|---|---|---|
| 1. | Hill View Infrabuild Ltd. | 509,750 |
| | **Total** | **509,750** |

(15) The Company allotted 102,400 Equity Shares of face value of Rs. 10/- each at premium of Rs. 115 pursuant to conversion of loan into equity as per the details given below:

| Sr. No | Name of Person | No. of Shares Allotted |
|---|---|---|
| 1. | Hill View Infrabuild Ltd. | 102,400 |
| | **Total** | **102,400** |

(16) The Company allotted 4,978,150 Equity Shares as Bonus Shares of face value of Rs. 10/- each in the ratio of 1 Equity Share for every 1 Equity share held as per the details given below:

| Sr. No. | Name of Person | No. of Shares Allotted |
|---|---|---|
| 1. | Shashank Agarwal | 782,000 |
| 2. | Gyanendera Kumar Agarwal | 180,500 |
| 3. | Mithilesh | 102,000 |
| 4. | Shikhar Fabtech Pvt. Ltd. | 492,500 |
| 5. | Shalabh Agarwal | 180,000 |
| 6. | Anshu Agarwal | 289,000 |
| 7. | Alok Kumar | 547,000 |
| 8. | Alok Kumar HUF | 10,000 |
| 9. | Shikhar Gupta | 138,000 |
| 10. | Taru Agarwal | 4,000 |
| 11. | Hill View Infrabuild Ltd. | 1,437,150 |
| 12. | Kamlesh Gupta | 350,000 |
| 13. | Base Engineering Pvt. Ltd. | 233,000 |
| 14. | More Engineering Pvt. Ltd. | 233,000 |
| | **Total** | **4,978,150** |

2. a) Issue of Equity Shares for consideration other than cash (Issue of Bonus Shares).

| Date of allotment | Number of Equity Shares | Face value (Rs.) | Issue Price (Rs.) | Nature of Consideration | Reasons for allotment | Allottees | No. of Shares Allotted |
|---|---|---|---|---|---|---|---|
| June 16, 2016 | 4,978,150 | 10 | Nil | Other than Cash | Bonus issue of Equity Shares in the ratio of 1:1 | Shashank Kumar Agarwal | 782,000 |
| | | | | | | Gyanendera Kumar Agarwal | 180,500 |
| | | | | | | Mithilesh | 102,000 |
| | | | | | | Shikhar Fabtech Pvt. Ltd. | 492,500 |
| | | | | | | Shalabh Agarwal | 180,000 |
| | | | | | | Anshu Agarwal | 289,000 |
| | | | | | | Alok Kumar | 547,000 |
| | | | | | | Alok Kumar HUF | 10,000 |
| | | | | | | Shikhar Gupta | 138,000 |
| | | | | | | Taru Agarwal | 4,000 |
| | | | | | | Hill View Infrabuild Ltd. | 1,437,150 |
| | | | | | | Kamlesh Gupta | 350,000 |
| | | | | | | Base Engineering Pvt. Ltd. | 233,000 |
| | | | | | | More Engineering Pvt. Ltd. | 233,000 |
| | | | | | | **Total** | **4,978,150** |

**History of Equity Share Capital held by our Promoters:**

**A. Mr. Gyanendra Kumar Agarwal**

| Date of Allotment/Transfer | No. of Equity Shares | Face value (Rs.) | Issue Price/Transfer (Rs.) | Nature of Transactions | Nature of Consideration | Pre-issue shareholding % | Post- issue shareholding % | No. of Shares Pledged | % of Shares Pledged |
|---|---|---|---|---|---|---|---|---|---|
| March 05, 2006 | 60,500 | 10 | 10 | Transfer[1] | Cash | 0.61 | 0.46 | 0 | 0.00% |
| March 30, 2008 | 120,000 | 10 | 50 | Allotment | Cash | 1.21 | 0.90 | 0 | 0.00% |
| June 16, 2016 | 180,500 | 10 | - | Bonus Issue in ratio of 1:1[2] | Other than cash | 1.81 | 1.36 | 0 | 0.00% |
| September 10, 2016 | (67,184) | 10 | - | Transfer[3] | Gift to Son | (0.67) | (0.51) | 0 | 0.00% |
| **Total** | **293,816** | | | | | **2.95** | **2.21** | **0** | **0.00%** |

**B. Mr. Alok Kumar**

| Date of Allotment/Transfer | No. of Equity Shares | Face value (Rs.) | Issue Price/Transfer (Rs.) | Nature of Transactions | Nature of Consideration | Pre-issue shareholding % | Post- issue shareholding % | No. of Shares Pledged | % of Shares Pledged |
|---|---|---|---|---|---|---|---|---|---|
| January 02, 2007 | 1,000 | 10 | 10 | Allotment | Cash | 0.01 | 0.01 | 0 | 0.00% |
| March 27, 2008 | 50,000 | 10 | 10 | Transfer[4] | Cash | 0.50 | 0.38 | 0 | 0.00% |
| September 16, 2008 | 185,000 | 10 | 10 | Transfer[5] | Cash | 1.86 | 1.39 | 0 | 0.00% |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| September 10, 2009 | 311,000 | 10 | 10 | Transfer[6] | Cash | 3.12 | 2.34 | 0 | 0.00% |
| June 16, 2016 | 547,000 | 10 | - | Bonus Issue in ratio of 1:1[2] | Other than cash | 5.49 | 4.12 | 0 | 0.00% |
| September 10, 2016 | (200,000) | 10 | - | Transfer[7] | Gift to Daughter | (2.01) | (1.51) | 0 | 0.00% |
| **Total** | **894,000** | | | | | **8.98** | **6.73** | **0** | **0.00%** |

**C. Mr. Shalabh Agarwal**

| Date of Allotment/Transfer | No. of Equity Shares | Face value (Rs.) | Issue price/Transfer Price (Rs.) | Nature of Transactions | Nature of Consideration | Pre-issue shareholding % | Post- issue shareholding % | No. of Shares Pledged | % of Shares Pledged |
|---|---|---|---|---|---|---|---|---|---|
| March 05, 2006 | 80,000 | 10 | 10 | Transfer[8] | Cash | 0.80 | 0.60 | 0 | 0.00% |
| March 20, 2008 | 100,000 | 10 | 50 | Allotment | Cash | 1.00 | 0.75 | 0 | 0.00% |
| June 16, 2016 | 180,000 | 10 | - | Bonus Issue in ratio of 1:1[2] | Other than cash | 1.81 | 1.36 | 0 | 0.00% |
| September 10, 2016 | 67,184 | 10 | - | Transfer[9] | Gift from father | 0.67 | 0.51 | 0 | 0.00% |
| September 10, 2016 | 853,408 | 10 | - | Transfer[10] | Gift from brother | 8.57 | 6.43 | 0 | 0.00% |
| **Total** | **1,280,592** | | | | | **12.86** | **9.64** | **0** | **0.00%** |

**D. Ms. Tripti Gupta**

| Date of Transfer | No. of Equity Shares | Face value (Rs.) | Issue price/Transfer Price (Rs.) | Nature of Transactions | Nature of Consideration | Pre-issue shareholding % | Post- issue shareholding % | No. of Shares Pledged | % of Shares Pledged |
|---|---|---|---|---|---|---|---|---|---|
| September 10, 2016 | 200,000 | 10 | - | Transfer(11) | Gift from Father | 2.01 | 1.51 | 0 | 0.00% |
| September 10, 2016 | 200,000 | 10 | - | Transfer(12) | Gift from Mother | 2.01 | 1.51 | 0 | 0.00% |
| **Total** | **400,000** | | | | | **4.02** | **3.02** | **0** | **0.00%** |

*(1) Transfer of 60,500 Equity Shares from Shyam Avtar Gupta (15,500 Equity Shares) and Inder Pal Singh (45,000 Equity Shares).*

*(2) Bonus Issue in the ration of 1:1 authorised by our shareholders through a resolution dated June 15, 2016. Bonus Issue was undertaken through capitalization of the securities premium and the reserves of our Company.*

*(3) Transfer by way of gift of 60,500 Equity Shares to Shalabh Agarwal.*

*(4) Transfer of 50,000 Equity Shares from Sahny Securities Pvt. Ltd.*

*(5) Transfer of 185,000 Equity Shares from Jalco Financial Services Pvt. Ltd.*

*(6) Transfer of 311,000 Equity Shares from Manju Bansal (10,000 Equity Shares), Amit Garg (10,000 Equity Shares), Cellular Fincap Pvt. Ltd. (30,000 Equity Shares), Priti Garg (12,000 Equity Shares), Sunita Devi (10,000 Equity Shares), Skyweb (India) Pvt. Ltd. (30,000 Equity Shares), Sanjay Bansal (10,000 Equity Shares), Monika Bansal (8,000 Equity Shares), Startrans Logistics Pvt. Ltd. (50,000 Equity Shares), Starvision Media Pvt. Ltd. (40,000 Equity Shares), Bhagirathi Industries Ltd. (50,000 Equity Shares), Acumen Papers Binders Pvt. Ltd. (50,000 Equity Shares) and Devi Dayal (1,000 Equity Shares).*

*(7) Transfer by way of gift of 200,000 Equity Shares to Tripti Gupta.*

*(8) Transfer of 80,000 Equity Shares from Inder Pal Singh.*

*(9) Transfer by way of gift of 67,184 Equity Shares from Gyanendra Kumar Agarwal.*

*(10) Transfer by way of gift of 853,408 Equity Shares from Shashank Agarwa.*

*(11) Transfer by way of gift of 200,000 Equity Shares from Alok Kumar.*

*(12) Transfer by way of gift of 200,000 Equity Shares from Kamlesh Gupta.*

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

4. 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 SEBI and Stock Exchange.

5. 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 Mr. Gyanendra Kumar Agarwal, Mr. Alok Kumar, Mr. Shalabh Agarwal and Ms. Tripti Gupta have granted consent to include such number of Equity Shares held by them as may constitute 21.60% 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 completion of the lock-in period specified above.

| Date of Allotment/Transfer | No. of Shares Allotted | Face Value | Issue/ Acquisition Price | Nature of Allotment | % of Post Issue Capital |
|---|---|---|---|---|---|
| **Mr. Gyanendra Kumar Agarwal (A)** | | | | | |
| March 05, 2006 | 60,500 | 10 | 10 | Transfer | 0.46 |
| March 30, 2008 | 120,000 | 10 | 50 | Allotment | 0.90 |
| June 16, 2016 | 180,500 | 10 | - | Bonus Issue in ratio of 1:1 | 1.36 |
| September 10, 2016 | (67,184) | 10 | - | Transfer (Gift to son) | (0.51) |
| **Total (A)** | **293,816** | | | | **2.21** |
| **Mr. Alok Kumar (B)** | | | | | |
| January 02, 2007 | 1,000 | 10 | 10 | Allotment | 0.01 |
| March 27, 2008 | 50,000 | 10 | 10 | Transfer | 0.38 |
| September 16, 2008 | 185,000 | 10 | 10 | Transfer | 1.39 |
| September 10, 2009 | 311,000 | 10 | 10 | Transfer | 2.34 |
| June 16, 2016 | 547,000 | 10 | - | Bonus Issue in ratio of 1:1 | 4.12 |

| | | | | | |
|---|---|---|---|---|---|
| September 10, 2016 | (200,000) | 10 | - | Transfer (Gift to daughter) | (1.51) |
| **Total (B)** | **894,000** | | | | **6.73** |
| **Mr. Shalabh Agarwal (C)** | | | | | |
| March 05, 2006 | 80,000 | 10 | 10 | Transfer | 0.60 |
| March 20, 2008 | 100,000 | 10 | 50 | Allotment | 0.75 |
| June 16, 2016 | 180,000 | 10 | - | Bonus Issue in ratio of 1:1 | 1.36 |
| September 10, 2016 | 67,184 | 10 | - | Transfer (Gift from father) | 0.51 |
| September 10, 2016 | 853,408 | 10 | - | Transfer (Gift from brother) | 6.43 |
| **Total (C)** | **1,280,592** | | | | **9.64** |
| **Ms. Tripti Gupta (D)** | | | | | |
| September 10, 2016 | 200,000 | 10 | - | Transfer (Gift from father) | 1.51 |
| September 10, 2016 | 200,000 | 10 | - | Transfer (Gift from mother) | 1.51 |
| **Total (D)** | **400,000** | | | | **3.02** |
| **Total (A+B+C+D)** | **2,868,408** | | | | **21.60** |

We further confirm that as per Regulation 33 of SEBI (ICDR) Regulations, the aforesaid minimum Promoters Contribution of 20% which is subject to lock-in for three years does not consist of:

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

6. 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 Promoters (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.

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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) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities* | | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities ( as a percentage of diluted share Capital) As a % of (A+B+C2) | Number of locked in Shares** | | Number of Shares pledged or otherwise encumbered | | Number of 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 |
| (A) | Promoters and Promoter Group | 15 | 9,956,300 | - | - | 9,956,300 | 100.00 | 9,956,300 | 0 | 9,956,300 | 100.00 | | 100.00 | 9,956,300 | 100.00 | - | - | 9,956,300 |
| (B) | Public | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| (C) | Non Promoter- Non Public | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (C1) | Shares underlying DRs | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| (C2) | Shares held by Employee Trusts | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | **Total** | **15** | **9,956,300** | **-** | **-** | **9,956,300** | **100.00** | **9,956,300** | **0** | **9,956,300** | **100.00** | **-** | **100.00** | **9,956,300** | **100.00** | **-** | **-** | **9,956,300** |

**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.*

**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, 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) and BSE (BSE 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 Companies)

| 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. | Gyanendera Agarwal | 293,816 | 2.95 | 293,816 | 2.21 |
| 2. | Alok Kumar | 894,000 | 8.98 | 894,000 | 6.73 |
| 3. | Shalabh Agarwal | 1,280,592 | 12.86 | 1,280,592 | 9.64 |
| 4. | Tripti Gupta | 400,000 | 4.02 | 400,000 | 3.01 |
| | **Promoter Group** | | | | |
| 1. | Kamlesh Gupta | 500,000 | 5.02 | 500,000 | 3. 77 |
| 2. | Anshu Agarwal | 578,000 | 5.81 | 578,000 | 4.35 |
| 3. | Mithilesh | 204,000 | 2.05 | 204,000 | 1.54 |
| 4. | Shashank Agarwal | 710,592 | 7.14 | 710,592 | 5.35 |
| 5. | Shikhar Gupta | 276,000 | 2.77 | 276,000 | 2.08 |
| 6. | Taru Agarwal | 8,000 | 0.08 | 8,000 | 0.06 |
| 7. | Alok Kumar HUF | 20,000 | 0.20 | 20,000 | 0.15 |
| 8. | Shikhar Fabtech Pvt. Ltd. | 985,000 | 9.89 | 985,000 | 7.42 |
| 9. | Hill View Infrabuild Ltd. | 2,874,300 | 28.87 | 2,874,300 | 21.65 |
| 10. | Base Engineering Pvt. Ltd. | 466,000 | 4.68 | 466,000 | 3.51 |
| 11. | More Engineering Pvt. Ltd. | 466,000 | 4.68 | 466,000 | 3.51 |
| | **Total** | **9,956,300** | **100.00** | **9,956,300** | **74.98** |

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.) |
|---|---|---|
| Gyanendera Kumar Agarwal | 293,816 | 22.48 |
| Alok Kumar | 894,000 | 6.12 |
| Shalabh Agarwal | 1,280,592 | 4.53 |
| Tripti Gupta | 400,000 | NIL |

**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. | Hill View Infrabuild Ltd. | 2,874,300 | 28.87 |
| 2. | Shalabh Agarwal | 1,280,592 | 12.86 |
| 3. | Shikhar Fabtech Pvt. Ltd. | 985,000 | 9.89 |
| 4. | Alok Kumar | 894,000 | 8.98 |
| 5. | Shashank Agarwal | 710,592 | 7.14 |
| 6. | Anshu Agarwal | 578,000 | 5.81 |
| 7. | Kamlesh Gupta | 500,000 | 5.02 |
| 8. | Base Engineering Pvt. Ltd. | 466,000 | 4.68 |
| | More Engineering Pvt. Ltd. | 466,000 | 4.68 |
| 9. | Tripti Gupta | 400,000 | 4.02 |
| 10. | Gyanendera Agarwal | 293,816 | 2.95 |
| | **Total** | **9,448,300** | **94.90** |

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. | Hill View Infrabuild Ltd. | 2,874,300 | 28.87 |
| 2. | Shalabh Agarwal | 1,280,592 | 12.86 |
| 3. | Shikhar Fabtech Pvt. Ltd. | 985,000 | 9.89 |
| 4. | Alok Kumar | 894,000 | 8.98 |
| 5. | Shashank Agarwal | 710,592 | 7.14 |
| 6. | Anshu Agarwal | 578,000 | 5.81 |
| 7. | Kamlesh Gupta | 500,000 | 5.02 |
| 8. | Base Engineering Pvt. Ltd. | 466,000 | 4.68 |
| | More Engineering Pvt. Ltd. | 466,000 | 4.68 |
| 9. | Tripti Gupta | 400,000 | 4.02 |
| 10. | Gyanendera Agarwal | 293,816 | 2.95 |
| | **Total** | **9,448,300** | **94.90** |

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. | Hill View Infrabuild Ltd. | 1,437,150 | 28.87 |
| 2. | Shashank Agarwal | 782,000 | 15.71 |
| 3. | Alok Kumar | 547,000 | 10.99 |
| 4. | Shikhar Fabtech Pvt. Ltd. | 492,500 | 9.89 |
| 5. | Kamlesh Gupta | 350,000 | 7.03 |
| 6. | Anshu Agarwal | 289,000 | 5.81 |
| 7. | Base Engineering Pvt. Ltd. | 233,000 | 4.68 |
| | More Engineering Pvt. Ltd. | 233,000 | 4.68 |
| 8. | Gyanendera Agarwal | 180,500 | 3.62 |

| | | | |
|---|---|---|---|
| 9. | Shalabh Agarwal | 180,000 | 3.62 |
| 10. | Shikhar Gupta | 138,000 | 2.77 |
| | **Total** | **4,862,150** | **97.67** |

7. Except as stated in the section entitled "Our Management" on page 154 of this Prospectus, none of our Directors or key management personnel holds any Equity Shares in our Company.
8. As on the date of this Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230-233 of Companies Act, 2013.
9. None of the Member of the Promoter Group, the promoters, or our Directors and their immediate relatives have purchased/sold any Equity Shares of the Company during last 6 months from as on the date of filing of this Prospectus.
10. 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.
11. The Equity Shares Issued pursuant to this Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Prospectus.
12. 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.
13. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares as on the date of this Prospectus.
14. Our Promoters, Promoter Group and Group Companies will not participate in the Issue.
15. 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 Promoter and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-up capital is locked-in.
16. 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.
17. Our Company has not issued any Equity Shares out of revaluation reserves and not issued any bonus shares out of capitalization of revaluation reserves.
18. As on the date of this Prospectus, the Lead Manager to the Issue viz. Sarthi Capital Advisors Private Limited and their respective associates do not hold any Equity Shares of our Company. The Lead Manager and their affiliates may engage in the transactions with, and perform services for, our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which Lead Manager may receive customary compensation in the future.
19. No person connected with the Issue, including, but not limited to, the Lead Manager, the members of the Syndicate, our Company, the Directors, the Promoters, members of our Promoter Group and Group Companies and entities, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or other wise to any applicant for making an application.

20. 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 or exchangeable, directly or indirectly for 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.
21. 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 Registrar of Companies, NCT of Delhi & Haryana, Stock Exchanges and SEBI until the Equity Shares to be issued pursuant to the Issue have been listed.
22. There will be only one denomination of the Equity Shares of our Company unless otherwise permitted by law.
23. Our Company shall comply with such disclosure, and accounting norms as may be specified by SEBI from time to time.
24. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group during the period between the date of registering the Prospectus with the RoC and the date of closure of the Issue shall be reported to the Stock Exchange (s) within 24 hours of the transactions.
25. Our Company does not have any ESOS/ESPS scheme for our employees and we do not intend to allot any shares to our employees under ESOS/ESPS scheme from the proposed Issue. As and when, options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Employee Stock Option Scheme and Employees Stock Purchase Plan) Guidelines 1999.
26. 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.
27. 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.
28. Except, as otherwise disclosed in the chapter titled “Objects of the Issue” beginning on page 89 of this Prospectus, we have not raised any bridge loans against the proceeds of the Issue.
29. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed in heading on "Basis of Allocation" beginning on page 402 of this Prospectus.
30. 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.
31. The Issue is being made through Fixed Price Method.
32. Our Company has not revalued its assets since incorporation.
33. Our Company has not made any Public Issue of any kind or class of securities since its incorporation.
34. 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.
35. Our Company has 15 (fifteen) 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:

1. To meet the working capital requirements of the Company including margin money;
2. General Corporate Purpose;
3. To meet the 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. The main objects clause of our Memorandum of Association 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.

## FUND REQUIREMENTS

The fund requirement and deployment is based on internal management estimates of our Company and have not been verified by the Lead Manager or appraised by any bank or financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management.

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

(Rs. In million)

| Sr. No. | Particulars | Amount |
|---|---|---|
| 1 | Working Capital Requirement including margin money | 318.67 |
| 2 | General Corporate Purpose | 25.00 |
| 3 | Issue Expenses* | 15.00 |
| | **Total** | **358.67** |

** As on June 15, 2017, our Company has incurred a sum of Rs. 24,80,526/- towards issue expenses.*
*The above Object of the Issue authorised by the Board of Directors pursuant to its Resolution passed on January 20, 2017.*

**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, we intend to meet our estimated requirement from internal accruals and/or debt. In case of any such re-schedulement, it shall be made by compliance of the relevant provisions of the Companies Act, 2013.**

## DETAILS OF UTILIZATION OF ISSUE PROCEEDS

### 1. To meet working capital requirements including margin money

Our Business is working capital intensive and we avail our working capital in the ordinary course of our business from Bank of India. As on June 15, 2017, our Company's working capital facility consisted of an aggregate fund based limit of Rs. 700.00 million and an aggregate non-fund based limit of Rs. 950.00 million. For further details of the working capital facilities currently availed by us, please refer the section "Financial Indebtedness" on page 343 of this Prospectus. Our Company requires additional working capital for ongoing projects in hand. For further information for ongoing projects kindly refer chapter titled "Our Business" on page 120 of this Prospectus.

***Basis of estimation of working capital requirement***

The details of our Company's expected working capital requirements on the basis of restated standalone financials for the Financial Year 2017-18 and funding of the same are as set out in the table below:

*(Rs. in million)*

| Particulars | 2015-16 (Audited) | 2016-17 (Audited) | 2017-18 (Estimated) |
|---|---|---|---|
| **Current Assets** | | | |
| | | | |
| Cash & Cash Equivalents | 4.05 | 1.38 | 7.27 |
| Deposits for Margin Money | 16.54 | 101.23 | 130.00 |
| Trade Receivables | 568.94 | 776.56 | 1,191.67 |
| Inventories | 414.16 | 610.83 | 928.83 |
| Other Current Assets | 108.25 | 345.49 | 282.65 |
| **Total (A)** | **1,111.94** | **1,835.49** | **2,540.41** |
| | | | |
| **Current Liabilities** | | | |
| | | | |
| Trade Payables | 151.37 | 327.28 | 291.73 |
| Statutory Liabilities | 6.27 | 7.70 | 12.00 |
| Other Current Liabilities | 176.91 | 362.06 | 300.00 |
| Short Term Provisions | 33.46 | 37.27 | 30.00 |
| | | | |
| **Total (B)** | **368.01** | **734.32** | **633.73** |
| | | | |
| **Net Working Capital (A-B)** | **743.94** | **1,101.18** | **1,906.68** |
| | | | |
| **Sources of Working Capital** | | | |
| Fund Based Borrowings | 396.49 | 515.68 | 800.00 |
| Internal sources/Net Worth | 329.17 | 565.39 | 767.90 |
| Unsecured Loan | 18.28 | 20.11 | 20.11 |
| IPO Proceeds | - | - | 318.67 |

## ASSUMPTIONS FOR WORKING CAPITAL REQUIREMENTS

The incremental working capital requirements are based on historical Company data and estimation of the future requirements in FY 2017-18 considering the growth in activities of our Company and in line with norms generally accepted by banker(s).

***Holding Levels***

*(In no. of days)*

| Particulars | | Basis | 2015-16 | 2016-17 | 2017-18 |
|---|---|---|---|---|---|
| Receivables | | Collection Period | 67 | 69 | 75 |
| Inventory | Raw Materials | Cost | 22 | 9 | 22 |
| | Work- in- Progress | Cost of production | 21 | 53 | 30 |
| | Finished Goods | Cost of production | 24 | 10 | 25 |
| Payables | | Credit Period | 31 | 48 | 30 |
| Other Current Assets | | Estimate | - | - | - |

**Note:** Actual trade receivables for F.Y. 2015-16 & 2016-17 have been 67 days & 69 days respectively based on restated standalone financial statements. We have estimated trade receivables for F.Y. 2017-18 to 75 days. We are in the process of executing transmission projects for Uttar Pradesh Power Transmission Corporation Limited (UPPTCL) and Paschimanchal Vidyut Vitran Nigam Limited (PVVNL), where the payment terms are based on erection of lines and hence marginal increase in debtor's collection period. Our bankers have accepted these norms in the past for sanction of working capital requirements.

**2. General Corporate Purposes**

Our Company proposes to deploy the Net Proceeds aggregating Rs. 25.00 million towards general corporate purposes, subject to such utilisation not exceeding 25% of the Net Proceeds, in compliance with the SEBI Regulations, including but not limited to strategic initiatives, partnerships and joint ventures, meeting exigencies which our Company may face in the ordinary course of business, meeting expenses incurred in the ordinary course of business and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act. Our Company's management, in accordance with the policies of the Board, will have flexibility in utilising any surplus amounts.

**3. Issue Expenses**

The total expenses of the Issue are estimated to be approximately Rs. 15.00 million. The Issue expenses consist of fees payable to the LM, fees payable to legal Advisors, fees payable to the SCSBs including processing fee for processing the ASBA Forms submitted by ASBA Applicants procured by the Syndicate and submitted to the SCSBs and Registrar to the Issue, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges as agreed in terms of the Issue Agreement. The break-up for the Issue expenses is as follows:

| Activity | Estimated Expenses (Rs. In million) | As a % of the total estimated Issue expenses | As a % of the total Issue size |
|---|---|---|---|
| Lead Manager fees | 4.20 | 28.00% | 1.17% |
| Commission/processing fee for SCSBs | 0.10 | 0.66% | 0.03% |
| Brokerage and selling commission for Members of the Syndicate (including their Sub-Syndicate Members), Registered Brokers, RTAs. | 5.38 | 35.87% | 1.50% |
| Registrar to the Issue | 0.15 | 1.00% | 0.04% |
| Others | 5.17 | 34.47% | 1.44% |
| i. Listing fees to NSE & BSE, SEBI filing fees and and other regulatory expenses. | | | |
| ii. Printing and stationary | | | |
| iii. Advertising and marketing expenses | | | |
| iv. Fees payable to Others | | | |
| v. Miscellaneous | | | |
| **Total estimated Issue expenses** | **15.00** | **100.00%** | **4.18%** |

The Issue expenses shall be payable within 30 working days post the date of receipt of the final invoice from the respective Designated Intermediaries by the Company in accordance with the arrangements or agreements entered into by the Company with the respective Designated Intermediary.

## DEPLOYMENT OF FUNDS

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

*(Rs. in million)*

| Particulars | Total Funds required | Amount incurred till June 15, 2017 | Balance deployment during FY 2017-18 |
|---|---|---|---|
| Working Capital | 318.67 | Nil | 318.67 |
| General Corporate Purposes | 25.00 | Nil | 25.00 |
| *Issue Expenses | 15.00 | 2.48 | 12.52 |
| **Total** | **358.67** | **2.48** | **356.19** |

**As on June 15, 2017, our Company has incurred a sum of Rs. 24,80,526/- towards issue expenses.*

## MEANS OF FINANCE

(*Rs. in million*)

| Particulars | Estimated Amount |
|---|---|
| Net Proceeds | 358.67 |
| Internal Accruals | NIL |
| **Total** | **358.67** |

## INTERIM USE OF PROCEEDS

Pending utilization for the purposes described above, we intend to deposit the funds with scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for any investment in the equity markets. 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 undertakes that full recovery of the said deposit shall be made without any sort of delays as and when need arises for utilization of proceeds 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 upon business requirements, our Company may consider raising bridge financing facilities.

## MONITORING UTILIZATION OF FUNDS

Since the proceeds from the Fresh Issue do not exceed Rs. 5,000 million, in terms of Regulation 16 of the SEBI Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board will monitor the utilisation of the proceeds of the Issue. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to the SEBI Listing Regulations, our Company shall disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilised for purposes other than those stated in this Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the utilisation of the proceeds of the Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the utilisation of the proceeds from the Issue from the objects of the Issue as states above.

## VARIATION IN OBJECTS

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

## APPRAISAL BY APPRAISING AGENCY

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

## OTHER CONFIRMATIONS

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

## BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the Lead Managers, on the basis of assessment of market demand for the Equity Shares offered through Fixed Price Process and on the basis of qualitative and quantitative factors described below. The face value of the Equity Shares is Rs. 10 each and the Issue Price is Rs. 108/- per Equity Share. The issue price is 10.80 times of the face value.

## QUALITATIVE FACTORS

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

- Established and proven track record;
- Leveraging the experience of our Promoters;
- Experienced management team and a motivated and efficient work force;
- Comprehensive understanding and successful track record with customers offering significant growth opportunities;

For further details, refer to heading '*Our Strengths*' under chapter titled '*Our Business'* beginning on page 120 of this Prospectus.

## QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the Restated Standalone financial statements and Restated Consolidated financial statements for Financial Year 2014-15, 2015-16 and 2016-17. For further details please refer chapter titled "Financial Statements" beginning on page 193 of this Prospectus.

Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. **Basic and Diluted Earnings per Share ("EPS"), as adjusted for change in capital on:**

**Standalone basis:**

| Year ended | Basic & Diluted EPS (Rs.) | Weight |
|---|---|---|
| March 31, 2015 | 4.68 | 1 |
| March 31, 2016 | 10.25 | 2 |
| March 31, 2017 | 18.45 | 3 |
| **Weighted Average[#]** | **13.42** | |

*[#]derived by multiplication of weight with their respective EPS divided by sum of weights.*

**Consolidated basis:**

| Year ended | Basic & Diluted EPS (Rs.) | Weight |
|---|---|---|
| March 31, 2015 | 6.36 | 1 |
| March 31, 2016 | 11.09 | 2 |
| March 31, 2017 | 20.83 | 3 |
| **Weighted Average[*]** | **15.17** | |

*[*]derived by multiplication of weight with their respective EPS divided by sum of weights.*

1) Basic earnings per share (Rs.) = Restated Net Profit after tax attributable to equity shareholders / Weighted number of equity shares outstanding during the year.
2) EPS has been calculated in accordance with the Accounting Standard 20 – "Earning per share" issued by the Institute of Chartered Accountants of India. As required by AS20, the calculation of basic earnings per share is adjusted for all the periods mentioned in the working of EPS on post-bonus basis of face value of Equity Shares.

2. **Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 108/- per Equity Share of face value of Rs. 10/- each.**

| Particulars | Standalone | Consolidated |
|---|---|---|
| P/E ratio based on Basic & Diluted EPS for FY 2016-17 | 5.85 | 5.18 |
| P/E ratio based on Weighted Average EPS | 8.05 | 7.12 |

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

Return on Net Worth ("Ron") as per Restated Standalone financial statements

| Year ended | Ron (%) | Weight |
|---|---|---|
| March 31, 2015 | 7.39 | 1 |
| March 31, 2016 | 14.04 | 2 |
| March 31, 2017 | 20.18 | 3 |
| **Weighted Average**** | **16.00** | |

***derived by multiplication of weight with their respective RoNW divided by sum of weights.*

Return on Net Worth ("Ron") as per Restated Consolidated financial statements

| Year ended | Ron (%) | Weight |
|---|---|---|
| March 31, 2015 | 9.78 | 1 |
| March 31, 2016 | 14.70 | 2 |
| March 31, 2017 | 21.65 | 3 |
| **Weighted Average**** | **17.36** | |

***derived by multiplication of weight with their respective RoNW divided by sum of weights.*

Return on net worth (%) = Restated net profit after tax attributable to equity shareholders / Net worth X 100.
Net worth = Equity share capital + Reserves and surplus (including surplus in the Statement of Profit and Loss).

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

| Particulars | On Standalone basis | On Consolidated basis |
|---|---|---|
| To maintain pre-issue basic EPS | 19.31% | 20.48% |

5. **Net Asset Value (NAV) per Equity Shares**

| Particulars | On Standalone basis (In Rs.) | On Consolidated basis (In Rs.) |
|---|---|---|
| Net Asset Value per Equity Share as of March 31, 2017 | 91.41 | 96.25 |
| Net Asset Value per Equity Share after the Issue | 95.56 | 101.69 |
| Issue Price per equity share | | 108.00 |

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

Note: All the ratios have been calculated on the basis of expanded capital pursuant to bonus issue to the shareholders during the FY 2016-17.

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

| Name of the Company | Revenue from operations (Rs. In million) | Face Value per Equity Shares | P/E Ratio | Basic EPS (In Rs.) | Return on Net Worth (%) | Net Assets Value/Share (In Rs.) | CMP* (In Rs.) |
|---|---|---|---|---|---|---|---|
| Salasar Techno Engineering Limited | 3,729.60 | 10.00 | 5.85 | 18.45 | 20.18 | 91.41 | - |
| ***Peer Group*** | | | | | | | |
| Skipper Limited | 17,029.64 | 1.00 | 18.15 | 10.90 | 22.73 | 479.50 | 197.80 |
| Kalpataru Power Transmission Limited | 50,107.40 | 2.00 | 19.48 | 17.54 | 10.86 | 807.66 | 341.60 |
| KEC International Limited | 77,370.90 | 2.00 | 22.81 | 10.96 | 19.21 | 308.51 | 250.00 |

*Source: www.bseindia.com

- The figures of Salasar Techno Engineering Limited are based on the Restated Standalone results for the year ended March 31, 2017.
- The figures for the Peer group are based on Standalone audited results for the Year ended March 31, 2017.
- Current Market Price (CMP) is the closing prices of respective scrips as on June 15, 2017.
- Return on Net Worth is calculated as Net Profit after Tax for the year divided by Shareholders Funds (share capital plus reserves and surplus).
- Net Asset Value per share is calculated as Shareholders Funds available to equity shareholders divided by paid-up number of equity shares of our Company outstanding as on the balance sheet date.

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. 108.00 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 18 of this Prospectus and Financials of the company as set out in the Financial Statements beginning on page 193 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 10.8 times of the face value i.e. Rs. 108/- per share.

For further details see “Risk Factors” beginning on page 18 of this Prospectus and the financials of the Company including profitability and return ratios, as set out in the “Financial Statements” beginning on page 193 of this Prospectus for a more informed view.

## STATEMENT OF TAX BENEFITS

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

To
The Board of Directors,
**Salasar Techno Engineering Limited**
**(Formerly known as Salasar Techno Engineering Private Limited)**
E-20, South Extension I,
New Delhi-110049, India,

We refer to proposed issue of the shares of Salasar Techno Engineering Limited, formerly known as Salasar Techno Engineering 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 2018-19 relevant to the financial year 2017-18 for inclusion in the Prospectus ("Offer Document") 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 fulfill.

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 **VAPS & Co.**
**Chartered Accountants**
**F.R.N. 003612N**

Vipin Aggarwal
**Partner**
**M. No. 082498**

Place: New Delhi
Date: June 10, 2017

**ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO SALASAR TECHNO ENGINEERING LIMITED ("THE COMPANY") AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the direct tax laws in force in India. These benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may not choose to fulfill.

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:**

All the above benefits are as per the current tax laws and any change or amendment in the laws/regulations, which when implemented would impact the same.

For **VAPS & Co.**
**Chartered Accountants**
**F.R.N. 003612N**

Vipin Aggarwal
**Partner**
**M. No. 082498**

Place: New Delhi
Date: June 10, 2017

## SECTION IV – ABOUT THE COMPANY

## INDUSTRY OVERVIEW

*The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources, including the report titled "Overview of Research Report on Steel and Allied Sector in India" prepared by CARE ("CARE Report"). The information has not been independently verified by us, the Lead Manager, or any of our or their respective affiliates or advisors. The information may not be consistent with other information compiled by third parties within or outside India. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on, or base their investment decision on this information. The information in this section should be read in conjunction with the sections titled "Risk Factors" and "Our Business" on page 18 and 120, respectively.*

*The CARE Report is subject to the following disclaimer: "CARE Research, a research report of CARE Advisory (CARE), has taken due care and caution in preparing this Report based on the information obtained by CARE from sources which it considers reliable (Data). However, CARE does not guarantee the accuracy, adequacy or completeness of the Data / Report and is not responsible for any errors or omissions in analysis/inferences/views or for results obtained from the use of Data / Report. This Report is not a recommendation to invest / disinvest in any company covered in the Report. CARE especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this Report. CARE Advisory operates independently of ratings division, which may have obtained in regular course of operations, obtain information of a confidential nature. The opinion expressed in this report cannot be compared to the rating assigned to the Company within this industry by the ratings division. No part of this Report may be published / reproduced in any form without CARE Advisory's prior written approval."*

**Global Economy**

As per International Monetary Fund (IMF) October 2015 World Economic Outlook (WEO), global growth, estimated at 3.1% in 2015, is projected to grow at 3.4% in 2016 and 3.6% in 2017. The pickup in global activity is projected to be more gradual especially in emerging market and developing economies.

In advanced economies, a modest and uneven recovery is expected to continue, with a gradual further narrowing of output gaps. The picture for emerging market and developing economies is diverse but in many cases challenging. The slowdown and rebalancing of the Chinese economy, lower commodity prices, and strains in some large emerging market economies will continue to weigh on growth prospects in 2016–17.

The projected pickup in growth in the next two years — despite the ongoing slowdown in China — primarily reflects forecasts of a gradual improvement of growth rates in countries currently in economic distress, notably Brazil, Russia, and some countries in the Middle East, though even this projected partial recovery could be hit by new economic or political shocks.

On the other hand, the World Bank is revising its 2016 global economic growth forecast down to 2.4 percent from the 2.9 percent pace projected in January. The move is due to sluggish growth in advanced economies, stubbornly low commodity prices, weak global trade, and diminishing capital flows. Commodity-exporting emerging market and developing economies have struggled to adapt to lower prices for oil and other key commodities. Growth in these economies is projected to advance at a meager 0.4 percent pace this year, whereas growth in commodity importers has been more resilient. In an environment of weak growth and eroding policy buffers, structural reforms have become even more urgent.

Emerging market and developing economies (EMDEs) are facing stronger headwinds, including weaker growth among advanced economies and low commodity prices. Significant divergences persist between commodity exporters struggling to adjust to depressed prices and commodity importers showing continued resilience. Global growth is projected to pick up to 3% by 2018, as stabilizing commodity prices provide support to commodity exporting EMDEs.

As of 2015, Brazil, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, the United Kingdom, the United States and the European Union, these countries or regions have reached an economy of at least the US$ 2 billion for GDP in nominal terms or PPP.

Globally investment remains soft amid weaker growth prospects and high political uncertainty, while export growth has slowed due to moderate external demand. Despite the expected momentum of lower energy prices, and the ongoing improvement of labor markets, growth is projected to level off in 2016 rather than accelerate.

Investment growth has also slowed substantially, especially in commodity exporters, reflecting in part the tightening of domestic policies and weak capital flows. In China, a gradual rebalancing is taking place at the national level, with strong growth in services and policy support measures that mitigate the slowdown in industrial activity. Brazil and the Russian Federation are still in recession. Global merchandise trade remains subdued, reflecting rebalancing in China and weaker demand from commodity exporters, which together contributed to an outright contraction in overall EMDE merchandise imports in 2015.

**Major Economies – Recent Developments and Outlook:**

Major advanced economies are at different stages of their post-crisis recovery but are expected to stabilize around a weak growth trajectory. Rising or high public debt and monetary policy rates at or near the zero lower bound could reduce the effectiveness of counter-cyclical policies, leaving these economies more vulnerable to domestic and external shocks. At the same time, declining productivity growth and aging populations exert a more fundamental drag on potential growth.

**United States – Growth Stabilising:**

Softer-than-expected activity since the start of 2016 has led to downward revisions to growth projections. Sectors that rely on oil-related activities or exports have faced increasing headwinds. Low oil prices, and associated financial stress, has led to a collapse of capital expenditure in the energy sector. As for external trade, a strong U.S. dollar and weakening demand from emerging markets contributed to stalling exports.

In the United States, first-quarter growth was weaker than expected, triggering a downward revision of 0.2 percentage points to the 2016 growth forecast. High-frequency indicators point to a pickup in the second quarter and for the remainder of the year, consistent with fading headwinds from a strong U.S. dollar and lower energy sector investment. The impact of Brexit is projected to be muted for the United States, as lower long-term interest rates and a more gradual path of monetary policy normalization are expected to broadly offset larger corporate spreads, a stronger U.S. dollar, and some decline in confidence.

With the new government slated to change in the country after the recent election, according to various industry experts, it is expected that new government would be able to implement the Keynesian fiscal stimulus that current outgoing government often proposed but was unable to deliver.

In all, U.S. GDP growth is expected to step back to 1.9 percent in 2016, 0.8 percentage point lower than projected in January, and to remain only slightly above 2 percent for the rest of the forecast period, providing modest support to global growth.

**Euro Area – Modest Momentum:**

In the euro area, growth was higher than expected at 2.2 percent in the first quarter of 2016, supported by an increased level of monetary policy accommodation, low oil prices, and slightly expansionary fiscal policies,

reflecting strong domestic demand— including some rebound in investment. While high-frequency indicators point to some moderation ahead, the growth outlook would have been revised up slightly relative to April for both 2016 and 2017 were it not for the fallout from the U.K. referendum (Brexit).

As per International Monetary Fund (IMF), in light of the potential impact of increased uncertainty on consumer and business confidence (and potential bank stresses), 2017 growth was revised down by 0.2 percentage points relative to April, while 2016 growth is still projected to be slightly higher, given outcomes in the first half of the year.

Notwithstanding some progress since 2015, the ongoing recovery in the Euro Area is subdued in comparison with the recoveries following systemic banking crises in other advanced economies, such as the United States, the United Kingdom, and Sweden in 2008-09. Problems associated with structural rigidities and persistent imbalances, although being gradually addressed, are still significant. After a long period of consolidation that dampened activity, fiscal policy is also expected to be slightly expansionary this year, reflecting in part additional public spending associated with the refugee crisis, which is projected to add about 0.2 percentage point to 2016 GDP growth. Rising flows of migrants to the European Union are creating notable challenges. E.U. countries have agreed to a relocation plan to help countries most affected by the influx, but implementation has been very slow.

**Japan – Continued Stagnation:**

Japan continues to fluctuate between periods of modest growth and contraction. Private consumption remains weak, falling short of the gains in real income, which have themselves been modest. Exports are also subdued, dampened by weak external demand and limited benefits of past yen depreciation. Despite weak growth, labor market conditions continue to show signs of tightening against the backdrop of an aging population. The unemployment rate remains slightly above 3 percent, the active job openings-to-applicants ratio has risen steadily, and the perception of labor shortages has heightened.

Because of growth disappointments and persistently low consumer price and wage inflation, the Bank of Japan continued to ease monetary policies in 2016, introducing a negative interest rate policy in January this year. A decision by the government to postpone the consumption tax hike to 10 percent, scheduled for April 2017, could lead to stronger growth in the short term but slow fiscal consolidation. Japan's growth in 2017 could be higher if, as expected, a supplementary budget for fiscal year 2016 is passed, providing more fiscal support.

**China – Ongoing Rebalancing:**

Growth in China decelerated further, to 6.9 percent in 2015, and to 6.7 percent in the first quarter of 2016, reflecting weak exports and slowing investment. A sharp slowdown in industrial activity has thus far been mitigated by steady growth in the services sector. In 2015, the services sector accounted for half of GDP and the majority of new urban jobs. This helped to offset layoffs in shrinking industrial sectors and kept urban labor markets tight (Lardy 2016). In addition, consumption growth continued to be robust, contributing 4.6 percentage points to GDP growth in 2015, compared to a contribution of 2.5 percentage points from investment.

As a response to the pronounced slowdown in the industrial sectors and in real estate, a range of expansionary policy measures were implemented in the second half of 2015. These included cuts in reserve requirements and interest rates, increased public spending on infrastructure projects, and tax cuts for small businesses.

Fiscal support measures and tax cuts widened the central government deficit to a six-year high of 2.3 percent of GDP in 2015 and to an expected 3 percent of GDP in 2016.

The direct impact of the U.K. referendum will likely be limited, in light of China's low trade and financial exposure to the United Kingdom as well as its likely respond to achieve their growth target range. Hence, as per industry estimates China's growth outlook is broadly unchanged relative to April (with a slight upward revision for 2016).

**Other Emerging Economies Outlook**

The outlook in other large emerging markets has changed slightly. Consumer and business confidence appears to have bottomed out in Brazil, and the GDP contraction in the first quarter was milder than anticipated. Consequently, the 2016 recession is now projected to be slightly less severe, with a return to positive growth in 2017.

Higher oil prices are providing some relief to the Russian economy, where the decline in GDP this year is now projected to be milder, but prospects of a strong recovery are subdued given longstanding structural bottlenecks and the impact of sanctions on productivity and investment.

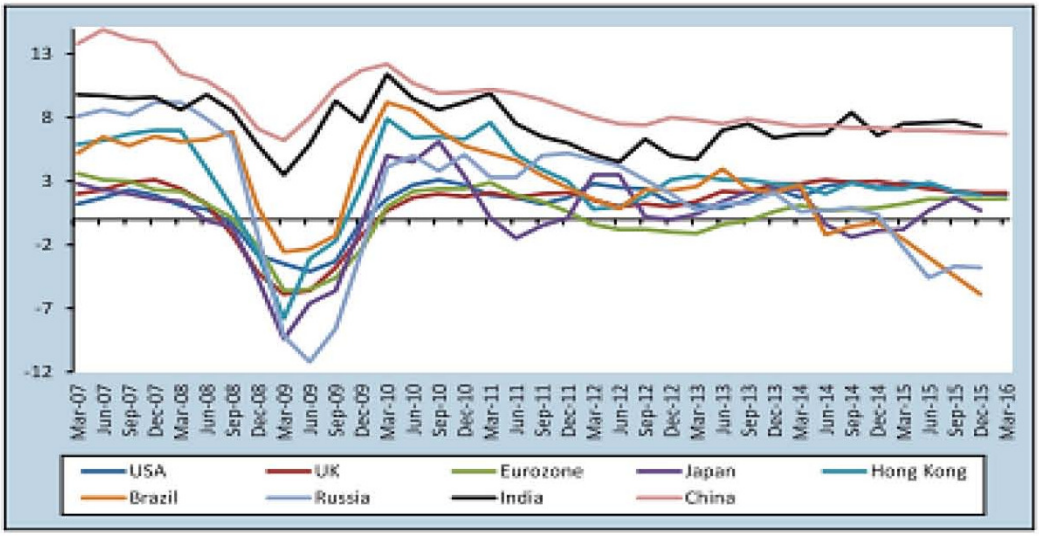
**Real GDP Growth (%):**

| Country groups | 2013 | 2014 | 2015e | 2016f | 2017f | 2018f |
|---|---|---|---|---|---|---|
| **Aggregates** | | | | | | |
| **Advanced economies** | 1.1 | 1.7 | 1.8 | 1.7 | 1.9 | 1.9 |
| **High-income economies** | 1.2 | 1.7 | 1.6 | 1.5 | 1.9 | 1.9 |
| **Developing economies** | 5.3 | 4.9 | 4.3 | 4.3 | 4.9 | 5.1 |
| **Low-income economies** | 6.5 | 6.1 | 4.5 | 5.3 | 6.3 | 6.6 |
| **BRICS** | 5.7 | 5.1 | 3.8 | 4.2 | 5.1 | 5.3 |
| **Emerging market and developing economies (EMDEs)** | 4.7 | 4.2 | 3.4 | 3.5 | 4.4 | 4.7 |
| **World** | 2.4 | 2.6 | 2.4 | 2.4 | 2.8 | 3 |
| **Regions/economies** | | | | | | |
| **Europe and Central Asia*** | 2.3 | 1.8 | -0.1 | 1.2 | 2.5 | 2.8 |
| **Latin America and the Caribbean*** | 2.9 | 1 | -0.7 | -1.3 | 1.2 | 2.1 |
| **Middle East and North Africa*** | 2 | 2.9 | 2.6 | 2.9 | 3.5 | 3.6 |
| **Sub-Saharan Africa*** | 4.8 | 4.5 | 3 | 2.5 | 3.9 | 4.4 |
| **East Asia and Pacific*** | 7.1 | 6.8 | 6.5 | 6.3 | 6.2 | 6.1 |
| **South Asia*** | 6.1 | 6.8 | 7 | 7.1 | 7.2 | 7.3 |

** Includes emerging market and developing economies (EMDE), e-estimates; f-forecast*

*(Source: World Bank, International Monetary Fund)*

**Year-on-Year Real GDP growth rates of major countries/ region (percent)**




*(Source: SEBI)*

**Indian Economy:**

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF). According to the Economic Survey 2015-16, the Indian economy will continue to grow more than 7 per cent in 2016-17.

The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, RBI's inflation focus supported by benign global commodity prices.

India's Consumer Confidence score in the April-June 2016 quarter declined to 128 from the high of 134 in the January-March 2016 quarter. India was ranked the highest globally in terms of consumer confidence during October-December quarter of 2015, continuing its earlier trend of being ranked the highest during first three quarters of 2015, as per the global consumer confidence index created by Nielsen.

**Market Size:**

According to the IMF World Economic Outlook Update (January 2016), India's economy is forecast to grow between 7 and 7.75 percent during FY 2016-17, despite the uncertainties in the world market. The Economic Survey of 2015 – 16 predicts that India's economy will grow more than seven percent for the third consecutive year 2016-17 and may begin to grow to eight percent or more over the next two years.

As per industry inc., after the recent 104ecognize104104104104n of certain currency notes by the GoI, GDP growth rate in FY'17 may dip a little compared to the last two years, but even then India is likely to outpace most other major economies .

Further, India's foreign exchange reserves stood at US$ 360 billion by end of March 2016, as compared with US$ 342 billion at same time last year, according to data from the Reserve Bank of India (RBI).

The steps taken by the government in recent times have shown positive results as India's gross domestic product (GDP) at factor cost at constant (2011-12) prices 2014-15 is Rs.106.4 trillion (US$ 1.58 trillion), as against Rs.99.21 trillion (US$ 1.47 trillion) in 2013-14, registering a growth rate of 7.3 per cent. The economic activities which witnessed significant growth were

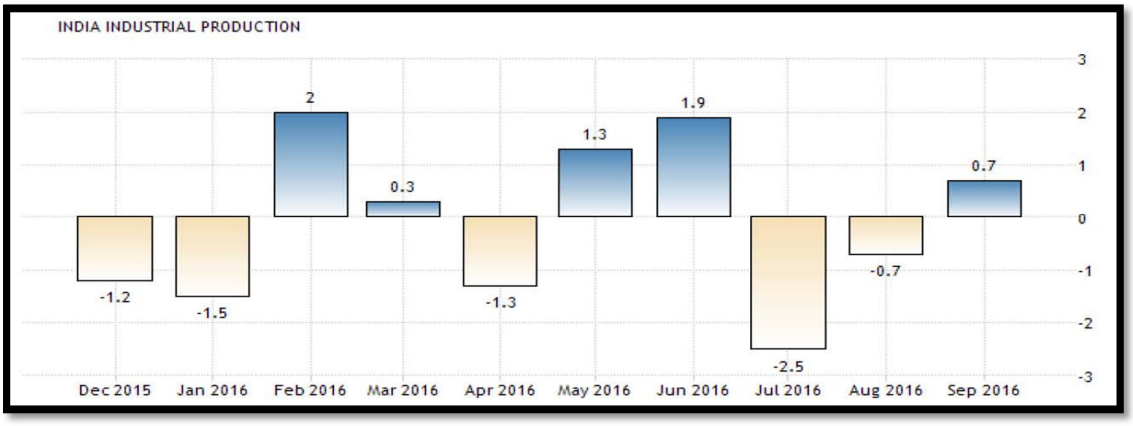
'financing, insurance, real estate and business services' at 11.5 per cent and 'trade, hotels, transport, communication services' at 10.7 per cent.

According to some economists, India could grow at a potential 8 per cent on average during from fiscal 2016 to 2020 if powered by greater access to banking, technology adoption, 105ecognize105105105 and other structural reforms.

**Recent Developments across various sectors:**

**India Industrial Production:**

Industrial production in India went up 0.7 percent year-on-year in September of 2016, following two straight months of falls (-0.7 percent in August and -2.5 percent in July) and slightly above market expectations of a 0.5 percent gain. Manufacturing rose 0.9 percent (-0.2 percent in August), also the first gain in three months and the strongest since October last year. Electricity increased 2.4 percent (0.1 percent in August) while mining shrank 3.1 percent (-5.8 percent). From April to September, industrial production declined 0.1 percent. Industrial Production in India averaged 6.22 percent from 1994 until 2016, reaching an all-time high of 20.00 percent in November of 2006 and a record low of -7.20 percent in February of 2009.




**India's Gross Capital Formation:**

Gross Fixed Capital Formation in India decreased to Rs.8,583.37 Billion in the third quarter of 2016 from Rs.8,639.56 Billion in the second quarter of 2016. Gross Fixed Capital Formation in India averaged Rs.4,951.59 Billion from 2001 until 2016, reaching an all-time high of Rs.9,091.17 Billion in the third quarter of 2015 and a record low of Rs.2,021.90 Billion in the first quarter of 2002.




*(Source: Trading Economics)*

With the improvement in the economic scenario, there have been various investments leading to increased M&A activity in the country. India has emerged as one of the strongest performers in terms of deals related to mergers and acquisitions (M&A). The total M&A deals involving Indian companies grew by 82 per cent to US$ 27 billion during January to June 2016, which is the highest in the first six months in any year since 2011, led by a four and a half time increase of Indian acquisitions abroad at US$ 4.5 billion.

Under the new National Mineral Exploration Policy (NMEP), the Government of India plans to conduct e-auction of 62 mineral blocks of minerals such as iron ore, limestone and gold located across several states to further open up the mining sector and increase output of minerals in 2016-17.

**Government Initiative:**

Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. Government has launched the Make in India initiative with an aim to boost the manufacturing sector of Indian economy. This initiative is expected to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors.

Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy. Government is looking at a number of reforms and resolution of pending tax disputes to attract investments.

Currently, the manufacturing sector in India contributes over 15 per cent of the GDP. The Government of India, under the Make in India initiative, is trying to raise the weightage contribution of manufacturing sector and aims to take it up to 25 per cent of the GDP.

The Government of India has also launched an initiative to create 100 smart cities as well as Atal Mission for Rejuvenation and Urban Transformation (AMRUT) for 500 cities with an outlay of Rs.48,000 crore (US$ 7.47 billion) and Rs.50,000 crore (US$ 7.34 billion) crore respectively. Smart cities are satellite towns of larger cities which will consist of modern infrastructure and will be digitally connected.

**Road Ahead:**

The International Monetary Fund (IMF) and the Moody's Investors Service have forecasted that India will witness a GDP growth rate of 7.5 per cent in 2016, due to improved investor confidence, lower food prices and better policy reforms. Besides, according to the World Bank, the Indian economy will likely grow at 7.6 per cent in 2016-17, followed by further acceleration to 7.7 per cent in 2017-18 and 7.8 per cent in 2018-19.

According GoI, Indian economy would continue to grow at 7 to 9 per cent and would double in size to US$ 4–5 trillion in a decade, becoming the third largest economy in absolute terms.

*(Source: Industry Source)*

**Steel Sector Overview**

**Introduction**

India is the world's third-largest producer of crude steel (up from eighth in 2003) and is expected to become the second-largest producer by the end of FY 2016. The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India's manufacturing output.

Indian Iron and steel industry, with its strong forward and backward linkages, contributes significantly to overall growth and development of the economy. As per official estimates, the Industry today directly contributes 2% of India's Gross Domestic Product (GDP) and its weightage in the official Index of Industrial Production (IIP) is 6.2%[1]. The per capita consumption of total finished steel in the country has risen from 51 kg in 2009-10 to about 60 kg in 2014-15.

Being a core sector, steel industry tracks the overall economic growth in the long term. Also, steel demand, being derived from other sectors like automobiles, consumer durables and infrastructure, its fortune is dependent on the growth of these user industries. The Indian steel sector enjoys advantages of domestic availability of raw materials and relatively cheap labour. Iron ore is also available in abundant quantities. This provides major cost advantage to the domestic steel industry.

The Indian steel industry is largely iron-based through the blast furnace (BF) or the direct reduced iron (DRI) route. Indian steel industry is highly consolidated. About 60% of the crude steel capacity is resident with integrated steel producers (ISP). But the changing ratio of hot metal to crude steel production indicates the increasing presence of secondary steel producers (non –integrated steel producers) manufacturing steel through scrap route, enhancing their dependence on imported raw material.

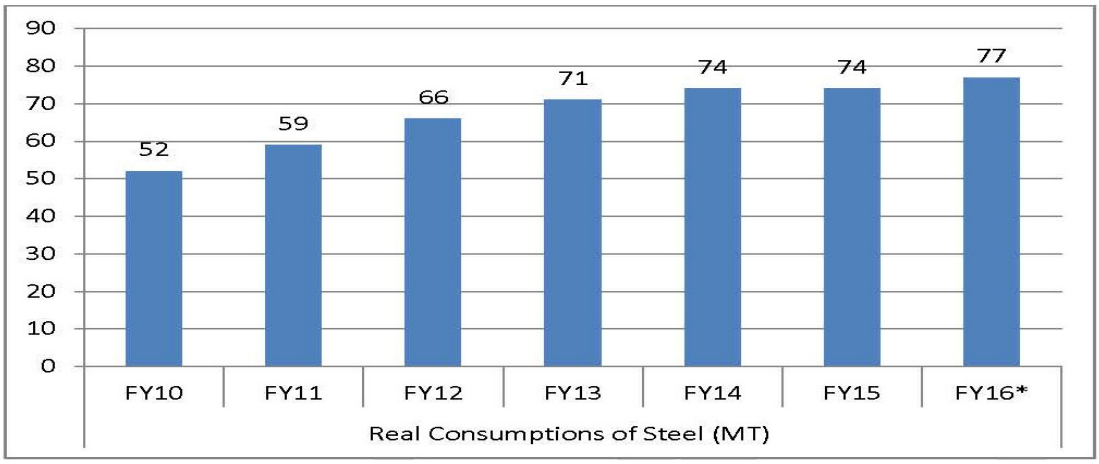
**Market Size**

In 2015 India produced 91.46 million tonnes (MT) of finished steel. Total finished steel production in the country increased at a CAGR of 7.45 per cent over FY11–15. During April-August 2016, crude steel production in the country grew by 7 per cent year-on-year to ~40 MT.

Over April-August 2016, steel imports fell 34.5 per cent year-on-year to 3.01 MT, while steel exports rose 23.6 per cent year-on-year to 2.38 MT.

[1]**Erstwhile Planning Commission Report**

Steel consumption in the country is expected to grow 5.3 per cent year-on-year to ~ 85 MT during FY 2016-17, led by growth in the construction and capital goods sector.




*(Source: IBEF)*

**Government support and regulatory framework**

The steel sector has often been supported by favorable regulatory frameworks, not only during initial phases of development but also during times of economic downturn. These benefits range from easier loans, tax incentives and subsidized land availability to tariff protection measures.

The Government of India has allowed 100 per cent foreign direct investment (FDI) in the steel sector under the automatic route. Nearly 301 MoUs have been signed with various states for planned capacity of about ~480 MT.

A new scheme, 'The scheme for the promotion of R&D in the iron and steel sector', has been approved with budgetary provision of US$ 24.6 million to initiate and implement the provisions of the scheme as per the 11th Five-Year Plan which has continued in the 12th Five Year Plan. The development of technology for Cold-Rolled Grain Oriented (CRGO) steel sheets and other value-added products is also included under the policy purview and is allocated US$ 6.7 million.

The Government of India faces several challenges in providing support to the sector. The most significant so far have been challenges in land acquisition and infrastructure access. Major steel players have shelved or abandoned projects worth crore of rupees primarily due to problems in acquiring land and delays in obtaining environmental and forest clearances. With multiple users struggling for limited resources, national and state governments have become more stringent around environmental regulations and compliance. The work completion rate in general has fallen in the country from 64% in 2012–13 to 26% in 2013–14, thereby, locking in large capital and not achieving its economic multiplier effect.

**Growth Factors**

As per the report of the Working Group on Steel for the 12th Five Year Plan, there exist many factors which carry the potential of raising the per capita steel consumption in the country. These include among others, an estimated infrastructure investment of nearly a trillion dollars, a projected growth of manufacturing from current 8% to 11-12%, increase in urban population to 600 million by 2030 from the current level of 400 million, emergence of the rural market for steel currently consuming around 10 kg per annum buoyed by projects like Bharat Nirman, Pradhan Mantri Gram Sadak Yojana, Rajiv Gandhi Awaas Yojana among others.

At the time of its release, the National Steel Policy 2005 had envisaged steel production to reach 110 million tonnes (mt) by 2019-20. However, based on the assessment of the current ongoing projects, both in greenfield and brownfield, the Working Group on Steel for the 12th Five Year Plan has projected that domestic crude steel capacity in the county is likely to be 140 mt by 2016-17 and has the potential to reach 149 mt if all requirements are adequately met.

As per the Ministry of Steel, GoI, The National Steel Policy 2005 is currently being reviewed keeping in mind the rapid developments in the domestic steel industry (both on the supply and demand sides) as well as the stable growth of the Indian economy since the release of the Policy in 2005.

**Protectionist Measures by the Government of India**

An Inter-Ministerial Group (IMG) is functioning in the Ministry of Steel, under the Chairmanship of Secretary (Steel) to monitor and coordinate major steel investments in the country. As a facilitator, the Government monitors the steel market conditions and adopts fiscal and other policy measures based on its assessment.

Currently, basic excise duty for steel is set at 12.5% and there is no export duty on steel items. The government has also imposed export duty of 30% on all forms of **iron ore** except low grades which carry a duty of 10% while iron ore pellets have an export duty of 5% in order to control ad-hoc exports of the items and conserve them for long term requirement of the domestic steel industry. It has also raised import duty on most steel imports by 2.5%, taking the import duty on carbon steel flat products to 10% and that on long products to 7.5%.

For ensuring quality of steel several items have been brought under a quality control order issued by the Government.

**Investments**

Steel industry and its associated mining and metallurgy sectors have seen a number of major investments and developments in the recent past.

According to the data released by Department of Industrial Policy and Promotion (DIPP), the Indian metallurgical industries attracted Foreign Direct Investments (FDI) to the tune of US$ 8.89 billion, respectively, in the period April 2000–March 2016.

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

- Tidfore Heavy Equipment Group, the China-based infrastructure giant, is looking to enter the Indian market by signing an investment agreement worth US$ 150 million with Uttam Galva Metallics, to expand its Wardha, Maharashtra unit along with South Korean steel major Posco.
- Arcelor Mittal SA is looking to set up a joint venture (JV) factory in India with state-owned Steel Authority of India Ltd (SAIL), to manufacture high-end steel products which could be used in defence and satellite industries.
- National Mineral Development Corporation (NMDC) has planned to invest Rs.40,000 crore (US$ 5.96 billion) in the next eight years to achieve mining capacity of 75 Million Tonnes Per Annum (MTPA) by FY2018-19 and 100 MTPA by FY2021-22, compared to 48 MTPA current capacity.
- Public sector mining giant NMDC Ltd will set up a greenfield 3-million tonne per annum steel mill in Karnataka jointly with the state government at an estimated investment of Rs 18,000 crore (US$ 2.67 billion).
- JSW Steel has announced to add capacity to make its plant in Karnataka the largest at 20 MT by 2022.

**Road Ahead**

India is expected to become the world's second largest producer of crude steel in the next 10 years, moving up from the third position, as its capacity is projected to increase to about 300

MT by 2025. Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors.

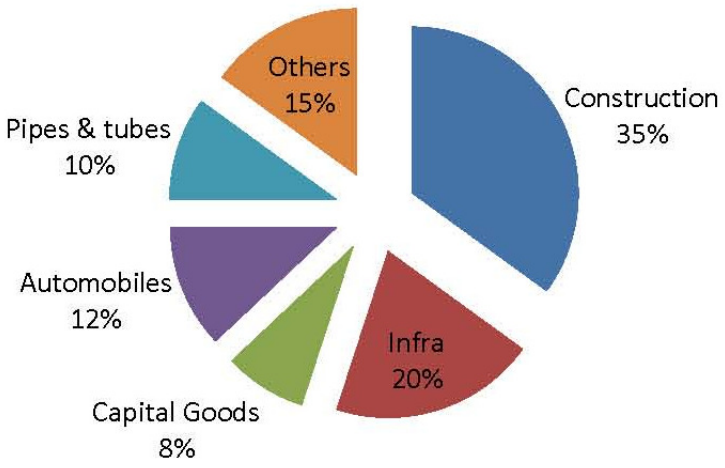
**Segments**

As steel demand emanates from the various end using segments, category wise estimates of steel demand is best related to the activity levels in segments that account for a major share of consumption of steel in that category for instance, in construction, automobile, railway transport, transportation of oil & gas, ship building, capital goods (heavy machinery equipment), consumer durables, agricultural equipment, etc. would by and large account for a significant portion of steel consumption.

**Current Indian steel demand by sector**

The major steel-consuming sectors in India are construction and infrastructure, capital goods and automotive.

**Steel consumption pattern in India**




**Overview of the Focus Sectors of the Salasar Techno Engineering Limited:**

**Infrastructure**

Development and growth of Infrastructure sector is critical for rapid growth of domestic steel industry in the country. Steel industry is a major user of infrastructural facilities especially of Railways, roads, power, and ports. Besides, the competitiveness of domestic steel industry depends heavily on the expansion and provision of efficient infrastructural facilities.

As per the working group projections, the steel production in the country will nearly double within the next five years. This requires rapid growth of railways, roads, ports and power facilities. The existing infrastructural facilities are not adequate.

There is immediate need for substantial up gradation of infrastructural facilities to meet the increasing steel requirements of the steel industry. Investments to the tune of US $ 1 Trillion are proposed in the infrastructure sector in the 12th plan. An investment of this scale and size is likely to generate higher domestic demand for steel and at the same time help build necessary infrastructure required for the steel industry.

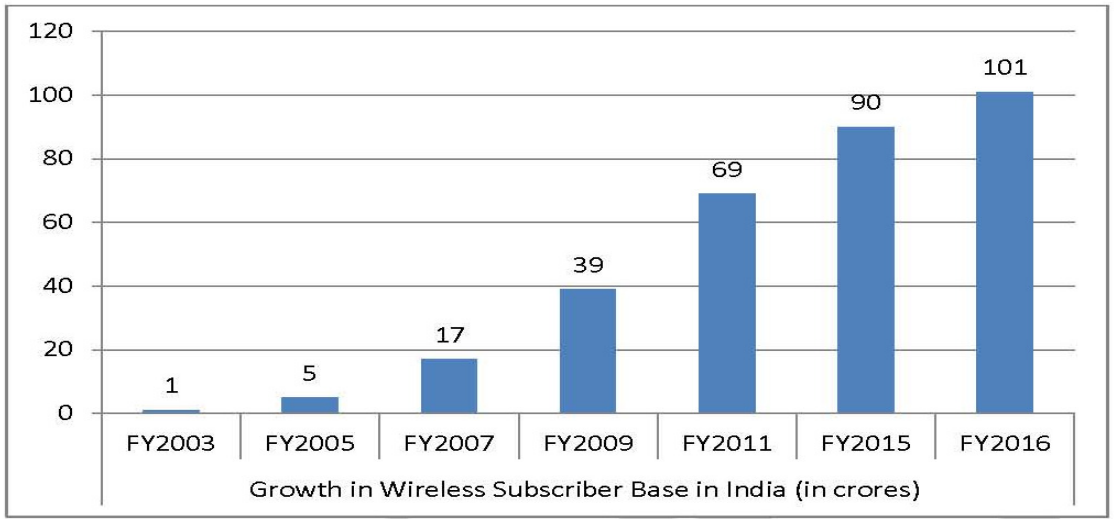
Growth in the infrastructure and construction segment is expected to be driven by power, roads, irrigation and urban infrastructure. To support infrastructure in the country, the Government has identified infrastructure as a priority sector to bolster the GDP growth rate. In line, more sectors have been added as eligible sectors for Viability Gap Funding under the scheme "Support to PPP in infrastructure."

**Telecom Tower**

The Indian telecom industry has witnessed significant growth in subscriber base over the last decade, with increasing network coverage and a competition-induced decline in tariffs. The growth story and the future potential have also served to attract newer players in the industry, with the result that the intensity of competition has kept increasing, forcing the telecom operators (telcos) to look for cost-cutting measures.

Telecommunications in India has grown from a fledgling to a large industry over the last decade, reporting a compounded annual growth rate (CAGR) of around 70% in wireless subscriber base between March 1999 and September 2010. During this period, the size of the wireless subscriber base has increased from 0.12 crore to 68.77 crore, taking wireless tele-density up from 10% to 54%. The growth in subscriber base has been facilitated mainly by the increase in network coverage and decline in tariffs and handset prices. The Government of India's auction of 2G licenses in January 2008 also gave an impetus to the telecom industry's growth by providing more spectrum and allowing new players to enter the arena.

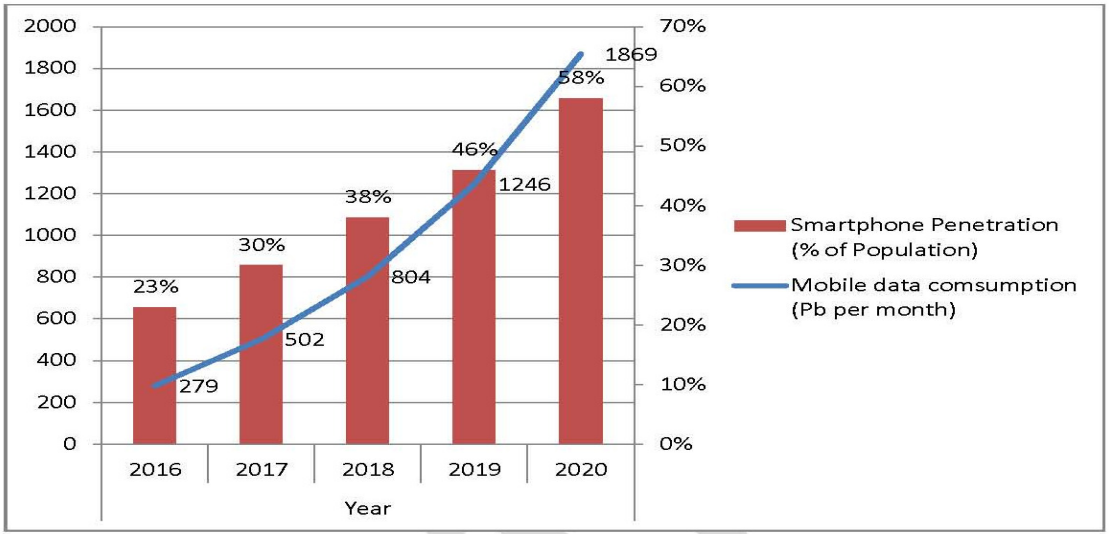
**Growth in Wireless Subscriber Base in India (in crores)**




The growth in subscriber base has necessitated expansion of network coverage, which in turn has driven the telcos to make sizeable investments in active and passive infrastructure. Over the last few years, driven by the need for more towers and increasing tower sharing, many independent telecom tower companies (ITTCs) have also emerged, although these remain much smaller in relation to the telecom operator-owned tower companies.

Rapid growth in the sector has also prompted tower companies to invest heavily in capital expenditure (capex). The aggregate capex spend increased from Rs.8,000 crore in 2013-14 to Rs.10,200 crore in 2014-15. Net tower additions were also significantly higher at 6,300 in 2014-15 vis-à-vis 3,200 in 2013-14. One of the key emerging trends in the last few years is the emergence of towers running on green energy. In line with the trend, 15 per cent of the total capex spends were incurred by towers running on green energy.

**Projected Smartphone Penetration and Mobile Data Consumption for India**




As per industry sources, telecom tower companies in India will post a revenue growth of about 10 percent over the next two years, as mobile operators are expanding their 3G and 4G footprint and will seek to lease more tower space. Considering India is at the cusp of a rolling out 4G and other high end services, industry estimates significant growth and bright future of the Indian Tower Industry. With the increasing proliferation of smartphones among the Indian masses, data will grow exponentially, requiring a significant number of additional data sites over the next few years. An amalgamation of coopetition and competition among telecom operators and tower companies will be required to cater to this next phase of growth. An ASSOCHAM-KPMG joint study has predicted that the telecom tower sector in India is set to see a higher growth in next few years as its tenancy ratio will increase from 1.95 times (as on March 2015) to 2.9 times by March 2020 due to the expansion of 3G and onset of 4G technologies.

The growth in telecom sector has helped India emerge as a trendsetter in the tower infrastructure segment. Around 70 per cent of India's 4,00,000 towers are owned and operated by tower companies. The advent of new technologies, such as 4G by Telecom Service Providers (TSPs), along with expansion in the rural areas, is expected to be key drivers for the telecom infrastructure industry over the next five years.

**Transmission Towers**

India's Power Transmission networks constitute the vital part of the entire power value chain. The growth of power sector is contingent to development of a robust and a reliable transmission network. The country has been demarcated into five transmission regions viz. Northern, Eastern, Western, Southern and North Eastern. In the country over the past decades, the total power capacity has witnessed commendable growth, with more than 232 GW of generation capacity currently installed in India. However, India's peak load supply is only 141 GW, and aggravating this situation further is that some of India's power surplus regions do not have adequate power evacuation infrastructure which could alleviate the recurring supply shortages in other parts of the nation.

Despite having installed power generation capacity of ~225 GW and power demand of 135 GW (as of May 2013), India faced a peak power deficit of 9% (12 GW). One of the major reasons for this situation is the inadequate transmission capacity, not matching the generation capacities and load requirements. Unlike infrastructure sectors like the road network, where substitutes like rail, ship, waterways, airways, etc. are available, no such alternative to the transmission lines exist in the power sector. With the sole exception of captive power, cross country transmission lines ferry every unit of the power generated in the country. In 2012-13, domestic power exchanges

Indian Energy Exchange and Power Exchange of India failed to consummate sales-purchase deals worth crores of rupees, amounting to ~15% of total traded volume of power, due to transmission constraints.

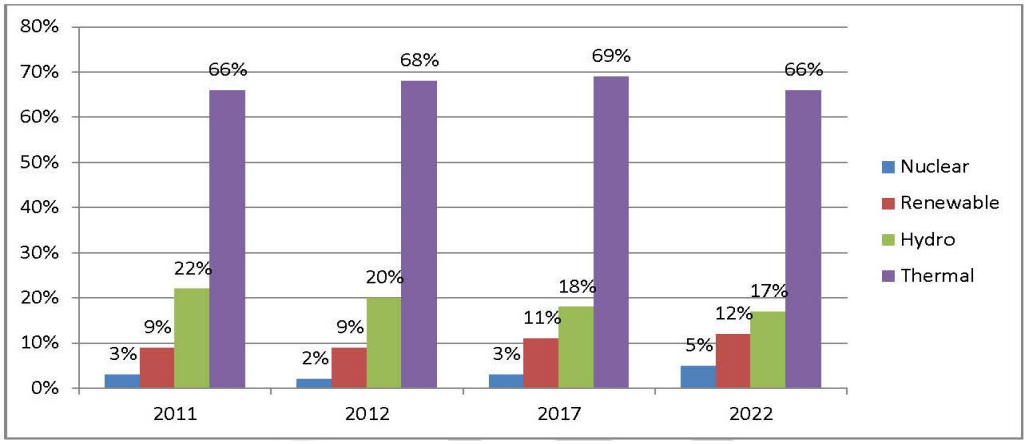
Power evacuation is turning out to be a bigger problem than power generation for the country. Plants supplying electricity to state electricity boards (SEBs) under long term power purchase agreements (PPA), lost millions of units of generation due to transmission capacity bottlenecks.

Power shortages have and are adversely affected the country's economy. Power shortages cause significant GDP loss, impacting multiple industries like agriculture, manufacturing, services etc. Improvement of this sector is essential for the economic well-being of the country and enhancement of the quality of life of citizens. In the last 5 years, power generation capacity has grown by ~50%, whereas transmission capacity has increased by ~30% .

As per the 12th Five Year Plan, the future expansion in power generation capacity in India is planned around 88GW. In order to meet this capacity, investment in the transmission sector needs to be increased. Overall, an addition of 90,000 ckm of 765-220 kV lines, 154,000 MVA of substation capacity and 27,350 MW of national grid capacity is required in order to meet the 12th Five Year Plan.

For this purpose, an investment of USD 35 billion is planned in the power transmission sector. Of this, about USD 19 billion is planned to 10 come from Power Grid Corporation of India Limited. The remaining USD 16 billion, ~46% of the total investments, needs to be secured from private players.

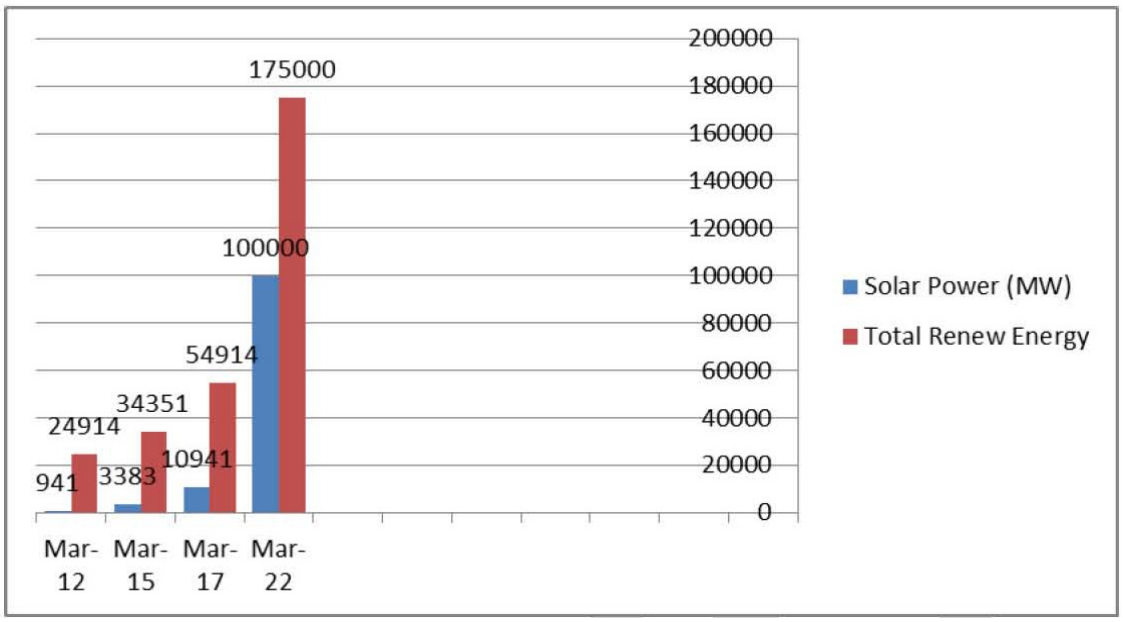
**Planned Generation Capacity Additions**




India is one of the few countries where Transmission Sector has been opened up for private participation & has garnered significant interest from private players. The bidding framework is fairly comprehensive with provisions for majority of situations which may occur during the term.

Growth of the power sector and hence transmission lines network are directly linked to the growth of GDP. Both central and state governments are responsible for the development of electricity sector in India. Powergrid is the Central Transmission Utility (CTU) and is responsible for wheeling of power generated by Central Generating Utilities (CGUs) and inter-state Mega Independent Power Producers.

**Solar and Total Renewable Energy Capacity in India**




As many as 120 transmission projects have faced delays because of the developer's inability to acquire land and get timely clearances from all stakeholders. There have been instances of transmission lines being forced to take a different route than planned, resulting in the entire project budget going out of control. Power transmission constraints have also made it difficult to evacuate excess power and channel it to regions that face shortages. Projects have had to purchase power from costlier sources while others remained under-utilized. Hence, there is an urgent need to timely address underlying issues in the transmission sector to ensure power demand is effectively met in the future.

**Future Investments**

Despite billions of dollars investments being planned for the next couple of years, the investments in the transmission sector are still not adequate. As per the industry norm, for every rupee invested in power generation, at least half should be invested in power transmission. In India the ratio is very low from the standard. To make up for this investment deficit, India needs to invest more than 0.5 times of the future investments made in generation into transmission.

Currently, the Indian transmission sector is in the early stages of globalization compared to other sectors like ITES, Telecom etc. Many private players, ranging from power generation companies like Adani, GMR, etc. to EPC and infrastructure companies like KEC, Isolux, etc. are entering the sector. However, progress in the sector is hampered by various challenges. Going forward, the demand side capacity is expected to further increase with the industry moving towards Open Access. Open access will allow every end-user of electricity in the country to choose from all available transmission lines, thereby increasing transmission load across the country. If India's transmission capacity is not timely augmented, this problem is expected to further aggravate.

The power transmission sector in the country has seen robust capacity addition in 2014-15, with around 18,000 ckt. Km of lines being added at the 220 kV and above voltage levels (as of February 2015). In comparison, the line length addition during the same period in 2013-14 was around 13,600 ckt. Km.

The transformer capacity added was also much higher at 55,000 MVA during 2014-15 (as of February 2015) as compared to 45,600 MVA during the same period in 2013-14. Progress in transmission capacity addition at higher voltage levels continues to remain steady.

More than 50 per cent of the transformer capacity addition and one-third of the line length addition during 2014-15 has been at the 765 kV level. Work on the development of 1,200 kV UHVAC and 800 kV HVDC lines has also made good progress.

Integration of renewable energy is another key focus area for transmission planners. With the government's ambitious plans to install 100 GW of solar power capacity by 2022 and 10 GW of wind power every year, evacuation of this power will be a challenge.

Realising this, the central transmission utility, Powergrid, is developing nine high capacity green transmission corridors. The CTU has also announced a Desert Power Plan, which outlines the transmission capacity needed to evacuate solar and wind power from the desert regions of India by 2050.

Recently, the company has been assigned the construction of transmission lines and pooling substations for solar parks in seven states. Further, 11 high capacity power transmission corridors (HCPTCs) being implemented by Powergrid are making swift progress. Transmission lines and substation packages have been awarded for most of the HCPTCs and are under implementation. Most of these are expected to be commissioned in 2015-16.

The state sector has contributed a significant 42 per cent of the line length addition and 46 per cent of the transformer capacity addition during 2014-15 (as of February 2015). Most of this addition has been at the 400 kV and 220 kV level. However, the growth in intrastate transmission network has lagged behind that in the interstate transmission system. India is planning to construct several cross-border interconnections with its neighboring countries to boost power trade.

These links are part of the country's larger plan of creating an integrated SAARC power market. The most recent cross-border transmission line constructed was the 400 kV Baharampur (India) – Bheramara (Bangladesh) line, commissioned by Powergrid in September 2013. Four more interconnections – one each with Bhutan and Sri Lanka and two with Nepal – are also expected.

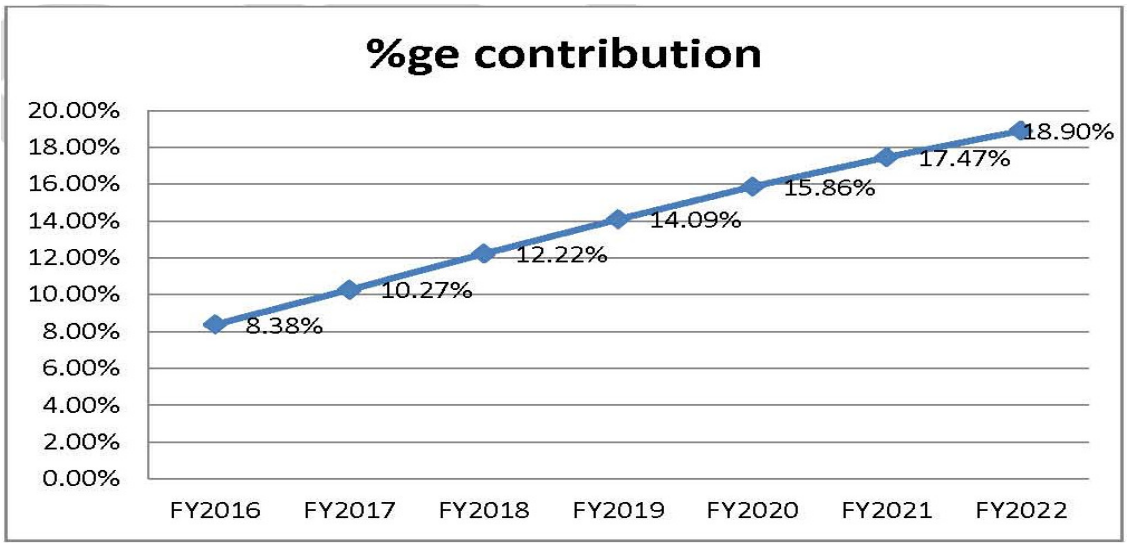
The changing requirements of the transmission system are driving technology developments in the area. High performance conductors (HPCs) are already being used, while R&D is being carried out on superconducting cables.

**Sub Station Structure**

GoI is looking to transform India's electricity sector. This push is driven by the longstanding need to reform the ailing finances of India's power-generation and electricity-distribution sectors which augurs well for setting up of sub-station structure which will be required for smooth transmission of the power from generation side. According to official estimates, India is undertaking a sustained heavy capital-expenditure program that is running at US$4-5bn annually to cover grid-transmission line and substation expansions and upgrades while expanding inter-regional capacity. The Indian grid has an installed generation capacity of ~250GW. In next 5 years, that figure is expected to approach 500GW, requiring an investment of more than US$20bn.

**Estimated Power Requirement as per Central Electricity Authority**

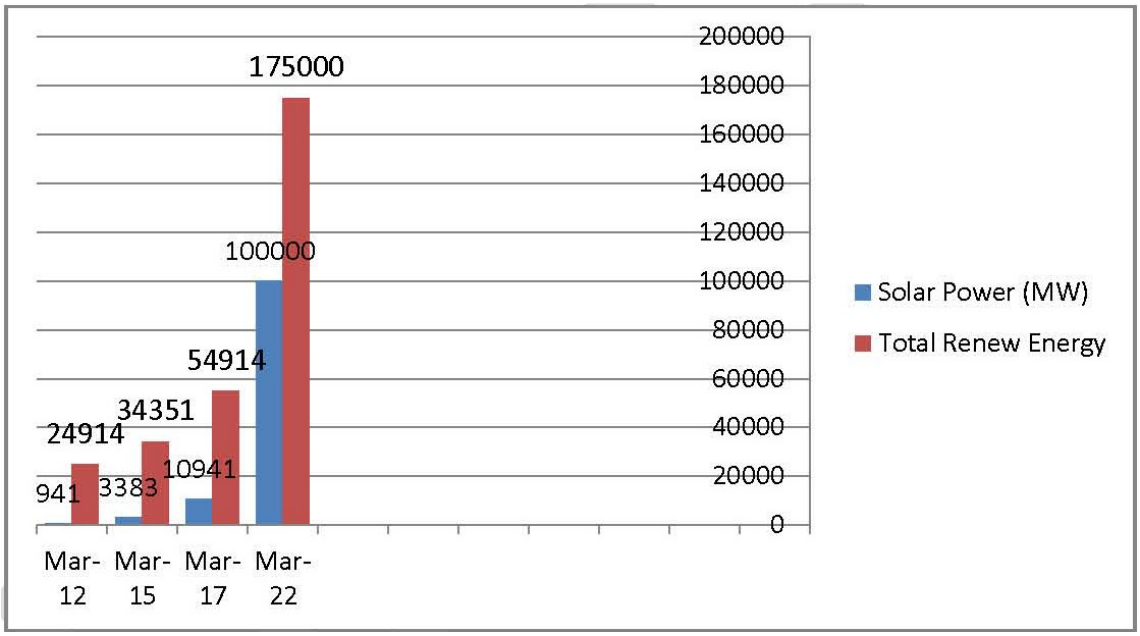
As per CEA, 175 GW Renewable Energy (RE) will contribute to 18 9% of the entire power consumption in India in 2022. Below is the projected percentage contribution by RE in the entire energy mix of India.




**Solar Energy Sector**

India has the fifth largest power generation portfolio in the world and its current renewable energy contribution stands at 44.81 GW which includes 27.44 GW of Wind power and 8.06 GW of Solar power installed capacity in the country (as on 31.07.2016). It has fourth largest installed capacity of wind power and third largest installed capacity of concentrated solar power (CSP).

Renewable energy contributes 14.7% of the total installed capacity in the country (as on 31.07.2016). India has ambitious target of 175 GW of renewable power by 2022 which includes 100 GW of Solar power, 60 GW from wind power, 10 GW from biomass power and 5 GW from small hydro power.



Economic growth, increasing prosperity, a growing rate of urbanisation and rising per capita energy consumption has led to increased demand for energy in the country. The target of National Solar Mission has been up-scaled to 100 GW from 20 GW of grid connected solar power by 2022, which creates a positive environment among investors keen to tap into India's renewable energy potential. It may be noted that Foreign Direct Investment (FDI) up to 100% is permitted under the automatic route for renewable energy generation and distribution projects subject to provisions of The Electricity Act, 2003.

**Grid Connected Rooftop**

India is one of the lowest per capita consumers of electricity in the world. Over 200 million people remain unconnected to the electricity grid, and those who are, continue to face frequent disruptions. Power shortages also affect industrial output with many industries and manufacturers relying on expensive and polluting diesel-based back-up power supplies.

Solar grid connected rooftop power plant provides solutions to these problems. According to a study conducted by TERI, a potential of 124 GWp SPV Rooftop plants has been estimated in the country. GoI has ambitious target of installing 40GW of rooftop solar plant across the country. The details of same are as follows:

| | |
|---|---|
| **Status** | 358 MW Projects sanctioned and 41 MW installed [Potential for 124 GW exists |
| **Target** | 40,000 MW by 2022 of which 10 GW during 2015-16 to 2017-18 |
| **Current Support** | Financial assistance of 15% of the benchmark (Reduced from 30% earlier) |

**Major growth factors for solar power sector**

- India is the fourth largest importer of oil and the 15th largest importer of petroleum products and Liquefied Natural Gas (LNG) globally. The increased use of indigenous renewable resources is expected to reduce India's dependence on expensive imported fossil fuels.
- The government of India through Ministry of New and Renewable Energy (MNRE) is playing a proactive role in promoting the adoption of renewable energy resources by offering various incentives such as generation-based incentives (GBIs), capital and interest subsidies, viability gap funding (VGF), concessional finance, fiscal incentives etc.
- The National Solar Mission aims to promote the development and use of solar energy for power generation and other uses, with the ultimate objective of making solar energy compete with fossil-based energy options.
- The objective of the National Solar Mission is to reduce the cost of solar power generation in the country through long-term policy, large scale deployment goals, aggressive R&D and the domestic production of critical raw materials, components and products.
- The government has created a liberal environment for foreign investment in renewable energy projects. The establishment of a dedicated financial institution – the Indian Renewable Energy Development Agency (IREDA), makes for renewed impetus on the promotion, development and extension of financial assistance for renewable energy and energy efficiency/conservation projects.
- Renewable energy is becoming increasingly cost-competitive as compared to fossil fuel-based generation, like the prices of solar modules have declined by almost 80% since 2008.
- Reserve Bank of India (RBI) has revised the guidelines for all scheduled commercial banks including renewable energy in the categories priority sector, in addition to existing categories making significant

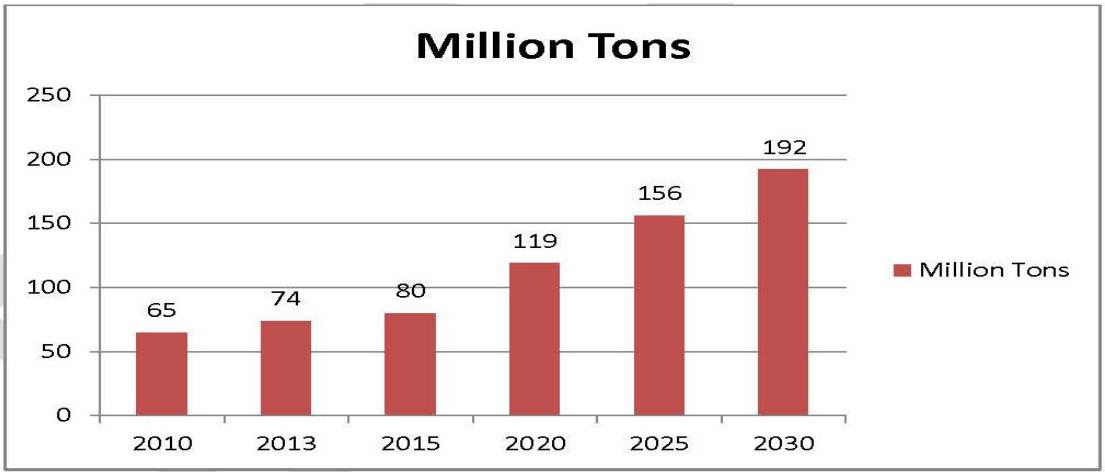
inroads for renewable energy in the priority sector lending, also bank loans for solar rooftop systems to be treated as a part of home loan/ home improvement loan with subsequent tax benefits.

According to industry estimates, with expected new capacity addition of 5.4 gigawatt (GW) in 2016, India will become the fourth largest solar market globally this year, overtaking the UK, Germany and France.

**Galvanized Steel Sector**

As per industry estimates global steel demand is expected to continue to grow at 2 – 4% p.a. for the next decade before leveling out. Developing regions like India would continue to drive steel demand growth, increasingly away from China and to other developing regions.

**Actual and anticipated finished steel demand in India**




*(Source: Industry data)*

After a decade of high growth, steel growth in India has slowed down considerably in the last 2 years. However, India's low per capita steel consumption and robust GDP growth forecast indicates a good potential for steel demand growth.

As per industry estimates, India has a low share of galvanised steel products compared to developed economies, which presents an opportunity for growth. The share is almost constant (between 4% - 6%) since 1995. Going forward, demand is expected to grow at a steady rate given the positive outlook of major end use sectors of galvanizing steel.

Main use of galvanized steel is mainly into construction and infrastructure sector. Infrastructure sector includes power, bridges, dams, roads and urban infrastructure development. 50% of the demand for construction activity in India comes from the infrastructure sector; while the rest comes from industrial activities, residential and commercial development etc. Currently the Indian construction industry is valued at over USD 126 Billion.

It may be noted that Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling India's overall development and gets focus from Government for initiating policies for creation of world class infrastructure in the country.

As per industry estimates, India needs USD 1 trillion to be spend on infrastructure development over the next five years, with 70 per cent of funds needed for power, roads and urban infrastructure segments. The Indian power sector itself has an investment potential of US$ 250 billion in the next 4-5 years, providing immense opportunities in power generation, distribution, transmission and equipment.

The Indian construction equipment industry is reviving after a gap of four years and is expected to grow to US$ 5 billion by FY2019-20 from current size of US$2.8 billion, according to a report released by the Indian Construction Equipment Manufacturers' Association (ICEMA). Further, according to the Department of Industrial Policy and Promotion (DIPP), Foreign Direct Investment (FDI) received in construction development sector from April 2000 to March 2016 stood at US$ 24.19 billion.

The Government of India has made a record allocation Rs.221,246 crore (US$ 33.07 billion) for several infrastructure projects in Union Budget 2016-17, which is expected to provide significant boost to Indian infrastructure sector.

As per industry sources, global galvanized steel market to grow at a CAGR of 5.18% during the period 2016-2020. One of the primary drivers in the market is upgrading of existing transmission and distribution networks. Global investments in transmission and distribution infrastructure will amount approximately $8.4 trillion by 2040. Galvanized steel has wide applications such as equipment buildings, platforms, stairs, and handrails. Piping and its fittings consume massive amounts of galvanized steel in water reticulation, cooling water, and fire protections systems.

Asia & Pacific is the fastest-growing region in the galvanized steel market and is anticipated to occupy around 68% of the overall market revenue by 2020. The primary reason for this region's growth is the high demand for galvanized steel flat-rolled products coming from the automobile and construction sectors. Moreover, with China, being the largest producer of galvanized steel market, especially metal-coated steel sheets, will accelerate steel production in the region in the coming years.

Galvanized sheets and strips dominated the galvanized steel market and accounted for around 61% of the total market share in 2015. Much of the segment's growth can be attributed to the growing demand coming from the construction and infrastructure industry, which accounts for around 38% of the overall market share. Galvanized sheets and strips are used for several construction purposes including doors, sashes, walls, shutters, fences, beams, columns, partitions, under-ceiling units, carports, verandas, and storerooms.

**Cold Formed Steel**

Cold-formed steel (CFS) is the common term for products made by rolling or pressing steel into semi-finished or finished goods at relatively low temperatures (cold working). Cold-formed steel goods are created by the working of steel billet, bar, or sheet using stamping, rolling (including roll forming), or presses to deform it into a usable product.

Cold-worked steel products, such as cold-rolled steel (CRS) bar stock and sheet, are commonly used in all areas of manufacturing of durable goods, such as appliances or automobiles, but the phrase cold-formed steel is most prevalently used to describe construction materials.

# OUR BUSINESS

## OVERVIEW

We are an ISO 9001: 2008, 14001: 2004 and 18001: 2007 certified company managed by experienced and dedicated promoters to address the changing needs of the customers in Infrastructure space. Our Company is a provider of customised steel fabrication and infrastructure solutions in India for Telecommunication Towers, Transmission Towers & Substation Structures and Solar Module Mounting Structures. The objective of our Company is to supply customized, high-quality material to its impressive and ever-growing clientele. We provide 360 degree solutions by carrying out engineering, designing, fabrication, galvanization and deployment. Our products include Telecommunication Towers, Power Transmission Line Towers, Smart Lighting Poles, Monopoles, Guard Rails, Substation Structures, Solar Module Mounting Structures and Customized Galvanized & Non-galvanized steel structures. Our services include providing complete engineering, procurement and control for projects such as Rural Electrification, Power Transmission Lines, and Solar Power Plants.

Our Company commenced its manufacturing/fabrication activities in the Financial Year 2006-07 when first unit became operational. With the addition of a second unit in 2008-09, our Company now provides all kinds of steel fabrication and infrastructure solutions in addition to Telecom Towers and its projects have been executed in all kinds of geographical locations nationally. We have maintained an excellent track record ever since.

We have full in house fabrication and Hot Dip Galvanizing Facilities that assist us in the manufacturing of galvanized Towers as per customer needs and drawings and strengthen our market distinguished position Towers Suppliers. In a big leap forward, the company recently increased its installed annual manufacturing/fabrication capacity from 50,000 MT to 1,00,000 MT with the installation of new Galvanizing Plant at its wholly owned subsidiary – Salasar Stainless Limited.

In addition to manufacturing/fabrication, we also undertake civil foundation work, erection of towers both telecom & transmission at site including painting. We have also undertaken EPC Turnkey projects for solar mounting structures for our clients.

Our Company provides individual attention to its customers and all of its products are fabricated as per the customer's requirements in accordance with applicable standards. Fabrication is carried out in a state-of-the-art manufacturing facility ensuring strict quality control and safety at every level of production.

Our Company has established its execution capabilities in a short span of time and developed firm relationships with its suppliers and customers. Our Company has a strong customer profile and caters to the leading names in India. These relationships have allowed us to carry out massive touchstone projects such as establishing Transmission and Substation for U.P. Power Transmission Corporation Ltd, Tata Power Delhi Distribution Ltd., Unitech Power Transmission Ltd., executing orders of Telecom Towers including erection of towers for ATC India Tower Corporation Pvt Ltd, Indus Towers Ltd, ATC Telecom Infrastructure Pvt Ltd, Bharti Infratel Ltd, Reliance Jio Infocomm Ltd, Tower Vision India Pvt Ltd, Viom Networks Ltd, and supplying Solar Mounting Module Structures for Jakson Engineers Ltd, Prayatna Developers Pvt Ltd, Welspun Renewables Energy Pvt Ltd., Insta Power Energy Efficiency Pvt Ltd etc.

## TELECOMMUNICATION TOWERS

We have already manufactured and erected around 10,000 towers of various designs of Angular, Tubular and Hybrid Ground Based Towers (GBT) and Roof Top Towers (RTT) since inception. We have supplied our towers to all the leading Cellular operators & Telecom infrastructure companies like Airtel, Bharti Infratel, Indus Towers, Reliance Infratel, Reliance Jio, Viom Networks, ATC, Tower Vision and GTL with a robust presence in India and International locations of Africa, Asia and Australia.

We are one of India's face and manufacturing/fabrication partners for Ramboll's technical expertise in Telecom towers structural design. Ramboll is a Denmark based company and is one of the leading consulting firms for Buildings, Transport, Environment, Energy, Oil & Gas and Telecom markets in the world. The organization has 200 offices worldwide employing more than 10,000 committed professionals

We manufacture/fabricate and supply the following self supporting towers with proven expertise:
Ground Based Towers (GBT) and Roof Top Towers (RTT)

- Angular Towers- Four and Three legged.
- Tubular Towers.
- Hybrid Towers- Tubular legs with angle bracing.
- Monopoles.

**TRANSMISSION LINE TOWERS & SUBSTATION STRUCTURE**

We riding on our technical expertise with one of the state-of-art manufacturing facilities are equipped and approved to supply Transmission line towers (TLT) and Substation structures for capacity up to 400KVA. The structures used are of high grade steel with top quality galvanized coating for strength and corrosion resistance.

We have successfully serviced 400 KVA projects for NKG Infrastructure and GET Power Private Limited, Chennai and AREVA.

We have been approved by the following prestigious Government Undertakings and have successfully executed projects ranging from 33KVA to 220 KVA at multiple locations for them:

- UP Power Transmission Corporation Limited (UPPTCL).
- Power Transmission Corporation of Uttaranchal Limited (PTCUL).
- Haryana Vidyut Prasaran Nigam Limited (HVPNL).
- Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPNL).
- Punjab State Transmission Corporation Limited (PSTCL)
- MP Power Transmission Company Limited (MPPTCL)
- Delhi Transco Limited
- Jammu & Kashmir State Power Development Corporation Limited (JKSPDCL)

**SOLAR MOUNTING STRUCTURES**

With growing energy needs, the Indian Government is focused towards sustainable development by promoting the use of its abundantly available solar energy for power generation and other application. To manifest this vision, India in 2009 unveiled a US$19 billion plan to produce 20 GW of solar power by end of the next decade.

After having establishing its forte in Telecom and Transmission towers space in fabricating and galvanizing finesse, this created a business opportunity for us to expand its operations in the design, fabrication and installation of Module mounting structures for leading companies venturing into the Solar opportunity.

To service its demanding and sophisticated client base, we manufacture variety of Ground based and Roof top solar mounting structures using best quality hot rolled and cold rolled sections for its pre and post galvanized structures. The company aims at customer satisfaction and has delivered turnkey solutions for solar power plants across the country with successful execution of various projects ranging from 1MW to 20 MW. The company is committed to continued improvisation of its product to cater to this growing business space.

We have undertaken EPC Turnkey projects for the following esteemed clientele

- Welspun Energy Pvt. Ltd- 20 MW at their Bhagwaanpura site in Madhya Pradesh.
- Mahindra EPC-Rajasthan site.
- Lanco Solar Energy Pvt. Ltd- Rajasthan and Punjab.
- Larsen & Toubro.

Currently, our Company has 655 employees consisting of skilled, unskilled, experienced engineers and designers, with one key managerial personnel having more than 41 years of experience in the Iron and Steel industry.

## COMPETITIVE STRENGTHS

Since its inception, our company has worked earnestly towards providing the best quality and hence has acquired the following strengthens in the industry:

***1. Business Agreement with Ramboll***

Ramboll is a leading engineering, design and consultancy company founded in Denmark in 1945. It has a strong presence in the Nordics, North America, the UK, Continental Europe, the Middle East, and India. Ramboll is well known among mobile operators and network vendors globally for its Telecom design philosophy and its extensive involvement in international codes and standards. Ramboll Telecom is the market leader in innovative designs and supply of tower solutions with a history in analysis, design and construction of towers and masts since 1945, and nearly 30,000 masts and towers bearing its stamp worldwide. We are manufacturing partner for Ramboll's technical expertise in Structural Design of Tubular Telecom Towers.

***2. Steady financial performance***

Our volume growth during the last five Financial Years contributed to our financial strength. Our order book of Rs. 5,761.16 million as of May 31, 2017, provides us with revenue visibility for the next financial year. We have never defaulted in the repayment of our borrowings, which, together with our steady financial performance helps us present a strong credit profile to our lenders. Driven by our business growth and execution track record, we have exhibited steady financial performance and credit profile over the last few years.

***3. Optimum Galvanizing Capacity***

Our wholly owned subsidiary Salasar Stainless Limited has recently installed Galvanizing Plant of 50,000 MT which has increased our installed galvanizing capacity to 1,00,000 MT which makes us to manufacture & execute projects twice the business we have been currently doing.

***4. Customer Centric Approach***

Over the years we have developed a significant and mutually beneficial business relationship with our customers and it can be reflected in the repeat orders we get from our customers.

***5. Visible growth through a robust order book and excellent pre-qualification credentials***

We are currently pre-qualified to bid for Rural Electrification projects. With current government thrust on rural electrification, it has helped us to increase our target market size and maintain the momentum of our order book growth.

***6. Operational Excellence***

Our attention to process optimization to achieve the highest safety and quality has resulted in a culture of operational excellence, enriching it with the following strengths:

3.1. Capability to ramp up operations in minimum time with existing facilities
3.2. Timely delivery and competitive prices without quality compromise
3.3. Best quality raw material procurement in line with stringent industry standards
3.4. Skilled and technical manpower in step with industry trends
3.5. Continually updated equipment that serve a wide variety of manufacturing needs

***7. Experienced management and promoters***

Our management has significant experience in steel & allied industry and project management. It is well qualified and experienced in the industry. This team is responsible for the growth in our business operations. In addition, our Board, with a strong combination of managerial acumen as well as entrepreneurial spirit, is equipped to handle complex business situations. The length and breadth of their experience and expertise, coupled with their strong client relationships, gives us a competitive edge in the industry. By focusing on undertaking EPC projects and geographical clustering our projects in our core areas of business, our management has led our Company to achieve strong revenue and profit growth over the last several years. Particularly, we benefit from the expertise of our Promoter and Managing Director, Mr. Alok Kumar has over 41 years of experience in in trading, manufacturing and fabrication of iron & steel and Mr. Shalabh Agarwal, Promoter and Whole-Time Director of our Company, has over 18 years of experience in sugar industry and trading, manufacturing and fabrication of iron & steel.

## LOCATION OF MANUFACTURING UNITS

Our Company has 2 manufacturing units located at:

3. Unit-I, Khasra No. 265, 281 & 283, Village-Parsaun Post-Jindal Nagar, dasna, Ghaziabad-245304, Uttar Pradesh (UP)
4. Unit-II, Khasra No. 1184, 1185, Village Khera, P.O. Pilkhuwa, Hapur-245304.

## PLANT & MACHINERY

Our Company has 2 manufacturing units spanning a cumulative area of approximately 1,00,000 square yards in the heart of National Capital Region's industrial hub on the National Highway-24. Out of the total area, 40% of it is covered to serve the operations. The plant has robust shed houses, heavy overhead cranes and multiple Hydra equipment for seamless material loading and unloading within the premises.

Our Company has all the latest machines like CNC plate cutting machine, CNC angle cutting machine, CNC drilling machine, Punching and Notching machines, Hydraulic presses, Mechanical cutting presses, Welding rectifiers, MIG Welding machines, numbering machines, straightening & bending machines for making sections.

It has the Galvanizing plant with an installed capacity of 50,000 MT per annum. The fabrication equipment and installed machinery is regularly upgraded in order to deliver flawless range to clients.

Following is the list of major machineries used by us in manufacturing process:

| Sr. No. | Machinery (Unit I) | Machinery (Unit II) |
|---|---|---|
| 1. | Zinc Tank | D. G. Set 380 KVA |
| 2. | Hydra Crane | Zinc Tank |
| 3. | JCB-12 Ton | Air Pollution Control System |
| 4. | D. G. Set 250 KVA | Grinder Machine |
| 5. | Punch Machine | PP Tank |
| 6. | Power Press M/C | Control Panel |
| 7. | Angle Cutting Machine | CNC Hydraulic Press Break |
| 8. | Punching Machine | Power Press Machine |
| 9. | Air Pollution Control System | Power Press |
| 10. | ETP Plant | Grinder Machine |
| 11. | Profile Cutting Machine | Wire Rope Hoist |
| 12. | Flux Cleaning & Regeneration System | Hydraulic Power Pack |
| 13. | CNC Profile Cutting Machine | CNC Hydraulic Press Break M/C |
| 14. | Plasma Cutting Machine | CNC Hydraulic Shearing M/C |
| 15. | CNC Automatic Punching & Shearing M/C | Hydraulic Power Pack |
| 16. | CNC Angle Drill Machine | Grinder Machine |
| 17. | Plasma Cutting Machine | Hydraulic Power Pack |
| 18. | Angle Heel Milling Machine | Hydraulic Power Pack |
| 19. | - | Purlin Roll Forming Machine |
| 20. | - | Hydraulic Mobile Crane |
| 21. | | Welding Gantry Machine |
| 22. | | Roll Forming Machine |

**Business Agreement with Ramboll**

Our Company has entered into an agreement dated June 12, 2007 with Ramboll Telecommunication Services India Private Limited to sell telecom mass & towers in India under their design. Major terms and conditions of the agreement are as under:

***Manufacture & Sale of Products:***

Our Company shall work closely with Ramboll for promoting sale of the Products and creating awareness among Customers about the competitiveness of the products. Further, our Company agrees to promote Ramboll design towers, wherever such 'tubular design towers' offered by Ramboll, satisfy the requirements of the Customer. All offers made by our Company to Customers shall describe the Products as "Ramboll Model No. XXXXXX".

Our Company, while making a quote for traditional Indian design towers, shall also make an optional quote of Ramboll design towers, so that the Customers can analyse the benefits of using Ramboll design towers, wherever applicable/appropriate. We shall be responsible for manufacturing the Products, strictly in compliance to Ramboll's designs, instructions, drawings and specifications. Each such Product sold by us shall carry "Ramboll" logo and label by stenciling.

***Design & Technical Assistance by Ramboll:***

Ramboll shall be responsible for providing designs of the Products as per design specifications, forwarded by us or the Customer(s) in each case. It shall provide technical assistance for establishing the manufacturing facility for the Products. It shall also provide technical assistance in establishing QA procedures & standards for the manufacturing of the Products.

**Projects Executed & Under Process**

Our Company has executed various projects in the past among which some major projects were for Rajasthan Rajya Vidyut Prasaran Nigam Limited, NTPC Ltd (Raj), Today Green Energy Pvt Ltd, Bharti Infratel Limited, Reliance Jio Infocomm Ltd, Zamil Infra Pvt Ltd, Indus Towers Ltd, Welspun Energy Pvt Ltd and ATC Telecom Infrastructure Pvt Ltd. Among these some projects are being executed by our company on regular basis viz. Bharti Infratel Limited, Indus Towers Ltd., Welspun Energy Pvt Ltd and ATC Telecom Infrastructure Pvt Ltd.

Execution of projects of U. P. Power Transmission Corporation Ltd, Acme Cleantech Solution Pvt Ltd, Bharti Hexacom Ltd, Renew Solar Energy Pvt Ltd, Mahindra Susten Pvt. Ltd, Reliance Jio Infocomm Ltd, Prayatna Developers Pvt Ltd, Paschimanchal Vidyut Vtran Nigam Ltd, PES Solar Pvt Ltd and many more are under process.

**Ongoing Projects**

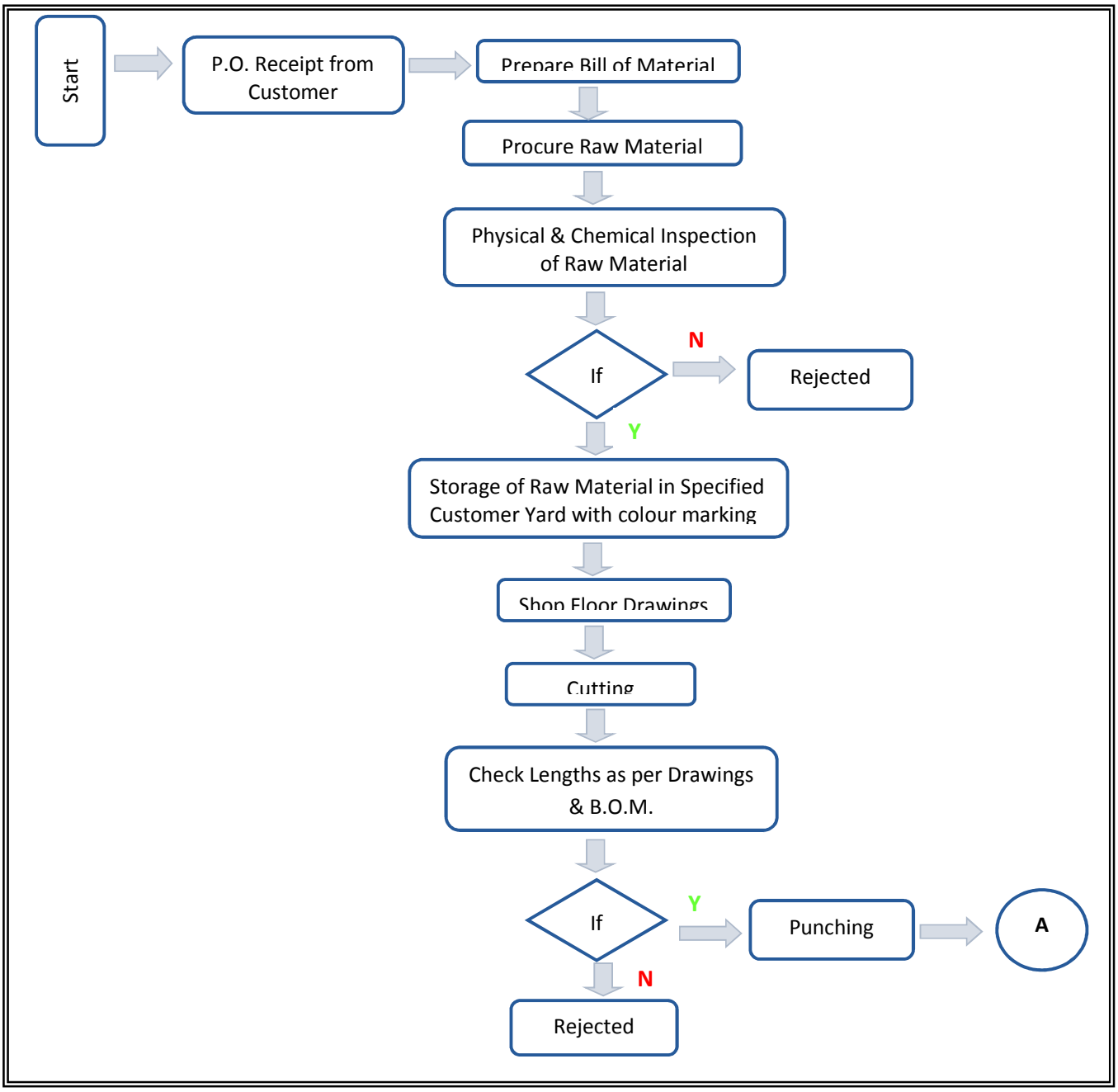
Details of ongoing orders of the Company as on May 31, 2017 are as under:

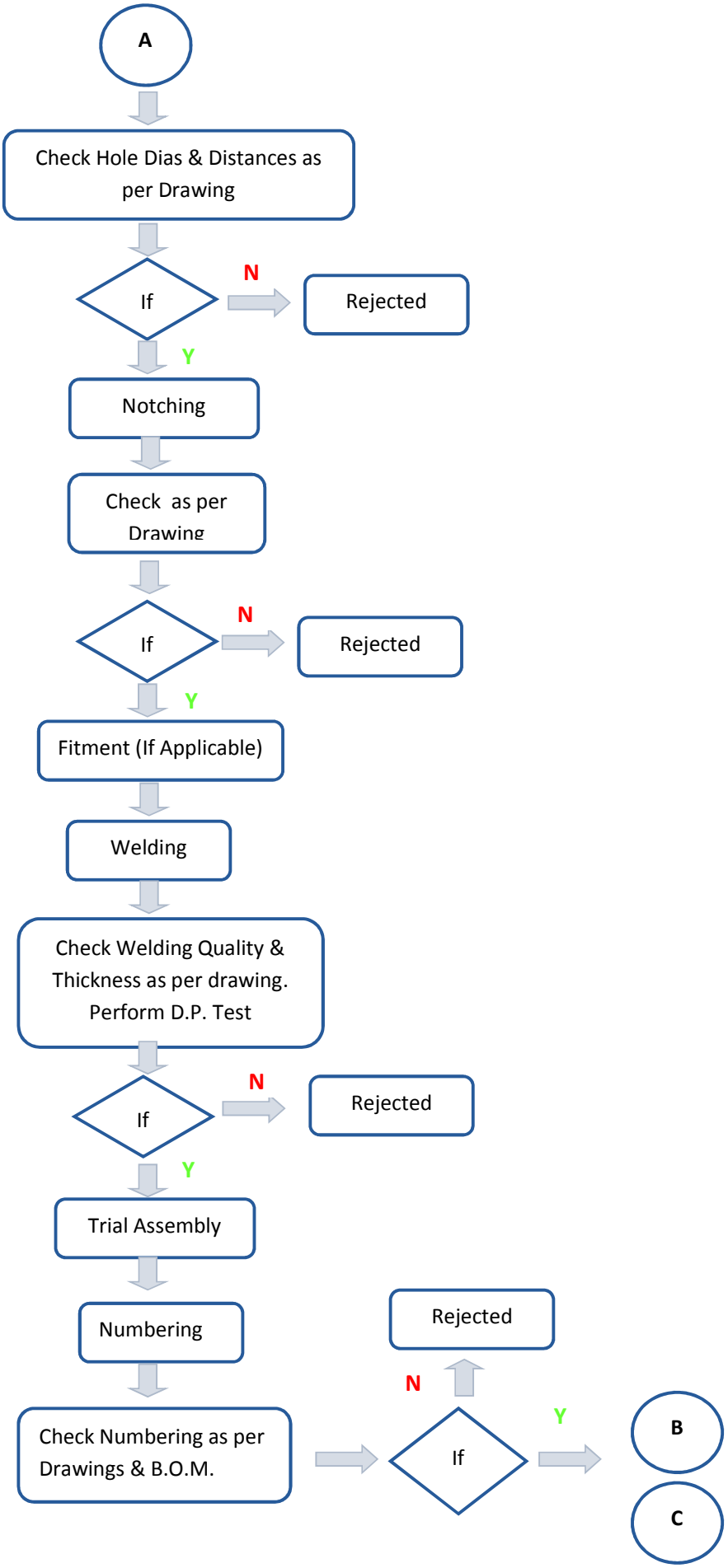
(Rs. in million)

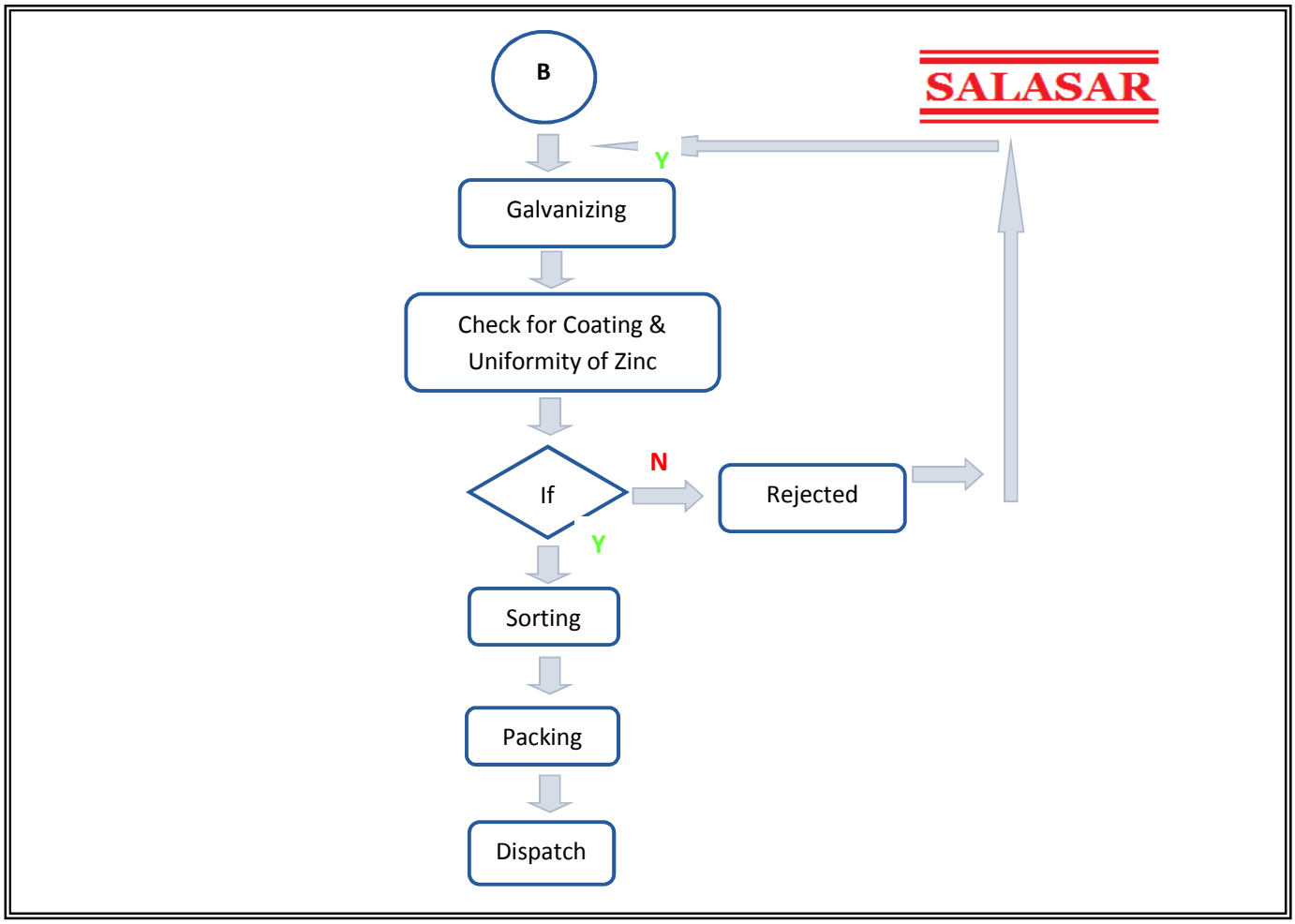
| Sr No | Name Of Customer | Address | Po No | Date | Last Shipment Date | Order Amount | Dispatch Amount | Balance Amount |
|---|---|---|---|---|---|---|---|---|
| 1 | Central Organization For Railway Electrification | Allahabad | Elcoret/T/Ohe/Group-199 & 224/222 | 05/05/17 | 04/11/18 | 494.72 | - | 494.72 |
| 2 | Uttar Pradesh Transmission Corp. | Lucknow | Td-396/115/Pkg-2 | 19/09/15 | 26/08/17 | 1,321.85 | 1,321.15 | 0.70 |
| 3 | Paschianchal Vidyut Vitran Nigam Ltd | Meerut | 6588/Pvvnl-Mt/Ddugjy/359/15-16 | 02-08-16 | 20-06-18 | 1,121.11 | 45.10 | 1,076.02 |
| 4 | Paschianchal Vidyut Vitran Nigam Ltd | Meerut | 6583/Pvvnl-Mt/Ddugjy/353/15-16 | 28-07-16 | 20-06-18 | 1,154.09 | 84.30 | 1,069.79 |
| 5 | Reliance Jio Infocomm Ltd | Mumbai | 118/63021744 | 10-04-17 | FY 2017-18 | 253.35 | 154.33 | 99.02 |
| 6 | Reliance Jio Infocomm Ltd | Mumbai | 118/63022415 | 25-04-17 | 14-08-17 | 697.58 | 42.42 | 655.16 |
| 7 | Tydacomm Limited | Nigeria | 2017/0531/001 | 31/05/17 | FY 2017-18 | 28.38 | - | 28.38 |
| 8 | Tydacomm Limited | Nigeria | 2017/0531/002 | 31/05/17 | FY 2017-18 | 2.61 | - | 2.61 |
| 9 | Tydacomm Limited | Nigeria | 2017/0531/003 | 31/05/17 | FY 2017-18 | 55.24 | - | 55.24 |
| 10 | Renew Soalr Energy Pvt. Ltd. | Gurgaon | 4100001619 | 12/05/17 | FY 2017-18 | 57.79 | - | 2.98 |
| 11 | Mahindra Susten Private Limited | Telangana | 4900001004 | 12/12/16 | FY 2017-18 | 18.43 | 12.41 | 6.01 |
| 12 | Mahindra Susten Private Limited | Telangana | 4900001005 | 12/12/16 | FY 2017-18 | 19.31 | 17.06 | 2.25 |
| 13 | Adani Enterprises Limited | Gujrat | Ael/Stelpl/C/Po/338/2017 | 16/05/17 | FY 2017-18 | 35.25 | - | 35.25 |
| 14 | Ulitimate Sun System Private Limited | Ambala | Usspl/Ho/Projects/Po/Pun/2017/0503 | 17/05/17 | FY 2017-18 | 1.45 | - | 1.45 |
| | **Total** | | | | | **5,761.16** | **1,676.77** | **3,584.39** |

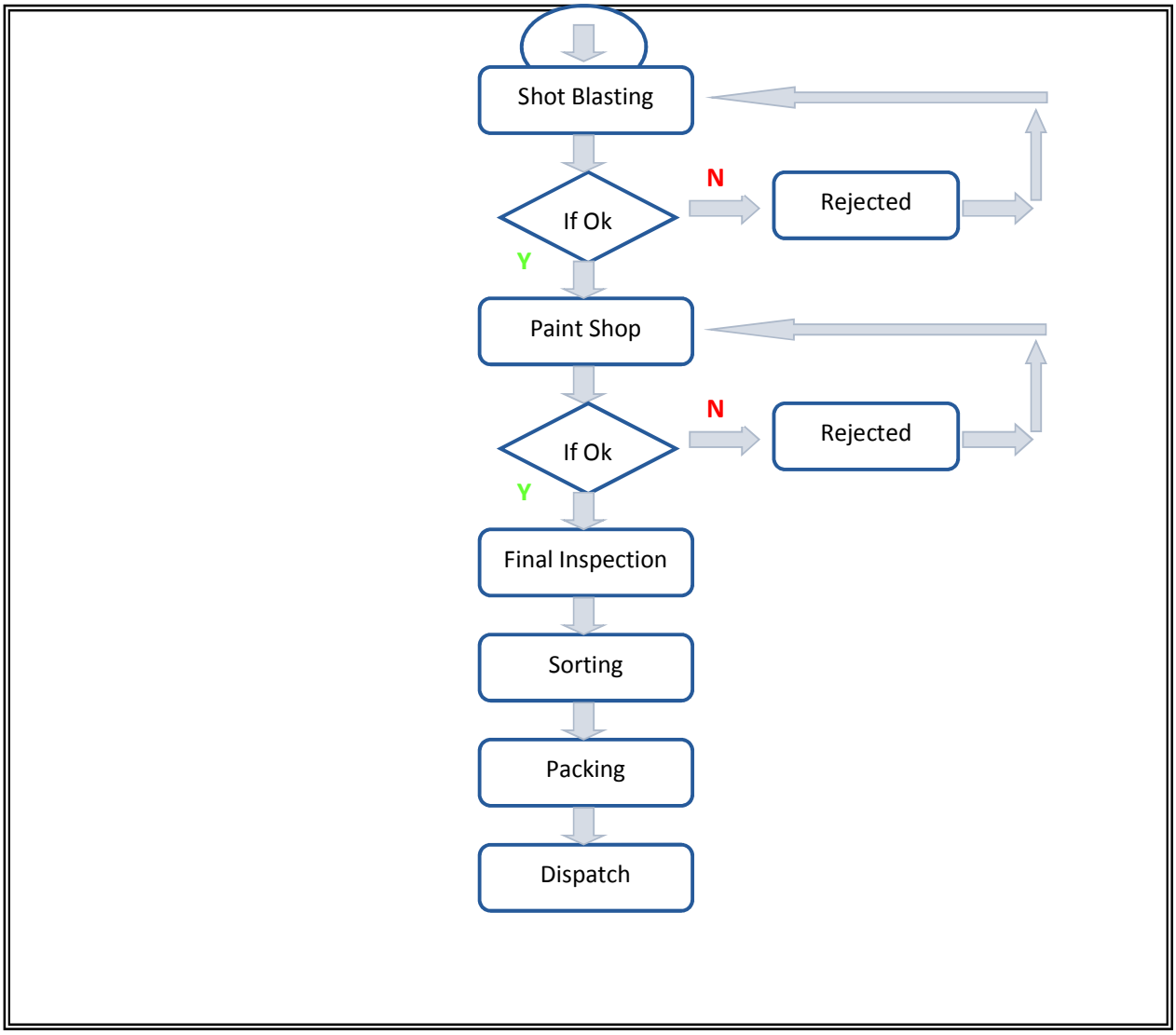
## MANUFACTURING PROCESS

Hi-tech international machinery and equipment are used to manufacture our products. As much of the process is automated as possible. As heavy parts are dealt with, cranes and hydras are employed extensively. Quality control and security measures are ensured at each production stage. Technicians are trained as per customer requirements for each order. Our Company goes out of its way to ensure that customers' needs are met.




A
Check Hole Dias & Distances as per Drawing
If
N
Rejected
Y
Notching
Check as per Drawing
If
N
Rejected
Y
Fitment (If Applicable)
Welding
Check Welding Quality & Thickness as per drawing. Perform D.P. Test
If
N
Rejected
Y
Trial Assembly
Numbering
Check Numbering as per Drawings & B.O.M.
If
N
Rejected
Y
B
C


B
SALASAR
Y
Galvanizing
Check for Coating &
Uniformity of Zinc
If
N
Rejected
Y
Sorting
Packing
Dispatch




Our Company believes in providing the best product in best quality to its customers. For this purpose, it carries out extensive in-house testing and quality control at all stages of production.

Galvanising

Galvanising is the process of coating zinc on the surface of steel for preventing corrosion. The zinc coating renders zinc iron alloy on the surface which is stable and protects the parent metal from corrosion. The hot dip galvanizing process is the oldest and most used in the steel industry. The steel is first dipped in the flux solution to prepare the surface for zinc adherence and good bonding between the steel and zinc. The steel is dipped into molten zinc at 450 C, and reaction is initiated between steel and zinc. The quantum of free zinc on the alloy layer depends on the wire speed, wiping methodology and zinc temperature.

Quality Testing

Our Company is in strict adherence to its ISO 9001:2015, ISO 14001:2015 & OHSAS 18001:2007 accreditation, and has an in-house QAP (Quality Assurance Plan) to provide quality products both in manufacturing and services. The focus on supreme quality standards right from the procurement of raw materials to delivering the end product is observed thereby making quality improvement and adherence a continuous process.

In-House Testing

Our Company is well equipped with latest Mechanical & Chemical testing equipment to carry out necessary mechanical and chemical tests as per relevant IS/International Standards required for both incoming as well as outgoing finished product. In house computerized Universal Testing Machine (UTM) is installed to check the tensile and compressive strength of raw material. To ensure prime quality galvanizing, our Company carries out various chemical tests, zinc coating tests, hammer tests etc. through its well-equipped Chemical Laboratory.

Control

For manufacturing, superior quality products, our focus is concentrated on efficient execution of every stage of manufacturing. Our experienced quality assurance personnel are responsible for the formulation of an inward raw material inspection procedure and an advanced standard operating procedure in order to implement them for all processes for achieving the desired quality of products. Factories are equipped with most modern testing equipment of galvanized coating testing for our products.

- Accreditation

We are accredited following certifications:

| Factory Address | Certifications |
|---|---|
| Khasra No. 265, 281-283, Village –Parsaun-Dasna, P.O. Jindal Nagar, Distt.-Hapur, Uttar Pradesh-201313, India | 1. ISO 9001:2015<br>2. ISO 14001:2015<br>3. BS OHSAS 18001:2007 |
| Khasra No. 1184 & 1185, Village –Khera, P.O. Pikhuwa, Distt.-Hapur, Uttar Pradesh-245304, India. | 1. ISO 9001:2015<br>2. ISO 14001:2015<br>3. BS OHSAS 18001:2007 |

## UTILITIES & INFRASTRUCTURE FACILITIES

Our manufacturing units are equipped with computer systems, servers, relevant softwares such as ERP (Enterprise Resource Planning) and other communication equipments, power supply, internet connectivity, security and other facilities, which are required for our business operations to function smoothly.

**Power**

The total power requirement for our manufacturing units situated at Khasra No. 265, 281-283, Village –Parsaun-Dasna, P.O. –Jindal Nagar, Hapur-245304, Uttar Pradesh and Khasra No. 1184-1185, Village –Khera, P.O. –Pilkhuwa, Teshil – Hapur, Distt. Hapur-245304 is 300 KVA and 225 KVA respectively, which is fulfilled by Pashimanchal Vidyut Vitran Nigam Ltd, which is sufficient to meet our plant requirement. We also have 2 (two) D.G. sets of 250 KVA and 380 KVA capacity for emergency power requirement which assist in the galvanising process and for other general purposes.

**Water**

The water required for our manufacturing process is relatively low as it is required only for rinsing and cooling stages in the galvanising process. Water is procured from external water supply agencies operating in the local area where our existing facilities are situated.

**Procurement of Raw Material**

The principal raw material required for our products is Steel shapes & sections which includes MS Plates, MS Angles, MS Pipes and Zinc. We source raw material from Tata Steel Ltd, Jindal Pipes Ltd, Hi-Tech Pipes Ltd and Madhav Alloys Pvt Ltd. For Zinc we buy in bulk from Hindustan Zinc Ltd, sometimes we source from local vendors also such as Hind Metal & Alloys (P) Ltd, Shree Ram Overseas etc. as per the requirements. Our raw material expenditure as per Restated Standalone Financials for the fiscal year ended 2016-17, 2015-16, 2014-15 was Rs. 2,474.63 million, Rs. 1787.58 million and Rs. 1936.15 million which constitute 66.30%, 64.58% and 70.12% of total revenue respectively.

## PRODUCT PORTFOLIO

### A. Customized Galvanized and Non-galvanized steel structures



Steel fabrication is the building of steel structures by cutting, bending, and assembling processes. It is a value added process that involves the construction of machines and structures from various raw materials. Galvanization is the process of applying a protective zinc coating to steel or iron, to prevent rusting. The most common method is hot-dip galvanizing, in which parts are submerged in a bath of molten zinc. Galvanizing protects in three ways:

It forms a coating of zinc which, when intact, prevents corrosive substances from reaching the underlying steel or iron.

The zinc serves as a sacrificial anode so that even if the coating is scratched, the exposed steel will still be protected by the remaining zinc.

The zinc protects its base metal by corroding before iron. For better results, application of chromates over zinc is also seen as an industrial trend.

Currently, our Steel structures predominantly includes:

### 1. Telecommunication Towers-



Telecommunication Towers have several applications in different sectors such as mobile, internet, television, navigation, and radio signal transmissions. Telecom towers are structures that house the antennae, dishes and receivers required for wireless communication and data transfer.

A Telecommunications Tower is a first touch point for service and information (signals, calls, data for browsing, etc.) for getting a Mobile service. It sends and receives information to and from cell phones. The Rectangular slab you see near the top in the picture is an antenna, there can be multiple such antennae to receive

and send information at different angles (also called sections in Telecom jargon). Our Company manufactures 4 different types of Telecom Towers, which are listed below:

***a) Angular***



Angular sections are preferred for most small towers with relatively light loads, mainly because of the wide range of sizes, simple connections and low manufacturing cost. The square angular telecom tower offered is four legged, self-supporting tower that is made of square angular elements.

What makes this design unique is the tower is designed on a square base pattern. This telecom tower design is especially ideal for medium or heavy loads. It is also suitable for primary cellular sites, MW backbone sites, or central communication hubs. It comes with a variety of accessories which can be used to customize specific design modifications. This model of telecom tower is the most popular and versatile design used worldwide. There are triangular angular towers (type E) and Towers made of tubular legs and angular braces.

***b) Tubular***



Lattice towers are usually made of bolted angles. Tubular legs and bracings can be economic, especially when the stresses are low enough to allow relatively simple connections. Towers with tubular members may be less than half the weight of angle towers because of the reduced wind load on circular sections.

However, the extra cost of the tube and the more complicated connection details can exceed the saving of steel weight and foundations. The difference between the angular tower and the tubular telecom tower is the tubular construction of the tower members. These tubular footing members and bracing members are designed for especially heavy loads or for telecom towers in areas with strong, even hurricane level winds. The Tubular tower is designed for heights of 20 to 80m, and can be easily shipped in a standard 40' ISO container. The modular design of triangular tubular also allows for in the field modifications. The modules can also be easily interchanged according to the specific site design.

***c) Hybrid***



Hybrid towers are built for large sites that require independence from the grid and employ an independent source of energy such as solar or wind power.

***d) Monopoles***



Monopole towers work well when space is limited, zoning is difficult or harsh weather conditions need to be considered. Designed as a single-pole that can be a tubular section design or a formed, tapered pole, they are the least intrusive – making them the most popular tower types in the wireless communication industry.

Because of the single-pole design, it advantageously reduces visual impact and results in a shorter construction time (and typically cost) compared to traditional lattice structures. Many monopoles can also be designed as stealth or camouflage towers. A popular telecom tower model is the Flange Monopole Tower, this tower is an 18-sided monopole that reaches heights of up to 60m. The flange monopole tower is made of 7.5m tapered hollow steel sections. These individual sections are bolted together with circular flanges, and are able to efficiently handle medium to heavy loads.

This model of telecom tower is which is offered is generally suitable for standard single or multi operator cellular sites. The monopole telecom tower is designed for heights of 15 to 60m and can be shipped in an OT 40' ISO container. Another monopole telecom tower that is very popular is the slip-joint monopole design. The slip-joint monopole is made of 7.5m tapered hollow steel sections which are connected in the slip joint method. This telecom tower design is ideal for light to medium loads and heights up to 40m. It is equipped with a number of accessories including lights, lighting protection kits, and antenna mounts. This telecom tower can be customized to fit specific installation specifications.

We manufacture both type of monopoles and also offer camouflaging solutions.

**2. <u>Transmission Towers and Substation Structures</u>**



A transmission line tower or power tower is a tall structure, usually a steel lattice tower, used to support an overhead power line. They are used in high-voltage AC and DC systems, and come in a wide variety of shapes and sizes. Typical height ranges from 15 to 55 m (49 to 180 ft). In addition to steel, other materials may be used, including concrete and wood.

There are four major categories of transmission towers: suspension, terminal, tension, and transposition. Some transmission towers combine these basic functions. Transmission towers and their overhead power lines are often considered to be a form of visual pollution. Methods to reduce the visual effect include undergrounding.

### 3. Solar Module Mounting Structures



Solar module racking (also called Photovoltaic mounting systems) are used to fix solar panels on surfaces like roofs, building facades, or the ground. These mounting systems generally enable retrofitting of solar panels on roofs or as part of the structure of the building. The solar array of a PV system can be mounted on rooftops, generally with a few inches gap and parallel to the surface of the roof.

Our Company undertakes complete EPC for module mounting structures offering a variety of mount types, namely, ground, roof, pole, carport or custom, and different types of tracking like fixed type, season tilt-controlled, and single axis daily tracking.

### 4. Feeder Segregation and Rural Electrification



Our Company is also carrying out Rural Electrification projects under the government through route mapping, feeder segregation and installation of transmission lines and substations. Rural electrification is the process of bringing electrical power to rural and remote areas. Electricity is used not only for lighting and household purposes, but it also allows for mechanization of many farming operations,

such as threshing, milking, and hoisting grain for storage. In areas facing labour shortages, this allows for greater productivity at reduced cost.

### 5. Lighting Poles for Smart Cities



A lighting Pole is a raised source of light on the edge of a road or walkway to provide visibility in darkness. The pole is made of steel and our Company has been manufacturing lighting poles for quite some time. However, under the initiative of the government to develop smart cities around India, there is a demand for "Smart" lighting poles equipped with LED lights, CCTV camera, charging stations, pollution sensors and WiFi routers.

## MARKETING AND DISTRIBUTION

We have developed a marketing network across various states in the country. Our marketing team is led by our Directors who are responsible for the overall marketing strategies. The team also comprises of managers which lead the sub-departments of private sector/ dealer liaising, government sector liaising and special products. Our marketing team is also assisted by a technical team. The private sector team taps the private sector entities through the direct marketing approach by identifying their requirements and showcasing our ability to provide customized products. As regards the government sector, our team assists in obtaining empanelment with the various government organizations.

**Clients & Markets**

Salasar has a strong customer profile and some of its major customers are Bharti Infratel Ltd, Indus Towers Ltd, Huawei Technologies Nepal Company Pvt Ltd, Reliance Jio Infocomm Ltd, Acme Cleantech solution Pvt Ltd, ATC Telecom Infrastructure Pvt Ltd, U.P. Power Transmission Corporation Ltd, Indus Towers Ltd, Prayatana Developers Pvt Ltd, Unitech Power Transmission Ltd, Today Green Energy Pvt Ltd, Viom Networks Ltd, Welspun Renewables Energy (P) Ltd etc.

## COMPETITION

The market for our products is highly competitive and fragmented, and we face competition from various domestic manufacturers namely Sujana Towers Ltd., Skipper Limited R.S. Infraprojects Pvt Ltd, Kalpataru Power Transmission Ltd., Karamtara Engineering Pvt Ltd, Passive Infra Projects Pvt Ltd and Man Structurals Pvt Ltd. In order to counter the competition, our focus would be to provide products that would be in consonance with technical and quality requirements of our customer as well as by trying to offer a competitive pricing model without compromise on the quality.

Our competition depends on the products being offered by various companies in the organized segment besides several other factors like quality, price and capacity to deliver. Competition emerges not only from organized sector but also from the unorganized sector and from both small and big players. We believe that we are able to compete effectively with them due to our product portfolio, strong marketing network, customized and quality processing services. We expect that our commitment to quality, past record of timely execution and transparency will provide us with an edge over our competitors.

## DETAILS OF INSTALLED CAPACITY

The following table illustrates production capacity based on galvanization for two plants in the last five financial years:

*(Unit- MTPA)*

| Particulars | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
|---|---|---|---|---|---|
| **Installed Capacity** | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| **Production** | 45,395 | 39,398 | 36,332 | 30,992 | 22,237 |
| **Utilisation (%)** | 90.79 | 78.80 | 72.66 | 61.98 | 44.47 |

From a mere 44% capacity utilisation in FY 2012-13, we reached a level of 91% capacity utilisation in FY 2016-17. This necessitated us to increase our capacity further and therefore we successfully completed the expansion plan in our subsidiary by adding another 50000 MTPA galvanization plant.

## BUSINESS STRATEGY

Our corporate mission is to become the leading customised steel fabrication and infrastructure solutions provider with the highest market share in India. Towards this goal, we are committed to increase our market shares across our product verticals and to diversify our product offerings, customer base, and geographical footprint by following numerous growth strategies:

1. ***Increasing Installed Capacity and Expanding the Product Portfolio***

Even after the addition of the 50000 MT Galvanizing plant, pushing our installed capacity to 1,00,00 MT per annum, we will continue to expand our capacity so as to be able to serve more customer needs and leverage economies of scale. This will be achieved through continuous process optimization and enhancing existing units by adding more and better equipment.

Additionally, we will continue to expand our product portfolio by upgrading existing products and introducing new ones to maintain market share and engage new customers. Our flawless project execution capabilities and technically skilled employee pool will enable this expansion. Not only will this allow customer retention and addition, but will also allow targeting higher margin opportunities and reduce the risk of dependency on existing products which may become outdated. Continuous improvement will be the only way forward. Recently, we have also invested in a bending machine to automate the process of monopole manufacturing allowing it to offer high quality monopoles of any size, from the thinnest to the fattest, in record time and according to strictest industry standards. This is not only a good move in terms of continuous improvement but a smart one as the telecom industry is steadily leaving behind the traditional tower in favor of the monopole. Similarly, when the government announced its plans to develop "Smart Cities" in India, our Company quickly seized the opportunity to supply smart light poles for these projects, and has already supplied its poles to Lucknow and Indore. This market has just opened up and a lot is yet to be done. In short, we will keep making strides to stay relevant, and hence grow.

2. ***Expanding Design and Engineering Capabilities***

Our Company intends to invest in its design and engineering services to provide added value to its customers and concentrate on receiving big orders from domestic markets. This will be done both organically and inorganically. Emphasis will be placed on process, product innovation and value engineering solutions in order to meet the requirements of a wider range of products, applications, geographies and customization requests, in order to diversify the customer base, address emerging demand, and provide unique value-added services.

3. ***Targeting New Customer Accounts and Expanding Existing Ones***

Our Company plans to increase its sales and customer penetration by targeting new customers and securing larger orders from existing ones. We will continue to consolidate relationships with large and renowned corporate groups whose product portfolios are spread across industries and develop our design and engineering capabilities so as to be able to enter new markets. While the existing clients will provide the necessary drivers to generate growth, getting new clients will establish growth.

4. ***Developing Camouflaging Capabilities for Monopoles***

The Indian telecom industry is witnessing a surge in demand for data services, which calls for an increase in network coverage and given the high frequency spectrum on which data technology operates, there is a need to bridge network coverage gaps. This calls for new tower deployments while also bringing with it challenges such as land acquisition and tower aesthetics. Tower aesthetics have become a primary concern due to government policies becoming stricter and groups protesting against unsightly towers depreciating the character of neighbourhoods. Increasingly, all Telecom companies are asking for camouflaged monopole towers to be installed in new projects in place of regular ones to make getting permits easier. However, while there is a great market for camouflaged monopoles, currently no good camouflaging solutions provider exists in the country. The solutions available are either unappealing or of bad quality. Which is why we plan to provide the solution itself.

SALASAR

## OUR VISION

We believe that the foundation of a strong world is built on 4 pillars- connectivity, accessibility, sustainability and resilience. All of our work is centred around these pillars. Through our rural electrification projects, we are working to provide rural areas with equal accessibility to electricity at par with urban areas hoping to spur a boom in productivity in these previously dark areas. Through our solar power and smart city projects, we are endeavouring to build a more sustainable world by trying to limit our dependence on traditional sources of energy. We are trying to provide the world with Resilient structures made as per exact standards and without the slightest compromise on quality.

## INTELLECTUAL PROPERTY

We have filed the application form TM-1 dated December 21, 2016 for registration of our Logo SALASAR under the Trademarks Act, 1999.

| Sr. No. | Trademark/Logo | Date of Application | Application No. | Class | Current Status |
|---|---|---|---|---|---|
| 1. | SALASAR | December 21, 2016 | 3438534 | 6 | Objected |

Further, we have filed reply dated February 28, 2017 with registar of Trademark against objection raised by the authority for reconsideration.

## LAND & PROPERTIES

The following table sets for the significant properties owned by us:

| Sr. No. | Description of Land/Property | Date of Purchase | Use | Nature of Property | Title |
|---|---|---|---|---|---|
| 1. | Khasra No. 283, area 1.04066 Hectare, Village Parsaun, Dasna, Gahaziabad-201001, Uttar Pradesh, India. | April 25, 2005 | Factory | Freehold | Mortgaged to Bank of India and HDFC Bank Ltd |
| 2. | Khasra No. 1185, area 0.783 Hectare, Village Khera, Pilkhuwa, Gahaziabad, Uttar Pradesh-245304, India. | June 2 3, 2007 | Factory | Freehold | Mortgaged to Bank of India and HDFC Bank Ltd |
| 3. | Khasra No. 1184, area 0.4020 Hectare, Village Khera, Pilkhuwa, Gahaziabad, Uttar Pradesh-245304, India. | June 29, 2007 | Factory | Freehold | Mortgaged to Bank of India and HDFC Bank Ltd |

| | | | | | |
|---|---|---|---|---|---|
| 4. | Khasra No. 1183, area 0.6961 Hectare, Village Khera, Pilkhuwa, Gahaziabad, Uttar Pradesh-245304, India. | July 04, 2009 | Factory | Freehold | Mortgaged to Bank of India and HDFC Bank Ltd |
| 5. | Khasra No. 265, area 0.4360, Hectare, Village Parsaun, Dasna, Gahaziabad-201001, Uttar Pradesh, India. | November 01, 2013* | Factory | Freehold | Mortgaged to Bank of India and HDFC Bank Ltd |
| 6. | Khasra No. 281 area 0.5820 Hectare, Village Parsaun, Dasna, Gahaziabad-201001, Uttar Pradesh, India. | November 01, 2013* | Factory | Freehold | Mortgaged to Bank of India and HDFC Bank Ltd |
| 7. | Khasra No. 282 area 0.4500 Hectare, Village Parsaun, Dasna, Gahaziabad-201001, Uttar Pradesh, India. | November 01, 2013* | Factory | Freehold | Mortgaged to Bank of India and HDFC Bank Ltd |
| 8. | Khasra No. 1202/2M area 0.1265 Hectare, Village Khera, Dhehat, Tehsil, Dholana, Dist-Hapur, Gahaziabad-201001, Uttar Pradesh, India. | January 21, 2017 and March 20, 2017 | Land | Freehold | Clear |
| 9. | Khasra No. 1202/8M area 501.84 Sq. Mt., Village Khera, Dhehat, Tehsil, Dholana, Dist-Hapur, Gahaziabad-201001, Uttar Pradesh, India. | March 24, 2017 | Land | Freehold | Clear |
| 10. | Khasra No. 1202/8M area 645.84 Sq. Mt., Village Khera, Dhehat, Tehsil, Dholana, Dist-Hapur, Gahaziabad-201001, Uttar Pradesh, India. | March 30, 2017 | Land | Freehold | Clear |

| | | | | | |
|---|---|---|---|---|---|
| 11. | Khasra No. 1202/8M area 560.10 Sq. Mt., Village Khera, Dhehat, Tehsil, Dholana, Dist-Hapur, Gahaziabad-201001, Uttar Pradesh, India. | March 30, 2017 | Land | Freehold | Clear |
| 12. | Khasra No. 1202M, 1202/2M and 1202/4M, Area 7590 sqm., Village Khera, Dhehat, Tehsil, Dholana, Dist-Hapur, Gahaziabad-201001, Uttar Pradesh, India. | June 02, 2017 | Land | Freehold | Clear |

**The Company has purchased this Land under the SARFAESI Act, 2002 from Punjab National Bank vide sale certificate dated November 01, 2013 issued by the Punjab National Bank. The said sale certificate also registered in Sub Registrar Dhaulana by Punjab National Bank in favour of our Company.*

Following table sets for the properties taken on lease / rent by us:

| Sr. No. | Location of the property | Document and Date | Lease Rent/ License Fee (in Rs.) | Lease/License period | | Use |
|---|---|---|---|---|---|---|
| | | | | From | To | |
| 1. | E-20, South Extension I, New Delhi-110049, India. | Rent Agreement dated August 24, 2016 | Rs.15,000/- Per Month | August 24, 2016 | June 23, 2017* | Registered Office |
| 2. | Khasra No. 136, Khata No. 154, Village Khatkahadi Pargana, tehsil Rampur, Distt. Saharanpur, Uttar Pradesh. | Rent Agreement dated October 10, 2016 | Rs.15,000/- per month | November 01, 2016 | September 30, 2017 | Warehouse |

**Our Company is in the process of renewal of rent agreement.*

## INSURANCE

The Insurance policies covered by our Company are:

| Sr. No. | Insured's Address | Name of the Policy | Policy No. | Insurance Company | Coverage (Rs. In million) | Expiry Date |
|---|---|---|---|---|---|---|
| 1. | Unit-I, Khasra No. 265, 281 & 283, Village-Parsaun Post-Jindal Nagar, dasna, Ghaziabad-245304, | Marine Cargo Policy | Policy No. 3113012116 0500000006 | The New India Assurance Co. Ltd. | 4,000.00 | June 29, 2017* |

| | | | | | | |
|---|---|---|---|---|---|---|
| | Uttar Pradesh (UP) and Unit-II, Khasra No. 1184, 1185, Village Khera, P.O. Pilkhuwa, Hapur-245304. | | | | | |
| 2. | Unit-I, Khasra No. 265, 281 & 283, Village-Parsaun Post-Jindal Nagar, dasna, Ghaziabad-245304, Uttar Pradesh (UP) and Unit-II, Khasra No. 1184, 1185, Village Khera, P.O. Pilkhuwa, Hapur-245304. | Policy Schedule for Money Insurance in safe & transit | Policy No. 3113014816 0300000012 | The New India Assurance Co. Ltd. | 8.00 | July 12, 2017 |
| 3. | Unit-I, Khasra No. 265, 281 & 283, Village-Parsaun Post-Jindal Nagar, dasna, Ghaziabad-245304, Uttar Pradesh (UP) and Unit-II, Khasra No. 1184, 1185, Village Khera, P.O. Pilkhuwa, Hapur-245304. | Burglary & Housebreaking Policy in respect of Furniture & Fixtures, Machinery & Accessories and Stock | Policy No. 44168428 | IFFCO-Tokio General Insurance Co. Ltd. | 877.50 | December 30, 2017 |
| 4. | Unit-I, Khasra No. 265, 281 & 283, Village-Parsaun Post-Jindal Nagar, dasna, Ghaziabad-245304, Uttar Pradesh (UP) and Unit-II, Khasra No. 1184, 1185, Village Khera, P.O. Pilkhuwa, Hapur-245304. | Standard Fire & Special Perils Policy (Material Damage from Building, Furniture & Fixture, Machinery & Accessories and Stock) | Policy No. 11901572 | IFFCO-Tokio General Insurance Co. Ltd. | 926.70 | December 30, 2017 |

**Our Company is in the process of renewal of Policy.*

## HUMAN RESOURCES

Our Company believes that a motivated and empowered employee base is key to its operations and business strategy, and has developed a large pool of skilled and experienced personnel overtime. Its employee policies have always aimed to recruit a talented and qualified work force, facilitate their integration and encourage development of their skills in order to facilitate both the growth of its operations and its employees. Our Company is committed towards ensuring an empowering environment that motivates and facilitates growth and contribution.
The following table illustrates the department wise numbers of our employees as June 15, 2017.

| Department | Number of Employees (Unit I) | Number of Employees (Unit II) |
|---|---|---|
| Management | 06 | |

| | | |
|---|---|---|
| Accounts & Finance | 12 | 04 |
| Human Resources and Administration | 17 | 13 |
| Production | 311 | 221 |
| Commercial | 10 | 00 |
| Sales & Marketing | 19 | 39 |
| IT | 02 | 00 |
| **TOTAL** | **378** | **277** |

Currently, we have qualified engineers and skilled technicians having significant experience in the Engineering and Design fields. A large number of contract labours are engaged regularly depending on the requirements of more labour-intensive projects. The number varies from time to time based on the nature and extent of work involved in the on-going projects. Our Company also employs local labours on daily wage basis depending upon the work load.

## HEALTH & SAFETY

Our Company highly emphasizes the safety of workmen and has dedicated safety managers who ensure that all safety norms are followed during manufacturing at the plant and erection of products at site. All the workmen are provided with safety helmets, safety belts, gloves, masks, boots and other necessary apparel as required. Our Company was the recipient of Indus Towers' of 'Hero Award' for zero fatalities and upholding high Environment, Health and Safety standards.

As a socially and environmentally conscious business entity, we have installed equipment like ETP (Effluent Treatment Plant) and Smoke Scrubbers in all our manufacturing units to safeguard our surroundings.

## INFORMATION SYSTEM

All of our resources, personnel, equipment and finances are efficiently and optimally utilized through the use of Management Information Systems and Tools. Various engineering software packages for design and engineering applications are used. Software is deployed for project management, document management, database and payroll. Our company has successfully implemented ERP system which enables it to integrate systems among our departments, including payroll and accounting.

## CORPORATE SOCIAL RESPONSIBILITY

Since industrialization, there has been a gap between developmental growth and welfare based sustainable development. This gap and the disparity are now being slowly bridged with sensitization of businesses and awareness of the greater need to spread the benefits of development to all stakeholders of society for inclusive growth.

Being an ISO 14001:2015, ISO 9001:2015 and OHSAS 18001:2007 compliant Company, we continue to strive towards continuous improvement and establishing equilibrium between its corporate and environmental goals. Our CSR activities are primarily focused on initiatives relating to education, healthcare and the environment, particularly in the geographical areas near our manufacturing facilities. We have been associated with Vardan Seva Sansthan – a non-profit service organization registered under the Societies Registration Act 1994 committed to provide high quality medical care to its patients, Handicapped Children Rehabilitation Association and Rotary Noida Research & Social Welfare Trust, Jindal Cheritable Society, Aancahal Nyas-Charitable School.

## KEY INDUSTRY REGULATIONS AND POLICIES

*Our Company is engaged primarily in the business of providing customized steel fabrication and infrastructure solutions in India for Telecommunication Towers, Transmission Towers & Substation Structures and Solar Module Mounting Structures. We are regulated by a number of central and state legislations. Additionally, our functioning requires the sanction of concerned authorities, at various stages, under relevant legislations and local by-laws.*

*The following is an overview of certain sector-specific Indian laws and regulations which are relevant to the operations of our Company. The information detailed in this chapter has been obtained from publications available in public domain. The description of laws and regulations set out below is not exhaustive but indicative, and is only intended to provide general information to investors and is neither designed nor intended to be a substitute for professional legal advice. The statements below are based on the current provisions of Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.*

### ENVIRONMENTAL LAWS AND REGULATIONS

***Environment Protection Act, 1986 ("Environment Act")***

The Environment Act is an umbrella legislation designed to provide a framework for the Central Government to coordinate activities of various state and central authorities established under previous environmental laws. The Environment Act specifies that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environment pollutants in excess of such standards as may be prescribed. The Environment Act empowers the Central Government to make rules for various purposes viz., to prescribe:

(i) the standards of quality of air, water or soil for various areas;
(ii) the maximum allowable limits of concentration of various environmental pollutants for different areas;
(iii) the procedures and safeguards for the prevention of accidents which may cause environmental pollution and remedial measures for such accidents.

***Environment (Protection) Rules, 1986 ("Environment Rules")***

In exercise of powers conferred under the Environment Act, the Central Government notified the Environment Rules. Pursuant to Environment Rules, every person who carries on an industry, operation or process requiring consent under Water (Prevention and Control of Pollution) Act, 1974 or Air (Prevention and Control of Pollution) Act, 1981 or shall submit to the concerned Pollution Control Board ("PCB") an environmental statement for that financial year in the prescribed form.

***Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")***

The Air Act requires any individual, industry or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions, apply in a prescribed form and obtain consent from the Pollution Control Board ("PCB") prior to commencing any activity. The PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed. Within a period of four months after the receipt of the application for consent the PCB shall, by order in writing and for reasons to be recorded in the order, grant the consent applied for subject to such conditions and for such period as may be specified in the order, or refuse consent.

***Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")***

The Water Act aims at prevention and control of water pollution as well as restoration of water quality through the establishment of a central Pollution Control Board ("PCB") and state PCBs. Under the provisions of the Water Act, any individual, industry or institution discharging industrial or domestic wastewater or establishing any treatment or disposal system or the using of any new or altered outlet for the discharge of sewage is required to obtain the consent of the applicable state PCB, which is empowered to establish standards and conditions that are required to be complied with. The consent to operate is granted for a specific period after which the conditions stipulated at the time of granting consent are reviewed by the state PCB. Even before the expiry of the consent period, the state PCB is authorized to carry out random checks on any industry to verify if the standards prescribed are being complied with by the industry. In the event of non-compliance, the state PCB after serving notice to the concerned industry may close the mine or withdraw water supply to the industry or cause magistrates to pass injunctions to restrain such polluters.

***Hazardous and Other Wastes (Management and Trans-boundary Movement) Rules, 2016 ("Hazardous Wastes Rules")***

The Hazardous Wastes Rules impose an obligation on every occupier to prevent, minimize, reuse, recycle, co-process and safely dispose hazardous and other wastes, as defined under the Hazardous Wastes Rules. An occupier has been defined as any person who has control over the affairs of a factory or premises or any person in possession of hazardous waste. Every occupier engaged, inter alia, in the handling, generation, collection, storage, packaging, transportation, use, treatment, processing, recycling, recovery, pre-processing, co-processing, utilization, transfer or disposal of the hazardous waste and other wastes is required to obtain an authorization from the relevant state Pollution Control Board ("PCB").

***Laws relating to employment***

The Factories Act, 1948 ("Factories Act") defines a "factory" to cover any premises which employs ten or more workers and in which manufacturing process is carried on with the aid of power and any premises where there are at least twenty workers even though there is or no electrically aided manufacturing process being carried on. Each State Government has rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act provides that an occupier of a factory i.e. the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers. There is a prohibition on employing children below the age of fourteen years in a factory. The occupier and the manager of a factory may be punished with imprisonment for a term up to two years or with a fine up to Rs. 100,000 or with both in case of contravention of any provisions of the Factories Act or rules framed there under and in case of a contravention continuing after conviction, with a fine of up to Rs.1,000 per day of contravention. In addition to the Factories Act, the employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following is an indicative list of labour laws applicable to the business and operations of Indian companies engaged in manufacturing activities:

- ✓ Contract Labour (Regulation and Abolition) Act, 1970;
- ✓ Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- ✓ Employees' State Insurance Act, 1948;
- ✓ Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;
- ✓ Minimum Wages Act, 1948;
- ✓ Payment of Bonus Act, 1965;
- ✓ Payment of Gratuity Act, 1972;
- ✓ Payment of Wages Act, 1936;
- ✓ Maternity Benefit Act, 1961;
- ✓ Industrial Disputes Act, 1947; and
- ✓ Employees Compensation Act, 1923.

***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).

**LAWS RELATING TO INTELLECTUAL PROPERTY**

***Trade Marks Act, 1999 as amended ("Trademark Act")***

In India, trademarks enjoy protection under both statutory and common law. Indian trademark law permits registration of trademarks for goods and services. The Trademark Act statutorily protects trademarks and prevents use of fraudulent marks in India. Certification marks and collective marks can also be registered under the Trademark Act. An application for trademark registration can be made by individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future.

Applications for a trademark registration can be made for in one or more international classes. Once granted, trademark registration is valid for ten years unless cancelled. The mark lapses in ten years unless renewed. The Trademark (Amendment) Act, 2010 allows Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries. The Trademark (Amendment) Act, 2010 has been enacted to amend the Trademark Act, which enables Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other jurisdictions. The amendment also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to align the law with international practice.

***Patents Act, 1970 as amended ("Patents Act")***

The Patents Act governs the patent regime in India. Being a signatory to the Agreement on Trade Related Aspects of Intellectual Property Rights, India is required to 145ecognize product patents as well as process patents. In addition to the broad requirement that an invention satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection, the Patents Act stipulates that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria. The Patents Act prohibits any person resident in India from applying for patent for an invention outside India without making an application for the invention in India. The term of a patent granted under the Patents Act is twenty years from the date of filing of the application for the patent.

**TAXATION & DUTY LAWS**

***The Central Excise Act, 1944 ("Excise Act")***

The Central Excise Act, 1944 ("Central Excise Act") consolidates and amends the law relating to Central Duties of Excise on goods manufactured or produced in India. Excisable goods under the Act means goods specified in the Schedule to the Central Excise Tariff Act, 1985 as being subject to duty of excise. Factory means any premises, including the precincts thereof, wherein or in any part of which excisable goods are manufactured, or wherein or in any part of which any manufacturing process connected with the production of these goods being carried on or

is ordinarily carried out. Under the Act a duty of excise is levied on all excisable goods, which are produced or manufactured in India as and at the rates, set forth in the First Schedule to the Central Excise Tariff Act, 1985.

***The Central Sales Tax Act, 1956 ("Central Sales Tax Act")***

Central Sales Tax Act 1956 was enacted by the Parliament and received the assent of the president on December 21, 1956. Imposition of tax became effective from July 01, 1957. It extends to the whole of India. Every dealer who makes an inter-state sale must be a registered dealer and a certificate of registration has to be displayed at all places of his business. There is no exemption limit of turnover for the levy of central sales tax. The tax is levied under this act by the Central Government but, it is collected by that state government from where the goods were sold. The tax thus collected is given to the same state government which collected the tax. In case of Union Territories, the tax collected is deposited in the consolidated fund of India.

***Value Added Tax ("VAT")***

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

***Service Tax Act, 1994***

Service tax is charged on taxable services as defined in Chapter V of Finance Act, 1994, which requires a service provider of taxable services to collect service tax from a service recipient and pay such tax to the Government. In accordance with Rule 6 of Service tax Rules the assesses is required to pay Service tax in TR 6 challan by fifth of the month immediately following the month to which it relates. Further under Rule 7 (1) of Service Tax Rules, the company is required to file a half yearly return in Form ST 3 by twenty fifth of the month immediately following the half-year to which the return relates.

***Income Tax Act, 1961***

The government of India imposes an income tax on taxable income of all *persons* including individuals, Hindu Undivided Families (HUFs), companies, firms, association of persons, body of individuals, local authority and any other artificial judicial person. Levy of tax is separate on each of the persons. The levy is governed by the Indian Income Tax Act, 1961. The Indian Income Tax Department is governed by CBDT and is part of the Department of Revenue under the Ministry of Finance, Govt. of India. Income tax is a key source of funds that the government uses to fund its activities and serve the public. The quantum of tax determined as per the statutory provisions is payable as: a) Advance Tax; b) Self-Assessment Tax; c) Tax Deducted at Source (TDS); d) Tax Collected at Source (TCS); e) Tax on Regular Assessment.

**IN GENERAL**

***The Companies Act, 1956***

The Companies Act, 1956 deals with laws relating to companies and certain other associations. It was enacted by the parliament in 1956. The Companies Act primarily regulates the formation, financing, functioning and winding up of companies. The Act prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constitutes the main focus of the Companies Act. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is

equally important. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

***The Companies Act, 2013***

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs has vide its notification dated September 12, 2013 notified 100 Sections and on March 26, 2014 notified 183 Sections of the Companies Act, 2013. The same are applicable from September 12, 2013 and April 01, 2014, respectively. The Ministry of Corporate Affairs has issued the rules and new improved e-forms complementary to the Act establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Act.

## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Initially our Company was incorporated as Salasar Petrochemicals Private Limited under the provisions of the Companies Act, 1956 vide certificate of incorporation dated October 24, 2001 in Jaipur, Rajasthan. Thereafter Company was taken over by our Promoters in March, 2005. Further the name of the Company changed from Salasar Petrochemicals Private Limited to Salasar Techno Engineering Private Limited vide fresh certificate of incorporation dated June 13, 2006. Due to change in registered office from one state (Registrar of Companies, Rajasthan) to another state (Registrar of Companies NCT of Delhi & Haryana) the Corporate Identification Number (CIN) of the Company was also changed from U23201RJ2001PLC17253 to U23201DL2001PLC174076 dated December 26, 2007. Subsequently, our Company was converted into public limited company pursuant to a special resolution of our shareholders dated August 02, 2016 and the name of our Company was changed to "Salasar Techno Engineering Limited" to reflect the legal status of our Company pursuant to a fresh certificate of incorporation granted by the RoC dated August 16, 2016.

The registered office of our company is situated at E-20, South Extension I, New Delhi-110049, India.

Corporate Identification number: U23201DL2001PLC174076.

### BUSINESS AND MANAGEMENT

For a description of our activities, services, products, market segments, the growth of our Company, the standing of our Company with reference to prominent competitors in connection with our services, management, environmental issues, regional geographical segment etc., see "Our Business", "Industry Overview" "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Government and Other Approvals" on pages 120, 100, 326 and 360, respectively of this Prospectus. For details of the management of our Company and its managerial competence, see "Our Management" on page 154 of this Prospectus.

### CHANGE IN REGISTERED OFFICE

Details of prior change in the registered office of our Company are as below:

| Effective Date | Details of Change | Reason for Change |
|---|---|---|
| May 19, 2006 | The address of the registered office of our Company was changed from G-276, Industrial Area, Bhiwadi, Alwar, Rajasthan to B-5, 1st Floor, Ganpati Enclave, Ajmer Road, Madarampura, Jaipur, Rajasthan. | For administrative efficiency |
| December 26, 2007 | The address of the registered office of our Company was changed from B-5, 1st Floor, Ganpati Enclave, Ajmer Road, Madarampura, Jaipur, Rajasthan to 22, Community Centre, 3rd Floor, Phase-1, Mayapuri, New Delhi-110064. | For administrative efficiency |
| November 01, 2012 | The address of the registered office of our Company was changed from 22, Community Centre, 3rd Floor, Phase-1, Mayapuri, New Delhi-110064 to F-24, 1st Floor, Gali No. 10, Parwana Road, Jagat Puri, New Delhi-110051. | For administrative efficiency |
| March 10, 2016 | The address of the registered office of our Company was changed from F-24, 1st Floor, Gali No. 10, Parwana Road, Jagat Puri, New Delhi-110051 to C-211, 2nd Floor, C-Block, Narwana Apartment, I. P. Extension, Patparganj, Delhi-110092. | For administrative efficiency |

| | | |
|---|---|---|
| August 24, 2016 | The address of the registered office of our Company was changed from C-211, 2nd Floor, C-Block, Narwana Apartment, I. P. Extension, Patparganj, Delhi-110092 to E-20, South Extension I, New Delhi – 110049. | For administrative efficiency |

## KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

| Financial Year | Event |
|---|---|
| 2004-05 | The Company "Salasar Petrochemicals Private Limited" was taken over by our Promoters which was having factory land at Dasna, P.O. Jindal Nagar, Distt. Hapur, Uttar Pradesh. |
| 2006-07 | The name of the Company changed from Salasar Petrochemicals Private Limited to Salasar Techno Engineering Private Limited vide fresh certificate of incorporation dated June 13, 2006. |
| 2006-07 | The Company started its production at Unit 1, Khasra No. 283, Village Parsaun, Dasna, P.O. Jindal Nagr, Distt Hapur-245304, Uttar Pradesh. |
| 2007-08 | The Registered Office of our Company changed from the state of Rajasthan to the National Capital Territory of Delhi & Haryana. |
| 2007-08 | Setup of Second unit situated at Khasra no. 1184-1185, village Khera, Pikhuwa, Ghaziabad-245304, Uttar Pradesh, India. |
| 2009-10 | Expansion of Unit II by acquiring land & building situated at Khasra No. 1183, village Khera, Pikhuwa, Ghaziabad-245304, Uttar Pradesh, India. |
| 2010-11 | Incorporation of Salasar Stainless Limited as a Wholly Owned Subsidiary of our Company. |
| 2011-12 | New plant started in subsidiary Company at Khasra No. 686/6, Vill. Kheda, Pilkhuwa, Distt. Ghaziabad-201313 (U.P.) to manufacture stainless steel pipes. |
| 2011-12 | Turnover of our Company crossed Rs. 1,000.00 million. |
| 2013-14 | Takeover of Ganges Concast Industries Limited by Salasar Stainless Limited (Wholly Owned Subsidiary of our Company). |
| 2013-14 | Acquisition of land situated at Khasra no. Khasra No. 265, 281-282, Village Parsaun, Dasna, P.O. Jindal Nagr, Distt Hapur-245304, Uttar Pradesh to consolidate with our unit I. |
| 2013-14 | Turnover of our Company crossed Rs. 2,000.00 million. |
| 2016-17 | Issue of bonus share in the ratio of 1:1 to the shareholders. |
| 2016-17 | Conversion of our Company into a public limited Company and change of name to Salasar Techno Engineering Limited vide fresh certificate of incorporation dated August 16, 2016. |
| 2016-17 | Amalgamation of Ganges Concast Industries Limited with Salasar Stainless Limited. |
| 2016-17 | Installation of the Galvanizing Plant at its wholly-owned subsidiary Company "Salasar Stainless Limited" for further expansion in capacity. |

| | |
|---|---|
| 2016-17 | Turnover of our Company crossed Rs. 4,000.00 million. |
| 2016-17 | Entered into a Joint Venture in the form of Association of Person (AOP) with M/s Sikka Engineering Limited, namely Sikka Salasar JV. |
| 2017-18 | Land purchased for expansion of Business |
| 2017-18 | Approval for technical qualification received from Power Grid Corporation for supply of towers/tower parts for Transmission Lines for Unit 1 |

## AWARDS

| Year | Awards |
|---|---|
| 2014 | Robust and long standing business collaboration with "Ramboll's Telecom Consulting arm by maintaining the No. 1 position as their Indian Partner for tower supply. |
| 2014 | Winner of the prestigious 'Gold Award' for support in Infra- Towers from Indus Towers in 2014 as an acknowledgement of our focus in delivering excellence to our customers. |
| 2014 | Winner of 'Hero Award' from Indus Towers commending zero fatalities and upholding high Environment, Health and Safety standards at site in its UP(East) Circle for March 2014. |

## OUR MAIN OBJECTS

The main objects of our Company, as contained in our Memorandum of Association, are as set forth below:

1. *To carry on the business consultants, engineers, designers, fabricators, converters, molders, smelters of mechanical, electrical, electronic and other type of components & tools, control panels, assemblies, sub-assemblies and machines parts and all kinds tools.*
2. *To manufacture, trade, import, export, trading and fabrication of iron and steel metal and malleable, ferrous and non-ferrous metals, special and alloy steel, spring steel and of all types of forged components and accessories, alloys, rods, angles, sheets, girders, pipes, channels, nut bolts machineries, accessories, steel rounds, nails, tools, all types of hardware items and it allied products, and to buy take on hire sell, import, export, otherwise deal in such products, by products, machineries, rolling stock, implements, tools, utensils, ground tools, materials and conveniences of all kinds.*
3. *To carry on the business of electrical engineers, mechanical engineers, civil engineer, electrical engineers, contractors, manufacturers, suppliers and dealers in electrical, mechanical and other appliances and works including electrical motors/pumps, electrical sub-stations, power distribution transformers component of engineering items, switchgears, spares control panels & parts thereof.*
4. *To carry on business as iron and steel founders, steel makers, steel shapers and manufacturers and fabricators, contractors, tool makes, brass-founders, metal workers, manufacturers of steel, metal and malleable, grey-casting including ferrous, special and alloy steel, spring steel, forging quality steel manufacturers and to buy, take on lease on hire, sell, import, export, manufacture, process, repair, convert, let on hire, otherwise deal in such products.*

## AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

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

| Date of Change/Shareholders' Approval | Amendment |
|---|---|
| March 04, 2005 | The Initial authorized Share Capital of Rs. 100,000 consisting of 10,000 Equity shares of face value of Rs. 10/- each was increased to Rs. 12,500,000 consisting of 1,250,000 Equity Shares of face value of Rs.10/- each. |
| June 13, 2006 | The name of the Company changed from Salasar Petrochemicals Private Limited to Salasar Techno Engineering Private Limited. |
| May 07, 2007 | The authorized Share Capital of Rs. 12,500,000 consisting of 1,250,000 Equity Shares of face value of Rs. 10/- each was increased to Rs. 30,000,000 consisting of 3,000,000 Equity Shares of face value of Rs.10/- each. |
| January 10, 2008 | Registered Office by changing it from the state of Rajasthan to the NCT Of Delhi & Haryana confirmed by the CLB, Region Bench, New Delhi bearing dated October 19, 2007. |
| January 10, 2008 | Change of Corporate Identification Number (CIN) of the Company from U23201RJ2001PLC17253 to U23201DL2001PLC174076 due to change in registered office from one state (Registrar of Companies, Rajasthan) to another state (Registrar of Companies NCT of Delhi & Haryana). |
| March 25, 2009 | The authorized Share Capital of Rs. 30,000,000 consisting of 3,000,000 Equity Shares of face value of Rs. 10/- each was increased to Rs. 60,000,000 consisting of 6,000,000 Equity Shares of face value of Rs.10/- each. |
| June 10, 2016 | The authorized Share Capital of Rs. 60,000,000 consisting of 6,000,000 Equity Shares of face value of Rs. 10/- each was increased to Rs. 140,000,000 consisting of 14,000,000 Equity Shares of face value of Rs.10/- each. |
| August 16, 2016 | Adoption new format of MOA as per Companies Act, 2013. |
| August 16, 2016 | Conversion of our Company into a public limited Company and change of name to Salasar Techno Engineering Limited. |

## OTHER DETAILS ABOUT OUR COMPANY

***Capital raising (Equity/ Debt)***

Our equity issuances in the past as on date of this Prospectus, have been provided in sections titled "Capital Structure" and "Financial Indebtedness" on pages 64 and 343, respectively. Further, our Company has not undertaken any public offering of debt instruments since its inception.

***Strike and lock-outs***

We have not faced any strikes or lock-outs in our operations since our incorporation.

***Injunctions or restraining order against our Company***

Except as stated in the section titled "Outstanding Litigation and Material Developments" on page 349 there are no injunctions or restraining orders against our Company or our Subsidiary.

***Defaults or rescheduling of borrowings with financial institutions/banks, conversion of loans into equity by the Company***

There are no defaults or rescheduling of borrowings with banks, conversion of loans into equity in relation to our Company.

***Time/cost overrun***

We have not encountered any time and cost overruns in respect of our business.

## HOLDING COMPANY OF OUR COMPANY

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

## DETAILS OF PAST PERFORMANCE

For details in relation to our financial performance in the previous five financial years, including details of non-recurring items of income, refer to section titled "Financial Statements" beginning on page 193 of this Prospectus.

## SHAREHOLDERS AGREEMENTS

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

## OTHER AGREEMENTS

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

| Sr. No. | Name of Person | Designation | Date of Agreement |
|---|---|---|---|
| 1. | Alok Kumar | Chairman & Managing Director | December 10, 2016 |
| 2. | Shashank Agarwal | Jt. Managing Director | December 10, 2016 |
| 3. | Shalabh Agarwal | Whole Time Director | December 10, 2016 |
| 4. | Tripti Gupta | Whole Time Director | December 10, 2016 |

## STRATEGIC/ FINANCIAL PARTNERS

Our Company does not have any strategic/financial partner as on the date of filing of this Prospectus.

## JOINT VENTURES OF OUR COMPANY

Our Company has entered into a Joint Venture with M/s. Sikka Engineering Limited, a partnership firm on March 30, 2017, wherein an Association of person (AOP) in the name of Sikka Salasar JV was formed. The PAN no of JV is AASAS5630H.

The parties have agrred to join hands for procuring the business and executing of the work of "Design, Supply, Erection, Testing & Commissioning of 25Kv, 50Hz, Single Phase, AC, electrification works including OHE & TSS as Composite Electrical Works.

The JV has received the order for Design, Supply, Erection, Testing & Commissioning of 25Kv, 50HZ, Single Phase, Ac, Electrification Works including OHE & TSS as Composite electrical Works from Central Organization for Railway Electrification (CIIF/CORE),

The work shall be executed in Zafrabad - Akbarpur – Tanda, Group – 199 of Lucknow Division of Northern Railway and Aunrihar – Jaunpur section, Group – 224 of Varanasi Division of North Eastern Railway under RE Project Lucknow, Total 161RKM & 185 TKM" together.

This Joint Venture shall continue up till the competition of work including Maintenance/ Guarantee period and extension is possible by mutual agreement among its members.

M/S Salasar Techno Engineering Limited has a contribution of 99.00% & Sikka Engineering Limited has a contribution of 1.00% in this Joint Venture as per the revised agreement dated May 18, 2017 betwwn the said parties.

## GUARANTEES GIVEN BY OUR COMPANY

Our Company has not provided any guarantee as on the date of this Prospectus.

## NUMBER OF SHAREHOLDERS

Our Company has 15 shareholders on date of this Prospectus.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

In terms of our Articles of Association, our Company is required to have not less than 3 directors and not more than 15 directors. As on the date of this Prospectus we have 8 (Eight) Directors on our Board.

The following table sets forth details regarding our Board of Directors as on the date of this Prospectus:

| 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:** Mr. Alok Kumar<br>**Age:** 61 years<br>**Father's Name:** Mr. Devidayal Gupta<br>**Designation:** Chairman & Managing Director<br>**Address:** KL-46, Kavi Nagar, Ghaziabad-201001<br>**Term:** 5 years<br>**Nationality:** Indian<br>**Occupation:** Business<br>**DIN:** 01474484 | Appointed as Director on May 03, 2006<br>Appointed as Chairman & Managing Director on December 10, 2016 | 1. Base Engineering Private Limited<br>2. Shikhar Fabtech Private Limited |
| 2. | **Name:** Mr. Shashank Agarwal<br>**Age:** 48 years<br>**Father's Name:** Mr. Gyanendra Kumar Agarwal<br>**Designation:** Jt. Managing Director<br>**Address:** B-166, Sector-50, Gautam Budh Nagar, Noida-201301<br>**Term:** 5 years<br>**Nationality:** Indian<br>**Occupation:** Business<br>**DIN:** 00316141 | Appointed as Director on August 03, 2016<br>Appointed as Jt. Managing Director on December 10, 2016 | 1. Hill View Infrabuild Limited<br>2. More Engineering Private Limited |
| 3. | **Name:** Mr. Shalabh Agarwal<br>**Age:** 43 years<br>**Father's Name:** Mr. Gyanendra Kumar Agarwal<br>**Designation:** Whole-Time Director<br>**Address:** R1/11, Raj Nagar, Ghaziabad-201001<br>**Term:** Liable to retire by rotation | Appointed as Director on July 03, 2014<br>Appointed as Whole-Time Director on December 10, 2016 | 1. Hill View Infrabuild Limited<br>2. More Engineering Private Limited |

| | | | |
|---|---|---|---|
| | **Nationality:** Indian<br>**Occupation:** Business<br>**DIN:** 00316155 | | |
| 4. | **Name:** Ms. Tripti Gupta<br>**Age:** 33 years<br>**Father's name:** Mr. Alok Kumar<br>**Designation:** Whole-Time Director<br>**Address:** KL-46, Kavi Nagar, Ghaziabad-201001<br>**Term:** Liable to retire by rotation<br>**Nationality:** Indian<br>**Occupation:** Business<br>**DIN:** 06938805 | Appointed as Director on August 01, 2014<br>Appointed as Whole-Time Director on December 10, 2016 | 1. Salasar Infracorp LLP |
| 5. | **Name:** Mr. Anil Kumar Jain<br>**Age:** 56 years<br>**Father's Name:** Mr. Gyan Chand Jain<br>**Designation:** Non-Executive & Independent Director<br>**Address:** 410 Parshav Vihar, Patparganj, Delhi<br>**Term:** 5 years<br>**Nationality:** Indian<br>**Occupation:** Professional<br>**DIN:** 00204935 | Appointed as Non-Executive & Independent Director on January 19, 2017 | 1. UVN Infosolutions Private Limited<br>2. A S A P Business Advisory Private Limited |
| 6. | **Name:** Mr. Sanjay Chandak<br>**Age:** 51 years<br>**Father's name:** Mr. Hari Dutt Chandak<br>**Designation:** Non-Executive & Independent Director<br>**Address:** 1076, Sector -17, Faridabad-121007<br>**Term:** 5 years<br>**Nationality:** Indian<br>**Occupation:** Professional<br>**DIN:** 07663328 | Appointed as Non-Executive & Independent Director on January 19, 2017 | NA |
| 7. | **Name:** Mr. Vijay Kumar Jain<br>**Age:** 73 years<br>**Father's name:** Mr. Govind Chandra | Appointed as Non-Executive & Independent Director on | 1. VKJ Consultants Private Limited |

| | | | |
|---|---|---|---|
| | **Designation:** Non-Executive & Independent Director<br>**Address:** B-53, Sector 30, Distt. G. B. Nagar, Noida-201303<br>**Term:** 5 years<br>**Nationality:** Indian<br>**Occupation:** Business<br>**DIN:** 00281757 | January 19, 2017 | |
| 8. | **Name:** Mr. Amit Jain<br>**Age:** 38 years<br>**Father's Name:** Mr. Abhinandan Kumar Jain<br>**Designation:** Non-Executive & Independent Director<br>**Address:** B-202, Alaknanda Apartment, GH-45, Sector -56, Gurgaon-122011, Haryana, India.<br>**Term:** 5 years<br>**Nationality:** Indian<br>**Occupation:** Professional<br>**DIN:** 06783422 | Appointed as Non-Executive & Independent Director on June 23, 2017 | 1. Prime Global Safety Private Limited<br>2. Elite Buildtech Private Limited<br>3. Maa Chintpurni Papers Private Limited |

## BRIEF BIOGRAPHIES OF OUR DIRECTORS



**Mr. Alok Kumar**, aged 61 years, is the Promoter, Chairman & Managing Director of our Company. He has done B.Sc from Punjab University, Chandigarh. He has 41 years of rich experience in trading, manufacturing and fabrication of iron & steel. He started his career with trading in iron & steel as Managing Partner in Gupta Traders and thereafter from 1989 operated two foundry units of C.I. Casting namely Capital Founders and Capital Udyog. He has been associated with the Company since its takeover and has been instrumental in establishing the manufacturing units. He takes care of purchases & finance.



**Mr. Shashank Agarwal**, aged 48 years, is the Jt. Managing Director of our Company. He has done his B.E. (Mech.) from MIT, Manipal. He joined Larsen & Toubro as Graduate Engineer Trainee (GET) and got to know the insights of working in a big organization. He joined family business of sugar manufacturing in the year 1991. Then switched to iron & steel industry in the year 2003 and joined Saini Alloys Pvt Ltd which was engaged in manufacturing and trading of stainless steel casting. In 2006 he joined our Company and has been the president of our company since takeover till August 2014. He is looking after operations, sales & marketing of telecom towers and solar mounting structures.



**Mr. Shalabh Agarwal**, aged 43 years, is the Promoter and Whole-Time Director of our Company. He has completed B.Tech from MIT, Manipal. He joined family business of sugar manufacturing in the year 1991. Then switched to iron & steel industry in the year 2003 and joined Saini Alloys Pvt Ltd which was engaged in manufacturing and trading of stainless steel casting. In 2006 he joined our Company as Vice President- operations, looking after power transmission line tower segment. He has experience of more than 18 years in sugar industry and trading, manufacturing and fabrication of iron & steel. He is looking after operations, sales & marketing of Power Transmission Towers.



**Ms. Tripti Gupta**, aged 33 years, is the Promoter and Whole-Time Director of our Company. She is a commerce graduate from Shri Ram College of Commerce. She has done MBA in Finance & Marketing from Institute of Management Technology, Nagpur. She started her career as an Equity Investment Advisor in Motilal Oswal Securities Limited. She has more than 5 years of experience in strategic management, business development, policy making and other corporate matters. She has also been engaged with social enterprises and NGOs in the capacity of Project Coordinator and Content Manager for 8 years and continue to support their efforts informally. Since 2014, she has been working as an Executive Director of our Company taking care of corporate planning & HR.



**Mr. Anil Kumar Jain,** aged 56 years, is the Non-Executive & Independent Director of our Company. He is a renowned Chartered Accountant with a rich experience of 31 years of professional practice with specialization in auditing, business advisory, outsourcing activities & company law. He is the Vice Chairman and Ex-Secretary of Mahavir International (an NGO), past President of Lions Club & IPEX, executive member of various religious and welfare organizations in the Jain community. He was also elected as a member of the Northern India Regional Council (NIRC) of the ICAI from 2004-07. He served consecutively as Treasurer (2004-05) and then Chairman (2005-06) and then Chairman NICASA (2006-07) of the NIRC. He has convened several study groups of the NIRC on banking & company law and many of his articles have been widely published in newspapers, trade magazines and newsletters.



**Mr. Sanjay Chandak** aged 51 years, is the Non-Executive & Independent Director of our Company. He is a Fellow Member of Institute of Chartered Accountants of India and also a law graduate. He has experience of over 27 years in profession of Chartered Accountancy. He is practicing since 1989 and was doing profession as proprietor of M/s S. Chandak & Co., Chartered Accountants. He was Chairman of Faridabad Branch of NIRC of Institute of Chartered Accountants of India during 2001-02 and also for 2003-04. He was also appointed as President of Faridabad Income Tax Bar Association during 2007-08. He was also appointed as Chairman, Member Grievance Committee, Bar-Bench Coordination Committee of FITBAR. He was nominated as member of WTO, FEMA & International tax Committee of the ICAI. He also chaired as Technical Judge at National Convention of CA Students 2011 organized by Board of studies, ICAI and Co-opted member on the Public Relations Committee of NIRC of ICAI. He is having experience of Income Tax, Tax Planning, Statutory Audit of limited and private limited companies having business activity of manufacturing and

trading of penumatic pumps, iron and steel, corrugated boxes, textiles, metal components, rubber parts etc.



**Mr. Vijay Kumar Jain** aged 73 years, is the Non-Executive & Independent Director of our Company. He has done B.E. (Hons) and also done MBA. After completing his education in Engineering and Management, he has worked in various capacities in leading organizations in India, starting with Hindustan Motors, National Mineral Development Corporation & Engineering Projects India Ltd. He was also posted at Baghdad for 3 years for execution of a Defence Project. He also acted as Project Coordinator for Coal handling plant at Anapra Power Project in U.P. Later he joined a joint venture of Ansal Properties with a Thai Indian Co. in Bangkok for 3 years. Lastly, he retired as Chief General Manager, J K paper after working with them for 14 years. After retirement in 2004 started his own consultancy firm VKJ Consultants Pvt Ltd situated at Noida, arranging equipment for Indian Paper mills like JK Paper, Emami Papers, Mehali Papers etc. for last 12 years.



**Mr. Amit Jain**, aged 38 years, is the Non-Executive & Independent Director of our Company. He is a member of Institute of Chartered Accountants of India. He has worked in various capacities in leading organizations in India. He started his carrier with Bharti Airtel Limited. In his professional journey, he worked with Steel Telecom, Video Telecommunication Ltd, Venus Capital Ltd. His last association was with Indus Tower Ltd as Manager Finance. After quitting the job from Indus Tower Ltd in 2013, he started his own consultancy Firm Amit Jain & Co. situated at Gurgaon. Apart from financial consultancy, he also has interest in Housing Development sector and paper manufacturing industry.

## RELATIONSHIP BETWEEN OUR DIRECTORS

Except Mr. Shashank Agarwal & Mr. Shalabh Agarwal who are related to each other as Brothers and Mr. Alok Kumar & Ms. Tripti Gupta who are related to each other as Father and Daughter, none of the Directors of our Company are related to each other.

## CONFIRMATIONS

As on the date of this Prospectus:

1. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
2. None of our Directors have been identified as a 'wilful defaulter' by any financial institution or bank, or a consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.
3. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) during the five years prior to the date of filing the Prospectus or (b) delisted from the stock exchanges.
4. 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 349 of this Prospectus.

## REMUNERATION / COMPENSATION OF DIRECTORS

Details of the dates, parties to, and general nature of every contract appointing or fixing the remuneration of a Director, Whole-time Director and Managing Director whenever entered into within or more than, two years before the date of the draft offer document are as under:

| Sr. No. | Name of Person | Designation | Date of Agreement |
|---|---|---|---|
| 1. | Alok Kumar | Chairman & Managing Director | December 10, 2016 |
| 2. | Shashank Agarwal | Jt. Managing Director | December 10, 2016 |
| 3. | Shalabh Agarwal | Whole Time Director | December 10, 2016 |
| 4. | Tripti Gupta | Whole Time Director | December 10, 2016 |

**Chairman & Managing Director**

**Mr. Alok Kumar** is appointed for a period of 5 years as the Chairman and Managing Director of our Company by a resolution of the Board of Directors dated November 01, 2016 and the approval of the members pursuant to an EGM held on December 10, 2016.

The remuneration to be paid to Mr. Alok Kumar is Rs. 200,000 per month plus perquisites has been authorized pursuant to a resolution of our Board dated December 10, 2016.

**Jt. Managing Director**

**Mr. Shashank Agarwal** is appointed for a period of 5 years as the Jt. Managing Director of our Company by a resolution of the Board of Directors dated November 01, 2016 and the approval of the members pursuant to an EGM held on December 10, 2016.

The remuneration to be paid to Mr. Shashank Agarwal is Rs. 150,000 per month plus perquisites has been authorized pursuant to a resolution of our Board dated December 10, 2016.

**Whole-Time Director**

**Mr. Shalabh Agarwal** is appointed as the Whole-Time Director of our Company by a resolution of the Board of Directors dated November 01, 2016 and the approval of the members pursuant to an EGM held on December 10, 2016.

The remuneration to be paid to Mr. Shalabh Agarwal is Rs. 150,000 per month plus perquisites has been authorized pursuant to a resolution of our Board dated December 10, 2016.

**Whole-Time Director**

**Ms. Tripti Gupta** is appointed as the Whole-Time Director of our Company by a resolution of the Board of Directors dated November 01, 2016 and the approval of the members pursuant to an EGM held on December 10, 2016.

The remuneration to be paid to Ms. Tripti Gupta is Rs.1,40,000 per month plus perquisites has been authorized pursuant to a resolution of our Board dated December 10, 2016.

**Non-Executive & Independent Director**

The Board of Directors of our Company in their meeting held on January 20, 2017, has approved payment of Rs. 10,000 per meeting as sitting fees to Non-Executive/Independent Directors, for attending every meeting of the Board of Directors.

During the last financial year i.e. F.Y. 2016-17, the amount of compensation paid, and benefits in kind granted on an individual basis to all such persons, by the issuer for services in all capacities to the issuer are as under:

| Sr. No. | Name of Director | Designation | Amount* (Rs. In million) |
|---|---|---|---|
| 1 | Mr. Alok Kumar | Chairman & Managing Director | 2.05 |
| 2 | Mr. Shashank Agarwal | Jt. Managing Director | 0.75 |
| 3 | Mr. Gyanendra Kumar Agarwal | Erstwhile Director | 1.05 |
| 4 | Mr. Shalabh Agarwal | Whole-Time Director | 1.63 |
| 5 | Ms. Tritpi Gupta | Whole-Time Director | 1.47 |

**Amount including compensation paid, benefits in kind granted and services in all capacities to the issuer company excluding interest on loan.*

No compensation has been paid by the issuer Company pursuant to a bonus or profit sharing plan.

## SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares.

The following table details the shareholding of our Directors as on the date of this Prospectus:

| Sr. No. | Name of the Director | No. of Equity Shares | % of Pre-Issue Equity Share Capital | % of Post Issue Equity Share Capital |
|---|---|---|---|---|
| 1. | Mr. Alok Kumar | 8,94,000 | 8.98 | 6.73 |
| 2. | Mr. Shashank Agarwal | 7,10,592 | 7.14 | 5.35 |
| 3. | Mr. Shalabh Agarwal | 12,80,592 | 12.86 | 9.64 |
| 4. | Ms. Tripti Gupta | 4,00,000 | 4.02 | 3.01 |
| 5. | Mr. Anil Kumar Jain | Nil | Nil | Nil |
| 6. | Mr. Sanjay Chandak | Nil | Nil | Nil |
| 7. | Mr. Vijay Kumar Jain | Nil | Nil | Nil |
| 8. | Mr. Amit Jain | Nil | Nil | Nil |

## 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 interest paid on any loan or advances provided to our company, any body corporate including companies and firms and trusts, in which they are interested as directors, members, partners or trustees.

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, firms, and trusts, if any, in which they are interested as directors, members, promoter, and /or trustees 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 191 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.

Our Directors are not interested in the appointment of or acting as Lead Manager, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

Other than Mr. Gyanendra Kumar Agarwal, Mr. Alok Kumar, Mr. Shalabh Agarwal and Ms. Tripti Gupta, who are our Promoters and are interested as disclosed in "Promoters and Promoter Group" on page 171 of this Prospectus, none of our Directors have any interest in the promotion of our Company other than in the ordinary course of business.

Except as disclosed in 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 Directors except the normal remuneration, interest on loan, lease rent for vehicles and reimbursement of expenses for services rendered as Directors and/or as Key Management Personnel.

No loans have been availed by our Directors from our Company.

## PROPERTY INTEREST

Except as stated/referred to in the heading titled "Land & Properties" beginning on page 138 of this Draft Prospectus, our Directors have 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

The Changes in the Board of Directors of our Company in the three years preceding the date of this Prospectus are as follows:

| Name | Date of event | Nature of event | Reason |
|---|---|---|---|
| Mr. Alok Kumar | July 01, 2014 | Change in Designation | Designation changed to Managing Director |
| Mr. Shalabh Agarwal | July 03, 2014 | Appointment | Appointment as Director |
| Ms. Tripti Gupta | August 01, 2014 | Appointment | Appointment as Director |
| Mr. Shashank Agarwal | August 03, 2016 | Appointment | Appointment as Director |
| Mr. Alok Kumar | December 10, 2016 | Change in Designation | Designation changed to Chairman & Managing Director |
| Mr. Shashank Agarwal | December 10, 2016 | Change in Designation | Designation changed to Jt. Managing Director |
| Mr. Shalabh Agarwal | December 10, 2016 | Change in Designation | Designation changed to Whole Time Director |
| Ms. Tripti Gupta | December 10, 2016 | Change in Designation | Designation changed to Whole Time Director |
| Mr. Anil Kumar Jain | January 19, 2017 | Appointment | Appointment as Non-Executive & Independent Director |
| Mr. Arun Bhargava | January 19, 2017 | Appointment | Appointment as Non-Executive & Independent Director |
| Mr. Sanjay Chandak | January 19, 2017 | Appointment | Appointment as Non-Executive & Independent Director |

| Name | Date of event | Nature of event | Reason |
|---|---|---|---|
| Mr. Vijay Kumar Jain | January 19, 2017 | Appointment | Appointment as Non-Executive & Independent Director |
| Mr. Arun Bhargava | June 22, 2017 | Resignation | Resignation as Non-Executive & Independent Director due to pre-occupation |
| Mr. Amit Jain | June 23, 2017 | Appointment | Appointment as Non-Executive & Independent Director |

## BORROWING POWERS OF THE BOARD

Pursuant to a special resolution passed at Extra-Ordinary General Meeting of our Company held on December 10, 2016 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.5,000.00 Million.

## 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. The corporate governance framework is based on an effective independent Board, the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law. The corporate governance provisions of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended will be applicable to us immediately upon the listing of the Equity Shares with the Stock Exchange. We are in compliance with the requirements of the applicable regulations, including the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2009 in respect of corporate governance particularly in relation to constitution of the Board and committees thereof.

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.

Our Board has been constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations. Currently, our Board has 8 (Eight) Directors. We have 1 (one) Chairman & Managing Director, 1 (one) Managing Director), 2 (two) Whole-Time Directors and 4 (four) Non- Executive & Independent Directors.

**Committees of the Board**

In addition to the committees of our Board detailed below, our Board may from time to time, constitute committees for various functions.

Following are the details of various committees of the Board:

A. Audit Committee
B. Stakeholders Relationship Committee
C. Nomination and Remuneration Committee
D. Corporate Social Responsibility Committee
E. Risk Management Committee
F. IPO Committee

*A) Audit Committee*

Our Company has constituted an audit committee ***("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 January 20, 2017.

The terms of reference of Audit Committee complies with the requirements of the Companies Act, 2013. The committee presently comprises the following three (3) directors.

**Composition of Audit Committee:**

| Name of the Director | Status | Nature of Directorship |
|---|---|---|
| Mr. Anil Kumar Jain | Chairman | Non- Executive & Independent Director |
| Mr. Sanjay Chandak | Member | Non- Executive & Independent Director |
| Mr. Shashank Agarwal | Member | Jt. Managing Director |

Mr. Anil Kumar Jain is the Chairman of the Audit Committee.

The Company Secretary of the Company acts as the Secretary to the Audit committee.

**The terms of reference of the Audit Committee includes the following:**

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 being 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 quarterly 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 CFO 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.

**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) Quarterly 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 constituted a Stakeholder's Relationship Committee *("Stakeholder's Relationship Committee")* to redress the complaints of the shareholders. The stakeholder's 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 January 20, 2017.

**Composition of Stakeholders Relationship Committee**

| Name of the Director | Status | Nature of Directorship |
|---|---|---|
| Mr. Sanjay Chandak | Chairman | Non-Executive & Independent Director |
| Ms. Tripti Gupta | Member | Whole - Time Director |
| Mr. Shalabh Agarwal | Member | Whole - Time 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:

- Redressal of shareholders'/investors' complaints;
- 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;
- Non-receipt of declared dividends, balance sheets of the Company; and
- Carrying out any other function as prescribed under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

***C)*** **Nomination and Remuneration Committee**

Our Company has re-constituted a 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 vide resolution passed at the meeting of the Board of Directors held on June 23, 2017.

**Composition of Nomination and Remuneration Committee**

| Name of the Director | Status | Nature of Directorship |
|---|---|---|
| Mr. Anil Kumar Jain | Chairman | Non-Executive & Independent Director |
| Mr. Vijay Kumar Jain | Member | Non-Executive & Independent Director |
| Mr. Amit Jain | Member | Non-Executive & Independent Director |

Mr. Anil Kumar Jain is the Chairman of the Nomination and Remuneration Committee.

The Company Secretary of the Company acts as the Secretary to the Nomination and Remuneration Committee.

**Role of Nomination and Remuneration Committee are:**

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.

***D)*** **Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee was re-constituted vide resolution passed at the meeting of the Board of Directors held on January 20, 2017. The terms of reference of the Corporate Social Responsibility Committee of our Company are as per Section 135 of the Companies Act, 2013 and the applicable rules thereunder.

**Composition of Corporate Social Responsibility Committee**

| Name of the Director | Status | Nature of Directorship |
|---|---|---|
| Ms. Tripti Gupta | Chairperson | Whole - Time Director |
| Mr. Sanjay Chandak | Member | Non-Executive & Independent Director |
| Mr. Shashank Agarwal | Member | Jt. Managing Director |

The terms of reference of Corporate Social Responsibility Committee includes the following:

a) To formulate and to recommend to the Board, a corporate social responsibility policy which shall indicate the activities to be undertaken by our Company as specified in Scheduled VII;
b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a)
c) Monitor the Corporate Social Responsibility policy of our Company from time to time.

***E)*** **Risk Management Committee**

The Risk Management committee was constituted vide resolution passed at the meeting of the Board of Directors held on January 20, 2017. The Risk Management Committee has the function of monitoring and reviewing the risk management plan. The scope and functions of the Risk Management committee is in accordance with Regulation 21 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**Composition of Risk Management committee**

| Name of the Director | Status | Nature of Directorship |
|---|---|---|
| Mr. Alok Kumar | Chairman | Chairman & Managing Director |

| | | |
|---|---|---|
| Mr. Shashank Agarwal | Member | Jt. Managing Director |
| Mr. Vijay Kumar Jain | Member | Non-Executive & Independent Director |

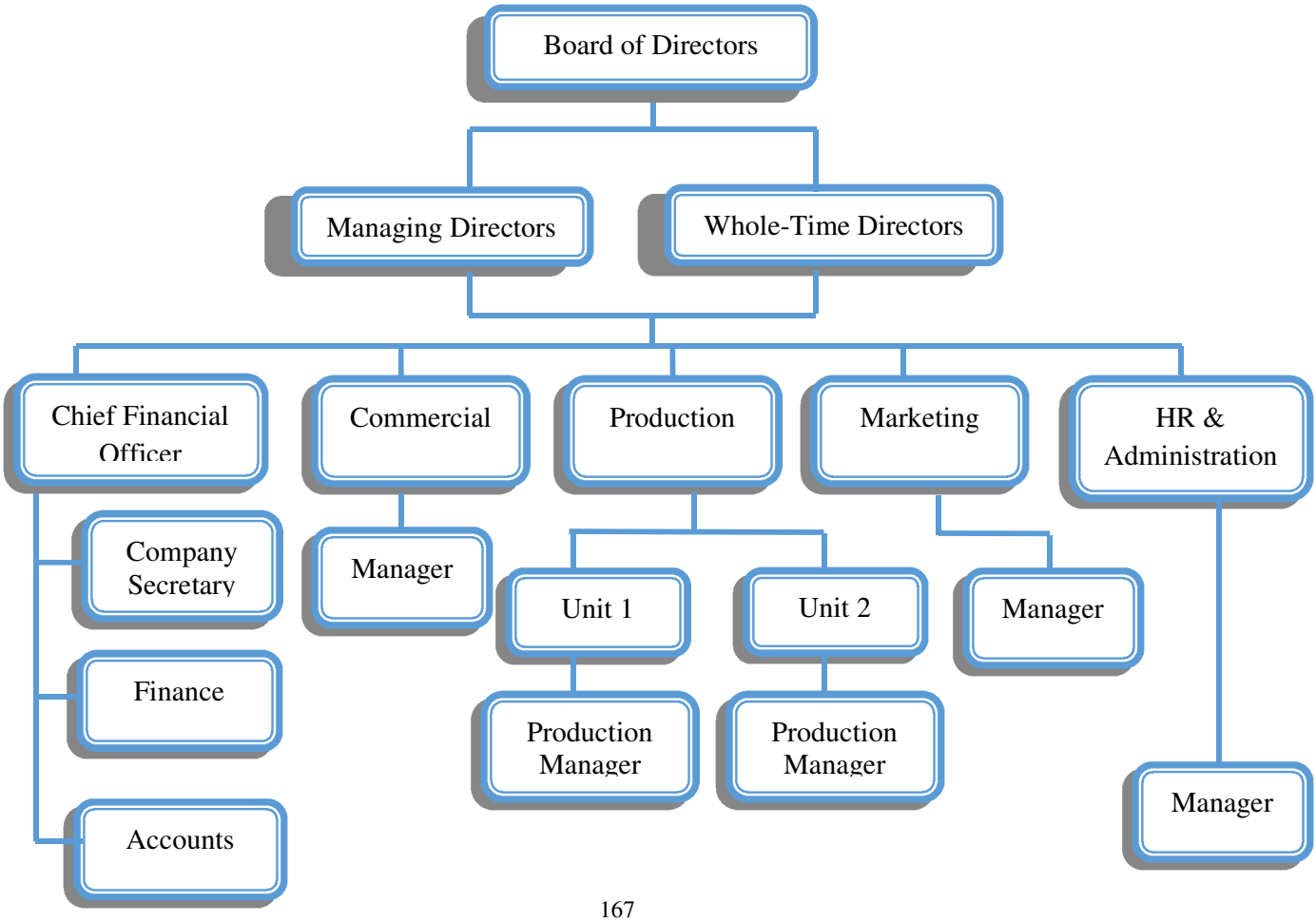
***F)*** **IPO Committee**

The IPO committee was constituted vide resolution passed at the meeting of the Board of Directors held on January 20, 2017. The IPO Committee has been authorized to approve and decide upon all activities in connection with the Initial Public Offer, including, but not limited to, to approve the Prospectus and the Prospectus, to decide the terms and conditions of the Issue, to appoint various intermediaries, negotiating and executing Offer related agreements and to submit applications and documents to relevant statutory and other authorities from time to time.

**Composition of IPO committee**

| Name of the Director | Status | Nature of Directorship |
|---|---|---|
| Mr. Anil Kumar Jain | Chairman | Non-Executive & Independent Director |
| Mr. Alok Kumar | Member | Chairman & Managing Director |
| Mr. Shashank Agarwal | Member | Jt. Managing Director |

## ORGANISATIONAL STRUCTURE



## KEY MANAGERIAL PERSONNEL

The details of the Key Management Personnel of our Company are as follows:

**Mr. Alok Kumar** ***(Promoter, Chairman & Managing Director)***

Mr. Alok Kumar, aged 61 years, is the Promoter, Chairman & Managing Director of our Company. He has done B.Sc from Punjab University, Chandigarh. He has 41 years of rich experience in trading, manufacturing and fabrication of iron & steel. He started his career with trading in iron & steel as Managing Partner in Gupta Traders and thereafter from 1989 operated two foundry units of C.I. Casting namely Capital Founders and Capital Udyog. He has been associated with the Company since its takeover and has been instrumental in establishing the manufacturing units. He takes care of purchases & finance. During Financial Year 2016-17, he was paid a gross compensation of Rs. 2.05 million.

**Mr. Shashank Agarwal** ***(Jt. Managing Director)***

Mr. Shashank Agarwal, aged 48 years, is the Jt. Managing Director of our Company. He has done his B.E. (Mech.) from MIT, Manipal. He joined Larsen & Toubro as Graduate Engineer Trainee (GET) and got to know the insights of working in a big organization. He joined family business of sugar manufacturing in the year 1991. Then switched to iron & steel industry in the year 2003 and joined Saini Alloys Pvt Ltd which was engaged in manufacturing and trading of stainless steel casting. In 2006 he joined our Company and has been the president of our company since takeover till August 2014. He is looking after operations, sales & marketing of telecom towers and solar mounting structures. During Financial Year 2016-17, he was paid a gross compensation of Rs. 0.75 million.

**Mr. Shalabh Agarwal** ***(Promoter and Whole-Time Director)***

**Mr. Shalabh Agarwal**, aged 43 years, is the Promoter and Whole-Time Director of our Company. He has completed B.Tech from MIT, Manipal. He joined family business of sugar manufacturing in the year 1991. Then switched to iron & steel industry in the year 2003 and joined Saini Alloys Pvt Ltd which was engaged in manufacturing and trading of stainless steel casting. In 2006 he joined our Company as Vice President-operations, looking after power transmission line tower segment. He has experience of more than 18 years in sugar industry and trading, manufacturing and fabrication of iron & steel. He is looking after operations, sales & marketing of Power Transmission Towers. During Financial Year 2016-17, he was paid a gross compensation of Rs. 1.63 million.

**Ms. Tripti Gupta** ***(Promoter and Whole-Time Director)***

Ms. Tripti Gupta, aged 33 years, is the Promoter and Whole-Time Director of our Company. She is a commerce graduate from Shri Ram College of Commerce. She has done MBA in Finance & Marketing from Institute of Management Technology, Nagpur. She started her career as an Equity Investment Advisor in Motilal Oswal Securities Limited. She has more than 5 years of experience in strategic management, business development, policy making and other corporate matters. She has also been engaged with social enterprises and NGOs in the capacity of Project Coordinator and Content Manager for 8 years and continue to support their efforts informally. Since 2014, she has been working as an Executive Director of our Company taking care of corporate planning & HR. During Financial Year 2016-17, she was paid a gross compensation of Rs. 1.47 million.

**Mr. Kamlesh Kumar Sharma** ***(Chief Financial Officer)***

Mr. Kamlesh Kumar Sharma, aged 33 years, is the Chief Financial Officer of our Company. He is a member of Institute of Chartered Accountants of India having experience of more than 5 years in finance & internal auditing. Prior to joining our Company, he was associated with M/s Supreme Alloys Limited as an Internal Auditor. He had joined our Company in 2013 as General Manager - Finance & Taxation and recently considering his qualification and experience has been appointed as Chief Financial Officer of our Company on October 03, 2016. During Financial Year 2016-17, he was paid a gross compensation of Rs. 0.60 million.

**Ms. Bavneet Kaur** ***(Company Secretary & Compliance Officer)***

Ms. Bavneet Kaur, aged 27 years, is the Company Secretary & Compliance Officer of our Company. She is an Associate Member of Institute of Company Secretaries of India. She has been awarded as a winner of national round in Elocution Competition organized by Institute of Company Secretaries of India. During Financial Year 2016-17, she was paid a gross compensation of Rs. 0.16 million.

## RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

Except Mr. Shashank Agarwal & Mr. Shalabh Agarwal who are related to each other as Brothers and Mr. Alok Kumar & Ms. Tripti Gupta who are related to each other as Father and Daughter, there is no family relationship between the Key Managerial Personnel of our Company.

## FAMILY RELATIONSHIPS OF DIRECTORS WITH KEY MANAGERIAL PERSONNEL

There is no family relationship between the Key Managerial Personnel and Director of our Company except that Mr. Shashank Agarwal & Mr. Shalabh Agarwal who are related to each other as Brothers and Mr. Alok Kumar & Ms. Tripti Gupta who are related to each other as Father and Daughter. All of Key Managerial Personnel are permanent employees of our company.

## ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS OR OTHERS

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.

## SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

None of the KMPs holds 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. | Mr. Alok Kumar | 8,94,000 |
| 2. | Mr. Shashank Agarwal | 7,10,592 |
| 3. | Mr. Shalabh Agarwal | 12,80,592 |
| 4. | Ms. Tripti Gupta | 4,00,000 |

## 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 have been 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, reimbursement of expenses, lease rent on vehicles and interest on loan.

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 |
|---|---|---|---|
| Mr. Alok Kumar | Managing Director | July 01, 2014 | Designation changed to Managing Director |
| Mr. Alok Kumar | Chairman & Managing Director | December 10, 2016 | Designation changed to Chairman & Managing Director |
| Mr. Shashank Agarwal | Jt. Managing Director | December 10, 2016 | Designation changed to Jt. Managing Director |
| Mr. Shalabh Agarwal | Whole Time Director | December 10, 2016 | Designation changed to Whole Time Director |
| Ms. Tripti Gupta | Whole Time Director | December 10, 2016 | Designation changed to Whole Time Director |
| Mr. Kamlesh Kumar Sharma | Chief Financial Officer | October 03, 2016 | Appointment as Chief Financial Officer |
| Ms. Bavneet Kaur | Company Secretary & Compliance Officer | December 12, 2016 | Appointment as Company Secretary & Compliance Officer |

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 193 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. Gyanendra Kumar Agarwal**
2. **Mr. Alok Kumar**
3. **Mr. Shalabh Agarwal**
4. **Ms. Tripti Gupta**

### DETAILS OF OUR PROMOTERS

#### 1. Mr. Gyanendra Kumar Agarwal



**Mr. Gyanendra Kumar Agarwal,** aged 76 years is the Promoter of our Company. He has done B.E. from Roorkee University. He started his career as public servant with Public Works Department, U.P. In the year 1969, he started sugar business by setting up mini sugar mill near Chandpur, Distt. Bijnor (U.P.). In the year 2006, he along with his sons started steel business and has been the guiding force for our Company.

| Particulars | Details |
|---|---|
| Permanent Account Number | AEWPA4371G |
| Passport No. | - |
| Voter ID | ZMR0325415 |
| Driving License | NA |
| Bank Account Details | IDBI bank Limited<br>Rajnagar Ghaziabad.<br>A/c No.: 066104000044828 |

#### 2. Mr. Alok Kumar



**Mr. Alok Kumar**, aged 61 years, is the Promoter, Chairman & Managing Director of our Company. He has done B.Sc from Punjab University, Chandigarh. He has 41 years of rich experience in trading, manufacturing and fabrication of iron & steel. He started his career with trading in iron & steel as Managing Partner in Gupta Traders and thereafter from 1989 operated two foundry units of C.I. Casting namely Capital Founders and Capital Udyog. He has been associated with the Company since its takeover and has been instrumental in establishing the manufacturing units. He takes care of purchases & finance.

| Particulars | Details |
|---|---|
| Permanent Account Number | ADLPK2367G |
| Passport No. | K6610198 |
| Voter ID | UP/79/388/0978112 |

| | |
|---|---|
| Driving License | UP1419840002331 |
| Bank Account Details | Punjab & Sind Bank<br>Lohia Nagar, Navyug Market,<br>Ghaziabad-201001<br>A/c No.: 05381000008626 |

### 3. Mr. Shalabh Agarwal



**Mr. Shalabh Agarwal** aged 43 years, is the Promoter and Whole-Time Director of our Company. He has completed B.Tech from MIT, Manipal. He joined family business of sugar manufacturing in the year 1991. Then switched to iron & steel industry in the year 2003 and joined Saini Alloys Pvt Ltd which was engaged in manufacturing and trading of stainless steel casting. In 2006 he joined our Company as Vice President- operations, looking after power transmission line tower segment. He has experience of more than 18 years in sugar industry and trading, manufacturing and fabrication of iron & steel. He is looking after operations, sales & marketing of Power Transmission Towers.

| Particulars | Details |
|---|---|
| Permanent Account Number | ACXPA3920A |
| Passport No. | J0962865 |
| Voter ID | ZMR2509933 |
| Driving License | UP1419949825028 |
| Bank Account Details | IDBI Bank<br>Raj Nagar, Ghaziabad-201002<br>A/c No.: 066104000056337 |

### 4. Ms. Tripti Gupta



**Ms. Tripti Gupta**, aged 33 years, is the Promoter and Whole-Time Director of our Company. She is a commerce graduate from Shri Ram College of Commerce. She has done MBA in Finance & Marketing from Institute of Management Technology, Nagpur. She started her career as an Equity Investment Advisor in Motilal Oswal Securities Limited. She has more than 5 years of experience in strategic management, business development, policy making and other corporate matters. She has also been engaged with social enterprises and NGOs in the capacity of Project Coordinator and Content Manager for 8 years and continue to support their efforts informally. Since 2014, she has been working as an Executive Director of our Company taking care of corporate planning & HR.

| Particulars | Details |
|---|---|
| Permanent Account Number | AGDPG5804B |
| Passport No. | K8071304 |
| Aadhar No. | 5673 8078 1969 |
| Driving License | UP1420110039835 |
| Bank Account Details | Punjab National Bank<br>Kavi Nagar, Ghaziabad<br>A/c No.: 3947000100094126 |

## OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1)(zb) of SEBI (ICDR) Regulations includes the following persons:

**a) Individual Promoters**

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:

| Sr. No. | Relationship | Mr. Gyanendra Kumar Agarwal | Mr. Alok Kumar | Mr. Shalabh Agarwal | Ms. Tripti Gupta |
|---|---|---|---|---|---|
| 1. | Father | Late Sh. Ram Chandra Agarwal | Lt. Sh. Devi Dayal Gupta | Sh. Gyanendra Kumar Agarwal | Mr. Alok Kumar |
| 2. | Mother | Late Mrs. Simla Devi | Lt. Sh. Shakuntla Devi | Smt. Mithilesh Agarwal | Mrs. Kamlesh Gupta |
| 3. | Spouse | Smt. Mithilesh Agarwal | Mrs. Kamlesh Gupta | Smt. Taru Agarwal | - |
| 4. | Brother | 1. Virendra Kumar<br>2. Vishnu Avtar<br>3. Avni Kumar<br>4. Arun Kumar | - | Sh. Shashank Agarwal | Mr. Shikhar Gupta |
| 5. | Sister | 1. Smt. Urmila Bansal<br>2. Smt. Nirmala Bansal<br>3. Late Smt. Radha Bansal | 1. Smt. Manjula Agarwal<br>2. Smt. Madhu Gupta<br>3. Smt. Anju Gupta<br>Smt. Alka Gupta | 1. Mrs. Shikha Jain | 2. Mrs. Ritu Goel<br>3. Mrs. Twinkle Jain |
| 6. | Children | 1. Mr. Shashank Agrawal<br>2. Mr. Shalabh Agarwal<br>3. Mrs. Shikha Jain | 1. Dr. Ritu Goel<br>2. Mrs. Tiwinkle Jain<br>3. Ms. Tripti Gupta<br>4. Mr. Shikhar Gupta | 1. Mr. Dhruv Agarwal<br>2.Mr. Anand Agarwal | - |

| | | | | | |
|---|---|---|---|---|---|
| 7. | Spouse Father | Sh. Satya Prakash Goel | Late Sh. Raghu Nandan Lal | Mr. Arvind Mittal | - |
| 8. | Spouse Mother | Late Smt. Bhanumati | Late Sh. Premwati Gupta | Mrs. Sudha Agarwal | - |
| 9. | Spouse Brother | 1. Dr. Yugal Swaroop Goel<br>2. Dr. Ashok Goel<br>3. Mr. Munna lal Goel<br>4. Late Anil Goel<br>5. Mr. Moti Lal Goel | Sh. R. K. Gupta | 1. Mr. Amit Mittal<br>2. Mr. Ranjan Mittal | - |
| 10 | Spouse Sister | 1. Late Kusum Bindal<br>2. Late Sudha Bansal | - | - | - |

**b) Companies and firms forming part of our Promoter Group are as follows:**

1. Base Engineering Private Limited
2. More Engineering Private Limited
3. Hill View Infrabuild Limited
4. Shikhar Fabtech Private Limited
5. Capital Udyog
6. Capital Founders
7. Alok Kumar HUF
8. Salasar Infracorp LLP
9. Sikka Salasar JV

## OTHER UNDERTAKINGS AND CONFIRMATIONS

Our Company undertakes that the details of Permanent Account Number, Bank Account Number and Passport Number of the Promoters will be submitted to the NSE & BSE, where the securities of our Company are proposed to be listed at the time of submission of this Prospectus.

## INTEREST OF THE PROMOTERS

***Interest in the promotion of our Company***

Our Promoters are Mr. Gyanendra Kumar Agarwal, Mr. Alok Kumar, Mr. Shalabh Agarwal and Ms. Tripti Gupta. 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.

***Interest as Member of our Company***

As on the date of this Prospectus, our Promoters Mr. Gyanendra Kumar Agarwal, Mr. Alok Kumar, Mr. Shalabh Agarwal and Ms. Tripti Gupta hold 293,816, 894,000, 1,280,592 and 400,000 Equity Shares respectively 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 page 154, 193 and 64 respectively of this Prospectus. Further as on the date of this Prospectus, there is no bonus or profit sharing plan for our Promoters.

## DISASSOCIATION BY THE PROMOTERS IN THE LAST THREE YEARS

Our Promoters have not disassociated themselves from any of the companies/partnership firms during preceding three years except as follows: -

| Sr. No. | Name of the Promoter | Name of Concern | Date of Disassociation | Reason |
|---|---|---|---|---|
| 1. | Shalabh Agarwal | Chandpur Enterprises Limited | September 03, 2016 | Due to personal reasons |
| 2. | Shalabh Agarwal | Salasar Stainless Limited (Wholly-owned Subsidiary) | October 01, 2016 | Due to personal reasons |
| 3. | Alok Kumar | Salasar Stainless Limited (Wholly-owned Subsidiary) | October 01, 2016 | Due to personal reasons |
| 4. | Gyanendra Kumar Agarwal | Chandpur Enterprises Limited | September 03, 2016 | Due to personal reasons |
| 5. | Gyanendra Kumar Agarwal | Salasar Techno Engineering Limited | October 25, 2016 | Due to personal reasons |
| 6. | Alok Kumar | Salasar Infracorp LLP | February 06, 2017 | Due to personal reasons |

## CONFIRMATIONS

Our Promoters and their relatives have not been declared as Wilful Defaulters and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against them.

Our Promoters and members of 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. There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last five years preceding the date of this Prospectus against our Promoters. 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 349 this Prospectus. Our Promoters have not been declared a wilful defaulter by the RBI or any other governmental authority.

Our Promoters are not and have never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

## RELATED PARTY TRANSACTIONS

Except as disclosed in the "Related Party Transactions" beginning on page 191 of this Prospectus, our Company has not entered into any related party transactions with our Promoters.

## OUR SUBSIDIARY

Our Company has one Subsidiary Company

The details of our Subsidiary Company are provided below:

**SALASAR STAINLESS LIMITED**

***Corporate Information***

Salasar Stainless Limited was incorporated on April 09, 2010 under the provisions of Companies Act, 1956. Further The Corporate Identification Number of the Company is U27205DL2010PLC201399.The Registered Office of the Company is situated at C-211, 2nd Floor, C-Block, Narwana Apartment, I.P. Extension, Patparganj, New Delhi-110092, India.

The Main Objects of the Company is to carry on the business of steel tubes, iron and steel founder, mechanical steel melters, manufacturer of steel, sparing steel, assemblers, to act as finishers, to do machine work of all kinds of steels, metals, alloys etc. and carry on the business of manufacturers, assemblers, traders, buyers, sellers, importers, exporters, agents, distributors, suppliers and dealers in all kinds of machinery, equipments, appliances, instruments, tools, to manufacture, make trade, to act as finishers, to do machine work of all kinds of steels, metals, alloys, alloy casting, ferrous and non-ferrous metal, to do steel fabrication work etc.

***Business***

Our Subsidiary Salasar Stainless Limited is engaged in the manufacturing of stainless steel pipes. Our products include:



Circular Pipes



Rectangular Pipes

Apart from manufacturing of Stainless steel pipes, our Subsidiary is also indulged in job work of following processes:

1. **FABRICATION OF TOWERS**

   The Company carries fabrication of towers (telecom), power transmission, solar mounting structures for its holding Company, Salasar Techno Engineering Limited. Fabrication is carried out by the company in its manufacturing facility ensuring strict quality control and safety at every level of fabrication.

## 2. GALVANISATION

Galvanization is the process of applying a protective zinc coating to steel or iron, to prevent rusting. The most common method is hot-dip galvanizing, in which parts are submerged in a bath of molten zinc. Galvanizing protects in three ways:

a) It forms a coating of zinc which, when intact, prevents corrosive substances from reaching the underlying steel or iron.
b) The zinc serves as a sacrificial anode so that even if the coating is scratched, the exposed steel will still be protected by the remaining zinc.
c) The zinc protects its base metal by corroding before iron. For better results, application of chromates over zinc is also seen as an industrial trend.

**Details of terms & conditions of Job Work Agreement dated July 03, 2014 between Salasar Techno Engineering Limited and its wholly-owned Subsidiary Company i.e. Salasar Stainless Limited are as under:**

a) To perform the job as per the assignment, details of which are given in the agreement.
b) To receive the payment from the employer for performance of the job.
c) The Contractor shall decide the number of workmen required for the completion of the job. It will review its work as to the number of workmen required from time to time i.e. decrease or increase the workforce of its job.
d) The Contractor shall decide the mode and manner of work to be done by its workmen.
e) The Contractor shall decide the working conditions of its workmen and shall decide about their salary and other service conditions and payment thereof.
f) The Contractor also will decide and take disciplinary action against the workman if it is found to have committed any acts of misconduct and take disciplinary action as deemed necessary including discharge or dismissal after compliance with the labour law. It shall also decide about the retrenchment etc.
g) The Contractor shall pay wages to its workmen on or before 7$^{th}$ of every month.
The contractor can purchase Consumable items, from time to time, as required and deemed fit or necessary by it, for completion of the job – work process in order to complete the Job- Work given by the company to the contractor.

## DETAILS OF INSTALLED CAPACITY

The following table illustrates the production capacity and actual production of stainless steel pipes in its plant situated at Khasra No. 686/6, Village Kheda Pilak, Distt. Hapur, Uttar Pradesh, during last three financial years:

*(Unit- MTPA)*

| Particulars | 2016-17 | 2015-16 | 2014-15 |
|---|---|---|---|
| **Installed Capacity** | 7,200 | 7,200 | 7,200 |
| **Production** | 606 | 1,460 | 2,032 |
| **Utilisation (%)** | 8.42 | 20.28 | 28.22 |

Our Subsidiary has set up a galvanised plant in December 2016 for galvanizing of steel structures with an installed capacity of 50,000 MTPA. This galvanised plant is being utilized for galvanizing of steel structures for its holding Company.

***Board of Directors***

The Directors of Salasar Stainless Limited as on the date of this Prospectus are as follows:

| Name | Designation |
|---|---|
| Kamlesh Gupta | Director |
| Gyanendra Kumar Agarwal | Director |
| Shikhar Gupta | Director |
| Raghav Agarwal | Director |

***The shareholding pattern of Salasar Stainless Limited as on the date of this Prospectus is as follows:***

| Sr. No. | Name of Shareholders | No. of equity Shares of Rs. 10 each | % of issued capital |
|---|---|---|---|
| 1. | Salasar Techno Engineering Limited | 4,998,994 | 100.00 |
| 2. | Alok Kumar* | 01 | Negligible |
| 3. | Shashank Agarwal* | 01 | Negligible |
| 4. | Kamlesh Gupta* | 01 | Negligible |
| 5. | Shalabh Agarwal* | 01 | Negligible |
| 6. | Anshu Agarwal* | 01 | Negligible |
| 7. | Shikhar Gupta* | 01 | Negligible |
| | **Total** | **4,999,000** | **100.00** |

**Holding equity shares as nominee of our Company*

***Interest of issuer Company***

Salasar Techno Engineering Limited, our Company, holds 4,999,000 equity shares constituting 100.00% of the issued and paid-up equity shares of Salasar Stainless Limited as on date of this Prospectus:

***Change in capital structure***

There has been no change in the capital structure of Salasar Stainless Limited in the last six months prior to filing of this Prospectus.

***Financial Information***

*(Rs. In Million)*

| Particulars | March 31, 2017 | March 31, 2016 | March 31, 2015 |
|---|---|---|---|
| Equity Capital | 49.99 | 49.99 | 49.99 |
| Reserve (Excluding Revaluation Reserve) and Surplus | 177.63 | 158.22 | 157.47 |
| Revenue from operations (Gross) | 252.68 | 438.73 | 660.35 |
| Less: Excise Duty | (11.29) | (39.24) | (63.20) |

| Particulars | March 31, 2017 | March 31, 2016 | March 31, 2015 |
|---|---|---|---|
| Revenue from operations (Net) (I) | 241.39 | 399.49 | 597.15 |
| Other Income (II) | 0.50 | 0.39 | 0.43 |
| **Total Revenue [(I)+(II)]** | **241.89** | **399.88** | **597.58** |
| Profit/(Loss) after Tax* | 19.93 | 0.75 | 16.36 |
| Earnings Per Share (Basic) (Rs.) | 3.99 | 0.15 | 3.27 |
| Earnings Per Share (Diluted) (Rs.) | 3.99 | 0.15 | 3.27 |
| Net worth | 227.62 | 208.11 | 207.36 |
| Net Asset Value per Share of face value Rs. 10/- (Rs.) | 45.52 | 41.63 | 41.48 |

**There hace been no accumulated losses of the Company in the balance sheet.*

**Details of revenue of the subsidiary from the job work performed by it and other operations are as under:**

(Rs. In million)

| Particulars | 31-03-17 | 31-03-16 | 31-03-15 |
|---|---|---|---|
| Sale of Services (Job work done) | | | |
| Salasar Techno Engineering Limited | 125.89 | 66.08 | 52.77 |
| Others | 7.19 | 1.82 | 0.58 |
| **Total** | **133.08** | **67.90** | **53.35** |

## DETAILS REGARDING ACQUISITION OF BUSINESS/UNDERTAKINGS, MERGERS, AMALGAMATION, REVALUATION OF ASSETS.

**Scheme of amalgamation between Ganges Concast Industries Limited (a step down wholly owned subsidiary of our Company) (the "Transferor Company") and Salasar Stainless Limited (a wholly owned Subsidiary of our Company) (the "Transferee Company").**

Pursuant to a scheme of amalgamation sanctioned by the Delhi High Court on August 29, 2016 ("2016 Scheme"), the undertaking and entire business of the Transferor Company, including and all movable and immovable properties as also all other assets, investments, powers, authorities, allotments, approvals and consents, licenses, registration contracts, engagements, arrangements, rights, intellectual property rights, titles, interests, benefits and advantages of all nature and all debts, liabilities, contingent liabilities, deferred credits, mortgages, liens and other encumbrances belonging to, granted or vested in favour of or enjoyed by the Transferor Company were transferred to and vested in our Subsidiary Company.

The 2016 Scheme was envisaged to result in further consolidation and expansion of our Company, enhancement of profitability and shareholder worth, streamlined administrations between the Transferor Companies and Transferee Company.

The 2016 Scheme, inter alia provided for the manner of vesting and transfer of the assets, contracts, debts, liabilities and guarantees of the Transferor Company to Transferee Company, as well as for the transfer of all suits, actions and proceedings by or against each of the Transferor Companies to Transferee Company and the transfer of employees, staff and workmen engaged by the Transferor Companies to Transferee Company.

Though the 2016 Scheme was operative from April 01, 2014, being the appointed date, the above-mentioned transfer became effective on August 29, 2016, upon the RoC taking on record the order of the Delhi High Court whereupon the Transferor Company was subsequently dissolved.

## SIGNIFICANT SALE OR PURCHASE BETWEEN OUR COMPANY AND SUBSIDIARIES

Except as disclosed in the section "Related Party Transactions" on page 191, there have been no sales or purchase of products & services between our Company and our Subsidiary and which in aggregate exceed in value 10% of the total sales or purchases of our Company as on the date of the Restated Consolidated Financial Statements and the Restated Standalone Financial Statements for Fiscal Year 2017.

## COMMON PURSUITS

Our Subsidiary has been doing fabrication and galvanisation on job work basis for our Company. Though it has objects similar to our business activities, there is no conflict of interest between our Company and our Subsidiary.

## BUSINESS INTEREST BETWEEN OUR COMPANY AND THE SUBSIDIARY

Except as disclosed below, and in the sections titled "Our Business" and "Related Party Transactions" on pages 120 and 191 respectively, none of the Subsidiary has any business interest in our Company.

1. Ourwholly owned subsidiary Company has provided corporate guarantee with Bank of India, Main branch 59-60, G. T. Road, Ghaziabad-201001, Uttar Pradesh, India in relation to loans availed by issuer Company to the tune of Rs. 1,300.00 million.
2. Job work agreement dated July 03, 2014 between our Company and our Subsidiary Company.

For details of the financial amounts involved in these transactions, see the section titled "Related Party Transactions" on page 193 of this Peospectus.

## OTHER CONFIRMATIONS

***Listing***

Our Subsidiary is not listed on any stock exchange in India or abroad. Our Subsidiary has not been refused listing of any securities at any time, by any of the recognised stock exchanges in India or abroad. Our Subsidiary has not made any public or rights issue in the three years preceding the date of this Prospectus.

***Sale or purchase of shares of our Subsidiary during the last six months***

Neither our Promoters, nor the members of our Promoter Group or our Directors or their relatives have sold or purchased securities of our Subsidiary during the six months preceding the date of this Prospectus.

## OUR GROUP ENTITIES

As per the SEBI ICDR Regulations for the purpose of identification of group companies, our Company has considered companies covered under the applicable accounting standard, i.e. Accounting Standard 18 issued by the Institute of Chartered Accountants of India (**"AS 18"**) as per the restated consolidated financial information as of and for the Fiscals ended March 31, 2017, 2016, 2015, 2014 and 2013, and other companies in which our Company or Promoters hold 10% or more of shareholding as on the date of this Prospectus.

**A. The following are our Group Companies:**

1. Shikhar Fabtech Private Limited
2. Base Engineering Private Limited
3. More Engineering Private Limited
4. Hill View Infrabuild Limited

**B. Details of Group Entities**

1. Capital Udyog
2. Capital Founders
3. Alok Kumar HUF
4. Salasar Infracorp LLP
5. Sikka Salasar JV

### 1. SHIKHAR FABTECH PRIVATE LIMITED

***Corporate Information***

Shikhar Fabtech Private Limited was incorporated on November 13, 2005 under the provisions of Companies Act, 1956. The Corporate Identification Number of the Company is U74899DL2005PTC143117.PAN of the Company is AAKCS3036R.The Registered Office of the Company is situated at Y-504, Siddharth Apartments, M. P. Enclave Pitampura, Delhi-110034, India. The Main Object of the company is to carry on the business of assembly, fabrication, jobwork, galvinising, casting, import, export, repairers, agents, brokers, stockiest, commission agent, trading and maintenance of engineering items & goods, stainless steel, mild steel and related structure etc.

***Board of Directors***

The Directors of Shikhar Fabtech Private Limited as on the date of this Prospectus are as follows:

| Name | Designation |
|---|---|
| Alok Kumar | Director |
| Kamlesh Gupta | Director |

***Interest of our Promoters***

Alok Kumar and Tripti Gupta, our Promoters, holds 1,510,000 and 230,000 equity shares, respectively constituting 61.05% and 9.29% of the issued and paid-up equity share capital of Shikhar Fabtech Private Limited as on date of this Prospectus.

***Change in capital structure***

There has been no change in the capital structure of Shikhar Fabtech Private Limited in the last six months prior to filing of this Prospectus.

***Financial Information***

*(Rs. In Millions)*

| Particulars | March 31, 2016 | March 31, 2015 | March 31, 2014 |
|---|---|---|---|
| Equity Capital | 24.74 | 24.74 | 24.74 |
| Reserve (Excluding Revaluation Reserve) and Surplus | 4.47 | 1.80 | 1.78 |
| Revenue from operations & Other Income | 2.69 | 0.03 | 0.04 |
| Profit/(Loss) after Tax | 2.68 | 0.02 | 0.02 |
| Earnings Per Share (Basic) (Rs.) | 1.08 | - | - |
| Earnings Per Share (Diluted) (Rs.) | 1.08 | - | - |
| Net worth | 29.21 | 26.54 | 26.52 |
| Net Asset Value per Share of face value Rs. 10/- (Rs.) | 11.81 | 10.73 | 10.72 |

**2. BASE ENGINEERING PRIVATE LIMITED**

***Corporate Information***

Base Engineering Private Limited was incorporated on July 22, 2008 under the provisions of Companies Act, 1956. The Corporate Identification Number of the Company is U29220DL2008PTC181168. PAN of the Company is AADCB5930C. The Registered Office of the Company is situated at C-211, 2nd Floor, Narwana Apartment, I.P. Extension, Patparganj, New Delhi-110092, India. The Main Object of the company is to carry on the business of consultants, engineers, designers, fabricators, converters, molders, smelters of mechanical, electrical, to manufactures, trade, import, export, trading and fabrication of iron and steel, metal and malleable, ferrous and non-ferrous, all type of forged components and accessories, to carry on the business of electrical engineers, mechanical engineers, suppliers & dealers in electrical etc.

***Board of Directors***

The Directors of Base Engineering Private Limited as on the date of this Prospectus are as follows:

| Name | Designation |
|---|---|
| Alok Kumar | Director |
| Shikhar Gupta | Director |

***Interest of our Promoters***

Alok Kumar, our Promoter, holds 155,000 equity shares constituting 62% of the issued and paid-up equity share capital of Base Engineering Private Limited as on date of this Prospectus:

***Change in capital structure***

There has been no change in the capital structure of Base Engineering Private Limited in the last six months prior to filing of this Prospectus.

***Financial Information***

*(Rs. In Millions)*

| Particulars | March 31, 2016 | March 31, 2015 | March 31, 2014 |
|---|---|---|---|
| Equity Capital | 2.50 | 2.50 | 2.50 |
| Reserve (Excluding Revaluation Reserve) and Surplus | 0.08 | 0.08 | 0.07 |
| Revenue from operations & Other Income | 0.03 | 0.06 | 0.07 |
| Profit/(Loss) after Tax | 0.00 | 0.01 | 0.01 |
| Earnings Per Share (Basic) (Rs.) | 0.00 | 0.04 | 0.08 |
| Earnings Per Share (Diluted) (Rs.) | 0.00 | 0.04 | 0.08 |
| Net worth | 2.58 | 2.58 | 2.57 |
| Net Asset Value per Share of face value Rs. 10/- (Rs.) | 10.27 | 10.27 | 10.16 |

## 3. MORE ENGINEERING PRIVATE LIMITED

***Corporate Information***

More Engineering Private Limited was incorporated on July 21, 2008 under the provisions of Companies Act, 1956. The Corporate Identification Number of the Company is U29220DL2008PTC181144. PAN of the Company is AAFCM7688C. The Registered Office of the Company is situated at C-211, 2nd Floor, Narwana Apartment, I.P. Extension, Patparganj, New Delhi-110092, India. The Main Object of the company is to carry on the business of consultants, engineers, designers, fabricators, converters, molders, smelters of mechanical, electrical and other type of components & tools, control panels, assemblies, sub-assemblies and machines parts and all kinds tools, to manufactures, trade, import, export, trading and fabrication of iron and steel, metal and malleable, ferrous and non-ferrous, all type of forged components and accessories, to carry on the business of electrical engineers, mechanical engineers, suppliers & dealers in electrical etc.

***Board of Directors***

The Directors of More Engineering Private Limited as on the date of this Prospectus are as follows:

| Name | Designation |
|---|---|
| Shashank Agarwal | Director |
| Shalabh Agarwal | Director |

***Interest of our Promoters***

Shalabh Agarwal, our Promoter, holds 125,000 equity shares constituting 50% of the issued and paid-up equity share capital of More Engineering Private Limited as on date of this Prospectus:

***Change in capital structure***

There has been no change in the capital structure of More Engineering Private Limited in the last six months prior to filing of this Prospectus.

***Financial Information***

*(Rs. In Millions)*

| Particulars | March 31, 2016 | March 31, 2015 | March 31, 2014 |
|---|---|---|---|
| Equity Capital | 2.50 | 1.75 | 1.75 |
| Reserve (Excluding Revaluation Reserve) and Surplus | 0.11 | 0.11 | 0.09 |
| Revenue from operations & Other Income | 0.03 | 0.06 | 0.06 |
| Profit/(Loss) after Tax | 0.01 | 0.02 | 0.02 |
| Earnings Per Share (Basic) (Rs.) | 0.02 | 0.08 | 0.12 |
| Earnings Per Share (Diluted) (Rs.) | 0.02 | 0.08 | 0.12 |
| Net worth | 2.61 | 1.84 | 1.82 |
| Net Asset Value per Share of face value Rs. 10/- (Rs.) | 10.39 | 10.53 | 10.37 |

## 4. HILL VIEW INFRABUILD LIMITED

***Corporate Information***

Hill View Infrabuild Limited was incorporated as Arudhra Plantations (India) Limited on November 27, 1997 under the provisions of Companies Act, 1956. Further the name of the Company changed from Arudhra Plantations (India) Limited to Hill View Infrabuild Limited vide fresh Certificate of Incorporation dated March 14, 2008 from Registrar of Companies, National Capital Territory of Delhi and Haryana. The Corporate Identification Number of the Company is U01122DL1997PLC090908. PAN of the Company is AACCH3767N. The Registered Office of the Company is situated at C-211, 2nd Floor, Narwana Apartment, IP Extension, Patparganj, New Delhi-110092, India. The Main Object of the company is to carry on the business of Infrastructure development, Real estate, Promoters, Developers & Project Management Association including civil, mechanical, electrical, and all other types of erection, commissioning project, builders, consultants, civil engineers, architects, surveyors etc.

***Board of Directors***

The Directors of Hill View Infrabuild Limited as on the date of this Prospectus are as follows:

| Name | Designation |
|---|---|
| Shashank Agarwal | Director |
| Shalabh Agarwal | Director |
| Kamlesh Gupta | Director |
| Shikhar Gupta | Director |

***Interest of our Group Companies***

Our Group Companies Base Engineering Private Limited and More Engineering Private Limited holds 49,970 and 49,970 equity shares constituting 49.97% and 49.97% respectively of issued and paid-up equity share capital of Hill View Infrabuild Limited as on date of this Prospectus:

***Change in capital structure***

There has been no change in the capital structure of Hill View Infrabuild Limited in the last six months prior to filing of this Prospectus.

***Financial Information***

*(Rs. In Millions)*

| Particulars | March 31, 2016 | March 31, 2015 | March 31, 2014 |
|---|---|---|---|
| Equity Capital | 1.00 | 1.00 | 1.00 |
| Reserve (Excluding Revaluation Reserve) and Surplus | 237.41 | 243.91 | 243.90 |
| Revenue from operations & Other Income | 0.03 | 0.06 | 0.05 |
| Profit/(Loss) after Tax | (6.49) | 0.02 | 0.02 |
| Earnings Per Share (Basic) (Rs.) | - | 0.04 | 0.17 |
| Earnings Per Share (Diluted) (Rs.) | - | 0.04 | 0.17 |
| Net worth | 238.41 | 244.91 | 244.90 |
| Net Asset Value per Share of face value Rs. 10/- (Rs.) | 2384.14 | 2449.07 | 2449.03 |

**Details of Other Group Entities:**

**1. Capital Udyog**

*Firm Information:*

M/s Capital Udyog was incorporated on January 20, 1993 having principle office at C-110, B.S. Road, Industrial Area, Ghaziabad, Uttar Pradesh. The Permanent Account Number (PAN) of the firm is AAAFC7446A. The Partnership firm incorporated for the purpose of carrying on the business of fabrication, job work, foundry work, casting of iron and steel, manufacture of machinery.

*Details of Partners:*

| Name | Status |
|---|---|
| Alok Kumar | Partner |
| Shikhar Gupta | Partner |

*Interest of the Promoter:*

Mr. Alok Kumar, the Promoter is partner in M/s Capital Udyog.

*Transactions with the issuer Company:*

Related transactions with the issuer Company are Rs. 0.44 million for purchases of goods and services for the year ended on March 31, 2017.

**2. Capital Founders**

*Firm Information:*

M/s Capital Founders proprietorship firm owned by Mrs. Kamlesh Gupta and the principal place of business is KL-46, Kavi Nagar, Ghaziabad-201002, Uttar Pradesh. The Permanent Account Number (PAN) of the firm is ACEPG1773E. The Proprietorship is carrying on the business of fabrication, job work, foundry work, casting of iron and steel etc.

*Interest of the Promoter:*

Mrs. Kamlesh Gupta, wife of the Promoter Mr. Alok Kumar, is the proprietor of M/s Capital Founders.

*Transactions with the issuer Company:*

No related transactions have been done with the issuer Company for the year ended on March 31, 2017.

**3. Alok Kumar HUF**

*HUF Information:*

Alok Kumar HUF was created in the year 1989 and is situated at KL-46, Kavi Nagar, Ghaziabad-201002, Uttar Pradesh. The Permanent Account Number (PAN) of the HUF is AABHA2163F.

*Details of Members:*

| Sr. No. | Name | Status |
|---|---|---|
| 1 | Alok Kumar | Karta |
| 2 | Kamlesh Gupta | Co-Parcener |
| 3 | Tripti Gupta | Co-Parcener |
| 4 | Shikhar Gupta | Co-Parcener |

*Interest of Promoters:*

The Promoter Mr. Alok Kumar is karta in Alok Kumar HUF.

*Transactions with the issuer Company:*

No transactions have been done with Issuer Company for the year ended on March 31, 2017.

**4. Salasar Infracorp LLP**

*Corporate Information:*

Salasar Infracorp LLP is a firm incorporated July 27, 2016. LLP Identification Number of Salasar Infracorp LLP is AAH-0232 having registered office of LLP situated at A-9, second floor, Shivalik, Malviya Nagar, New Delhi- 110014, India. The object of Salasar Infracorp LLP is to indulge in an activity to purchase any movable or immovable property or any right therein to develop and construct thereon residential, commercial complex etc. or any other business in any other manner as may be decided by the partners. As on date but LLP has not commenced any business.

*Designated Partners Details:*

| Sr. No. | Name of Partner | DIN |
|---|---|---|
| 1 | Priyanka Agarwal | 02184080 |
| 2 | Ashish Agarwal | 03526512 |
| 3 | Kamlesh Gupta | 00895746 |
| 4 | Shikhar Gupta | 03019943 |
| 5 | Tripti Gupta | 06938805 |
| 6 | Bina Agarwal | 07211059 |

*Interest of the Promoter:*

Ms. Tripti Gupta is a partner in Salasar Infracorp LLP.

*Transactions with the issuer Company:*

No transactions have been done with Issuer Company for the year ended on March 31, 2017.

**5. Sikka Salasar JV**

*JV Information:*

Sikka Salasar JV is a joint venture in the form of Association of Person (AOP) incorporated on March 30, 2017 having office of JV situated at E-20, South Extension-1, New Delhi- 110049, India. The PAN of JV is AASAS5630H.

**Details of Parties:**

1. M/s. Sikka Engineering Limited, a partnership firm constituted under the Indian Partnership Act, 1932, having its registered office at H-14/16, Malviya Nagar, New Delhi-110017.
2. M/s Salasar Techno Engineering Limited, a limited Company having its registered office situated at E-20, South Extension-1, New Delhi-110049 represented by Mr. Shalabh Agarwal, Director of the Company.

The object of Sikka Salasar JV is to Design, Supply, Erection, Testing & Commissioning of 25Kv, 50Hz, Single Phase, AC, electrification works including OHE & TSS as Composite Electrical Works in Zafrabad-Akbarpur-Tanda and Aunrihar-Jaunpur section, Group 199 & 224 of Lucknow Division of Northern Railway and Varanasi Division of North Eastern Railway under RE project Lucknow, total 161 RKM/185 TKM.

As per the revised agreement dated May 18, 2017 the profit sharing ratio between the parties as under:

| Sr. No. | Name of the Party | Profit Sharing (in %) |
|---|---|---|
| 1 | Salasar Techno Engineering Limited | 99.00% |
| 2 | Sikka Engineering Limited | 1.00% |

## CONFIRMATION

Our Promoters and persons forming part of Promoter Group have confirmed that they have not been declared as willful defaulters by the RBI or any other governmental authority and there are no violations of security laws committed by them in the past and no proceedings pertaining to such penalties are pending against them. Additionally, none of the Promoters and persons forming part of Promoter Group has been restrained from accessing the capital markets for any reasons by SEBI or any other authorities. None of the 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***

None of our Group Companies are interested in the promotion of our Company except as disclosed in the section titled "Financial Statements" beginning on page 193 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***

None of our Group Companies is interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of the Prospectus.

***(iii) In transactions for acquisition of land, construction of building and supply of machinery***

None of our Group Companies is interested in any transactions for the acquisition of land, construction of building or supply of machinery.

## SICK COMPANIES / WINDING UP

No Promoter Group Entities listed above have been declared as a sick company under the Sick Industrial Companies (Special Provisions) Act, 1985.There is no winding up proceedings against any of the Promoter Group Entities.

## 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 349 of this Prospectus.

## DEFUNCT GROUP COMPANIES

None of our Group Companies 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 the Prospectus.

## RELATED BUSINESS TRANSACTIONS WITHIN THE GROUP COMPANIES AND SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY

For more information on Related Business Transactions within the Group Companies and significance on the financial performance of our Company, see section titled "Related Party Transactions" on page 191 of this Prospectus.

## BUSINESS INTEREST OF GROUP COMPANIES

Except to extent of their shareholding in our Company, none of our Group Companies have any 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 64 of this Prospectus.

## SALES/PURCHASES BETWEEN OUR COMPANY AND GROUP ENTITIES

Except as disclosed in the section titled 'Related Party Transactions' beginning on page 191 of this Prospectus, there have been no sales/purchases of products and services between our Company and Group Entities during the financial year 2016-17.

## COMMON PURSUITS

All of our Group Companies have objects similar to that of our Company's business. The group companies have 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 Companies are listed on any stock exchange and none of our Group Companies have made any public or right issue of securities in the preceding three years.
2. None of the Group Companies 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 Companies are Wilful Defaulters.

## RELATED PARTY TRANSACTIONS

For details of the related party transactions of our Company during the last five Fiscal Years, as per the requirements under Accounting Standard 18 "Related Party Disclosures", see the sections titled "Financial Statements – Annexure VIII – Restated Standalone Statement of Related Party Transactions" and "Financial Statements – Annexure VIII – Restated Consolidated Statement of Related Party Transactions" on pages 245 and 313, respectively of this Prospectus.

## DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to the future expansion plans and capital requirements, profit earned during the financial year, capital requirements, and surpluses, contractual restrictions, liquidity and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. For further details, see "Financial Indebtedness" on page 343 of this Prospectus.

Our Company does not have a formal dividend policy. Our Company has not declared any dividend on the Equity Shares in Financial Years 2017, 2016, 2015, 2014 and 2013.

SALASAR

**SECTION V – FINANCIAL INFORMATION**
**FINANCIAL STATEMENTS**

**INDEPENDENT AUDITOR'S REPORT ON EXAMINATION OF RESTATED STANDALONE FINANCIAL INFORMATION**

To,
The Board of Directors,
**Salasar Techno Engineering Limited**
(Formerly Salasar Techno Engineering Pvt Ltd.)
E-20, South Extension - I,
New Delhi -110049

Dear Sirs,

1. We have examined the attached Restated Standalone Financial Information of **Salasar Techno Engineering Limited** (Formerly Salasar Techno Engineering Pvt Ltd. and hereinafter referred to as "the Company") as approved by the Board of Directors of the Company in their meeting on June 15, 2017, 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 upon with you in accordance with our engagement letter dated January 16, 2017, 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 March 31, 2017, 2016, 2015, 2014 and 2013, which have been approved by the Board of Directors at their meeting held on June 12, 2017, August 10, 2016, August 05, 2015, September 04, 2014 and June 25 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 March 31, 2017, 2016, 2015, 2014 and 2013 have been audited by VAPS & CO. 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 March 31, 2017, 2016, 2015, 2014 and 2013, examined by us, as set out un Annexure – I (along with Annexures I.1 to I.17) 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 interim years.

(ii) The Restated Standalone Statement of Profit and Loss of the Company for years ended March 31, 2017, 2016, 2015, 2014 and 2013, examined by us, as set out un Annexure – II (along with Annexures II.1 to II.10) 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 March 31, 2017, 2016, 2015, 2014 and 2013, 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, 2017;

(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, 2017, relating to the company for the years ended March 31, 2017, 2016, 2015, 2014 and 2013:

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 Provision included in Annexure I.5;
vi) Restated Standalone Statement of Other Non-Current Liabilities included in Annexure I.6;
vii) Restated Standalone Statement of Short Term Borrowings included in Annexure I.7;
viii) Restated Standalone Statement of Trade Payable included in Annexure I.8;
ix) Restated Standalone Statement of Other Current Liabilities included in Annexure I.9;
x) Restated Standalone Statement of Short Term provision included in Annexure I.10;

xi) Restated Standalone Statement of Fixed Assets included in Annexure I.11;
xii) Restated Standalone Statement of Non – Current Investments included in Annexure I.12;
xiii) Restated Standalone Statement of Long Term Loans and Advances included in Annexure I.13;
xiv) Restated Standalone Statement of Current Investments included in Annexure I.14;
xv) Restated Standalone Statement of Inventories included in Annexure I.15;
xvi) Restated Standalone Statement of Trade Receivables included in Annexure I.16;
xvii) Restated Standalone Statement of Cash and Cash Equivalents included in Annexure I.17;
xviii) Restated Standalone Statement of Short Term Loans and Advances included in Annexure I.18;
xix) Restated Standalone Statement of Other Current Assets included in Annexure I.19;
xx) Restated Standalone Statement of Revenue from operations included in Annexure II.1;
xxi) Restated Standalone Statement of Other Income included in Annexure II.2;
xxii) Restated Standalone Statement of Cost of Material Consumed included in Annexure II.3;
xxiii) Restated Standalone Statement of Purchase of Stock-in- Trade included in Annexure II.4;
xxiv) Restated Standalone Statement of Manufacturing and Operating Costs included in Annexure II.5;
xxv) Restated Standalone Statement of Changes in Inventories included in Annexure II.6;
xxvi) Restated Standalone Statement of Employees Benefit Expenses included in Annexure II.7;
xxvii) Restated Standalone Statement of Finance Cost included in Annexure II.8;
xxviii) Restated Standalone Statement of Other Expenses included in Annexure II.9;
xxix) Restated Standalone Statement of Exceptional Items included in Annexure II.10;
xxx) Restated Standalone Statement of Contingent Liabilities, included in Annexure VII;
xxxi) Restated Standalone Statement of Related Party Transaction, included in Annexure VIII ;
xxxii) Restated Standalone Statement of Accounting Ratios, included in Annexure IX;
xxxiii) Restated Standalone Statement of Capitalisation, included in Annexure X;
xxxiv) Restated Standalone Statement of Tax Shelters, included in Annexure XII.
xxxv) Restated Standalone Statement of Financial indebtness, included in Annexure XII.
xxxvi) 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 ARUN NARESH & CO.**
*Chartered Accountants,*
Firm Regn. No. 007127N

**(A. K. JAIN)**
Partner
M.N. 084598

**Place:** Delhi
**Dated:** June 15, 2017

**SALASAR TECHNO ENGINEERING LIMITED**
**(Formerly Salasar Techno Engineering Pvt. Ltd.)**

(Rs. in Million)

| S.N. | Particulars | Note No. | As at 31st March | | | | |
|---|---|---|---|---|---|---|---|
| | | | 2017 | 2016 | 2015 | 2014 | 2013 |
| **A.** | **Equity and Liabilities** | | | | | | |
| | | | | | | | |
| **1** | **Shareholders' Funds** | | | | | | |
| | Share Capital | **I.1** | 99.56 | 49.78 | 49.78 | 48.76 | 48.76 |
| | Reserves & Surplus | **I.2** | 810.56 | 676.69 | 574.69 | 516.78 | 461.79 |
| | **Share application money pending allotment** | | | | | | |
| | | | | | | | |
| **2** | **Non-Current Liabilities** | | | | | | |
| | Long-term borrowings | **I.3** | 22.09 | 32.22 | 46.40 | 73.48 | 10.08 |
| | Deferred Tax Liabilities (Net) | **I.4** | 7.65 | 12.69 | 11.44 | 11.95 | 7.48 |
| | Long Term Provisions | **I.5** | 7.51 | 4.41 | 3.35 | 2.25 | 4.77 |
| | Other Non-Current Liabilities | **I.6** | 98.50 | - | - | - | - |
| | | | | | | | |
| **3** | **Current Liabilities** | | | | | | |
| | Short Term Borrowings | **I.7** | 515.68 | 396.49 | 407.24 | 447.50 | 285.29 |
| | Trade Payables | **I.8** | 327.28 | 151.37 | 152.25 | 341.69 | 157.20 |
| | Other Current Liabilities | **I.9** | 369.77 | 183.18 | 171.50 | 207.18 | 122.17 |
| | Short Term Provisions | **I.10** | 37.27 | 33.46 | 40.45 | 17.86 | 17.42 |
| | **Total** | | **2,295.87** | **1,540.29** | **1,457.10** | **1,667.45** | **1,114.96** |
| | | | | | | | |
| **B.** | **Assets** | | | | | | |
| **4** | **Non-Current Assets** | | | | | | |
| | Fixed Assets | | | | | | |
| | Tangible Assets | **I.11** | 273.64 | 244.21 | 239.85 | 222.52 | 87.46 |
| | Intangible Assets | | - | - | - | - | - |
| | Capital Work In Progress | | - | - | - | - | - |
| | Non - Current Investments | **I.12** | 179.46 | 179.46 | 179.46 | 179.46 | 179.46 |
| | Long Term Loans and Advances | **I.13** | 52.08 | 4.68 | 3.94 | 53.57 | 3.86 |
| | | | | | | | |
| **5** | **Current Assets** | | | | | | |
| | Current Investment | **I.14** | 12.91 | 16.96 | 1.86 | 4.63 | 4.63 |
| | Inventories | **I.15** | 610.83 | 414.16 | 442.08 | 389.62 | 319.00 |
| | Trade Receivables | **I.16** | 776.56 | 568.94 | 389.20 | 542.16 | 373.12 |
| | Cash and Cash Equivalents | **I.17** | 57.81 | 20.59 | 23.55 | 36.70 | 18.06 |
| | Short-term loans and advances | **I.18** | 155.14 | 82.90 | 172.43 | 234.94 | 128.09 |
| | Other Current Assets | **I.19** | 177.44 | 8.39 | 4.73 | 3.85 | 1.28 |
| | **Total** | | **2,295.87** | **1,540.29** | **1,457.10** | **1,667.45** | **1,114.96** |

Note:

The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI.

SALASAR

As per our Report of even date

**For ARUN NARESH & CO.**
*Chartered Accountants,*
Firm Regn. No. 007127N

**For and on behalf of Board of Directors**

**A. K. Jain**
Partner
M.N. 084598

**Alok Kumar**
Chairman & Managing Director
DIN: 01474484

**Shashank Agarwal**
Jt. Managing Director
DIN: 00316141

**Place:** Delhi
**Dated:** June 15, 2017

**Kamlesh Kumar Sharma**
(Chief Financial Officer)

SALASAR

**SALASAR TECHNO ENGINEERING LIMITED**
**(Formerly Salasar Techno Engineering Pvt. Ltd.)**

**ANNEXURE – II : RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS**

**(Rs. in Million)**

| Sr. No | Particulars | Note No. | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|---|---|
| | | | 2017 | 2016 | 2015 | 2014 | 2013 |
| **A.** | **Revenue:** | | | | | | |
| | | | | | | | |
| | Revenue from Operations (gross) | **II.1** | 4,037.87 | 3,038.49 | 2,998.82 | 2,703.00 | 1,834.39 |
| | Less: Excise Duty | | 308.26 | 271.85 | 239.66 | 252.33 | 159.94 |
| | Revenue from operations (net) | | 3,729.60 | 2,766.65 | 2,759.16 | 2,450.67 | 1,674.45 |
| | Other income | **II.2** | 3.00 | 1.49 | 2.04 | 1.55 | 0.67 |
| | **Total revenue** | | **3,732.60** | **2,768.14** | **2,761.20** | **2,452.23** | **1,675.12** |
| **B.** | **Expenses:** | | | | | | |
| | Cost of material Consumed | **II.3** | 2,474.63 | 1,787.58 | 1,936.15 | 1,849.78 | 1,186.81 |
| | Purchase of Traded Goods | **II.4** | 96.71 | 13.54 | 6.83 | 46.87 | 61.91 |
| | Manufacturing and Operating Costs | **II.5** | 778.62 | 445.07 | 344.58 | 276.64 | 206.74 |
| | Changes in inventories of Finished goods, work-in-progress and others | **II.6** | (255.30) | 47.41 | (15.68) | (141.36) | (20.35) |
| | Employee benefit expenses | **II.7** | 102.38 | 88.39 | 79.16 | 57.10 | 45.52 |
| | Finance costs | **II.8** | 56.05 | 60.10 | 64.57 | 69.45 | 42.51 |
| | Depreciation and Amortization | | 12.47 | 12.02 | 19.44 | 5.60 | 3.92 |
| | Other expenses | **II.9** | 191.06 | 151.84 | 217.37 | 199.37 | 102.00 |
| | **Total Expenses** | | **3,456.63** | **2,605.96** | **2,652.41** | **2,363.45** | **1,629.05** |
| | **Profit/(Loss) before exceptional item & tax** | | **275.98** | **162.18** | **108.79** | **88.78** | **46.08** |
| | Less/(Add) : Exceptional Items | **II.10** | (4.82) | - | 20.86 | - | - |
| | **Profit/(Loss) before tax** | | **280.80** | **162.18** | **87.93** | **88.78** | **46.08** |
| | **Tax expense :** | | | | | | |
| | Current tax | | 100.10 | 57.55 | 41.76 | 29.33 | 15.75 |
| | MAT Credit | | - | - | - | - | - |
| | Prior Period Taxes | | - | - | - | - | - |
| | Deferred Tax | | (5.03) | 1.25 | (0.51) | 4.47 | (0.13) |
| | **Profit/(Loss) for the period/ year** | | **185.73** | **103.37** | **46.69** | **54.99** | **30.47** |
| | CSR Expenses | | 2.08 | 1.37 | 0.55 | | |
| | **Profit/(Loss) for the period/ year** | | **183.65** | **102.00** | **46.13** | **54.99** | **30.47** |
| | **Earning per equity share in Rs.:** | | | | | | |
| | (1) Basic | | 18.45 | 10.25 | 4.68 | 5.64 | 3.12 |
| | (2) Diluted | | 18.45 | 10.25 | 4.68 | 5.64 | 3.12 |

Note:

The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI.

SALASAR

As per our Report of even date

**For ARUN NARESH & CO.**
*Chartered Accountants,*
Firm Regn. No. 007127N

**For and on behalf of Board of Directors**

**A. K. Jain**
Partner
M.N. 084598

**Alok Kumar**
Chairman & Managing Director
DIN: 01474484

**Shashank Agarwal**
Jt. Managing Director
DIN: 00316141

**Place:** Delhi
**Dated:** June 15, 2017

**Kamlesh Kumar Sharma**
(Chief Financial Officer)

SALASAR

**SALASAR TECHNO ENGINEERING LIMITED**
**(Formerly Salasar Techno Engineering Pvt. Ltd.)**

**ANNEXURE – III : RESTATED STANDALONE STATEMENT OF CASH FLOWS**

**(Rs. in Million)**

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| **A. CASH FLOW FROM OPERATING ACTIVITIES** | | | | | |
| Profit/ (Loss) before tax | **280.80** | **162.18** | **87.93** | **88.78** | **46.08** |
| Adjustments for: | | | | | |
| Depreciation | 12.47 | 12.02 | 19.44 | 5.60 | 3.92 |
| Interest Expense | 56.05 | 60.10 | 64.57 | 69.45 | 42.51 |
| Fixed Asset Written Off | - | - | - | - | - |
| Provision for Doubtful Debts | - | 2.06 | 0.56 | 3.14 | - |
| Bad Debts written off | - | - | 0.13 | - | - |
| Interest/ Other Income Received | (3.00) | (1.49) | (2.04) | (1.55) | (0.67) |
| Loss /(Profit) on Sale of Investments | (4.82) | - | 0.58 | - | - |
| Insurance Claim Received | - | - | - | - | - |
| Loss of Invetments & Advances Written off | - | - | 20.86 | - | - |
| Profit/(Loss) on Sale of Fixed Assets | - | - | - | - | - |
| **Operating profit before working capital changes** | **341.49** | **234.87** | **192.02** | **165.42** | **91.83** |
| Movements in working capital : | | | | | |
| (Increase)/ Decrease in Inventories | (196.67) | 27.92 | (52.46) | (70.62) | (61.83) |
| (Increase)/Decrease in Trade Receivables | (207.62) | (181.79) | 152.27 | (172.18) | (67.28) |
| (Increase)/Decrease in Other Current Assets | (169.06) | (3.66) | (0.89) | (2.57) | 1.27 |
| (Increase)/Decrease in Loans & Advances | (72.24) | 89.53 | 62.50 | (106.85) | 11.84 |
| Increase/(Decrease) in Trade Payables and Other Current Liabilities | 369.41 | 4.86 | (201.43) | 267.43 | 114.67 |
| **Cash generated from operations** | **65.31** | **171.73** | **152.02** | **80.63** | **90.50** |
| Income tax paid during the year | 100.10 | 57.55 | 41.76 | 29.33 | 15.75 |
| CSR Expenses | 2.08 | 1.37 | 0.55 | | |
| **Net cash from operating activities (A)** | **(36.86)** | **112.81** | **109.71** | **51.31** | **74.76** |
| **B. CASH FLOW FROM INVESTING ACTIVITIES** | | | | | |
| Purchase of Fixed Assets | (41.90) | (16.39) | (36.77) | (140.66) | (9.61) |
| Purchase of Long Term Investments | - | - | (0.46) | - | - |
| Purchase of Current Investments | - | (15.10) | - | - | - |
| Sale of Fixed Assets | - | - | - | - | - |
| Sale of Current Investments | 8.87 | - | 2.20 | - | - |
| Long Term Loans & Advances | (47.41) | (0.73) | 29.23 | (49.71) | 0.20 |
| Interest Received / Other Income | 3.00 | 1.49 | 2.04 | 1.55 | 0.67 |
| **Net cash from investing activities (B)** | **(77.43)** | **(30.73)** | **(3.76)** | **(188.82)** | **(8.74)** |
| Proceeds from issue of share capital/application money | - | - | 12.80 | - | - |
| Interest paid on borrowings | (56.05) | (60.10) | (64.57) | (69.45) | (42.51) |
| Proceeds/(Repayment) of Security Deposit | 98.50 | - | - | - | - |
| Proceeds/(Repayment) of Borrowings | 119.20 | (10.75) | (40.26) | 162.21 | (18.91) |
| Proceeds/ (Repayment) of Unsecured Loans | (10.14) | (14.18) | (27.08) | 63.40 | (0.15) |
| **Net cash from financing activities (C)** | **151.51** | **(85.03)** | **(119.11)** | **156.15** | **(61.57)** |

| | | | | | |
|---|---|---|---|---|---|
| **Net increase in cash and cash equivalents (A+B+C)** | 37.21 | (2.96) | (13.16) | 18.65 | 4.44 |
| **Cash and cash equivalents at the beginning of the year** | 20.59 | 23.55 | 36.70 | 18.06 | 13.61 |
| **Cash and cash equivalents at the end of the year** | **57.81** | **20.59** | **23.55** | **36.70** | **18.06** |

Note:

1) The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard - 3 (AS-3) issued by the Institute of Chartered Accountants of India.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI.

As per our Report of even date

**For ARUN NARESH & CO.**
*Chartered Accountants,*
Firm Regn. No. 007127N

**For and on behalf of Board of Directors**

**A. K. Jain**
Partner
M.N. 084598

**Alok Kumar**
Chairman & Managing Director
DIN: 01474484

**Shashank Agarwal**
Jt. Managing Director
DIN: 00316141

**Place:** Delhi
**Dated:** June 15, 2017

**Kamlesh Kumar Sharma**
(Chief Financial Officer)

**ANNEXURE - I.1: Restated Standalone Statement of Share Capital**

(Rs. In Million)

| Particulars | As at 31st March | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| **Authorised** | | | | | |
| Equity Shares of Rs. 10 each | 140.00 | 60.00 | 60.00 | 60.00 | 60.00 |
| **Issued** | | | | | |
| Equity Shares of Rs. 10 each | 99.56 | 49.78 | 49.78 | 48.76 | 48.76 |
| **Subscribed & Fully Paid Up** | | | | | |
| Equity Shares of Rs. 10 each | 99.56 | 49.78 | 49.78 | 48.76 | 48.76 |
| **Total** | **99.56** | **49.78** | **49.78** | **48.76** | **48.76** |

**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 vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. 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 | 31-Mar-17 | 31-Mar-16 | 31-Mar-15 | 31-Mar-14 | 31-Mar-13 |
|---|---|---|---|---|---|
| Shares outstanding at the beginning of the year | 4,978,150 | 4,978,150 | 4,875,750 | 4,875,750 | 4,875,750 |
| Shares issued during the year | 4,978,150 | - | 102,400 | - | - |
| Shares bought back during the year | - | - | - | - | - |
| Any other movement (please specify) | - | - | - | - | - |
| Share outstanding at the end of the year | **9,956,300** | **4,978,150** | **4,978,150** | **4,875,750** | **4,875,750** |

**I.1.3** The company has an Authorised Share Capital of Rs. 14,00,00,000 (divided into 1,40,00,000 Equity Shares of Rs. 10/- each) and Paid up Capital of Rs. 9,95,63,000 (divided into 99,56,300 Equity Shares of Rs. 10/- each fully paid up) out of which a capital of Rs. 4,97,81,500 (49,78,150 Equity Shares of Rs. 10/- each in the ratio of 1:1) were issued as fully paid up bonus shares by capitalisation of Reserves on 16th June 2016.

SALASAR

| Name of Shareholder | 31-Mar-17 | | 31-Mar-16 | | 31-Mar-15 | | 31-Mar-14 | | 31-Mar-13 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Nos. | % of Holding | Nos. | % of Holding | Nos. | % of Holding | Nos. | % of Holding | Nos. | % of Holding |
| Hill View Infrabuild Ltd. | 2,874,300 | 28.87% | 1,437,150 | 28.87% | 1,437,150 | 28.87% | 1,334,750 | 27.38% | 1,334,750 | 27.38% |
| Sh. Shalabh Agarwal | 1,280,592 | 12.86% | 180,000 | 3.62% | 180,000 | 3.62% | 180,000 | 3.69% | 180,000 | 3.69% |
| Shikhar Fabtech (P) Ltd. | 985,000 | 9.89% | 492,500 | 9.89% | 492,500 | 9.89% | 492,500 | 10.10% | 492,500 | 10.10% |
| Sh. Alok Kumar | 894,000 | 8.98% | 547,000 | 10.99% | 547,000 | 10.99% | 547,000 | 11.22% | 547,000 | 11.22% |
| Sh. Shashank Agarwal | 710,592 | 7.14% | 782,000 | 15.71% | 782,000 | 15.71% | 782,000 | 16.04% | 782,000 | 16.04% |
| Smt. Anshu Agarwal | 578,000 | 5.81% | 289,000 | 5.81% | 289,000 | 5.81% | 289,000 | 5.93% | 289,000 | 5.93% |
| Smt. Kamlesh Gupta | 500,000 | 5.02% | 350,000 | 7.03% | 350,000 | 7.03% | 350,000 | 7.18% | 350,000 | 7.18% |

**I.1.5** The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

**I.1.6** The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI.

**ANNEXURE – I.2 : Restated Standalone Statement of Reserves and Surplus**

**(Rs. In Million)**

| Particulars | As at 31st March | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| **Share Premium Account** | | | | | |
| Balance as at the beginning of the year | 288.30 | 288.30 | 276.52 | 276.52 | 276.52 |
| Add: Share Premium received during the year | - | - | 11.78 | - | - |
| Less: Bonus Shares Issued | 49.78 | - | - | - | - |
| Balance as at the end of the year | **238.52** | **288.30** | **288.30** | **276.52** | **276.52** |
| | | | | | |
| **Balance in Statement of Profit & Loss** | | | | | |
| Balance as at the beginning of the year | 388.39 | 286.39 | 240.26 | 185.27 | 154.81 |
| Add: Profit for the year | 183.65 | 102.00 | 46.13 | 54.99 | 30.47 |
| Balance as at the end of the year | **572.05** | **388.39** | **286.39** | **240.26** | **185.27** |
| **Grand Total** | **810.56** | **676.69** | **574.69** | **516.78** | **461.79** |

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI.

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**ANNEXURE – I.3 : Restated Standalone Statement of Long Term Borrowings**

**(Rs. In Million)**

| Particulars | 31-Mar-17 | | 31-Mar-16 | | 31-Mar-15 | | 31-Mar-14 | | 31-Mar-13 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Non-Current | Current | Non-Current | Current | Non-Current | Current | Non-Current | Current | Non-Current | Current |
| ***Secured:*** | | | | | | | | | | |
| **Term Loan:** | | | | | | | | | | |
| *From Banks:* | | | | | | | | | - | |
| *From Bank of India ag. Factory Land & Building* | - | - | 12.50 | 15.00 | 27.50 | 15.00 | 42.50 | 15.00 | - | |
| | | | | | | | | | | |
| **Vehicle Loans:** | | | | | | | | | | |
| *Loan from Yes Bank Ltd. ag. Audi Car* | - | - | - | 0.31 | 0.31 | 1.25 | 1.57 | 1.15 | - | |
| *Loan from Yes Bank Ltd. ag. Audi Car* | - | - | - | 0.31 | 0.31 | 1.25 | 1.57 | 1.15 | - | |
| *Loan from HDFC Bank Ltd. ag. Hydra* | - | - | - | | - | 0.37 | 0.37 | 0.50 | - | |
| *Loan from Kotak Mahindra Prime Limited ag. Car* | - | - | - | - | - | 0.21 | 0.26 | 0.25 | 0.45 | 0.22 |
| *Loan from Bank of India ag. Verna Car* | - | 0.11 | 0.11 | 0.17 | 0.29 | 0.16 | 0.37 | 0.22 | - | |
| *Loan from Bank of India ag. Terrano Car* | 0.42 | 0.13 | 0.55 | 0.12 | 0.68 | 0.11 | 0.78 | 0.09 | - | |
| *Loan from ICICI Bank ag. Creta Car* | 0.37 | 0.41 | 0.77 | 0.37 | - | - | - | - | - | - |
| *Loan from PNB ag. Bolero Car* | 0.31 | 0.23 | - | - | - | - | - | - | - | |
| *Loan from PNB ag. Bolero Car* | 0.31 | 0.23 | - | - | - | - | - | - | - | |
| *Loan from Bank of India ag. Bolero Car* | 0.57 | 0.12 | - | - | - | - | - | - | - | |
| ***Unsecured:*** | | | | | | | | | | |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| *Loan From Related Parties* | 20.11 | - | 18.28 | - | 3.66 | - | 12.73 | - | 9.63 | |
| *Loan From Other than Related Parties* | - | - | - | | 13.65 | - | 13.33 | - | - | |
| **Total** | **22.09** | **1.23** | **32.22** | **16.29** | **46.40** | **18.34** | **73.48** | **18.36** | **10.08** | **0.22** |
| *Less : Amount disclosed under the head "Other current liabilities" (Refer Note I.7)* | - | 1.23 | - | 16.29 | - | 18.34 | - | 18.36 | | 0.22 |
| **Total** | **22.09** | **-** | **32.22** | **-** | **46.40** | **-** | **73.48** | **-** | **10.08** | **-** |

Out of the above amounts outstanding from related parties are as follows:

**(Rs. In Million)**

| Particulars | 31-Mar-17 | | 31-Mar-16 | | 31-Mar-15 | | 31-Mar-14 | | 31-Mar-13 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Non-Current | Current | Non-Current | Current | Non-Current | Current | Non-Current | Current | Non-Current | Current |
| Mr. Alok Kumar | - | - | 0.34 | - | 0.34 | - | 0.34 | - | 0.34 | - |
| Alok Kumar (HUF) | - | - | - | - | - | - | 0.04 | - | 0.04 | - |
| Mr. Shashank Agarwal | 5.81 | - | 9.09 | - | - | - | 0.03 | - | 0.03 | - |
| Mr. Shalabh Agarwal | 7.50 | - | 2.00 | - | - | - | - | - | - | - |
| Mrs. Anshu Agarwal | 1.51 | - | 1.51 | - | 1.51 | - | 1.51 | - | 1.51 | - |
| Mrs. Taru Agarwal | 1.82 | - | 1.82 | - | 1.82 | - | 1.82 | - | 1.82 | - |
| Hill View Infrabuild Ltd | 3.48 | - | 3.53 | - | | - | 9.00 | - | 5.90 | - |
| **Total** | **20.11** | **-** | **18.28** | **-** | **3.66** | **-** | **12.73** | **-** | **9.63** | **-** |

**Note I.3.1 :** During the year ended 31st March, 2017, outstanding loan amount of Rs. 27.50 Million taken from Bank of India was prepaid without payment of any pre payment charges.

**Note I.3.2 :** There were no re-schedulement or default in the repayment of loans taken by the Company.

**Note I.3.3 :** All Vehicle loans (Rs.3.20 Million as on 31.03.2017) are secured against specific vehicles, repayment in monthly installments comprising 36 to 84 installments and carry rate of interest ranging from 9.75% to 10.95% p.a..

**Note I.3.4 :** Interest @12.00% p.a. has been paid on loan taken from Mr. Shashank Agarwal and Mr. Shalabh Agarwal.

**ANNEXURE – I.4 : Restated Standalone Statement of Deferred Tax Assets/(Liabilities) (Net)**

**(Rs. In Million)**

| Particulars | As at 31st March | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| ***Deferred Tax Assets*** | | | | | |
| Disallowance under the Income Tax Act | - | - | - | - | - |
| Provision for gratuity and leave encashment | 9.44 | 2.86 | 2.47 | 1.55 | 1.55 |
| Related to Fixed Assets | - | - | | - | - |
| *Total (a)* | **9.44** | **2.86** | **2.47** | **1.55** | **1.55** |
| ***Deferred Tax Liability*** | | | | | |
| Preliminary expenses | - | - | - | - | - |
| Related to Fixed Assets | 17.09 | 15.55 | 13.91 | 13.49 | 9.02 |
| Disallowance under the Income Tax Act | - | - | - | - | - |
| *Total (b)* | **17.09** | **15.55** | **13.91** | **13.49** | **9.02** |
| ***Net deferred tax (asset)/liability-{(a)-(b)}*** | **7.65** | **12.69** | **11.44** | **11.95** | **7.48** |

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

**ANNEXURE – I.5 : Restated Standalone Statement of Long Term Provisions**

**(Rs. In Million)**

| Particulars | As at 31st March | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Provision for gratuity | 6.57 | 4.41 | 3.35 | 2.25 | 4.77 |
| Provision for leave encashment | 0.94 | - | - | - | - |
| **Grand Total** | **7.51** | **4.41** | **3.35** | **2.25** | **4.77** |
| | | | | | |

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

**ANNEXURE – I.6 : Restated Standalone Statement of Other Non-current Liabilities**

**(Rs. In Million)**

| Particulars | As at 31st March | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Security deposit from contractor | 98.50 | - | - | - | - |
| **Grand Total** | **98.50** | **-** | **-** | **-** | **-** |

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

**ANNEXURE – I.7 : Restated Standalone Statement of Short Term Borrowings**

**(Rs. In Million)**

| Particulars | As at 31st March | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| **Secured Loan Repayable on Demand :** | | | | | |
| Cash Credit Limit From Bank of India | 515.68 | 396.49 | 407.24 | 447.50 | 285.29 |
| **Grand Total** | **515.68** | **396.49** | **407.24** | **447.50** | **285.29** |

**Notes : I.1.7.1**

(a) Cash Credit Limit from Bank of India is by the hypothecation of Raw Material, WIP, Finished Goods and Book Debts, pledge of cash margin money in ther form of FDR and exclusive charges over the fixed assets. Mr. Alok Kumar, Mr. Gyanendra Kumar Agarwal and Mr. Shalabh Agarwal have given the personal guarantees and corporate guarantee of M/s. Shikhar Fabtech Pvt Ltd to the Bank for Working Capital facilities.

(b) There were no re-schedulements or default in the repayment of loan taken by the Company.

(c) The above loan carry Base Rate + 2.00 (presently 10.50% p.a.) interest rate.

Notes: I.1.7.2

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

SALASAR

**ANNEXURE – I.8 : Restated Standalone Statement of Trade Payables**

**(Rs. In Million)**

| Particulars | As at 31st March | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Payable to Raw Materials Suppliers | 327.28 | 151.37 | 152.25 | 341.69 | 157.20 |
| **Grand Total** | **327.28** | **151.37** | **152.25** | **341.69** | **157.20** |

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

**ANNEXURE – I.9 : Restated Standalone Statement of Other Current Liabilities**

**(Rs. In Million)**

| Particulars | As at 31st March | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Current Maturities of Long Term Borrowing | 1.23 | 16.29 | 18.34 | 18.36 | 0.22 |
| Other Payables | 296.12 | 122.16 | 117.06 | 144.94 | 79.92 |
| Advances from Customers | 9.31 | 16.38 | 22.29 | 7.84 | 30.83 |
| Capital Advance | 41.00 | - | - | - | - |
| Due to Employees | 13.15 | 17.62 | 4.72 | 11.91 | 7.77 |
| Statutory Dues | 7.70 | 6.27 | 4.16 | 9.08 | 2.00 |
| Expenses Payable | 1.26 | 4.46 | 4.94 | 15.04 | 1.42 |
| **Grand Total** | **369.77** | **183.18** | **171.50** | **207.18** | **122.17** |

Notes:

1) The Company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 as per the vendor registration system of the Company. Hence disclosures, if any, relating to amounts unpaid at the yearend together with interest paid/payable as required under the said Act are not applicable/ascertainable.

2) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

3) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

SALASAR

**ANNEXURE – I.10: Restated Standalone Statement of Short Term Provisions**

**(Rs. In Million)**

| Particulars | As at 31st March | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Provision for Income Tax (net of income tax paid) | 28.01 | 12.98 | 26.68 | 13.05 | 6.73 |
| Provision for gratuity | 1.54 | 1.79 | 1.73 | 0.11 | - |
| Provision for leave encashment | 0.16 | - | - | - | - |
| Provision for Excise Duty on Finished Goods | 7.55 | 18.68 | 12.04 | 4.70 | 10.69 |
| **Grand Total** | **37.27** | **33.46** | **40.45** | **17.86** | **17.42** |

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

**ANNEXURE – I.9: Restated Standalone Statement of Fixed Assets**

**(Rs. In Million)**

| Particulars | As at 31st March | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| ***Tangible Assets*** | | | | | |
| **Land** | | | | | |
| Gross Block | 134.13 | 114.47 | 114.47 | 114.47 | 18.80 |
| Less: Accumulated Depreciation | - | - | - | - | - |
| Net Block | 134.13 | 114.47 | 114.47 | 114.47 | 18.80 |
| **Building & Civil Works** | | | | | |
| Gross Block | 23.81 | 21.39 | 20.30 | 17.82 | 16.68 |
| Less: Accumulated Depreciation | 5.44 | 4.76 | 4.09 | 3.67 | 3.11 |
| Net Block | 18.36 | 16.63 | 16.22 | 14.15 | 13.57 |
| **Plant and Machinery** | | | | | |
| Gross Block | 151.95 | 138.43 | 127.49 | 94.86 | 63.14 |
| Less: Accumulated Depreciation | 48.54 | 39.52 | 30.75 | 15.75 | 12.12 |
| Net Block | 103.41 | 98.91 | 96.74 | 79.11 | 51.03 |
| **Office Equipments** | | | | | |
| Gross Block | 6.01 | 3.92 | 2.65 | 1.67 | 1.25 |
| Less: Accumulated Depreciation | 1.17 | 0.86 | 0.62 | 0.32 | 0.25 |
| Net Block | 4.84 | 3.06 | 2.03 | 1.35 | 1.01 |
| **Furniture & Fixtures** | | | | | |
| Gross Block | 1.13 | 1.11 | 0.45 | 0.37 | 0.34 |
| Less: Accumulated Depreciation | 0.42 | 0.31 | 0.21 | 0.11 | 0.08 |
| Net Block | 0.71 | 0.80 | 0.24 | 0.26 | 0.25 |
| **Vehicles** | | | | | |
| Gross Block | 18.96 | 15.49 | 13.40 | 13.34 | 2.12 |
| Less: Accumulated Depreciation | 7.67 | 5.69 | 3.89 | 1.40 | 0.48 |
| Net Block | 11.28 | 9.80 | 9.51 | 11.94 | 1.65 |
| **Computers** | | | | | |
| Gross Block | 4.11 | 3.37 | 3.05 | 2.50 | 2.03 |
| Less: Accumulated Depreciation | 3.21 | 2.83 | 2.41 | 1.26 | 0.87 |
| Net Block | 0.91 | 0.54 | 0.64 | 1.24 | 1.16 |
| ***Total Tangible Assets*** | **273.64** | **244.21** | **239.85** | **222.52** | **87.46** |
| ***Intangible Assets*** | **-** | **-** | **-** | **-** | **-** |

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

*2)* The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

SALASAR

**ANNEXURE – I.12 : Restated Standalone Statement of Non Current Investments**

**(Rs. In Million)**

| Particulars | As at 31st March | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| **Investment in Subsidiary Company :** | | | | | |
| Investment in shares of Salasar Stainless Limited (Wholly Owned Subsidiary) 49,99,000 Equity shares of Rs. 10each fully paid | 179.46 | 179.46 | 179.46 | 179.46 | 179.46 |
| **Investment in Joint Venture Company :** | | | | | |
| UNI Global Solution INC* (750 Shares of USD 1 each) | - | - | - | - | - |
| **Grand Total** | **179.46** | **179.46** | **179.46** | **179.46** | **179.46** |

* During the FY 2015-16, Investment of Rs. 0.46 Million in UNI Global Solution INC (a Joint Venture Company incorporated in USA) has been written off since the JV has incurred cash losses and thereis no possibility to recover investment.

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

**ANNEXURE – I.13 : Restated Standalone Statement of Long Term Loans and Advances**

**(Rs. In Million)**

| Particulars | As at 31st March | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| (Unsecured considered good) | | | | | |
| Security Deposits | 2.76 | 2.62 | 1.89 | 1.50 | 1.79 |
| Earnest Money Deposit | 4.52 | 2.06 | 2.06 | 2.07 | 2.07 |
| Advances to Related Parties : | | | | | |
| Salasar Stainless Ltd. (Wholly Owned Subsidiary) | - | - | - | 50.00 | - |
| UNI Gloabal Solution INC (A Joint Venture Company)* | - | - | - | - | - |
| Fixed Deposit Receipts (Pledged with bank against margin money) | 44.80 | - | - | - | - |
| (With maturity ranging from 12-36 months) | | | | | |
| **Grand Total** | **52.08** | **4.68** | **3.94** | **53.57** | **3.86** |

* During the FY 2015-16, Loans & Advances of Rs. 19.82 Million given to UNI Global Solution INC (a Joint Venture Company incorporated in USA) has been written off since the JV has incurred cash losses and there is no possibility to the advances.

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

SALASAR

**ANNEXURE – I.14 : Restated Standalone Statement of Current Investments**

**(Rs. In Million)**

| Particulars | As at 31st March | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| **Quoted :** | | | | | |
| **Investment Equity Shares :** | | | | | |
| 1,10,000 Equity Shares of Rama Steel Tubes Ltd of Rs. 5 each fully paid up | - | 10.18 | - | - | - |
| 13,516 (PY 40,000) Equity Shares of KEI Industries Ltd. of Rs. 10 each fully paid up | 1.67 | 4.93 | - | - | - |
| 1,00,500 Equity Shares of Amulya Leasing & Finance Ltd. | - | - | - | 3.78 | 3.78 |
| 61,500 (PY Nil ) Equity Shares of Hi-Tech Pipes Ltd. of Rs. 10 each fully paid up. | 8.59 | - | - | - | - |
| 8,000 (PY Nil ) Equity Shares of Fourth Dimension solutions Ltd. of Rs. 10 each fully paid up. | 0.65 | - | - | - | - |
| **Investments in Mutual Funds** | | | | | |
| BOI AXA Capital Protection Oriented Fund Series -2 | 1.00 | 1.00 | 1.00 | - | - |
| **Unquoted :** | | | | | |
| Gold Bond | 0.14 | - | - | - | - |
| Gold Coins - Bullion | 0.86 | 0.86 | 0.86 | 0.86 | 0.86 |
| **Grand Total** | **12.91** | **16.96** | **1.86** | **4.63** | **4.63** |
| Aggregate book value of unquoted investments | 1.00 | 0.86 | 0.86 | 0.86 | 0.86 |
| Aggregate amount of quoted investments | | | | | |
| Cost | 11.91 | 16.10 | 1.00 | 3.78 | 3.78 |
| Market Value | 11.99 | 14.91 | 1.00 | 2.36 | 1.52 |
| Aggregate provision for diminution in value of quoted Investments | - | - | - | - | - |
| **Total Restated Current Investments** | **12.91** | **16.96** | **1.86** | **4.63** | **4.63** |

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

**ANNEXURE – I.15 : Restated Standalone Statement of Inventories**

**(Rs. In Million)**

| Particulars | As at 31st March | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| (at cost or net realisable value, whichever is lower) | | | | | |
| Raw Material | 59.39 | 106.89 | 94.05 | 64.61 | 129.37 |
| Work-in-progress | 462.72 | 126.93 | 239.65 | 282.25 | 92.47 |
| Traded Goods | 20.74 | 12.21 | - | - | - |
| Finished goods | 66.52 | 162.27 | 105.12 | 40.03 | 95.95 |
| Scrap | 1.47 | 5.85 | 3.26 | 2.73 | 1.22 |
| Stores & Spares | - | - | - | - | - |
| **Grand Total** | **610.83** | **414.16** | **442.08** | **389.62** | **319.00** |

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

SALASAR

**ANNEXURE – I.16 : Restated Standalone Statement of Trade Receivables**

**(Rs. In Million)**

| Particulars | As at 31st March | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| **Trade Receivables :** | | | | | |
| Outstanding for a period less than six months from the date they are due for payment | | | | | |
| Unsecured, Considered Good | 743.35 | 544.68 | 384.50 | 532.14 | 330.95 |
| | | | | | |
| Outstanding for a period exceeding six months from the date they are due for payment | | | | | |
| Unsecured, Considered Good | 33.21 | 24.25 | 4.71 | 10.02 | 42.17 |
| Unsecured, Considered Doubtful | - | 2.06 | 0.56 | 3.14 | - |
| Less : Provision for Doubtful Debts | - | 2.06 | 0.56 | 3.14 | - |
| **Grand Total** | **776.56** | **568.94** | **389.20** | **542.16** | **373.12** |

Out of the above amounts outstanding from promoters/promoter group/group directors/relative of directors are as follows:

**(Rs. In Million)**

| Particulars | As at 31st March | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| From Promoters/Directors/Relatives | - | - | - | - | - |
| From Group Companies | - | - | - | - | - |
| **TOTAL** | **-** | **-** | **-** | **-** | **-** |

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

**NNEXURE – I.17 : Restated Standalone Statement of Cash and Cash Equivalents**

**(Rs. In Million)**

| Particulars | As at 31st March | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Cash in hand | 0.10 | 1.47 | 6.50 | 3.19 | 2.37 |
| Balances with Banks: | | | | | |
| -in current accounts | 1.27 | 2.58 | 2.22 | 16.64 | 4.49 |
| Other Bank Balances: | | | | | |
| Fixed Deposit Receipts (Pledged with bank against margin money) | 56.43 | 16.54 | 14.82 | 16.87 | 11.20 |
| (With maturity ranging from 1-12 months) | | | | | |
| **Grand Total** | **57.81** | **20.59** | **23.55** | **36.70** | **18.06** |

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

SALASAR

**ANNEXURE – I.18 : Restated Standalone Statement of Short Term Loans and Advances**

(Rs. In Million)

| Particulars | As at 31st March | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Advance to Suppliers | 1.12 | 9.37 | 12.75 | 12.99 | 7.04 |
| Advances for Capital Goods | 5.92 | 0.47 | 4.51 | 3.58 | 5.26 |
| Advances to others | 15.56 | 5.97 | 8.29 | 10.50 | 12.06 |
| Balances with Revenue Authorities : | | | | | |
| Excise Duty | 42.31 | 16.28 | 48.34 | 48.47 | 33.59 |
| Service Tax | 14.79 | 6.18 | 3.43 | 7.85 | 5.62 |
| WCT | 1.71 | 0.71 | - | - | - |
| VAT | 13.36 | 33.15 | 41.59 | 33.52 | 21.03 |
| Prepaid expenses | 18.61 | 0.96 | 0.07 | 0.46 | 1.05 |
| Advances to Related Parties : | | | | | |
| Salasar Stainless Ltd. (Wholly Owned Subsidiary) | 41.76 | 9.81 | 53.45 | 114.93 | 31.00 |
| MAT Credit Entitlement | - | - | - | 2.64 | 11.44 |
| **Grand Total** | **155.14** | **82.90** | **172.43** | **234.94** | **128.09** |

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

**ANNEXURE – I.19 : Restated Standalone Statement of Other Current assets**

(Rs. In Million)

| Particulars | As at 31st March | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Other Receivables | 0.70 | 3.47 | - | 1.22 | - |
| Claim Receivables | - | - | 0.90 | - | - |
| Security Deposit | | | | | |
| Unsecured considered good* | 173.38 | - | - | - | - |
| Interest Accrued on FDR | 3.36 | 4.93 | 3.83 | 2.63 | 1.28 |
| **Grand Total** | **177.44** | **8.40** | **4.73** | **3.85** | **1.28** |

* Retention money, with UP Power Transmission Corporation Ltd which will be receive a) 10% on submission of PBG and; b) 10% on completion of the project, has been shown under other current assets as "Security Deposit".

Notes:

3) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

4) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

SALASAR

**ANNEXURE – II.1 : Restated Standalone Statement of Revenue from Operations**

**(Rs. In Million)**

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Sale of Products (Gross) : | | | | | |
| (a) Domestic Sales | 3,362.19 | 2,697.94 | 2,328.34 | 2,135.76 | 1,595.76 |
| (b) Export Sales | 67.93 | 105.67 | 512.13 | 361.05 | 57.99 |
| Trading Sales | 131.66 | 2.79 | 7.16 | 77.88 | 63.60 |
| Sale of Services | 457.38 | 212.93 | 100.68 | 95.50 | 113.95 |
| Other Operating Income | 18.71 | 19.16 | 50.51 | 32.81 | 3.09 |
| **Revenue from operations (gross)** | **4,037.87** | **3,038.49** | **2,998.82** | **2,703.00** | **1,834.39** |

***Details of Sale of Products :***

**(Rs. In Million)**

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Details of Sale of Products | | | | | |
| (a) Galvanized Steel Structure | 3,430.12 | 2,803.61 | 2,840.48 | 2,496.81 | 1,653.75 |
| (b) Traded Goods | 131.66 | 2.79 | 7.16 | 77.88 | 63.60 |
| **Total** | **3,561.78** | **2,806.40** | **2,847.63** | **2,574.69** | **1,717.35** |

***Details of Other Operating Income:***

**(Rs. In Million)**

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| (a) Exchange Rate Fluctuation | 0.20 | 7.04 | 36.09 | 28.81 | 2.79 |
| (b) Duty Draw Back | 0.71 | 1.92 | 7.86 | 4.00 | 0.30 |
| (c) Export Incentives | 10.02 | 7.34 | 3.81 | - | 0.00 |
| (d) Profit on Currency Forward Contract | - | 1.56 | 2.74 | - | - |
| (e) Other Charges | 7.78 | 1.29 | - | - | 0.00 |
| **Total** | **18.71** | **19.16** | **50.51** | **32.81** | **3.09** |

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

**ANNEXURE – II.2 : Restated Standalone Statement of Other Income**

**(Rs. In Million)**

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Interest on Fixed Deposit Receipts | 2.86 | 1.39 | 1.47 | 1.51 | 0.38 |
| Interest on others | 0.15 | 0.09 | 0.07 | 0.04 | 0.29 |
| Profit (Loss) on Sale of Fixed Assets | - | - | - | - | - |
| Misc Income | - | 0.01 | 0.51 | - | - |
| **Grand Total** | **3.00** | **1.49** | **2.05** | **1.55** | **0.67** |

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

SALASAR

**ANNEXURE – II.3 : Restated Standalone Statement of Cost of materials consumed**

**(Rs. In Million)**

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| **Material Consumed** | | | | | |
| Inventory at the beginning of the year | 106.89 | 94.05 | 64.61 | 129.37 | 90.98 |
| Add: Purchase | 2,427.13 | 1,800.43 | 1,965.59 | 1,785.02 | 1,225.19 |
| | **2,534.02** | **1,894.48** | **2,030.20** | **1,914.39** | **1,316.18** |
| Less: inventory at the end of the year | 59.39 | 106.89 | 94.05 | 64.61 | 129.37 |
| **Grand Total** | **2,474.63** | **1,787.58** | **1,936.15** | **1,849.78** | **1,186.81** |

Notes : II.3.1 - Value of imported and indigenous Raw Material consumed and the percentage of each to the total consumption:

| Particulars | 31-Mar-17 | | 31-Mar-16 | | 31-Mar-15 | | 31-Mar-14 | | 31-Mar-13 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Amount | %age | Amount | %age | Amount | %age | Amount | %age | Amount | %age |
| (a) Imported | - | - | - | - | - | - | - | - | - | - |
| (b) Indigenous | 2,474.63 | 100.00% | 1,787.58 | 100.00% | 1,936.15 | 100.00% | 1,849.78 | 100.00% | 1,186.81 | 100.00% |
| **Total** | 2474.633834 | 100.00% | 1,787.58 | 100.00% | 1,936.15 | 100.00% | 1,849.78 | 100.00% | 1,186.81 | 100.00% |

Notes : II.3.2 - Details of Raw Material Consumed

| Particulars | 31-Mar-17 | | 31-Mar-16 | | 31-Mar-15 | | 31-Mar-14 | | 31-Mar-13 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Amount | %age | Amount | %age | Amount | %age | Amount | %age | Amount | %age |
| (a) Shape and Sections | 1,718.59 | 69.45% | 1,296.78 | 72.54% | 1,395.17 | 72.06% | 1,425.70 | 77.07% | 921.50 | 77.65% |
| (b) Zinc | 678.77 | 27.43% | 404.91 | 22.65% | 451.89 | 23.34% | 340.63 | 18.41% | 197.40 | 16.63% |
| (c) Others (including Nuts & Bolts etc.) | 77.27 | 3.12% | 85.89 | 4.80% | 89.09 | 4.60% | 83.45 | 4.51% | 67.91 | 5.72% |
| **Total** | 2474.633834 | 100.00% | 1,787.58 | 100.00% | 1,936.15 | 100.00% | 1,849.78 | 100.00% | 1,186.81 | 100.00% |

**ANNEXURE – II.4 : Restated Standalone Statement of Purchases of Traded Goods**

**(Rs. In Million)**

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Purchases of Traded Goods | 96.71 | 13.54 | 6.83 | 46.87 | 61.91 |

Notes : II.4.1 - Value of imported and indigenous Traded Goods Purchase and the percentage of each to the total Purchase:

| Particulars | 31-Mar-17 | | 31-Mar-16 | | 31-Mar-15 | | 31-Mar-14 | | 31-Mar-13 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Amount | %age | Amount | %age | Amount | %age | Amount | %age | Amount | %age |
| (a) Imported | - | - | - | - | - | - | - | - | - | - |
| (b) Indigenous | 96.71 | 100% | 13.54 | 100% | 6.83 | 100% | 46.87 | 100% | 61.91 | - |
| **Total** | 96.71 | 100% | 13.54 | 100% | 6.83 | 100% | 46.87 | 100% | 61.91 | - |

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

SALASAR

**ANNEXURE – II.5 : Restated Standalone Statement of Manufacturing and Operationg Costs**

**(Rs. In Million)**

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Consumpation of Stores and Spares | 65.44 | 75.54 | 62.08 | 27.35 | 14.34 |
| Power & Fuel | 51.35 | 39.64 | 64.32 | 66.05 | 41.55 |
| Installation Charges and Tower Erection Charges | 469.33 | 210.98 | 113.74 | 90.94 | 111.90 |
| Job Work charges | 135.30 | 68.71 | 55.44 | 43.78 | 10.60 |
| Freight & Cartage | 23.26 | 19.14 | 16.90 | 12.72 | 6.09 |
| Repairs to building | 1.42 | 1.17 | 1.00 | 1.85 | 1.10 |
| Repairs to Machinery | 11.76 | 10.46 | 13.31 | 24.46 | 16.36 |
| Other Manufacturing Expenses | 20.76 | 19.43 | 17.79 | 9.48 | 4.80 |
| **Grand Total** | **778.62** | **445.07** | **344.58** | **276.64** | **206.74** |

Notes : II.5.1 - Value of imported and indigenous Stores and Spares Consumed and the percentage of each to the total Consumed:

| Particulars | 31-Mar-17 | | 31-Mar-16 | | 31-Mar-15 | | 31-Mar-14 | | 31-Mar-13 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Amount | %age | Amount | %age | Amount | %age | Amount | %age | Amount | %age |
| (a) Imported | - | - | - | - | - | - | - | - | - | - |
| (b) Indigenous | 65.44 | 100% | 75.54 | 100% | 62.08 | 100.00% | 27.35 | 100% | 14.34 | 100% |
| **Total** | 65.44 | 100% | 75.54 | 100% | 62.08 | 100.00% | 27.35 | 100% | 14.34 | 100% |

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – V.

**ANNEXURE – II.6 : Restated Standalone Statement of Changes in Inventories of Finished Goods , WIP and Others**

**(Rs. In Million)**

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| **Opening Stock** | | | | | |
| Work in progress | 126.93 | 239.65 | 282.25 | 92.47 | 116.31 |
| Traded Goods | 12.21 | - | - | - | - |
| Finished Goods | 162.27 | 105.12 | 40.03 | 95.95 | 49.21 |
| Scrap | 5.85 | 3.26 | 2.73 | 1.22 | 0.68 |
| **Total (a)** | **307.27** | **348.04** | **325.01** | **189.64** | **166.19** |
| **Closing Stock** | | | | | |
| Work in progress | 462.71 | 126.93 | 239.65 | 282.25 | 92.47 |
| Traded Goods | 20.74 | 12.21 | - | - | - |
| Finished Goods | 66.52 | 162.27 | 105.12 | 40.03 | 95.95 |
| Scrap | 1.47 | 5.85 | 3.26 | 2.73 | 1.22 |
| **Total (b)** | **551.44** | **307.27** | **348.04** | **325.01** | **189.64** |
| **Add/ (Less) : Variation of Excise Duty on Opening and Closing Stock of Finished Goods** | | | | | |
| Opening Balance | 18.68 | 12.04 | 4.70 | 10.69 | 7.59 |
| Closing Balance | 7.55 | 18.68 | 12.04 | 4.70 | 10.69 |
| **Total (c)** | 11.13 | (6.64) | (7.34) | 5.98 | (3.10) |
| **Grand Total** | **(255.30)** | **47.41** | **(15.68)** | **(141.36)** | **(20.35)** |

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

**ANNEXURE – II.7 : Restated Standalone Statement of Employee benefit expense**

**(Rs. In Million)**

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Salary & Wages | 79.09 | 69.75 | 66.78 | 50.17 | 39.47 |
| Directors Remuneration | 6.95 | 5.40 | 4.30 | 2.40 | 2.40 |
| Contribution to ESI | 2.17 | 1.09 | 0.89 | 0.67 | 0.40 |
| Contribution to provident fund | 4.74 | 4.09 | 2.60 | 1.16 | 1.04 |
| Bonus | 6.71 | 6.29 | 2.50 | 1.43 | 1.18 |
| Staff & worker Welfare | 2.72 | 1.77 | 2.08 | 1.27 | 1.02 |
| **Grand Total** | **102.38** | **88.39** | **79.16** | **57.10** | **45.52** |

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI.

**ANNEXURE – II.8 : Restated Standalone Statement of Finance costs**

**(Rs. In Million)**

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Bank Interest | 43.13 | 49.88 | 55.08 | 56.61 | 38.99 |
| Bank Charges | 10.03 | 5.14 | 4.58 | 6.36 | 2.14 |
| Interest to Others | 2.89 | 5.08 | 4.91 | 6.48 | 1.38 |
| **Grand Total** | **56.05** | **60.10** | **64.57** | **69.45** | **42.51** |

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI.

SALASAR

**ANNEXURE – II.9 : Restated Standalone Statement of Other Expenses**

**(Rs. In Million)**

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Insurance | 2.17 | 3.75 | 4.69 | 5.33 | 3.16 |
| Legal & Professional Charges | 81.15 | 76.12 | 97.12 | 100.20 | 54.98 |
| Security Expenses | 5.13 | 4.28 | 2.01 | 1.57 | 1.26 |
| Printing & Stationery | 1.08 | 1.09 | 0.89 | 0.89 | 0.47 |
| Conveyance & Travelling Expenses | 6.75 | 5.82 | 6.54 | 4.75 | 3.23 |
| Repair & Maintenance - Other | 4.85 | 4.42 | 2.39 | 1.64 | 0.92 |
| Rent, Rates & Taxes | 30.59 | 17.22 | 9.46 | 11.29 | 10.83 |
| Postage & Telephone | 1.36 | 1.15 | 1.29 | 1.32 | 0.95 |
| Auditor's Remuneration | 0.20 | 0.20 | 0.20 | 0.15 | 0.15 |
| Misc Expenses | 6.81 | 1.23 | 0.15 | 2.98 | 0.33 |
| Rebate & Discount | 1.87 | 4.51 | 1.83 | 2.18 | 7.18 |
| Freight & Cartage (Outward) | 36.39 | 17.80 | 70.85 | 52.00 | 9.35 |
| Commission | 3.00 | 2.46 | 1.41 | 1.18 | 8.87 |
| Packing Material | 9.71 | 9.75 | 17.86 | 10.75 | 0.32 |
| Provision for Doubtful Debts | - | 2.06 | 0.56 | 3.14 | - |
| Bad Debts Written off | - | - | 0.13 | - | - |
| **Grand Total** | **191.06** | **151.84** | **217.37** | **199.37** | **102.00** |

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI.

**ANNEXURE – II.10 : Restated Standalone Statement of Exceptional Items**

**(Rs. In Million)**

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Long Term Capital Loss/(Gain) | (0.21) | - | - | - | - |
| Investment Written off | - | - | 0.46 | - | - |
| Advances Written off | - | - | 19.82 | - | - |
| Short Term Capital Loss/(Gain) | (4.61) | - | 0.58 | - | - |
| **Grand Total** | **(4.82)** | **-** | **20.86** | **-** | **-** |

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI.

SALASAR

**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:

(Rs. In Million)

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| **(A) Net Profits as per audited financial statements (A)** | 167.65 | 68.63 | 64.28 | 60.14 | 48.48 |
| **Add/(Less) : Adjustments on account of -** | | | | | |
| 1. Bad Debts Written off | - | 23.16 | (0.13) | - | - |
| 2. Provision for Doubtful Debts | 16.00 | (2.06) | (0.56) | (3.14) | - |
| 3. Investment Written off | - | 0.46 | (0.46) | - | - |
| 4. Advances Written off | - | 19.82 | (19.82) | - | - |
| 5. Short/excess provision for tax, interest and MAT credit | - | - | 2.77 | (2.02) | (18.02) |
| **Total Adjustments (B)** | **16.00** | **41.38** | **(18.19)** | **(5.16)** | **(18.02)** |
| Add/(less) : Tax Impact (C) | - | (8.02) | 0.04 | - | - |
| **Restated Profit/ (Loss) (A+B+C)** | **183.65** | **102.00** | **46.13** | **54.99** | **30.47** |

**3 Notes on Material Adjustments pertaining to prior years**

**(a) Bad Debts Written off**

During year ended 31 March, 2016, the Company had written off certain trade receivables which were no longer expected to be recoverable. For the purpose of this statement, such write off of these receivables have been appropriately adjusted in the respective year/s to which they relate.

**(b) Investment Written off**

During the year ended 31 March, 2016, the Company had written off certain investments which were no longer expected to be recoverable. For the purpose of this statement, such write off of these investments have been appropriately adjusted in the respective year to which they relate.

**(c) Advances Written off**

During the year ended 31 March, 2016, the Company had written off certain advances which were no longer expected to be recoverable. For the purpose of this statement, such write off of these investments have been appropriately adjusted in the respective year to which they relate.

**(d) Short/excess provision for income taxes and MAT Credit**

The Statement of Profit and Loss for the year ended 31 March 2017, 31 March 2016, 31 March, 2015, 31 March, 2014 and 31 March 2013 includes amount paid/ provided for shortfall/ excess current tax arising upon filing of tax returns, return etc. which have been adjusted in the respective year/s to which they relate.

**(e) Current tax impact on adjustments/ Earlier year/s**

The tax implications of the adjustments / restatement has been computed and adjusted in the respective year/s and in the audited opening balance figures in the net surplus in the statement of profit and loss for the year 2012-13 i.e. as at 1 April, 2012 for impact upto March 31, 2013

As per our Report of even date

**For ARUN NARESH & CO.**
*Chartered Accountants,*
Firm Regn. No. 007127N

**For and on behalf of Board of Directors**

**A. K. Jain**
Partner
M.N. 084598

**Alok Kumar**
Chairman & Managing Director
DIN: 01474484

**Shashank Agarwal**
Jt. Managing Director
DIN: 00316141

**Place:** Delhi
**Dated:** June 15, 2017

**Kamlesh Kumar Sharma**
(Chief Financial Officer)

SALASAR

**ANNUXURE – IV**

**Basis of Preparation and Significant Accounting Policies and Practices of the Restated Standalone Financial Statements for the years ended March 31, 2017, 2016, 2015, 2014 and 2013.**

**1) Company Overview**

The Company is engaged in manufacturing and sale of Galvanized Steel Structure including Telecom Towers, Transmission Line Towers and Solar Panels. The Company has two manufacturing facilities at Jindal Nagar, Hapur (UP) and Khera Dehat, Hapur (UP).

**2) Basis of Preparation of Financial Statement**

1. The Restated Standalone Financial Statements of Assets and Liabilities of the Company as at 31st March 2017, 2016, 2015, 2014 and 2013 and the related Restated Standalone Statement of Profit and Loss and Cash Flows for the year ended on 31st March 2017, 2016, 2015, 2014 and 2013 (collectively referred to as "Restated Standalone Financial Information") have been prepared specifically for the purpose of inclusion in the Prospectus (hereinafter referred to as 'Prospectus') - Prospectus to be filed by the Company with the 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 2017, 2016, 2015, 2014 and 2013, 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 the 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 Million.

**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. Export Incentives under various schemes are recognized as income. Revenues are reported net of discounts.

Dividends are recorded when the right to receive payable is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

**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.

**4. Fixed Assets**

Fixed Assets are stated at cost net of duty credit availed less accumulated depreciation and impairments, if any. The cost includes cost of acquisition/construction, installation and preoperative expenditure including trial run expenses (net of revenue) and borrowing costs incurred during pre-operation period. Expenses incurred on capital assets are carried forward as capital work in progress at cost till the same are ready for use.

Machinery spares which are specific to particular item of fixed assets and whose use is irregular are capitalized as part of the cost of machinery.

**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 the straight-line 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.

| Asset | Useful Life |
|---|---|
| Building & Civil Works | 30 Years |
| General Plant & Machinery | 15 Years |
| Office Equipment | 15 Years |
| Vehicle | 8 Years |
| Furniture & Fixture | 10 Years |
| Computer | 3 Years |

**6. Investments**

Long-term investments and current maturities of long-term investments are stated at cost, less provision for other than temporary diminution in value. Current investments, except for current maturities of long-term investments, comprising investments in mutual funds are stated at the lower of cost and fair value.

**7. Inventories**

Closing stocks are valued: Raw Material at Cost or net realizable value whichever is less, whereas WIP and finished goods are valued at cost. The cost being the latest applicable purchase price since the closing stocks mostly represents items out of the latest purchases. Traded goods are valued at cost.

**8. 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.

**9. 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.

**10. 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.

**11. 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.

**12. 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

**13. 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.

**14. Employees Benefits**

(i) Liabilities towards Gratuity is considered as the defined benefit scheme and is recognized (from the FY 2013-14) on the basis of actuarial valuation on projected unit credit method at balance sheet date.

(ii) The benefits in the form of contribution to Provident Fund and Employees State Insurance are considered as the defined contribution schemes and are recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

**15. 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.

**16. General**

Prepaid expenses and prior period expenses /income up to Rs. 5,000/- in each case are charged to relevant heads of account of the current year.

**17. 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.

SALASAR

**ANNEXURE – VI**

**Notes to the Restated Standalone Financial Statements for the years ended 31st March 2017, 2016, 2015, 2014 and 2013.**

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**1. Deferred Tax Liabilities (Net)**

**(Rs. in Million)**

| Particulars | For the year ended March, 31 | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| ***Deferred Tax Assets*** | | | | | |
| Disallowance under the Income Tax Act | - | - | - | - | - |
| Provision for gratuity | 9.44 | 2.86 | 2.47 | 1.55 | 1.55 |
| Related to Fixed Assets | - | - | - | - | - |
| *Total (a)* | **9.44** | **2.86** | **2.47** | **1.55** | **1.55** |
| ***Deferred Tax Liability*** | | | | | |
| Preliminary expenses | - | - | - | - | - |
| Related to Fixed Assets | 17.09 | 15.55 | 13.91 | 13.49 | 9.02 |
| Disallowance under the Income Tax Act | - | - | | - | - |
| *Total (b)* | **17.09** | **15.55** | **13.91** | **13.49** | **9.02** |
| ***Net deferred tax (asset)/liability-{(a)-(b)}*** | **7.65** | **12.69** | **11.44** | **11.95** | **7.48** |

**2. Earnings Per Share**

| Particulars | For the year ended March, 31 | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Restated Profit as per Restated Statement of Profit & Loss (Rs. in Million) | 183.65 | 102.00 | 46.13 | 54.99 | 30.47 |
| Basic/Diluted weighted average number of equity shares outstanding during the six months/year (Note-1) | 9,956,300 | 9,956,300 | 9,855,303 | 9,751,500 | 9,751,500 |
| Nominal Value of Equity share (Rs.) | 10 | 10 | 10 | 10 | 10 |
| ***Restated Basic/Diluted Earnings Per Share (RS.)*** | 18.45 | 10.25 | 4.68 | 5.64 | 3.12 |

**Note -1:** After considering the impact of issue of bonus shares in the ratio of 1:1 to the existing shareholders during the F.Y. 2016-17 and treating the said issue as if it had occurred prior to the beginning of the year 2012-13, i.e. the earliest period reported.

**3. Employees Benefits :-**

**a) Defined Benefit Scheme :**

Gratuity : Payables on separation as per the Employees Gratuity Act @15 days pay for each completed years of service to eligible employees who render continuous service of 5 years or more.

**b) Defined Contribution Scheme:**

Company's employees are covered by Provident Fund and Employees State Insurance to which the Company makes a defined contribution measured as a fixed percentage of salary. Following amount in respective years has been charged to Statement of Profit & Loss towards contribution to above schemes/benefits.

(Rs. in Million)

| Particulars | For the year ended March, 31 | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Contribution to Provident Fund & Employees State insurance | 6.48 | 5.18 | 3.49 | 1.83 | 1.45 |

**c) Other Disclosure as required under AS -15 on "Employees Benefits" are as under:**

The Company has made the Provision of Gratuity and other retirement benefits as per actuarial valuation referred in the AS-15 "Employees Benefits" in the financial statement (from the FY 2013-14). The following tables summarize the components of net benefit expense recognized in the profit and loss account and the funded status and amounts recognized in the balance sheet for the plan:

**Change in present value of obligation**

(Rs. in Million)

| Particulars | 2016-17 | 2015-16 | 2014-15 | 2013-14 |
|---|---|---|---|---|
| Present value of obligation as at the beginning of the period | 6.21 | 5.08 | 2.47 | -- |
| Acquisition adjustment | -- | -- | -- | -- |
| Interest cost | 0.50 | 0.41 | 0.21 | -- |
| Past service cost | -- | -- | -- | -- |
| Current service cost | 1.79 | 1.34 | 1.21 | -- |
| Curtailment cost/(Credit) | -- | -- | -- | -- |
| Settlement cost/(Credit) | -- | -- | -- | -- |
| Benefits paid | (0.60) | -- | -- | -- |
| Actuarial (gain)/loss on obligation | (0.60) | (0.62) | 1.19 | -- |
| Present value of obligation as at the end of period | 8.10 | 6.21 | 5.08 | 2.47 |

**Changes in the fair value of plan assets**

(Rs. in Million)

| Particulars | 2016-17 | 2015-16 | 2014-15 | 2013-14 |
|---|---|---|---|---|
| Fair value of plan assets at the beginning of the period | -- | -- | -- | -- |
| Acquisition adjustment | -- | -- | -- | -- |
| Actual return on plan assets | -- | -- | -- | -- |
| Employer contributions | -- | -- | -- | -- |
| Benefits paid | -- | -- | -- | -- |
| Actuarial gain/(loss) on plan assets | -- | -- | -- | -- |
| Fair value of plan assets at the end of the period | -- | -- | -- | -- |

**Fair value of plan assets**

(Rs. in Million)

| Particulars | 2016-17 | 2015-16 | 2014-15 | 2013-14 |
|---|---|---|---|---|
| Fair value of plan assets at the beginning of the period | -- | -- | -- | -- |
| Acquisition adjustment | -- | -- | -- | -- |
| Actual return on plan assets | -- | -- | -- | -- |
| Employer contributions | -- | -- | -- | -- |
| Benefits paid | -- | -- | -- | -- |
| Fair value of plan assets at the end of the period | -- | -- | -- | -- |
| Funded status | (8.10) | (6.21) | (5.08) | (2.47) |
| Excess of actual over estimated return on plan assets | - | -- | -- | -- |

**The amounts to be recognized in balance sheet and related analysis**

(Rs. in Million)

| Particulars | 2016-17 | 2015-16 | 2014-15 | 2013-14 |
|---|---|---|---|---|
| Present value of obligation as at the end of the period | 8.10 | 6.21 | 5.08 | 2.47 |
| Fair value of plan assets as at the end of the period | - | -- | -- | -- |
| Funded status / Difference | (8.10) | (6.21) | (5.08) | ((2.47) |
| Excess of actual over estimated | - | -- | -- | -- |
| Unrecognized actuarial (gains)/losses | - | -- | -- | -- |
| Net asset/(liability)recognized in balance sheet | (8.10) | (6.21) | (5.08) | (2.47) |

**Expense recognized in the statement of profit and loss**

(Rs. in Million)

| Particulars | 2016-17 | 2015-16 | 2014-15 | 2013-14 |
|---|---|---|---|---|
| Current service cost | 1.79 | 1.34 | 1.21 | |
| Past service cost | - | -- | -- | -- |
| Interest cost | 0.50 | 0.41 | 0.21 | -- |
| Expected return on plan assets | - | -- | -- | -- |
| Curtailment cost / (Credit) | - | -- | -- | -- |
| Settlement cost / (credit) | - | -- | -- | -- |
| Net actuarial (gain)/ loss recognized in the period | 0.21 | (0.62) | 1.19 | -- |

| | | | | |
|---|---|---|---|---|
| Expenses recognized in the statement of profit & losses | 2.50 | 1.13 | 2.61 | 2.47 |

**4. Value of Imports on CIF basis**

(Rs. in Million)

| Particulars | For the year ended March, 31 | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Raw Materials | - | - | - | - | - |
| Capital Goods | 2.88 | 2.84 | 14.49 | 2.18 | - |

**5. Earning in foreign Exchange**

(Rs. in Million)

| Particulars | For the year ended March, 31 | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Export of Goods (at F.O.B.) | 67.93 | 105.67 | 512.13 | 366.25 | 57.99 |

**6. Expenditure in foreign Exchange**

(Rs. in Million)

| Particulars | For the year ended March, 31 | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Travelling Expenses | 2.61 | 2.00 | 2.89 | 1.38 | 0.86 |
| Technical Support Service | 0.03 | - | - | - | - |

**7. Segment Reporting**

The Company is engaged in the manufacturing of the products of same type/class and has no overseas operations/units and as such there is no reportable segment as per Accounting Standard (AS-17) dealing with the Segment Reporting.

**8. Comments in the Audit Report in accordance with the provisions of Companies (Auditor's Report) Order, 2016, 2015 and 2003**

Following are the comments of the Statutory Auditor's on the matters specified under paragraph 4 and 5 of the Companies (Auditor's Report) Orders, 2016 applicable for 2015-16 and the Companies (Auditor's Report) Orders, 2015 applicable for 2004-15 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013 and the Companies (Auditor's Report) Orders, 2003 applicable for 2011-12 to 2013-14 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956.

(a) Regarding Statutory Dues:

In the Auditor's Report of the financial statements for the financial year ended 31st March, 2017, 31st March 2016, 31st March, 2015, 31st March, 2014 and 31st March, 2013 the following comments have been given regarding payment of statutory Dues: "According to the records of the company, the company is bye & large regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Service Tax, Value Added Tax, Cess and other material statutory dues applicable to it."

SALASAR

**ANNEXURE - VII : RESTATED STANDALONE STATEMENT OF CONTINGENT LIABILITIES**

**(Rs. In Million)**

| Particulars | As at 31st March | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| 1. Bank Guarantee for which FDR margin money has been given to the bank as as Security | 514.29 | 124.97 | 73.81 | 20.48 | 25.66 |
| 2. Corporate Guarantee to Punjab National Bank for its 100% Subsidiary -Salasar Satainless Ltd. | 320.00 | 320.00 | 320.00 | 320.00 | 320.00 |
| 3. Income Tax Demand | 0.57 | 0.57 | 0.57 | 0.57 | 0.42 |
| 4. TDS Demand | 1.53 | 1.53 | 1.53 | 1.53 | 1.53 |
| **Total** | **836.39** | **447.07** | **395.91** | **342.58** | **347.61** |

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

**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 | As at 31st March | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| **1. Enterprises where control exist** | | | | | |
| a) Wholly Owned Subsidiary | Salasar Stainless Limited | | | | |
| b) Step- down Subsidiary | Ganges Concast industries Limited* | | | | |
| **2. Other Related Parties:** | | | | | |
| a) Associates | Shikhar Fabtech (P) Ltd. | | | | |
| | Alok Kumar (HUF) | | | | |
| | Capital Udyog | | | | |
| | Capital founders | | | | |
| | Base Engineering Pvt Ltd. | | | | |
| | More engineering Pvt Ltd. | | | | |
| | Hill View Infrabuild Ltd. | | | | |
| b) Joint Venture | Sikka-Salasar-JV | | UNI Global Solution INC | | |
| c) Key Management Personnels | Sh. Alok Kumar (Managing Director) | | | | |
| | Sh. G. K. Agarwal (Joint Managing Director) | | | | |
| | Sh. Shalabh Agarwal (Director) | | | | |
| | Ms. Tripti Gupta (Direcctor) | | | | |
| | Sh. Shashank Agarwal | | | | |
| d) Relatives of Key Management Personnels | | Sh. Shashank Agarwal | | | |
| | | | | Sh. Shalabh Agarwal (S/o Sh. G.K. Agarwal) | |
| | Sh. Shikhar Gupta (Son of Sh. Alok Kumar) | | | | |
| | Smt. Anshu Agarwal (Wife of Sh. Shashank Agarwal) | | | | |
| | Smt. Kamlesh gupta (Wife of Sh. Alok Kumar) | | | | |
| | Smt. Taru Agarwal (Wife of Sh. Shalabh Agarwal) | | | | |

**B. Transactions carried out with related parties referred to in (1) above, in ordinary course of business.**

(Rs. In Million)

| Nature of Transactions | Name of Party | As at 31st March | | | | |
|---|---|---|---|---|---|---|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| 1. Directors Remuneration | Sh. Alok Kumar | 2.05 | 1.56 | 1.38 | 1.20 | 1.20 |
| | Sh. G. K. Agarwal | 1.05 | 1.56 | 1.38 | 1.20 | 1.20 |
| | Sh. Shalabh Agrwal | 1.63 | 1.32 | 0.90* | - | - |
| | Ms. Tripti Gupta | 1.47 | 0.96 | 0.64* | - | - |
| | Sh. Shashank Agarwal | 0.75 | | | | |
| 2. Purchases of Goods | Capital Udyog | 0.03 | 0.00 | - | - | - |
| | Salasar Stainless Ltd. | 3.19 | - | - | 4.90 | 14.92 |
| | Capital Founders | - | - | - | 17.34 | 196.53 |
| 3. Purchases of Services | Capital Udyog | 0.73 | 0.55 | - | - | - |
| | Salasar Stainless Ltd. | 125.89 | 66.08 | 52.77 | 40.05 | 6.92 |
| 4. Lease Rent – Car | Sh. Shashnak Agarwal | 0.54 | 0.54 | - | 0.30 | 0.30 |
| | Sh. Shalabh Agrwal | 0.42 | 0.04 | - | 0.38 | 0.38 |
| | Smt. Anshu Agarwal | 0.15 | - | - | 0.23 | 0.23 |
| | Smt. Kamlesh Gupta | 0.08 | - | - | 0.14 | 0.14 |
| 5. Salaries to Relatives | Sh. Shalabh Agrwal | - | - | 0.24 | 0.96 | 0.96 |
| | Sh. Shashank Agarwal | - | - | 0.34 | 0.96 | 0.96 |
| | Smt. Anshu Agarwal | 1.01 | 0.79 | 0.69 | 0.60 | 0.60 |
| | Smt. Kamlesh Gupta | 0.51 | 0.79 | 0.69 | 0.60 | 0.60 |
| | Smt. Taru Agrawal | 1.01 | 0.79 | 0.69 | 0.60 | 0.60 |
| | Sh. Shikhar Gupta | 0.67 | 1.01 | 0.78 | 0.60 | 0.60 |
| | Ms. Tripti Gupta | - | - | - | 0.28 | 0.48 |
| 6. Sale of Goods | Salasar Stainless Ltd. | 2.40 | - | 2.42 | - | 1.05 |
| | Capital Udyog | - | - | - | - | - |
| 7. Loan and Advances received | Hill View Infrabuild Ltd. | - | 3.53 | - | 3.10 | - |

| | | | | | | |
|---|---|---|---|---|---|---|
| | Sh. Shashank Agarwal | | 9.09 | - | - | - |
| | Sh. Shalabh Agrwal | 5.50 | 2.00 | - | - | - |
| 8. Loan and Advances given | Salasar Stainless Ltd. | 31.94 | 9.81 | 53.45 | 133.93 | 31.00 |
| | UNI Global Solution INC | - | - | 19.82 | - | - |
| 9. Investment Made | Salasar Stainless Ltd. | - | - | - | - | - |
| | UNI Global Solution INC | - | - | 0.46 | - | - |
| 10. Share Issued | Hill View Infrabuild Ltd. | - | - | 1.02 | - | - |
| 10. Interest Paid | Sh. Shashank Agarwal | 0.80 | - | - | - | - |
| | Sh. Shalabh Agrwal | 0.75 | - | - | - | - |

**C. Outstanding Balance as at the end of the year.** (Rs. In Million)

| Nature of Transactions | Name of Party | As at 31st March | | | | |
|---|---|---|---|---|---|---|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| 1. Receivables | Salasar Stainless Ltd. | 41.76 | 9.81 | 53.45 | 164.93 | 31.00 |
| | Capital Udyog | - | - | - | - | - |
| | UNI Global Solution INC | - | - | 19.82 | - | - |
| 2. Payables | Capital Founders | - | - | - | 0.73 | - |
| | Capital Udyog | 0.56 | 0.14 | - | - | - |
| | Hill View Infrabuild Ltd. | 3.48 | 3.53 | - | 9.00 | 5.90 |
| | Alok Kumar HUF | - | - | - | 0.04 | 0.04 |
| | Sh. Shashank Agarwal | 5.81 | 9.09 | - | 0.03 | 0.03 |
| | Smt. Anshu Agarwal | - | 1.51 | 1.51 | 1.51 | 1.51 |
| | Smt. Taru Agarwal | - | 1.82 | 1.82 | 1.82 | 1.82 |
| | Sh. Shalabh Agarwal | 7.50 | 2.00 | - | - | - |
| | Sh. Alok Kumar | - | 0.34 | 0.34 | 0.34 | 0.34 |

Notes: The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company and the above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

SALASAR

**ANNEXURE - IX : RESTATED STANDALONE STATEMENT OF ACCOUNTING RATIOS**

| Particulars | As at 31st March | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Restated PAT as per P& L Account (Rs. in Million) | 183.65 | 102.00 | 46.13 | 54.99 | 30.47 |
| | | | | | |
| Weighted Average Number of Equity Shares at the end of the Year (Note -2) | 9,956,300 | 9,956,300 | 9,855,303 | 9,751,500 | 9,751,500 |
| | | | | | |
| Net Worth | 910.13 | 726.47 | 624.47 | 565.54 | 510.55 |
| | | | | | |
| **Earnings Per Share (with Bonus affect)** | | | | | |
| Basic (In Rupees) (Note 1.a) | 18.45 | 10.25 | 4.68 | 5.64 | 3.12 |
| Diluted (In Rupees)* (Note 1.b) | 18.45 | 10.25 | 4.68 | 5.64 | 3.12 |
| **Return on Net Worth (%)** | 20.18 | 14.04 | 7.39 | 9.72 | 5.97 |
| **Net Asset Value Per Share (Rs)** | 91.41 | 72.97 | 63.36 | 57.99 | 52.36 |
| 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 six months/year adjusted by the number of equity shares issued during the six months/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 six months/year. Further, number of shares are after considering impact of the bonus shares in the ratio of 1 bonus share for 1 fully paid up equity share to the existing shareholders, an issue without consideration, treating the said issue as if it had occurred prior to the beginning of the year 2011-12, 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)

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 Million)**

| Sr. No. | Particulars | As at 31st March | |
|---|---|---|---|
| | | Pre issue | Post issue |
| | **Debts** | | |
| A | Long Term Debt | 22.09 | 22.09 |
| B | Short Term Debt | 515.68 | 515.68 |
| C | **Total Debt** | **537.77** | **537.77** |
| | **Equity Shareholders Funds** | | |
| | Equity Share Capital | 99.56 | 132.77 |
| | Reserves and Surplus | 810.56 | 1,136.02 |
| D | **Total Equity** | **910.13** | **1,268.79** |
| E | **Total Capitalisation** | **1,447.89** | **1,806.56** |
| | Long Term Debt/ Equity Ratio (A/D) | 0.02 | 0.02 |
| | Total Debt/ Equity Ratio (C/D) | 0.59 | 0.42 |

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 figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

3. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

SALASAR

**ANNEXURE - XI : RESTATED STANDALONE STATEMENT OF TAX SHELTERS**

**(Rs. In Million)**

| Sr. No. | Particulars | As at 31st March | | | | |
|---|---|---|---|---|---|---|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| A | **Restated Profit before tax** | 280.80 | 162.18 | 87.93 | 88.78 | 46.08 |
| | Short Term Capital Gain at special rate | 4.61 | - | - | - | - |
| | | | | | | |
| | Normal Corporate Tax Rates (%) | 34.61% | 34.61% | 33.99% | 32.45% | 32.45% |
| | Short Term Capital Gain at special rate | 17.30% | - | - | - | - |
| | MAT Tax Rates (%) | 21.34% | 21.34% | 20.39% | 20.01% | 20.01% |
| | | | | | | |
| B | **Tax thereon (including surcharge and education cess)** | | | | | |
| | Tax on normal profits | 95.58 | 56.13 | 29.89 | 28.81 | 14.95 |
| | Short Term Capital Gain at special rate | 0.80 | - | - | - | - |
| | **Total** | **96.38** | **56.13** | **29.89** | **28.81** | **14.95** |
| | | | | | | |
| | **Adjustments:** | | | | | |
| C | **Permanent Differences** | | | | | |
| | Deduction allowed under Income Tax Act | - | - | - | - | (0.18) |
| | Exempt Income | 0.21 | - | - | - | - |
| | Disallowance of Expenses under the Income Tax Act | 2.94 | 3.46 | 22.97 | 4.56 | 0.13 |
| | **Total Permanent Differences** | **3.15** | **3.46** | **22.97** | **4.56** | **(0.05)** |
| D | **Timing Differences** | | | | | |
| | Difference between tax depreciation and book depreciation | (4.45) | (4.10) | 0.46 | (9.01) | (4.36) |
| | Provision for Gratuity disallowed | 3.60 | 1.13 | 2.72 | - | 4.77 |
| | Difference due to expenses allowable/disallowable under Income Tax | - | - | - | - | - |
| | **Total Timing Differences** | **(0.85)** | **(2.97)** | **3.18** | **(9.01)** | **0.41** |
| E | **Net Adjustments E= (B+D)** | **2.29** | **0.49** | **26.14** | **(4.45)** | **0.36** |
| F | **Tax expense/(saving) thereon** | 0.79 | 0.17 | 8.89 | (1.44) | 0.12 |
| | | | | | | |
| G | **Total Income/(loss) (A+E)** | **283.09** | **162.67** | **114.08** | **84.33** | **46.44** |
| | Taxable Income/ (Loss) as per MAT | 281.46 | 162.58 | 87.93 | 88.78 | 46.16 |
| I | **Income Tax as per normal provision** | 97.18 | 56.30 | 38.77 | 27.36 | 15.07 |
| J | **Income Tax under Minimum Alternative Tax under Section 115 JB of the Income Tax Act** | 60.07 | 34.70 | 17.93 | 17.76 | 9.24 |
| | **Net Tax Expenses (Higher of I,J)** | 97.18 | 56.30 | 38.77 | 27.36 | 15.07 |
| K | Adjustment for Interest on income tax | 2.92 | 1.25 | 2.98 | 1.96 | 0.68 |
| | | | | | | |
| L | **MAT Credit Entitlement** | - | - | - | - | - |
| | | | | | | |
| | **Total Current Tax Expenses** | **100.10** | **57.55** | **41.76** | **29.33** | **15.75** |

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

SALASAR

**ANNEXURE - XII : RESTATED STANDALONE STATEMENT OF FINANCIAL INDEBTEDNESS**

**(Rs. In Million)**

| Sr. No | Bank Name | Loan No. | Facility Key term | | | Outstanding as on March 31, 2017 | Security |
|---|---|---|---|---|---|---|---|
| | | | Loan Amount | Rate of Interest (%) | Total Term (Months) | | |
| 1 | Vehicle loan from Bank of India | 710060510000147 | 0.75 | 10.95% | 60 | 0.11 | Hypothecation of Verna Car |
| 2 | Vehicle loan from Bank of India | 710060510000162 | 0.90 | 10.45% | 60 | 0.55 | Hypothecation of Terrano Car |
| 3 | Vehicle loan from ICICI Bank Limited | LAGHZ00033983698 | 1.20 | 10.01% | 36 | 0.77 | Hypothecation of Creta Car |
| 4 | Vehicle loan from Punjab National Bank | NG 2518 | 0.70 | 9.75% | 60 | 0.54 | Hypothecation of Bolero Car |
| 5 | Vehicle loan from Punjab National Bank | NG 2527 | 0.70 | 9.75% | 60 | 0.54 | Hypothecation of Bolero Car |
| 6 | Vehicle loan from Bank of India | 710060510000235 | 0.70 | 9.35% | 84 | 0.68 | Hypothecation of Bolero Car |
| 7 | Cash Credit Limit from Bank of India | 710030110000015 | 400.00 | 10.50% | - | 515.68 | Hypothecation of Raw Material, WIP, Finished Goods and Book Debts and exclusive charge over the fixed assets of the Company |
| 8 | Adhoc Cash Credit Limit from Bank of India | 710030110000015 | 50.00 | 10.50% | - | | |
| 9 | Non Fund Based Limit from Bank of India (BG & LC) | | 600.00 | | - | 514.29 | |

Notes:

1) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

## ANNEXURE - XIII : RESTATED STANDALONE STATEMENT OF DIVIDEND

**(Rs. In Million)**

| Particulars | As at 31st March | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| **Share Capital** | | | | | |
| Equity Share Capital | 99.56 | 49.78 | 49.78 | 48.76 | 48.76 |
| **Dividend on equity shares** | | | | | |
| Dividend in % | NIL | | | | |
| Interim Dividend | | | | | |

Notes:

3) The figures disclosed above are based on the Restated Standalone Summary Statement of Assets and Liabilities of the Company.

4) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Standalone Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Standalone Financial Statements' appearing in Annexure - V and 'Notes to the Restated Standalone Financial Statements' appearing in Annexure – VI

As per our Report of even date

**For ARUN NARESH & CO.**
*Chartered Accountants,*
Firm Regn. No. 007127N

**For and on behalf of Board of Directors**

**A. K. Jain**
Partner
M.N. 084598

**Alok Kumar**
Chairman & Managing Director
DIN: 01474484

**Shashank Agarwal**
Jt. Managing Director
DIN: 00316141

**Place:** Delhi
**Dated:** June 15, 2017

**Kamlesh Kumar Sharma**
(Chief Financial Officer)

SALASAR

**INDEPENDENT AUDITOR'S REPORT ON EXAMINATION OF RESTATED CONSOLIDATED FINANCIAL INFORMATION**

To,
The Board of Directors,
**Salasar Techno Engineering Limited**
(Formerly Salasar Techno Engineering Pvt. Ltd.)
E-20, South Extension - I,
New Delhi -110049

Dear Sirs,

1. We have examined the attached Restated Consolidated Financial Information of **Salasar Techno Engineering Limited** (Formerly Salasar Techno Engineering Pvt. Ltd. and hereinafter referred to as "the Company"), its subsidiary (hereinafter together with Company referred to as 'the Group'), as approved by the Board of Directors of the Company in their meeting on June 15, 2017 ,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 upon with you in accordance with our engagement letter dated January 16, 2017, in connection with the proposed Initial Public Offer (IPO) of the Company.

2. These Restated Consolidated Financial Information (included in Annexure I to XII) have been extracted by the Management of the Company from:

   (a) The Group's Consolidated Audited Financial Statements for the years ended March 31, 2017, 2016, 2015, 2014 and 2013, which have been approved by the Board of Directors at their meeting held on June 12, 2017 (for the year ended March 31, 2017), August 10, 2016 (for the year ended March 31, 2016), August 05, 2015 (for the year ended March 31, 2015), and August 10, 2016 (for the years ended March 31, 2014, 2013 and 2012) 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 Consolidated Financial Information, are the responsibility of the Company's Management. The Consolidated Financial Statement of the Group for the financial year ended March 31, 2017, 2016, 2015, 2014 and 2013 have been audited by VAPS & Co. 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:

   (iv) The Restated Consolidated Statement of Assets and Liabilities as at March 31, 2017, 2016, 2015, 2014 and 2013, examined by us, as set out un Annexure – I (along with Annexures I.1 to I.18) to this report, read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure- IV and ' Notes to the Restated Consolidated 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 Consolidated 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 and its subsidiary for the relevant six months/financial years.

(v) The Restated Consolidated Statement of Profit and Loss for the years ended March 31, 2017, 2016, 2015, 2014 and 2013, examined by us, as set out un Annexure – II (along with Annexures II.1 to II.10) to this report, read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure- IV and ' Notes to the Restated Consolidated 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 Consolidated 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 and its subsidiaries for the relevant six months period / financial years.

(vi) The Restated Consolidated Statement of Cash flows for the years ended March 31, 2017, 2016, 2015, 2014 and 2013, 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 Consolidated Financial Statements' appearing in Annexure- IV and ' Notes to the Restated Consolidated 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 Consolidated 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 and its subsidiary for the relevant six months period / financial years.

(vii) The financial statements of two subsidiary included in the Restated Consolidated Financial Statements of the Group for the years ended March 31, 2017, 2016 (2 subsidiary), March 31, 2015 (2 subsidiary), March 31, 2014 (2 subsidiary) and March 31, 2013 (2 subsidiary) were audited by their respective auditors as set out in Appendix – I to this examination report, whose reports have been furnished to us and accordingly relied upon by us for our examination of the Restated Consolidated Financial Information.

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 Consolidated Financial Information:

(d) have been made after incorporating adjustments for prior period and other material amounts in the six months period / respective financial years to which they relate to; and;

(e) do not contain any extra ordinary items that need to be disclosed separately other than those presented in the Restated Consolidated Financial Information and do not contain any qualification requiring adjustments.

5. We have also examined the following Restated Consolidated Financial Information as set out in the Annexures to this report and forming part of the Restated Consolidated Financial Information, prepared by the management of the Company and approved by the Board of Directors for the years ended March 31, 2017, 2016, 2015, 2014 and 2013:

i) Restated Consolidated Statement of Share Capital included in Annexure – I.1;
ii) Restated Consolidated Statement of Reserve & Surplus included in Annexure – I.2;
iii) Restated Consolidated Statement of Long Term Borrowings included in Annexure I.3;
iv) Restated Consolidated Statement of Deferred Tax liability/Assets (net)included in Annexure I.4;
v) Restated Consolidated Statement of Long Term Provision included in Annexure I.5;
vi) Restated Consolidated Statement of Non-Curent Liabilities included in Annexure I.6;

vii) Restated Consolidated Statement of Short Term Borrowings included in Annexure I.7;
viii) Restated Consolidated Statement of Trade Payable included in Annexure I.8;
ix) Restated Consolidated Statement of Other Current Liabilities included in Annexure I.9;
x) Restated Consolidated Statement of Short Term provision included in Annexure I.10;
xi) Restated Consolidated Statement of Fixed Assets included in Annexure I.11;
xii) Restated Consolidated Statement of Non – Current Investments included in Annexure I.12;
xiii) Restated Consolidated Statement of Long Term Loans and Advances included in Annexure I.13;
xiv) Restated Consolidated Statement of Other Non-current Assets included in Annexure I.14;
xv) Restated Consolidated Statement of Current Investments included in Annexure I.15;
xvi) Restated Consolidated Statement of Inventories included in Annexure I.16;
xvii) Restated Consolidated Statement of Trade Receivables included in Annexure I.17;
xviii) Restated Consolidated Statement of Cash and Cash Equivalents included in Annexure I.18;
xix) Restated Consolidated Statement of Short Term Loans and Advances included in Annexure I.19;
xx) Restated Consolidated Statement of Other Current Assets included in Annexure I.20;
xxi) Restated Consolidated Statement of Revenue from operations included in Annexure II.1;
xxii) Restated Consolidated Statement of Other Income included in Annexure II.2;
xxiii) Restated Consolidated Statement of Cost of Material Consumed included in Annexure II.3;
xxiv) Restated Consolidated Statement of Purchase of Stock-in- Trade included in Annexure II.4;
xxv) Restated Consolidated Statement of Manufacturing and Operating Costs included in Annexure II.5;
xxvi) Restated Consolidated Statement of Changes in Inventories included in Annexure II.6;
xxvii) Restated Consolidated Statement of Employees Benefit Expenses included in Annexure II.7;
xxviii) Restated Consolidated Statement of Finance Cost included in Annexure II.8;
xxix) Restated Consolidated Statement of Other Expenses included in Annexure II.9;
xxx) Restated Consolidated Statement of Exceptional Items included in Annexure II.10;
xxxi) Restated Consolidated Statement of Contingent Liabilities, included in Annexure VII;
xxxii) Restated Consolidated Statement of Related Party Transaction, included in Annexure VIII;
xxxiii) Restated Consolidated Statement of Accounting Ratios, included in Annexure IX;
xxxiv) Restated Consolidated Statement of Capitalisation, included in Annexure X;
xxxv) Restated Consolidated Statement of Financial indebtness, included in Annexure XI.
xxxvi) Restated Consolidated Statement of Dividend, included in Annexure XII.

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 financial statements referred to herein.

7. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

In our opinion, the above Restated Consolidated 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 Consolidated 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.

8. 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 ARUN NARESH & CO.**
*Chartered Accountants,*
Firm Regn. No. 007127N

**(B. K. JAIN)**
Partner
M.N. 084598

**Place:** Delhi
**Dated:** June 15, 2017

SALASAR

**APPENDIX - I**
**TO THE REPORT OF THE INDEPENDENT AUDITOR ON THE EXAMINATION OF RESTATED CONSOLIDATED FINANCIAL INFORMATION**

**Audited financial statements of the Subsidiary considered in the Restated Consolidated Financial Information of the Group for the financial years ended March 31, 2017, 2016, 2015, 2014 and 2013 which were audited by auditors as set out below.**

| Sr. No. | Name of the Subsidiary Company | Year ended | Total Assets as included in Restated Consolidated Financials (Rs. in million) | Total Revenue/ Income as included in Restated Consolidated Financials (Rs. in million) | Net Movement in cash and cash equivalents included in Restated Consolidated Financials (Rs. in million) | Name of the Auditor |
|---|---|---|---|---|---|---|
| 1. | Salasar Stainless Limited-*a wholly owned subsidiary of Issuer Company* | March 31, 2017 | 465.97 | 104.71 | 0.74 | VAPS & Co., Chartered Accountants, New Delhi |
| | | March 31, 2016 | 415.13 | 399.88 | 0.38 | |
| | | March 31, 2015 | 659.99 | 597.58 | 0.87 | |
| | | March 31, 2014 | 752.15 | 518.36 | 0.36 | |
| | | March 31, 2013 | 694.11 | 472.95 | (0.02) | |
| | | | | | | |
| 2. | Ganges Concast Industries Limited- *a step-down subsidiary of Issuer Company* | March 31, 2016 | 1.34 | 0.02 | (0.26) | Vinay Mittal & Associates |
| | | March 31, 2015 | 1.60 | 0.03 | 0.01 | |
| | | March 31, 2014 | 1.59 | 0.03 | (0.09) | |
| | | March 31, 2013 | 1.71 | 0.08 | 0.51 | |

As per our Report of even date

**For ARUN NARESH & CO.**
*Chartered Accountants,*
Firm Regn. No. 007127N

**For and on behalf of Board of Directors**

**A. K. Jain**
Partner
M.N. 084598

**Alok Kumar**
Chairman & Managing Director
DIN: 01474484

**Shashank Agarwal**
Jt. Managing Director
DIN: 00316141

**Place:** Delhi
**Dated:** June 15, 2017

**Kamlesh Kumar Sharma**
(Chief Financial Officer)

SALASAR

**SALASAR TECHNO ENGINEERING LIMITED**

**(Formerly Salasar Techno Engineering Pvt. Ltd.)**

**ANNEXURE – I : RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES**

**(Rs. in Million)**

| Sr. No. | Particulars | Note No. | As at 31st March, | | | | |
|---|---|---|---|---|---|---|---|
| | | | 2017 | 2016 | 2015 | 2014 | 2013 |
| **A.** | **Equity and Liabilities** | | | | | | |
| **1** | **Shareholders' Funds** | | | | | | |
| | Share Capital | **I.1** | 99.56 | 49.78 | 49.78 | 48.76 | 48.76 |
| | Reserves & Surplus | **I.2** | 858.76 | 701.36 | 590.96 | 516.51 | 457.78 |
| | **Share application money pending allotment** | | - | - | - | - | 0.11 |
| **2** | **Non-Current Liabilities** | | | | | | |
| | Long-term borrowings | **I.3** | 70.49 | 113.03 | 138.21 | 191.13 | 177.99 |
| | Deferred Tax Liabilities (Net) | **I.4** | 37.12 | 37.08 | 32.29 | 35.90 | 25.07 |
| | Long Term Provisions | **I.5** | 9.01 | 5.17 | 3.94 | 2.89 | 4.77 |
| | Other Non Current Liabilities | **I.6** | 98.50 | - | - | - | - |
| **3** | **Current Liabilities** | | | | | | |
| | Short Term Borrowings | **I.7** | 616.05 | 446.07 | 576.17 | 597.16 | 447.96 |
| | Trade Payables | **I.8** | 341.04 | 156.97 | 211.48 | 383.52 | 217.34 |
| | Other Current Liabilities | **I.9** | 399.70 | 215.02 | 222.35 | 254.94 | 176.77 |
| | Short Term Provisions | **I.10** | 40.92 | 34.64 | 47.39 | 32.66 | 34.41 |
| | **Total** | | **2,571.15** | **1,759.12** | **1,872.56** | **2,063.46** | **1,590.96** |
| **B.** | **Assets** | | | | | | |
| **4** | **Non-Current Assets** | | | | | | |
| | Fixed Assets | **I.11** | | | | | |
| | -Tangible Assets | | 615.78 | 548.09 | 537.64 | 542.79 | 372.77 |
| | -Intangible Assets | | 0.04 | 0.04 | 0.04 | 0.56 | 0.70 |
| | -Capital Work In Progress | | - | 2.15 | - | - | 8.69 |
| | -Goodwill on Consolidation | | - | 0.25 | 0.25 | 0.25 | 0.25 |
| | Non - Current Investments | **I.12** | - | - | - | - | - |
| | Long Term Loans and Advances | **I.13** | 58.37 | 9.52 | 8.47 | 7.05 | 7.96 |
| | Other Non Current Assets | **I.14** | - | - | 0.09 | 0.18 | 0.31 |
| **5** | **Current Assets** | | | | | | |
| | Current Investments | **I.15** | 12.91 | 16.96 | 1.86 | 4.63 | 4.63 |
| | Inventories | **I.16** | 688.15 | 449.05 | 567.01 | 599.09 | 510.94 |
| | Trade Receivables | **I.17** | 797.06 | 605.90 | 570.31 | 703.73 | 521.43 |
| | Cash and Cash Equivalents | **I.18** | 63.83 | 23.94 | 27.01 | 39.50 | 20.78 |
| | Short-term loans and advances | **I.19** | 155.82 | 93.26 | 153.81 | 160.38 | 137.80 |
| | Other Current Assets | **I.20** | 179.19 | 9.96 | 6.07 | 5.29 | 4.71 |
| | **Total** | | **2,571.16** | **1,759.12** | **1,872.56** | **2,063.45** | **1,590.96** |

**Note:** The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure- IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure-V and 'Notes to the Consolidated Financial Statements' appearing in Annexure- VI.

SALASAR

As per our Report of even date

**For ARUN NARESH & CO.**
*Chartered Accountants,*
Firm Regn. No. 007127N

**For and on behalf of Board of Directors**

**A. K. Jain**
Partner
M.N. 084598

**Alok Kumar**
Chairman & Managing Director
DIN: 01474484

**Shashank Agarwal**
Jt. Managing Director
DIN: 00316141

**Place:** Delhi
**Dated:** June 15, 2017

**Kamlesh Kumar Sharma**
(Chief Financial Officer)

SALASAR

**SALASAR TECHNO ENGINEERING LIMITED**

**(Formerly Salasar Techno Engineering Pvt. Ltd.)**

## ANNEXURE – II : RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

**(Rs. in Million)**

| Sr. No | Particulars | Notes No. | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|---|---|
| | | | 2017 | 2016 | 2015 | 2014 | 2013 |
| **A.** | **Revenue:** | | | | | | |
| | Revenue from Operations (gross) | **II.1** | 4,162.41 | 3,411.14 | 3,603.98 | 3,232.84 | 2,330.61 |
| | Less: Excise Duty | | 319.55 | 311.09 | 302.86 | 309.14 | 202.68 |
| | Revenue from operations (net) | | 3,842.86 | 3,100.05 | 3,301.12 | 2,923.70 | 2,127.93 |
| | Other income | **II.2** | 3.51 | 1.90 | 2.50 | 1.97 | 1.06 |
| | **Total revenue** | | **3,846.36** | **3,101.95** | **3,303.62** | **2,925.67** | **2,129.00** |
| **B.** | **Expenses:** | | | | | | |
| | Cost of material Consumed | **II.3** | 2,542.76 | 1,968.63 | 2,305.80 | 2,229.44 | 1,624.34 |
| | Purchase of Traded Goods | **II.4** | 96.71 | 13.54 | 6.83 | 46.87 | 61.91 |
| | Manufacturing & Operating Costs | **II.5** | 698.83 | 425.63 | 331.40 | 284.09 | 210.10 |
| | Changes in inventories of Finished goods, work-in-progress | **II.6** | (249.72) | 127.82 | 36.79 | (161.82) | (120.36) |
| | Employee benefit expenses | **II.7** | 142.50 | 111.37 | 105.95 | 80.18 | 61.02 |
| | Finance costs | **II.8** | 72.67 | 87.52 | 100.25 | 110.66 | 82.10 |
| | Depreciation and amortization exp. | | 32.88 | 30.89 | 59.54 | 19.49 | 16.89 |
| | Other expenses | **II.9** | 204.06 | 162.43 | 234.67 | 217.53 | 121.95 |
| | **Total Expenses** | | **3,540.70** | **2,927.84** | **3,181.23** | **2,826.44** | **2,057.95** |
| | **Profit/(Loss) before exceptional Items & tax** | | **305.66** | **174.11** | **122.40** | **99.23** | **71.05** |
| | Less/(Add) : Exceptional Items | **II.10** | (4.82) | - | 20.86 | **-** | **-** |
| | **Profit/(Loss) before Tax** | | **310.48** | **174.11** | **101.54** | **99.23** | **71.05** |
| | **Tax expense :** | | | | | | |
| | Current tax | | 105.66 | 58.30 | 44.64 | 32.59 | 21.20 |
| | MAT Credit | | (4.74) | (0.75) | (2.72) | (2.91) | (4.99) |
| | Deferred Tax | | 0.04 | 4.79 | (3.60) | 10.82 | 5.50 |
| | **Profit/(Loss) for the period/year** | | **209.52** | **111.76** | **63.23** | **58.73** | **49.33** |
| | CSR Expenses | | 2.08 | 1.37 | 0.55 | **-** | **-** |
| | **Profit/(Loss) for the period/year** | | **207.44** | **110.39** | **62.68** | **58.73** | **49.33** |
| | | | | | | | |
| | **Earning per equity share in Rs.:** | | | | | | |
| | (1) Basic | | 20.83 | 11.09 | 6.36 | 6.02 | 5.06 |
| | (2) Diluted | | 20.83 | 11.09 | 6.36 | 6.02 | 5.06 |

**Note:** The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure- IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure-V and 'Notes to the Consolidated Financial Statements' appearing in Annexure- VI.

SALASAR

As per our Report of even date

**For ARUN NARESH & CO.**
*Chartered Accountants,*
Firm Regn. No. 007127N

**For and on behalf of Board of Directors**

**A. K. Jain**
Partner
M.N. 084598

**Alok Kumar**
Chairman & Managing Director
DIN: 01474484

**Shashank Agarwal**
Jt. Managing Director
DIN: 00316141

**Place:** Delhi
**Dated:** June 15, 2017

**Kamlesh Kumar Sharma**
(Chief Financial Officer)

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**SALASAR TECHNO ENGINEERING LIMITED**

**(Formerly Salasar Techno Engineering Pvt. Ltd.)**

## ANNEXURE – III : RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS

**(Rs. in Millions)**

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| **A. CASH FLOW FROM OPERATING ACTIVITIES** | | | | | |
| **Profit/ (Loss) before tax** | **310.48** | **174.11** | **101.54** | **99.23** | **71.05** |
| Adjustments for: | | | | | |
| Depreciation | 32.88 | 30.89 | 59.54 | 19.49 | 16.89 |
| Interest Expense | 72.67 | 87.52 | 100.25 | 110.66 | 82.10 |
| Fixed Asset Written Off | - | - | - | - | - |
| Provision for Bad Debts | - | 2.06 | 0.56 | 3.14 | - |
| Bad Debts written off | - | - | 0.13 | 3.85 | - |
| Investment/Advance written off | - | - | 20.28 | - | - |
| Interest /Other Income Received | (3.51) | (1.90) | (2.50) | (1.97) | (1.06) |
| Loss/(Profit) on Sale of Investments | (4.82) | - | 0.58 | - | - |
| Insurance Claim received | - | - | - | - | - |
| Profit/(Loss) on Sale of Fixed Assets | - | - | - | - | - |
| **Operating profit before working capital changes** | **407.71** | **292.68** | **280.37** | **234.40** | **168.97** |
| **Movements in working capital :** | | | | | |
| (Increase)/ Decrease in Inventories | (239.10) | 117.97 | 32.07 | (88.15) | (190.69) |
| (Increase)/Decrease in Trade Receivables | (191.16) | (37.65) | 132.74 | (189.30) | (205.98) |
| (Increase)/Decrease in Other Long-Term Assets | - | 0.09 | 0.09 | 0.12 | 0.06 |
| (Increase)/Decrease in Loans & Advances | (62.56) | 60.55 | 6.57 | (22.58) | 74.34 |
| (Increase)/Decrease in Other Current Assets | (169.23) | (3.89) | (0.78) | (0.58) | (2.05) |
| Increase/(Decrease) in Trade Payables and Other Current Liabilities | 378.63 | (73.36) | (188.85) | 240.72 | 208.72 |
| **Cash generated from operations** | **124.27** | **356.39** | **262.21** | **174.63** | **53.38** |
| Less: Income Tax Paid | 100.93 | 57.55 | 41.92 | 29.68 | 16.21 |
| Less : CSR Expenses | 2.08 | 1.37 | 0.55 | - | - |
| **Net cash from operating activities (A)** | **21.27** | **297.47** | **219.74** | **144.95** | **37.17** |
| **B. CASH FLOW FROM INVESTING ACTIVITIES** | | | | | |
| Purchase of Fixed Assets | (98.17) | (43.49) | (53.87) | (180.68) | (36.53) |
| Purchase of Non current Investments | | | (0.46) | | |
| Purchase of Current Investments | - | (15.10) | - | - | - |
| Sale of Fixed Assets | - | - | - | - | - |
| Long Term Loans & Advances | (48.85) | (1.04) | (21.25) | 0.91 | (2.70) |
| Sale of Investments | 8.87 | | 2.20 | - | - |
| Interest Received/Other Income | 3.51 | 1.90 | 2.50 | 1.97 | 1.06 |
| **Net cash from investing activities (B)** | **(134.65)** | **(57.74)** | **(70.87)** | **(177.81)** | **(38.17)** |
| Proceeds from share application money | - | - | - | (0.11) | 0.11 |
| Proceeds from issue of shares | - | - | 12.80 | - | - |
| Proceeds/(Repayment) of Security Deposit | 98.50 | | | | |
| Interest paid on Borrowings | (72.67) | (87.52) | (100.25) | (110.66) | (82.10) |
| Proceeds/(Repayment) of Short Term Loans | 169.97 | (130.10) | (20.99) | 149.20 | 46.22 |
| Proceeds/ (Repayment) of Long Term Loans | (42.54) | (25.17) | (52.92) | 13.14 | 41.54 |
| **Net cash from financing activities (C)** | **153.27** | **(242.79)** | **(161.36)** | **51.57** | **5.76** |
| **Net increase in cash and cash equivalents (A+B+C)** | **39.89** | **(3.06)** | **(12.50)** | **18.72** | **4.76** |
| **Cash and cash equivalents at the beginning of the year** | **23.94** | **27.01** | **39.50** | **20.78** | **16.02** |

| | | | | | |
|---|---|---|---|---|---|
| **Cash and cash equivalents at the end of the year** | **63.83** | **23.94** | **27.01** | **39.50** | **20.78** |

**Notes:**

1) The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard - 3 (AS-3) issued by the Institute of Chartered Accountants of India.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

As per our Report of even date

**For ARUN NARESH & CO.**
*Chartered Accountants,*
Firm Regn. No. 007127N

**For and on behalf of Board of Directors**

**A. K. Jain**
Partner
M.N. 084598

**Alok Kumar**
Chairman & Managing Director
DIN: 01474484

**Shashank Agarwal**
Jt. Managing Director
DIN: 00316141

**Place:** Delhi
**Dated:** June 15, 2017

**Kamlesh Kumar Sharma**
(Chief Financial Officer)

**ANNEXURE - I.1 : RESTATED CONSOLIDATED STATEMENT OF SHARE CAPITAL**

**(Rs. In Million)**

| Particulars | As at 31st March, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| **Authorised** | | | | | |
| Equity Shares of Rs. 10 each | 140.00 | 60.00 | 60.00 | 60.00 | 60.00 |
| **Issued** | | | | | |
| Equity Shares of Rs. 10 each | 99.56 | 49.78 | 49.78 | 48.76 | 48.76 |
| **Subscribed & Fully Paid Up** | | | | | |
| Equity Shares of Rs. 10 each | 99.56 | 49.78 | 49.78 | 48.76 | 48.76 |
| **Total** | **99.56** | **49.78** | **49.78** | **48.76** | **48.76** |

**Notes:**

**I.1.1 Right, Perferences 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 on 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, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Shares outstanding at the beginning of the year | 4,978,150 | 4,978,150 | 4,875,750 | 4,875,750 | 4,875,750 |
| Shares issued during the year | 4,978,150 | - | 102,400 | - | - |
| Shares bought back during the year | - | - | - | - | - |
| Any other movement (please specify) | - | - | - | - | - |
| Share outstanding at the end of the year | **9,956,300** | **4,978,150** | **4,978,150** | **4,875,750** | **4,875,750** |

**I.1.3** The company has an Authorised Share Capital of Rs. 14,00,00,000 (divided into 1,40,00,000 Equity Shares of Rs. 10/- each) and Paid up Capital of Rs. 9,95,63,000 (divided into 99,56,300 Equity Shares of Rs. 10/- each fully paid up) out of which a capital of Rs. 4,97,81,500 (49,78,150 Equity Shares of Rs. 10/- each in the ratio of 1:1) were issued as fully paid up bonus shares by capitalisation of Reserves on 16th June 2016

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**I.1.4 Details of Shareholding more than 5% of the aggregate shares in the company**

| Name of Shareholder | 31-Mar-17 | | 31-Mar-16 | | 31-Mar-15 | | 31-Mar-14 | | 31-Mar-13 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | NOS | % of Holding | NOS | % of Holding | NOS | % of Holding | NOS | % of Holding | NOS | % of Holding |
| Hill View Infrabuild Ltd. | 2,874,300 | 28.87% | 1,437,150 | 28.87% | 1,437,150 | 28.87% | 1,334,750 | 27.38% | 1,334,750 | 27.38% |
| Sh. Shalabh Agarwal | 1,280,592 | 12.86% | 180,000 | 3.62% | 180,000 | 3.62% | 180,000 | 3.69% | 180,000 | 3.69% |
| Shikhar Fabtech (P) Ltd. | 985,000 | 9.89% | 492,500 | 9.89% | 492,500 | 9.89% | 492,500 | 10.10% | 492,500 | 10.10% |
| Sh. Alok Kumar | 894,000 | 8.98% | 547,000 | 10.99% | 547,000 | 10.99% | 547,000 | 11.22% | 547,000 | 11.22% |
| Sh. Shashank Agarwal | 710,592 | 7.14% | 782,000 | 15.71% | 782,000 | 15.71% | 782,000 | 16.04% | 782,000 | 16.04% |
| Smt. Anshu Agarwal | 578,000 | 5.81% | 289,000 | 5.81% | 289,000 | 5.81% | 289,000 | 5.93% | 289,000 | 5.93% |
| Smt. Kamlesh Gupta | 500,000 | 5.02% | 350,000 | 7.03% | 350,000 | 7.03% | 350,000 | 7.18% | 350,000 | 7.18% |

**Notes:**

1) The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

**ANNEXURE – I.2 : Restated Consolidated Statement of Reserves and Surplus**

**(Rs. In Million)**

| Particulars | As at 31st March, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| **Share Premium Account** | | | | | |
| Balance as at the beginning of the year | 288.30 | 288.30 | 276.52 | 276.52 | 276.52 |
| Add: Share Premium received during the year | - | - | 11.78 | - | - |
| Less: Bonus Shares Issued | 49.78 | - | - | - | - |
| Balance as at the end of the year | **238.52** | **288.30** | **288.30** | **276.52** | **276.52** |
| | | | | | |
| **Balance in Statement of Profit & Loss** | | | | | |
| Balance as at the beginning of the year | 413.06 | 302.66 | 239.99 | 181.26 | 131.93 |
| Add: Deficit on Amalgamation | (0.25) | - | - | - | - |
| Add: Profit for the year | 207.44 | 110.39 | 62.68 | 58.73 | 49.33 |
| Balance as at the end of the year | **620.25** | **413.06** | **302.66** | **239.99** | **181.26** |
| **Grand Total** | **858.76** | **701.36** | **590.96** | **516.51** | **457.78** |

**Notes:**

1) The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

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**ANNEXURE – I.3 : Restated Consolidated Statement of Long Term Borrowings**

**(Rs. In Million)**

| Particulars | 31-Mar-17 | | 31-Mar-16 | | 31-Mar-15 | | 31-Mar-14 | | 31-Mar-13 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Non-Current | Current | Non-Current | Current | Non-Current | Current | Non-Current | Current | Non-Current | Current |
| ***Secured:*** | | | | | | | | | | |
| **Term Loan:** | | | | | | | | | | |
| *From Banks:* | | | | | | | | | - | |
| *From Bank of India ag. Factory Land & Building* | - | - | 12.50 | 15.00 | 27.50 | 15.00 | 42.50 | 15.00 | - | |
| *From Punjab National Bank ag. Factory Building and Plant & Machinery* | - | - | 24.39 | 16.67 | 44.62 | 16.67 | 62.62 | 28.33 | 91.32 | 28.33 |
| | | | | | | | | | | |
| **Vehicle Loans:** | | | | | | | | | | |
| *Loan from Yes Bank Ltd. ag. Audi Car* | - | - | - | 0.31 | 0.31 | 1.25 | 1.57 | 1.15 | - | |
| *Loan from Yes Bank Ltd. ag. Audi Car* | - | - | - | 0.31 | 0.31 | 1.25 | 1.57 | 1.15 | - | |
| *Loan from HDFC Bank Ltd. ag. Hydra* | - | - | - | | - | 0.37 | 0.37 | 0.50 | - | |
| *Loan from Kotak Mahindra Prime Limited ag. Sunny Nissan Car* | - | - | - | - | - | 0.21 | 0.26 | 0.25 | 0.45 | 0.22 |
| *Loan from Bank of India ag. Verna Car* | - | 0.11 | 0.11 | 0.17 | 0.29 | 0.16 | 0.37 | 0.22 | - | |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| *Loan from Bank of India ag. Terrano Car* | 0.42 | 0.13 | 0.55 | 0.12 | 0.68 | 0.11 | 0.78 | 0.09 | - | |
| *Loan from ICICI Bank ag. Creta Car* | 0.37 | 0.41 | 0.77 | 0.37 | - | - | - | - | - | - |
| *Loan from PNB ag. Bolero Car* | 0.31 | 0.23 | - | - | - | - | - | - | - | |
| *Loan from PNB ag. Bolero Car* | 0.31 | 0.23 | - | - | - | - | - | - | - | |
| *Loan from Bank of India ag. Bolero Car* | 0.57 | 0.12 | - | - | - | - | - | - | - | |
| *Loan from HDFC Bank Ltd. ag. Hydra* | - | - | - | - | - | 0.20 | 0.20 | 0.45 | - | - |
| ***Unsecured:*** | | | | | | | | | | |
| *Loan From Related Parties* | 68.52 | - | 74.70 | - | 50.84 | - | 67.56 | - | 86.22 | |
| *Loan From Other than Related Parties* | - | - | - | | 13.65 | - | 13.33 | - | - | |
| **Total** | **70.49** | **1.23** | **113.03** | **32.96** | **138.21** | **35.21** | **191.13** | **47.14** | **177.99** | **28.56** |
| *Less : Amount disclosed under the head "Other current liabilities" (Refer Note I.7)* | - | 1.23 | - | 32.96 | - | 35.21 | - | 47.14 | | 28.56 |
| **Total** | **70.49** | **-** | **113.03** | **-** | **138.21** | **-** | **191.13** | **-** | **177.99** | **-** |

Out of the above amounts outstanding from related parties are as follows:

| Particulars | 31-Mar-17 | | 31-Mar-16 | | 31-Mar-15 | | 31-Mar-14 | | 31-Mar-13 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Non-Current | Current | Non-Current | Current | Non-Current | Current | Non-Current | Current | Non-Current | Current |
| Mr. Alok Kumar | - | - | 0.34 | - | 0.34 | - | 0.34 | - | 0.34 | - |
| Alok Kumar (HUF) | - | - | - | - | - | - | 0.04 | - | 0.04 | - |
| Mr. Shashank Agarwal | 17.87 | - | 29.15 | - | 10.83 | - | 18.50 | - | 40.27 | - |
| Mr. Shalabh Agarwal | 7.50 | - | 2.00 | - | - | - | - | - | - | - |
| Mrs. Anshu Agarwal | 1.51 | - | 1.51 | - | 1.51 | - | 1.51 | - | 1.51 | - |
| Mrs. Taru Agarwal | 1.82 | - | 1.82 | - | 1.82 | - | 1.82 | - | 1.82 | - |
| Hill View Infrabuild Ltd | 39.83 | - | 39.88 | - | 36.35 | - | 45.35 | - | 42.25 | - |
| **Total** | **68.52** | **-** | **74.70** | **-** | **50.84** | **-** | **67.56** | **-** | **86.22** | **-** |

**Notes:**

1) The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

**ANNEXURE – I.4 : Restated Consolidated Statement of Deferred Tax Assets/(Liabilities) (Net)**

**(Rs. In Million)**

| Particulars | As at 31st March, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| ***Deferred Tax Assets*** | | | | | |
| Disallowance under the Income Tax Act | - | - | - | - | - |
| Provision for gratuity and leave encashment | 7.51 | 3.12 | 2.68 | 1.75 | 1.55 |
| Related to Fixed Assets | - | - | | - | - |
| *Total (a)* | **7.51** | **3.12** | **2.68** | **1.75** | **1.55** |
| ***Deferred Tax Liability*** | | | | | |
| Preliminary expenses | - | - | - | - | - |
| Related to Fixed Assets | 44.63 | 40.21 | 34.97 | 37.65 | 26.62 |
| Disallowance under the Income Tax Act | - | - | - | - | - |
| *Total (b)* | **44.63** | **40.21** | **34.97** | **37.65** | **26.62** |
| ***Net deferred tax asset/ (liability)-{(a)-(b)}*** | **37.12** | **37.08** | **32.29** | **35.90** | **25.07** |

**Notes:**

3) The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

4) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

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**ANNEXURE – I.5 : Restated Consolidated Statement of Long Term Provisions**

**(Rs. In Million)**

| Particulars | As at 31st March, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Provision for gratuity | 7.83 | 5.17 | 3.94 | 2.89 | 4.77 |
| Provision for Earned Leave Encashment | 1.17 | | | | |
| **Grand Total** | **9.01** | **5.17** | **3.94** | **2.89** | **4.77** |

**Notes:**

1) The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

**ANNEXURE – I.6 : Restated Consolidated Statement of Non-Curent Liabilities**

**(Rs. In Million)**

| Particulars | As at 31st March, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Security deposit from contractor | 98.50 | - | - | - | - |
| | | | | | |
| **Grand Total** | **98.50** | **-** | **-** | **-** | **-** |

**Notes:**

(a) The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

(b) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

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**ANNEXURE – I.7 : Restated Consolidated Statement of Short Term Borrowings**

**(Rs. In Million)**

| Particulars | As at 31st March, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| **Secured Loan Repayable on Demand :** | | | | | |
| Cash Credit Limit From Banks | 616.05 | 446.07 | 576.17 | 597.16 | 447.96 |
| **Grand Total** | **616.05** | **446.07** | **576.17** | **597.16** | **447.96** |

Notes : I.1.7.1

(a) Cash Credit Limit from Bank of India is by the hypothecation of Raw Material, WIP, Finished Goods and Book Debts, pledge of cash margin money in ther form of FDR and exclusive charges over the fixed assets. Mr. Alok Kumar, Mr. Gyanendra Kumar Agarwal and Mr. Shalabh Agarwal have given the personal guarantees and corporate guarantee of M/s. Shikhar Fabtech Pvt Ltd to the Bank for Working Capital facilities.

(b) Cash Credit Limit from Punjab National Bank is secured by way of hypothecation of Raw Material, WIP, Finished Goods and Book Debts and exclusive charge over the fixed assets of the Company. Further, the loan is additionally secured by the personal guarantee of Mr. Alok Kumar, Mr. Shashank Agarwal, Mr. Shalabh Agarwal and Mr. Shikhar Gupta.

(c) There were no re-schedulements or default in the repayment of loan taken by the Company.

(d) The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

(e) The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

**ANNEXURE – I.8 : Restated Consolidated Statement of Trade Payables**

**(Rs. In Million)**

| Particulars | As at 31st March, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Payable to Raw Materials Suppliers | 341.04 | 156.97 | 211.48 | 383.52 | 217.34 |
| **Grand Total** | **341.04** | **156.97** | **211.48** | **383.52** | **217.34** |

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

SALASAR

**ANNEXURE – I.9 : Restated Consolidated Statement of Other Current Liabilities**

**(Rs. In Million)**

| Particulars | As at 31st March, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Current Maturities of Long-Term Borrowings | 1.23 | 32.96 | 35.21 | 47.14 | 28.56 |
| Payable for Capital Goods | 0.82 | 1.53 | 0.17 | 0.23 | 0.36 |
| Other Payables | 310.08 | 127.30 | 129.41 | 157.19 | 101.29 |
| Capital Advance | 41.00 | - | - | - | - |
| Due to Employees | 18.65 | 19.25 | 7.09 | 14.23 | 9.38 |
| Expense Payable | 2.73 | 4.59 | 5.00 | 15.32 | 1.66 |
| Statutory Dues | 10.08 | 6.89 | 6.02 | 9.78 | 2.05 |
| Advance received from customers | 15.11 | 22.49 | 39.46 | 11.05 | 33.47 |
| **Grand Total** | **399.70** | **215.02** | **222.35** | **254.94** | **176.77** |

**Notes:**

1. There is no amount due and outstanding to be credited to Investors Education & Protection Fund.

2. The Holding Company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 as per its vendor registration system. Hence disclosures, if any, relating to amounts unpaid at the yearend together with interest paid/payable as required under the said Act are not applicable/ascertainable.

3. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

4. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

**ANNEXURE – I.10 : Restated Consollidated Statement of Short Term Provisions**

**(Rs. In Million)**

| Particulars | As at 31st March, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Provision for Income Tax (net of income tax paid) | 30.83 | 12.29 | 28.35 | 15.46 | 10.69 |
| Provision for Employee Benefits | 1.64 | 1.80 | 1.73 | 0.11 | - |
| Provision for leave encashment | 0.19 | | | | |
| Provision for Excise Duty on Finished Goods | 8.25 | 20.54 | 17.30 | 17.09 | 23.73 |
| **Grand Total** | **40.92** | **34.64** | **47.39** | **32.66** | **34.41** |

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

SALASAR

**ANNEXURE – I.11 : Restated Consolidated Statement of Fixed Assets**

**(Rs. In Million)**

| Particulars | As at 31st March, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| ***Tangible Assets*** | | | | | |
| **Land** | | | | | |
| Gross Block | 190.29 | 170.63 | 164.81 | 159.57 | 58.62 |
| Less: Accumulated Depreciation | - | - | - | - | - |
| Net Block | 190.29 | 170.63 | 164.81 | 159.57 | 58.62 |
| **Building & Civil Works** | | | | | |
| Gross Block | 110.31 | 102.98 | 87.25 | 81.76 | 56.24 |
| Less: Accumulated Depreciation | 17.24 | 13.97 | 10.71 | 7.14 | 4.63 |
| Net Block | 93.08 | 89.01 | 76.54 | 74.62 | 51.62 |
| **Plant and Machinery** | | | | | |
| Gross Block | 451.60 | 385.27 | 370.31 | 329.10 | 278.97 |
| Less: Accumulated Depreciation | 140.44 | 114.12 | 89.72 | 39.73 | 24.82 |
| Net Block | 311.16 | 271.15 | 280.59 | 289.37 | 254.15 |
| **Office Equipments** | | | | | |
| Gross Block | 9.12 | 6.22 | 4.78 | 3.68 | 3.19 |
| Less: Accumulated Depreciation | 1.87 | 1.40 | 1.01 | 0.47 | 0.31 |
| Net Block | 7.25 | 4.82 | 3.77 | 3.20 | 2.88 |
| **Computer & Peripherals** | | | | | |
| Gross Block | 5.59 | 4.71 | 4.17 | 3.58 | 2.80 |
| Less: Accumulated Depreciation | 4.45 | 3.94 | 3.34 | 1.54 | 1.00 |
| Net Block | 1.14 | 0.77 | 0.83 | 2.04 | 1.80 |
| **Furniture & Fixtures** | | | | | |
| Gross Block | 1.64 | 1.62 | 0.96 | 0.88 | 0.68 |
| Less: Accumulated Depreciation | 0.65 | 0.50 | 0.34 | 0.15 | 0.10 |
| Net Block | 0.99 | 1.13 | 0.62 | 0.73 | 0.58 |
| **Vehicles** | | | | | |
| Gross Block | 20.59 | 17.13 | 15.03 | 14.98 | 3.76 |
| Less: Accumulated Depreciation | 8.72 | 6.54 | 4.55 | 1.71 | 0.64 |
| Net Block | 11.87 | 10.59 | 10.48 | 13.27 | 3.13 |
| ***Total Tangible Assets*** | **615.78** | **548.09** | **537.64** | **542.79** | **372.77** |
| | | | | | |
| *Capital Work in Progress-Building* | - | - | - | - | 8.69 |
| *Capital Work in Progress-Zinc Tank* | | 2.15 | - | - | - |
| ***Total Capital Work in Progress*** | **-** | **2.15** | **-** | **-** | **8.69** |
| | | | | | |
| ***Intangible Assets*** | | | | | |
| **Software** | | | | | |
| Gross Block | 0.85 | 0.85 | 0.85 | 0.85 | 0.85 |
| Less: Accumulated Depreciation | 0.81 | 0.81 | 0.81 | 0.29 | 0.15 |
| Net Block | **0.04** | **0.04** | **0.04** | **0.56** | **0.70** |

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

SALASAR

**ANNEXURE – I.12 : Restated Consolidated Statement of Non Current Investments**

**(Rs. In Million)**

| Particulars | As at 31st March, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| **Investment in Joint Venture Company :** | | | | | |
| UNI Global Solution INC* (750 Shares of USD 1 each) | - | - | - | - | - |
| **Grand Total** | **-** | **-** | **-** | **-** | **-** |

* During the FY 2015-16, Investment of Rs. 0.46 Million in UNI Global Solution INC (a Joint Venture Company incorporated in USA) has been written off since the JV has incurred cash losses and there is no possibility to recover investment.

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

**ANNEXURE – I.13 : Restated Consolidated Statement of Long Term Loans and Advances**

**(Rs. In Million)**

| Particulars | As at 31st March, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| (Unsecured and considered good) | | | | | |
| Security Deposits | 8.82 | 7.30 | 5.74 | 4.98 | 5.89 |
| Earnest Money Deposit | 4.75 | 2.21 | 2.74 | 2.07 | 2.07 |
| Fixed Deposit Receipts (Pledged with bank against margin money) | | | | | |
| (With maturity ranging from 12-36 months) | 44.80 | | | | |
| Advances to Related Parties : | | | | | |
| Advances to UNI Global Solution INC (A Joint Venture Company)* | - | - | - | - | - |
| **Grand Total** | **58.37** | **9.52** | **8.47** | **7.05** | **7.96** |

* During the FY 2015-16, Loans & Advances of Rs. 19.82 Million given to UNI Global Solution INC (a Joint Venture Company incorporated in USA) has been written off since the JV has incurred cash losses and there is no possibility to the advances.

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

SALASAR

**ANNEXURE – I.14 : Restated Consolidated Statement of Other Non Current Assets**

**(Rs. In Million)**

| Particulars | As at 31st March, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Preliminary Expenses | | | | | |
| Opening Balance | - | 0.09 | 0.18 | 0.27 | 0.43 |
| Add: Addition during the year | - | - | - | - | - |
| Less: Written off during the year | - | 0.09 | 0.09 | 0.09 | 0.12 |
| **Grand Total** | **-** | **-** | **0.09** | **0.18** | **0.31** |

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

**ANNEXURE – I.15 : Restated Consolidated Statement of Current Invesments**

**(Rs. In Million)**

| Particulars | As at 31st March, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| **Quoted :** | | | | | |
| **Investment Equity Shares :** | | | | | |
| 1,10,000 Equity Shares of Rama Steel Tubes Ltd of Rs. 5 each fully paid up | - | 10.18 | - | - | - |
| 13,516 (PY 40,000) Equity Shares of KEI Industries Ltd. of Rs. 10 each fully paid up | 1.67 | 4.93 | - | - | - |
| 1,00,500 Equity Shares of Amulya Leasing & Finance Ltd. | - | - | - | 3.78 | 3.78 |
| 61,500 (PY Nil ) Equity Shares of Hi-Tech Pipes Ltd. of Rs. 10 each fully paid up. | 8.59 | - | - | - | - |
| 8,000 (PY Nil ) Equity Shares of Fourth Dimension solutions Ltd. of Rs. 10 each fully paid up. | 0.65 | - | - | - | - |
| **Investments in Mutual Funds** | | | | | |
| BOI AXA Capital Protection Oriented Fund Series -2 | 1.00 | 1.00 | 1.00 | - | - |
| **Unquoted :** | | | | | |
| Gold Bond | 0.14 | - | - | - | - |
| Gold Coins - Bullion | 0.86 | 0.86 | 0.86 | 0.86 | 0.86 |
| **Grand Total** | **12.91** | **16.96** | **1.86** | **4.63** | **4.63** |
| Aggregate book value of unquoted investments | 1.00 | 0.86 | 0.86 | 0.86 | 0.86 |
| Aggregate amount of quoted investments | | | | | |
| Cost | 11.91 | 16.10 | 1.00 | 3.78 | 3.78 |
| Market Value | 11.99 | 14.91 | 1.00 | 2.36 | 1.52 |
| Aggregate provision for diminution in value of quoted Investments | - | - | - | - | - |
| **Total Restated Current Investments** | **12.91** | **16.96** | **1.86** | **4.63** | **4.63** |

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

SALASAR

**ANNEXURE – I.16 : Restated Consolidated Statement of Inventories**

**(Rs. In Million)**

| Particulars | As at 31st March, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| (at cost or net realisable value, whichever is lower) | | | | | |
| Raw material | 123.10 | 121.58 | 114.67 | 109.72 | 177.75 |
| Work-in-progress | 469.66 | 130.15 | 296.09 | 333.04 | 117.50 |
| Traded Goods | 20.74 | 12.21 | - | - | - |
| Finished goods | 72.39 | 178.72 | 151.71 | 152.25 | 213.71 |
| Scrap | 1.86 | 6.14 | 4.00 | 3.07 | 1.99 |
| Consumables | 0.40 | 0.25 | 0.55 | 1.00 | - |
| **Grand Total** | **688.15** | **449.05** | **567.01** | **599.09** | **510.94** |

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

**ANNEXURE – I.17 : Restated Consollidated Statement of Trade Receivables**

**(Rs. In Million)**

| Particulars | As at 31st March, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Trade Receivables : | | | | | |
| Outstanding for a period less than six months from the date they are due for payment | | | | | |
| Unsecured, Considered Good | 760.98 | 578.65 | 567.55 | 691.64 | 478.34 |
| Outstanding for a period exceeding six months from the date they are due for payment | | | | | |
| Unsecured, Considered Good | 36.08 | 27.25 | 2.76 | 12.09 | 43.09 |
| Doubtful | - | 2.06 | 0.56 | 3.14 | - |
| Less : Provision for Doubtful Debts | - | 2.06 | 0.56 | 3.14 | - |
| **Grand Total** | **797.06** | **605.90** | **570.31** | **703.73** | **521.43** |

Out of the above amounts outstanding from promoters/promoter group/group directors/relative of directors are as follows:

**(Rs. In Million)**

| Particulars | As at 31st March, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| From Promoters/Directors/Relatives | - | - | - | - | - |
| From Group Companies | - | - | - | - | - |
| **TOTAL** | **-** | **-** | **-** | **-** | **-** |

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

**ANNEXURE – I.18 : Restated Consolidated Statement of Cash and Cash Equivalents**

**(Rs. In Million)**

| Particulars | As at 31st March, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Cash in hand | 0.71 | 2.37 | 7.59 | 3.77 | 2.91 |
| Balances with banks : | | | | | |
| -in current accounts | 1.57 | 2.86 | 2.43 | 16.69 | 4.60 |
| Other bank balances: | | | | | |
| Fixed Deposit Receipts (Pledged with bank against margin money) | 61.56 | 18.71 | 16.99 | 19.04 | 13.27 |
| (With maturity ranging from 1-12 months) | | | | | |
| **Grand Total** | **63.83** | **23.94** | **27.01** | **39.50** | **20.78** |

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

**ANNEXURE – I.19 : Restated Consolidated Statement of Short Term Loans and Advances**

**(Rs. In Million)**

| Particulars | As at 31st March, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Advance to Suppliers | 5.63 | 13.88 | 24.28 | 17.04 | 13.76 |
| Advances for Capital Goods | 11.57 | 0.71 | 12.79 | 13.29 | 13.67 |
| Advances to Others | 16.37 | 7.33 | 0.64 | 3.69 | 4.80 |
| Balances with Tax Authorities : | | | | | |
| Excise Duty | 56.82 | 18.12 | 59.24 | 69.31 | 56.16 |
| Service Tax | 14.99 | 6.36 | 3.88 | 9.09 | 6.50 |
| WCT | 1.71 | 0.71 | - | - | - |
| VAT | 13.36 | 33.25 | 41.69 | 36.16 | 24.87 |
| Prepaid expenses | 18.86 | 1.11 | 0.25 | 0.86 | 1.22 |
| MAT Credit Entitlement | 16.51 | 11.78 | 11.03 | 10.94 | 16.83 |
| **Grand Total** | **155.82** | **93.26** | **153.81** | **160.38** | **137.80** |

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

SALASAR

**ANNEXURE – I.20 : Restated Consolidated Statement of Other Current assets**

**(Rs. In Million)**

| Particulars | As at 31st March, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Other Receivable | 0.70 | 3.47 | - | 1.22 | - |
| Claim Receivable | - | - | 0.90 | - | - |
| Security Deposit | | | | | |
| Unsecured considered good* | 173.38 | - | - | - | - |
| Export Duty Receivable | 0.64 | 0.64 | 0.64 | 0.96 | 3.15 |
| Interest Accrued on FDR | 4.46 | 5.85 | 4.53 | 3.11 | 1.56 |
| **Grand Total** | **179.19** | **9.96** | **6.07** | **5.29** | **4.71** |

* Retention money, with UP Power Transmission Corporation Ltd which will be receive a) 10% on submission of PBG and; b) 10% on completion of the project, has been shown under other current assets as "Security Deposit".

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

**ANNEXURE – II.1 : Restated Consolidated Statement of Revenue from Operations**

**(Rs. In Million)**

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Sale of Products | | | | | |
| (a) Domestic Sales | 3,436.70 | 3,053.35 | 2,913.72 | 2,625.02 | 1,979.93 |
| (b) Export Sales | 109.08 | 120.34 | 527.02 | 397.68 | 158.33 |
| Trading Sales | 131.66 | 2.79 | 7.16 | 77.88 | 63.60 |
| Sale of Services | 465.52 | 214.75 | 101.26 | 95.98 | 125.66 |
| Other Operating Income | 19.45 | 19.91 | 54.82 | 36.27 | 3.09 |
| **Revenue from operations (gross)** | **4,162.41** | **3,411.14** | **3,603.98** | **3,232.84** | **2,330.61** |

***Details of Sale of Products :***

**(Rs. In Million)**

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Details of Sale of Products | | | | | |
| (a) Galvanized Steel Structure | 3,426.93 | 2,803.61 | 2,840.48 | 2,496.81 | 1,653.75 |
| (b) Traded Goods | 131.66 | 2.79 | 7.16 | 77.88 | 63.60 |
| (c) S.S. Pipes & Tubes | 118.85 | 370.09 | 600.26 | 525.90 | 484.51 |
| **Total** | **3,677.44** | **3,176.48** | **3,447.90** | **3,100.59** | **2,201.86** |

***Details of Other Operating Income:***

**(Rs. In Million)**

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| (a) Exchange Rate Fluctuation | 0.20 | 7.58 | 40.07 | 29.56 | 2.79 |
| (b) Duty Draw Back | 1.45 | 1.92 | 8.09 | 6.71 | 0.30 |
| (c) Export Incentives | 10.02 | 7.34 | 3.93 | - | 0.00 |
| (d) Profit on Currency Forward Contract | - | 1.56 | 2.74 | - | - |
| (e) Other Charges | 7.78 | 1.50 | - | - | 0.00 |
| **Total** | **19.45** | **19.91** | **54.82** | **36.27** | **3.09** |

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

SALASAR

**ANNEXURE – II.2 : Restated Consolidated Statement of Other Income**

**(Rs. In Million)**

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Interest on FDR | 3.12 | 1.53 | 1.70 | 1.79 | 0.65 |
| Interest on Others | 0.38 | 0.34 | 0.26 | 0.14 | 0.29 |
| Misc. Income | - | 0.03 | 0.54 | 0.03 | 0.04 |
| Commission Receipts | - | - | - | - | 0.08 |
| **Grand Total** | **3.51** | **1.90** | **2.50** | **1.97** | **1.06** |

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

**ANNEXURE – II.3 : Restated Consolidated Statement of Cost of materials consumed**

**(Rs. In Million)**

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| **Material Consumed** | | | | | |
| Inventory at the beginning of the year | 121.58 | 114.67 | 109.72 | 177.75 | 119.82 |
| Add: Purchase | 2544.29 | 1,975.54 | 2,310.75 | 2,161.42 | 1,682.27 |
| **Total** | **2,665.87** | **2,090.21** | **2,420.47** | **2,339.16** | **1,802.09** |
| Less: inventory at the end of the year | 123.10 | 121.58 | 114.67 | 109.72 | 177.75 |
| **Grand Total** | **2,542.76** | **1,968.63** | **2,305.80** | **2,229.44** | **1,624.34** |

Notes : II.3.1 - Value of imported and indigenous Raw Material consumed and the percentage of each to the total consumption:

| Particulars | For The Year Ended March 31, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2017 | | 2016 | | 2015 | | 2014 | | 2013 | |
| | Amount | %age | Amount | %age | Amount | %age | Amount | %age | Amount | %age |
| (a) Imported | - | - | 22.68 | 0.01 | 132.81 | 0.06 | 59.17 | 0.03 | 75.32 | 0.05 |
| (b) Indigenous | 2,542.76 | 100.00% | 1,945.96 | 98.85% | 2,172.99 | 94.24% | 2,170.27 | 97.35% | 1,549.02 | 95.36% |
| **Total** | 2,542.76 | 100.00% | 1,968.63 | 100.00% | 2,305.80 | 100.00% | 2,229.44 | 100.00% | 1,624.34 | 100.00% |

Notes : II.3.2 - Details of Raw Material Consumed

| Particulars | For The Year Ended March 31, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2017 | | 2016 | | 2015 | | 2014 | | 2013 | |
| | Amount | %age | Amount | %age | Amount | %age | Amount | %age | Amount | %age |
| (a) Shape and Sections | 1,718.39 | 67.50% | 1,296.78 | 65.87% | 1,395.17 | 60.51% | 1,425.70 | 63.95% | 921.50 | 56.73% |
| (b) Zinc | 682.28 | 26.80% | 404.91 | 20.57% | 451.89 | 19.60% | 340.63 | 15.28% | 197.40 | 12.15% |
| (c) Others (including Nuts & Bolts etc.) | 77.27 | 3.04% | 85.89 | 4.36% | 89.09 | 3.86% | 83.45 | 3.74% | 67.91 | 4.18% |
| (d) S.S. Coils | 67.82 | 2.66% | 181.05 | 9.20% | 369.65 | 16.03% | 379.66 | 17.03% | 437.53 | 26.94% |
| **Total** | 2,545.76 | 100% | 1,968.63 | 100% | 2,305.80 | 100% | 2,229.44 | 100% | 1,624.34 | 100% |

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

**ANNEXURE – II.4 : Restated Consolidated Statement of Purchases of Traded Goods**

**(Rs. In Million)**

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Purchases of Traded Goods | 96.71 | 13.54 | 6.83 | 46.87 | 61.91 |

Notes : II.4.1 - Value of imported and indigenous Traded Goods Purchase and the percentage of each to the total Purchase:

| Particulars | For The Year Ended March 31, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2017 | | 2016 | | 2015 | | 2014 | | 2013 | |
| | Amount | %age | Amount | %age | Amount | %age | Amount | %age | Amount | %age |
| (a) Imported | - | - | - | - | - | - | - | - | - | - |
| (b) Indigenous | 96.71 | 100% | 13.54 | 100% | 6.83 | 100% | 46.87 | 100% | 61.91 | 100% |
| **Total** | 96.71 | 100% | 13.54 | 100% | 6.83 | 100% | 46.87 | 100% | 61.91 | 100% |

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

SALASAR

**ANNEXURE – II.5 : Restated Consolidated Statement of Manufacturing and Operationg Costs**

**(Rs. In Million)**

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Consumption of Stores and spare parts | 86.03 | 90.00 | 65.05 | 57.68 | 14.41 |
| Power & Fuel | 64.55 | 59.82 | 74.50 | 75.01 | 49.32 |
| Installation & Tower Erection Charges | 469.33 | 210.98 | 113.74 | 90.94 | 111.90 |
| Job Work Charges | 10.36 | 2.62 | 2.67 | 3.73 | 3.68 |
| Freight & Cartage | 25.06 | 21.78 | 18.97 | 14.78 | 6.17 |
| Repairs to Building | 1.42 | 1.17 | 1.09 | 1.85 | 1.11 |
| Repairs to Machinery | 16.53 | 15.65 | 18.06 | 25.18 | 18.72 |
| Other Manufacturing Expenses | 25.56 | 23.59 | 37.32 | 14.92 | 4.80 |
| **Grand Total** | **698.83** | **425.63** | **331.40** | **284.09** | **210.10** |

Notes : II.5.1 - Value of imported and indigenous Stores and Spares Consumed and the percentage of each to the total Consumed:

| Particulars | For The Year Ended March 31, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2017 | | 2016 | | 2015 | | 2014 | | 2013 | |
| | Amount | %age | Amount | %age | Amount | %age | Amount | %age | Amount | %age |
| (a) Imported | - | - | - | - | - | - | - | - | - | - |
| (b) Indigenous | 86.03 | 100 % | 90.00 | 100 % | 65.05 | 100.00 % | 57.68 | 100 % | 14.41 | 100% |
| **Total** | 86.03 | 100 % | 90.00 | 100 % | 65.05 | 100.00 % | 57.68 | 100 % | 14.41 | 100% |

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

**ANNEXURE – II.6 : Restated Consolidated Statement of Changes in Inventories of Finished Goods , WIP and Others**

| Particulars | 31-Mar-17 | 31-Mar-16 | 31-Mar-15 | 31-Mar-14 | 31-Mar-13 |
|---|---|---|---|---|---|
| **Opening Stock** | | | | | |
| Work in progress | 130.15 | 296.09 | 333.04 | 117.50 | 116.31 |
| Traded Goods | 12.21 | - | - | - | - |
| Finished Goods | 178.72 | 151.71 | 152.25 | 213.71 | 83.11 |
| Scrap | 6.14 | 4.00 | 3.07 | 1.99 | 1.01 |
| Total (a) | **327.22** | **451.79** | **488.37** | **333.19** | **200.43** |
| | | | | | |
| **Closing Stock** | | | | | |
| Work in progress | 469.66 | 130.15 | 296.09 | 333.04 | 117.50 |
| Traded Goods | 20.74 | 12.21 | - | - | - |
| Finished Goods | 72.39 | 178.72 | 151.71 | 152.25 | 213.71 |
| Scrap | 1.86 | 6.14 | 4.00 | 3.07 | 1.99 |
| Total (b) | **564.65** | **327.22** | **451.79** | **488.37** | **333.19** |
| **Variation of Excise Duty on Finished Goods** | | | | | |
| Opening Balance | 20.54 | 17.30 | 17.09 | 23.73 | 11.32 |
| Closing Balance | 8.25 | 20.54 | 17.30 | 17.09 | 23.73 |
| Total (c) | 12.29 | (3.24) | (0.21) | 6.64 | (12.40) |
| **(Increase)/Decrease in Stock (a+b+c)** | **(249.72)** | **127.82** | **36.79** | **(161.82)** | **(120.36)** |

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

**ANNEXURE – II.7: Restated Consolidated Statement of Employee Benefit Expense**

**(Rs. In Million)**

| Particulars | 31-Mar-17 | 31-Mar-16 | 31-Mar-15 | 31-Mar-14 | 31-Mar-13 |
|---|---|---|---|---|---|
| Salaries & Wages | 111.37 | 89.55 | 91.20 | 72.23 | 54.08 |
| Directors Remuneration | 10.32 | 6.60 | 5.10 | 2.40 | 2.40 |
| Employer Contribution to ESI | 2.91 | 1.09 | 0.89 | 0.67 | 0.40 |
| Employer Contribution to Provident Fund | 6.79 | 5.35 | 3.35 | 1.30 | 1.14 |
| Bonus | 7.82 | 6.29 | 2.50 | 1.43 | 1.17 |
| Staff & worker Welfare | 3.28 | 2.48 | 2.90 | 2.15 | 1.82 |
| **Grand Total** | **142.50** | **111.37** | **105.95** | **80.18** | **61.02** |

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

**ANNEXURE – II.8 : Restated Consolidated Statement of Finance Costs**

(Rs. In Million)

| Particulars | 31-Mar-17 | 31-Mar-16 | 31-Mar-15 | 31-Mar-14 | 31-Mar-13 |
|---|---|---|---|---|---|
| Bank Interest | 56.91 | 73.40 | 82.97 | 92.65 | 77.30 |
| Interest to Others | 5.27 | 8.37 | 11.84 | 10.58 | 1.71 |
| Bank Charges | 10.48 | 5.75 | 5.44 | 7.43 | 3.10 |
| **Grand Total** | **72.67** | **87.52** | **100.25** | **110.66** | **82.10** |

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

SALASAR

**ANNEXURE – II.9: Restated Consolidated Statement of Other Expenses**

**(Rs. In Million)**

| Particulars | 31-Mar-17 | 31-Mar-16 | 31-Mar-15 | 31-Mar-14 | 31-Mar-13 |
|---|---|---|---|---|---|
| Insurance | 2.51 | 4.17 | 5.28 | 5.56 | 3.45 |
| Legal & Professional Charges | 82.50 | 77.98 | 99.13 | 102.21 | 56.87 |
| Security Charges | 5.13 | 4.28 | 2.01 | 1.57 | 1.26 |
| Printing & Stationery | 1.35 | 1.29 | 1.13 | 1.37 | 1.22 |
| Conveyance & Travelling Exp | 7.44 | 7.26 | 9.39 | 7.32 | 6.05 |
| Repairs and Maintenance Others | 5.60 | 5.00 | 2.93 | 1.78 | 1.51 |
| Rent, Rates & Taxes | 30.87 | 17.45 | 10.25 | 12.17 | 11.37 |
| Postage & Telephone | 1.64 | 1.56 | 1.83 | 1.97 | 1.57 |
| Auditors' Remuneration | 0.20 | 0.20 | 0.20 | 0.15 | 0.21 |
| Miscellaneous Expenses | 8.41 | 3.00 | 1.76 | 4.52 | 1.51 |
| Rebate & Discount | 1.87 | 4.51 | 1.83 | 2.18 | - |
| Freight and Cartage (Outward) | 39.78 | 20.78 | 77.04 | 57.39 | 15.38 |
| Commission | 3.00 | 2.46 | 1.41 | 1.18 | 9.35 |
| Packing Material | 12.21 | 10.41 | 18.96 | 10.75 | 8.87 |
| Job Work Charges | 1.55 | 0.04 | 0.84 | 0.41 | 2.12 |
| Exchange fluctuation | - | - | - | - | 1.20 |
| Provision for Doubtful Debts | - | 2.06 | 0.56 | 3.14 | - |
| Bad Debts Written off | - | - | 0.13 | 3.85 | - |
| **Grand Total** | **204.06** | **162.43** | **234.67** | **217.53** | **121.95** |

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

**ANNEXURE – II.10 : Restated Consolidated Statement of Exceptional Items**

(Rs. In Million)

| Particulars | 31-Mar-17 | 31-Mar-16 | 31-Mar-15 | 31-Mar-14 | 31-Mar-13 |
|---|---|---|---|---|---|
| Long Term Capital Loss/(Gain) | (0.21) | - | - | - | - |
| Investment Written off | - | - | 0.46 | - | - |
| Advances Written off | - | - | 19.82 | - | - |
| Short Term Capital Loss/(Gain) | (4.61) | - | 0.58 | - | - |
| **Grand Total** | **(4.82)** | **-** | **20.86** | **-** | **-** |

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

SALASAR

**ANNUXURE – IV**

**Basis of Preparation and Significant Accounting Policies and Practices of the Restated Consolidated Financial Statements for the years ended March 31, 2017, 2016, 2015, 2014 and 2013.**

**1) Company Overview**

The Company is engaged in manufacturing and sale of Galvanized Steel Structure including Telecom Towers, Transmission Line Towers and Solar Panels. The Company has two manufacturing facilities at Jindal Nagar, Hapur (UP) and Khera Dehat, Hapur (UP).

**2) Details of Subsidiaries**

The accompanying Restated Consolidated Financial Information include the audited financial statements of 'Salasar Techno Engineering Limited' ("the Holding Company") and its following subsidiaries, collectively referred to as 'the Group'.

| Name of the Company | Country of origin | | % of Holding | | | | |
|---|---|---|---|---|---|---|---|
| | | | March 31, | | | | |
| | | | 2017 | 2016 | 2015 | 2014 | 2013 |
| Salasar Stainless Limited | India | | 100% | 100% | 100% | 100% | 100% |
| Ganges Concast Industries Limited | Indian | | 100% | 100% | 100% | 100% | 100% |

Note:

In accordance with the Scheme of Amalgamation approved by Hon'ble High Court of Delhi on 29 August 2016, one subsidiary i.e. Ganges Concast Industries Limited was merged with the Salasar Stainless Limited with the effect from the date of appointed date i.e. 01 April, 2016. As per the order of amalgamation, the amalgamation had been accounted for under the "pooling of interest" method as prescribed by 'Accounting Standard -14' on 'Accounting for Amalgamation' issued by the Institute of Chartered Accountant of India. Accordingly, assets, liabilities and reserves/surplus of the subsidiary at 01 April, 2016 (appointed date) had been incorporated in the financial statements of Salasar Stainless Limited in the same manner and form as they appear in the financial statement of subsidiary at their carrying amount.

**3) Basis of Preparation of Financial Statement**

1. The Restated Consolidated Financial Statements of Assets and Liabilities of the Group as at March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and Restated Consolidated Statement of Profit and Loss and Cash Flows for the period ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 (collectively referred to as "Restated Consolidated Financial Information") have been prepared specifically for purpose of inclusion in the Prospectus (hereinafter referred to as 'Prospectus') – Prospectus to be filed by the Holding Company with the 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 Consolidated Financial Information has been prepared by applying necessary adjustments to:

   b. the Group's Consolidated Financial Statements ('financial Statement') of the Company for the years ended March 31, 2017, March 31, 2016, 2015, 2014 and 2013 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 March 31, 2014), and notified sections, schedules and rules of the Comp[anise Act, 2013 (with the effect from April 01, 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 the effect from April 01, 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 Consolidated 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 Million.

4. The financial statements of the Subsidiary are drawn upto the same reporting date as that of the Holding Company, i.e. March 31, 2017, March 31, 2016, March, 31, 2015, March 31, 2014 and March 31, 2013.

**4) Principles of Consolidation**

The Restated Consolidated Financial Information of the Group include the financial statement of the Holding Company and its subsidiaries and have been combined in accordance with the Accounting Standard (AS) 21 "Consolidated Financial Statements", on a line-by-line basis by adding the book value of like items of assets, liabilities, income and expenses, *after eliminating intra-group balances / transactions and unrealized profits / losses in full.*

The Restated Consolidated Financial Information of the Group have been prepared using uniform accounting policies for like transactions and other events in similar circumstances as mention in those policies, in the same manner as the Holding Company's separate financial statements except as otherwise stated in the Significant Accounting Policies.

The excess / deficit of cost to the Holding Company of its investment over its portion of equity in the subsidiaries at the respective dates on which investment in subsidiaries was made is recognized in the Consolidated Financial Statements as "Goodwill on consolidation" / "Capital Reserve". The said goodwill is mot amortized, however, it is tested for impairment at each balance sheet date and the impairment loss, if any, is provided for.

Subsidiary acquired / sold/ merged during the period have been consolidated from / up to the respective date of their acquisition / disposal / merger. The difference between the proceeds from the sale / disposal of investment in subsidiary or the amalgamation and the carrying amount of assets less liabilities as of the date of sale / disposal / merger is recognized in the Consolidated Restated Statement of Profit and Loss as profit or loss on sale / disposal / amalgamation of subsidiary.

**5) Significant Accounting Policies**

**18. Operating Cycle**

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalent.

**19. Revenue Recognition**

Revenue (Income) is recognized on accrual basis when no significant uncertainty as to measurability or collect ability exists. Export Incentives under various schemes are recognized as income. Revenues are reported net of discounts.

Dividends are recorded when the right to receive payable is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

**20. 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.

**21. Sales & Purchases**

Sales are accounted for at the time of handing over goods to Customers/carting agents/ transporters. Purchases are booked when goods are received at Company's authorized godowns.

**22. Fixed Assets**

Fixed Assets are stated at cost net of duty credit availed less accumulated depreciation and impairments, if any. The cost includes cost of acquisition/construction, installation and preoperative expenditure including trial run expenses (net of revenue) and borrowing costs incurred during pre-operation period. Expenses incurred on capital assets are carried forward as capital work in progress at cost till the same are ready for use.

Machinery spares which are specific to particular item of fixed assets and whose use is irregular are capitalized as part of the cost of machinery.

| Asset | Useful Life |
|---|---|
| Building & Civil Works | 30 Years |
| General Plant & Machinery | 15 Years |
| Office Equipment | 15 Years |
| Vehicle | 8 Years |
| Furniture & Fixture | 10 Years |
| Computer | 3 Years |

**23. 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 the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 effective from April 01, 2014 and depreciation on tangible fixed assets upto March 31, 2014 was provided at the rates and manner prescribed in schedule in Schedule XIV of the Companies Act, 1956.

**24. Investments**

Long-term investments and current maturities of long-term investments are stated at cost, less provision for other than temporary diminution in value. Current investments, except for current maturities of long-term investments, comprising investments in mutual funds are stated at the lower of cost and fair value.

**25. Inventories**

Closing stocks are valued: Raw Material at Cost or net realizable value whichever is less, whereas WIP and finished goods are valued at cost. The cost being the latest applicable purchase price since the closing stocks mostly represents items out of the latest purchases.

**26. 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.

**27. 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.

**28. 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.

**29. 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.

**30. 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

**31. 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.

**32. Employees Benefits**

(iii) Liabilities towards Gratuity is considered as the defined benefit scheme and is recognized (from the FY 2013-14) on the basis of actuarial valuation on projected unit credit method at balance sheet date.

(iv) The benefits in the form of contribution to Provident Fund and Employees State Insurance are considered as the defined contribution schemes and are recognized on the basis of amount paid or payable for the period during which services are rendered by the employees in the profit and loss account and the funded status and amounts recognized in the balance sheet for the plan:

**33. 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.

**34. General**

Prepaid expenses and prior period expenses /income up to ` 5,000/- in each case are charged to relevant heads of account of the current year.

**35. 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.

As per our Report of even date

**For ARUN NARESH & CO.**
*Chartered Accountants,*
Firm Regn. No. 007127N

**For and on behalf of Board of Directors**

**A. K. Jain**
Partner
M.N. 084598

**Alok Kumar**
Chairman & Managing Director
DIN: 01474484

**Shashank Agarwal**
Jt. Managing Director
DIN: 00316141

**Place:** Delhi
**Dated:** June 15, 2017

**Kamlesh Kumar Sharma**
(Chief Financial Officer)

SALASAR

**ANNEXURE – V: Material Adjustment to the Restated Consolidated Financial Statement**

**1 Material Regrouping**

Appropriate adjustments have been made in the Restated Consolidated 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 Consolidated Financial Statements for the respective years and its impact on the profit/(loss) of the Company is as follows:

(Rs. In Million)

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| **(A) Net Profits as per audited financial statements (A)** | 187.59 | 69.39 | 80.64 | 67.07 | 68.23 |
| **Add/(Less): Adjustments on account of -** | | | | | |
| 1. Bad Debts Written off | 3.85 | 23.16 | (0.13) | - | - |
| 2. Provision for Doubtful Debts | 16.00 | (2.06) | (0.56) | (3.14) | - |
| 2. Investment Written off | - | 0.46 | (0.46) | - | - |
| 3. Advances Written off | - | 27.81 | (19.82) | - | - |
| 4. Short/excess provision for tax, interest and MAT credit | | (0.36) | 2.96 | (1.35) | (18.90) |
| **Total Adjustments (B)** | **19.85** | **49.02** | **(18.01)** | **(4.49)** | **(18.90)** |
| Add/(less): Tax Impact (C) | | (8.02) | 0.04 | - | - |
| **Restated Profit/ (Loss) (A+B+C)** | **207.44** | **110.39** | **62.68** | **62.58** | **49.33** |

**3 Notes on Material Adjustments pertaining to prior years**

**(a) Bad Debts Written off**

During the year ended 31 March, 2016, the Company had written off certain trade receivables which were no longer expected to be recoverable. For the purpose of this statement, such write off of these receivables have been appropriately adjusted in the respective year/s to which they relate.

**(b) Investment Written off**

During the year ended 31 March, 2016, the Company had written off certain investments which were no longer expected to be recoverable. For the purpose of this statement, such write off of these investments have been appropriately adjusted in the respective year to which they relate.

**(c) Advances Written off**

During the year ended 31 March, 2016, the Company had written off certain advances which were no longer expected to be recoverable. For the purpose of this statement, such write off of these investments have been appropriately adjusted in the respective year to which they relate.

**(d) Short/excess provision for income taxes and MAT Credit**

The Statement of Profit and Loss for the year ended 31 March, 2017, 31 March 2016, 31 March, 2015, 31 March, 2014 and 31 March, 2013 includes amount paid/ provided for shortfall/ excess current tax arising upon filing of tax returns, return etc. which have been adjusted in the respective year/s to which they relate.

During the year ended 31 March, 2013, the Company had recognized MAT credit entitlement which was relates to the year ended 31 March, 2012. Accordingly, such MAT credit entitlement has been adjusted in the respective year to which it relates and any adjustment before year ended March 31, 2013 has been routed through Reserves & Surplus.

**(e) Current tax impact on adjustments/ Earlier year/s**

The tax implications of the adjustments / restatement has been computed and adjusted in the respective year/s and and any adjustment before year ended March 31, 2013 has been routed through Reserves & Surplus. However, during the year ended 31 March, 2012, the Company had pay Minimum Alternative Tax and Current Tax expenses has been taken on book profit as per Audited Financials.

As per our Report of even date

**For ARUN NARESH & CO.**
*Chartered Accountants,*
Firm Regn. No. 007127N

**For and on behalf of Board of Directors**

**A. K. Jain**
Partner
M.N. 084598

**Alok Kumar**
Chairman & Managing Director
DIN: 01474484

**Shashank Agarwal**
Jt. Managing Director
DIN: 00316141

**Place:** Delhi
**Dated:** June 15, 2017

**Kamlesh Kumar Sharma**
(Chief Financial Officer)

SALASAR

**ANNEXURE – VI**

**Notes to the Restated Consolidated Financial Statements for the years ended March 31, 2017, 2016, 2015, 2014 and 2013.**

**9. Deferred Tax Liabilities (Net)**

(Rs. in Million)

| Particulars | For the year ended March, 31 | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| ***Deferred Tax Liability*** | | | | | |
| Preliminary expenses | - | - | - | - | - |
| Related to Fixed Assets | 7.51 | 3.12 | 2.68 | 1.75 | 1.55 |
| Disallowance under the Income Tax Act | - | - | - | - | - |
| *Total (a)* | 7.51 | 3.12 | 2.68 | 1.75 | 1.55 |
| ***Deferred Tax Assets*** | | | | | |
| Disallowance u/s 40a(ia) | - | - | - | - | - |
| Disallowance u/s 43B | | | | | |
| Provision for gratuity | | | | | |
| Related to Fixed Assets | 44.63 | 40.21 | 34.97 | 37.65 | 26.62 |
| *Total (b)* | 44.63 | 40.21 | 34.97 | 37.65 | 26.62 |
| ***Net deferred tax (asset)/liability-{(a)-(b)}*** | ***37.12*** | **37.08** | **32.29** | **35.90** | 25.07 |

**10. Earnings Per Share**

| Particulars | For the year ended March, 31 | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Restated Profit as per Restated Consolidated Statement of Profit & Loss (Rs. in Million) | 207.44 | 110.39 | 62.68 | 62.58 | 49.33 |
| Basic/Diluted weighted average number of equity shares outstanding during the six months/year (Note-1) | 9,956,300 | 9,956,300 | 9,855,303 | 9,751,500 | 9,751,500 |
| Nominal Value of Equity share (Rs.) | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| ***Restated Basic/Diluted Earnings Per Share (RS.)*** | **20.83** | **11.09** | **6.36** | **6.42** | **5.06** |

**Note -1:** After considering the impact of issue of bonus shares in the ratio of 1:1 to the existing shareholders during the F.Y. 2016-17 and treating the said issue as if it had occurred prior to the beginning of the year 2012-13, i.e. the earliest period reported.

**11. Employees Benefits: -**

**d) Defined Benefit Scheme:**

Gratuity **:** Payables on separation as per the Employees Gratuity Act @15 days pay for each completed years of service to eligible employees who render continuous service of 5 years or more.

**e) Defined Contribution Scheme:**

Company's employees are covered by Provident Fund and Employees State Insurance to which the Company makes a defined contribution measured as a fixed percentage of salary. Following amount in respective years has been charged to Statement of Profit & Loss towards contribution to above schemes/benefits.

(Rs. in Million)

| Particulars | For the year ended March, 31 | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Contribution to Provident Fund & Employees State insurance | 9.70 | 6.44 | 4.24 | 1.97 | 1.54 |

**f) Other Disclosure as required under AS -15 on "Employees Benefits" are as under:**

The Company has made the Provision of Gratuity and other retirement benefits as per actuarial valuation referred in the AS-15 "Employees Benefits" in the financial statement (from the FY 2013-14). The following tables summarize the components of net benefit expense recognized in the profit and loss account and the funded status and amounts recognized in the balance sheet for the plan:

**Change in present value of obligation**

(Rs. in Million)

| | Particulars | 2016-17 | 2015-16 | 2014-15 | 2013-14 |
|---|---|---|---|---|---|
| a) | Present value of obligation as at the beginning of the period | 6.98 | 5.68 | 3.11 | -- |
| b) | Acquisition adjustment | - | -- | -- | -- |
| c) | Interest cost | 0.56 | 0.46 | 0.26 | -- |
| d) | Past service cost | - | -- | -- | -- |
| e) | Current service cost | 2.49 | 1.65 | 1.52 | -- |
| f) | Curtailment cost/(Credit) | -- | -- | -- | -- |
| g) | Settlement cost/(Credit) | -- | -- | -- | -- |
| h) | Benefits paid | (0.60) | -- | -- | -- |
| i) | Actuarial (gain)/loss on obligation | 0.04 | (0.81) | 0.79 | -- |
| j) | Present value of obligation as at the end of period | 9.47 | 6.98 | 5.68 | 3.11 |

**Changes in the fair value of plan assets**

(Rs. in Million)

| | Particulars | 2016-17 | 2015-16 | 2014-15 | 2013-14 |
|---|---|---|---|---|---|
| a) | Fair value of plan assets at the beginning of the period | -- | -- | -- | -- |
| b) | Acquisition adjustment | -- | -- | -- | -- |
| c) | Actual return on plan assets | -- | -- | -- | -- |
| d) | Employer contributions | -- | -- | -- | -- |
| e) | Benefits paid | -- | -- | -- | -- |
| f) | Actuarial gain/(loss) on plan assets | -- | -- | -- | -- |

| | | | | | |
|---|---|---|---|---|---|
| g) | Fair value of plan assets at the end of the period | - | -- | -- | -- |

**Fair value of plan assets**

(Rs. in Million)

| | Particulars | 2016-17 | 2015-16 | 2014-15 | 2013-14 |
|---|---|---|---|---|---|
| a) | Fair value of plan assets at the beginning of the period | -- | -- | -- | -- |
| b) | Acquisition adjustment | -- | -- | -- | -- |
| c) | Actual return on plan assets | -- | -- | -- | -- |
| d) | Employer contributions | -- | -- | -- | -- |
| e) | Benefits paid | -- | -- | -- | -- |
| f) | Fair value of plan assets at the end of the period | -- | -- | -- | -- |
| g) | Funded status | (9.47) | (6.98) | (5.68) | (3.11) |
| h) | Excess of actual over estimated return on plan assets | - | -- | -- | -- |

**The amounts to be recognized in balance sheet and related analysis**

(Rs. in Million)

| | Particulars | 2016-17 | 2015-16 | 2014-15 | 2013-14 |
|---|---|---|---|---|---|
| a) | Present value of obligation as at the end of the period | 9.47 | 6.98 | 5.68 | 3.11 |
| b) | Fair value of plan assets as at the end of the period | - | -- | -- | -- |
| c) | Funded status / Difference | (9.47) | (6.98) | (5.68) | (3.11) |
| d) | Excess of actual over estimated | - | -- | -- | -- |
| e) | Unrecognized actuarial (gains)/losses | - | -- | -- | -- |
| f) | Net asset/(liability)recognized in balance sheet | (9.47) | (6.98) | (5.68) | (3.11) |

**Expense recognized in the statement of profit and loss**

(Rs. in Million)

| | Particulars | 2016-17 | 2015-16 | 2014-15 | 2013-14 |
|---|---|---|---|---|---|
| a) | Current service cost | 2.49 | 1.65 | 1.52 | -- |
| b) | Past service cost | -- | -- | -- | -- |
| c) | Interest cost | 0.56 | 0.46 | 0.26 | -- |
| d) | Expected return on plan assets | -- | -- | -- | -- |
| e) | Curtailment cost / (Credit) | --- | -- | -- | -- |
| f) | Settlement cost / (credit) | -- | -- | -- | -- |
| g) | Net actuarial (gain)/ loss recognized in the period | 0.04 | (0.81) | 0.79 | -- |
| h) | Expenses recognized in the statement of profit & losses | 3.09 | 1.30 | 2.57 | 3.11 |

**12. Value of Imports on CIF basis**

(Rs. in Million)

| Particulars | For the year ended March, 31 | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Raw Materials | - | 24.09 | 141.09 | 59.98 | 76.12 |
| Packing Material | 0.07 | - | - | - | - |
| Capital Goods | 2.88 | 2.84 | 14.49 | 2.18 | - |

**13. Earning in foreign Exchange**

(Rs. in Million)

| Particulars | For the year ended March, 31 | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Export of Goods (at F.O.B.) | 109.08 | 120.34 | 527.02 | 397.68 | 158.33 |

**14. Expenditure in foreign Exchange**

(Rs. in Million)

| Particulars | For the year ended March, 31 | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Travelling Expenses | 2.61 | 2.00 | 3.25 | 1.45 | 0.94 |
| Consultancy Charges | 0.03 | - | - | 0.54 | 0.35 |

**15. Segment Reporting**

The Company is engaged in the manufacturing of the products of same type/class and has no overseas operations/units and as such there is no reportable segment as per Accounting Standard (AS-17) dealing with the Segment Reporting.

SALASAR

**ANNEXURE - VII : RESTATED CONSOLIDATED STATEMENT OF CONTINGENT LIABILITIES**

**(Rs. In Million)**

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| 1. Bank Guarantee for which FDR margin money has been given to the bank as as Security | 519.36 | 133.36 | 78.16 | 24.83 | 30.01 |
| 2. Corporate Guarantee to Punjab National Bank for its 100% Subsidiary -Salasar Satainless Ltd. | 320.00 | 320.00 | 320.00 | 320.00 | 320.00 |
| 3. Entry Tax (Deposited under Protest) | - | - | - | 1.80 | - |
| 4. Entry Tax, UP VAT and Central Tax , for the FY 2012-13 (Petition is pending with Additional Commissioner (Appeals) Commercial Tax Ghaziabad (UP)) | 7.77 | 7.77 | - | - | - |
| 5. Income Tax Demand | 0.57 | 0.57 | 0.57 | 0.57 | 0.42 |
| 6. TDS Demand | 1.53 | 1.53 | 1.53 | 1.53 | 1.53 |
| **Grand Total** | **849.23** | **463.13** | **400.26** | **348.73** | **351.96** |

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

**ANNEXURE - VIII: RESTATED CONSOLIDATED 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 | As at 31st March, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| 1. Enterprises where control exist | | | | | |
| a) Subsidiary | Salasar Stainless Limited | | | | |
| b) Step-down Subsidiary | Ganges Concast Industries Limited* | | | | |
| 2. Other Related Parties: | | | | | |
| a) Associates | Shikhar Fabtech (P) Ltd. | | | | |
| | Alok Kumar (HUF) | | | | |
| | Capital Udyog | | | | |
| | Capital founders | | | | |
| | Base Engineering Pvt Ltd. | | | | |
| | More engineering Pvt Ltd. | | | | |
| | Hill View Infrabuild Ltd. | | | | |
| b) Joint Venture | | | UNI Global Solution INC | | |
| b) Key Management Personnels | Sh. Alok kumar (Managing Director) | | | | |
| | Sh. G. K. Agarwal (Director) | | | | |
| | Sh. Raghav Agarwal | | | | |
| | Smt. Kamlesh Gupta | | | | |
| | Sh. Shikhar Gupta | | | | |
| | Sh. Shalabh Agarwal (Director) | | | | |
| | Ms. Tripti Gupta (Direcctor) | | | | |
| | Sh. Shashank Agarwal | | | | |
| c) Relatives of Key Management Personnels | | | | Sh. Shalabh Agarwal (Son | |

| | | | | | |
|---|---|---|---|---|---|
| | | | | of Sh. G.K. Agarwal) | |
| | Sh. Shikhar Gupta (Son of Sh. Alok Kumar) | | | | |
| | Smt. Anshu Agarwal (Wife of Sh. Shashank Agarwal) | | | | |
| | Smt. Kamlesh gupta (Wife of Sh. Alok Kumar) | | | | |
| | Smt. Taru Agarwal (Wife of Sh. Shalabh Agarwal) | | | | |

*Ganges Concast industries Limited merged with Salasar Stainless Limited vide High Court Approval dated 29.08.2016.

**B. Transactions carried out with related parties reffered to in (1) above, in ordinar course of business:**

(Rs. In Million)

| Nature of Transactions | Name of Party | As at 31st March, | | | | |
|---|---|---|---|---|---|---|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| 1. Directors Remuneration | Sh. Alok Kumar | 2.05 | 1.56 | 1.38 | 1.20 | 1.20 |
| | Sh. G. K. Agarwal | 1.80 | 1.56 | 1.38 | 1.20 | 1.20 |
| | Sh. Shalabh Agrwal | 1.63 | 1.32 | 0.90 | - | - |
| | Ms. Tripti Gupta | 1.47 | 0.96 | 0.64 | - | - |
| | Sh. Raghav Agarwal | 0.50 | - | - | - | - |
| | Smt. Kamlesh Gupta | 0.63 | - | - | - | - |
| | Sh. Shikhar Gupta | 0.63 | - | - | - | - |
| | Sh. Shashnak Agarwal | 1.63 | 1.20 | 0.80 | - | - |
| 2. Purchases of Goods | Capital Udyog | 0.03 | 0.00 | - | - | - |
| | Capital Founders | - | - | 43.86 | 81.36 | 212.66 |
| 3. Purchases of Services | Capital Udyog | 0.41 | 0.55 | - | - | - |
| 4. Lease Rent - Car | Sh. Shashnak Agarwal | 0.54 | 0.54 | - | 0.30 | 0.30 |
| | Sh. Shalabh Agrwal | 0.42 | 0.04 | - | 0.38 | 0.38 |
| | Smt. Anshu Agarwal | 0.15 | - | - | 0.23 | 0.23 |
| | Smt. Kamlesh Gupta | 0.08 | - | - | 0.14 | 0.14 |
| 5. Salaries to Relatives | Sh. Shalabh Agrwal | - | - | 0.24 | 0.96 | 0.96 |
| | Sh. Shashank Agarwal | - | - | 0.34 | 0.96 | 0.96 |

| | | | | | | |
|---|---|---|---|---|---|---|
| | Smt. Anshu Agarwal | 1.01 | 0.79 | 0.69 | 0.60 | 0.60 |
| | Smt. Kamlesh Gupta | 0.51 | 0.79 | 0.69 | 0.60 | 0.60 |
| | Smt. Taru Agrawal | 1.01 | 0.79 | 0.69 | 0.60 | 0.60 |
| | Sh. Shikhar Gupta | 0.67 | 1.01 | 0.78 | 0.60 | 0.60 |
| | Ms. Tripti Gupta | - | - | 0.27 | 0.70 | 0.48 |
| 6. Sale of Goods | Capital Udyog | - | - | - | - | - |
| 7. Loan and Advances received | Hill View Infrabuild Ltd. | - | 3.53 | - | 3.10 | 16.35 |
| | Sh. Shashank Agarwal | - | 18.33 | - | - | 40.24 |
| | Sh. Shalabh Agrwal | 5.50 | 2.00 | - | - | - |
| 8. Loan and Advances given | UNI Global Solution INC | - | - | 19.82 | - | - |
| 9. Investment Made | UNI Global Solution INC | - | - | 0.46 | - | - |
| 10. Interest Paid | Sh. Shashank Agarwal | 3.18 | 2.41 | 2.14 | 2.48 | 0.24 |
| | Sh. Shalabh Agrwal | 0.75 | - | - | - | - |
| | Capital Founders | - | 0.86 | 4.66 | 1.47 | - |
| 11. Share Issued | Hill View Infrabuild Ltd. | - | - | 1.02 | - | - |

**C. Outstanding Balance as at the end of the year**

**(Rs. In Million)**

| Nature of Transactions | Name of Party | As at 31st March, | | | | |
|---|---|---|---|---|---|---|
| | | 2017 | 2016 | 2015 | 2014 | 2013 |
| 1. Receivables | Capital Udyog | - | - | - | - | - |
| | UNI Global Solution INC | - | - | 19.82 | - | - |
| 2. Payables | Capital Founders | - | - | 22.46 | 25.73 | 46.69 |
| | Capital Udyog | 0.56 | 0.14 | - | - | - |
| | Hill View Infrabuild Ltd. | 39.83 | 39.88 | 36.35 | 45.35 | 42.25 |
| | Alok Kumar HUF | - | - | - | 0.04 | 0.04 |
| | Sh. Shashank Agarwal | 17.87 | 29.15 | 10.83 | 18.50 | 40.27 |
| | Smt. Anshu Agarwal | 1.51 | 1.51 | 1.51 | 1.51 | 1.51 |

| | | | | | | |
|---|---|---|---|---|---|---|
| | Smt. Taru Agarwal | 1.82 | 1.82 | 1.82 | 1.82 | 1.82 |
| | Sh. Shalabh Agarwal | 7.50 | 2.00 | - | - | - |
| | Sh. Alok kumar | - | 0.34 | 0.34 | 0.34 | 0.34 |

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

## ANNEXURE - IX : RESTATED CONSOLIDATED STATEMENT OF ACCOUNTING RATIOS

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Restated PAT as per P& L Account | 207.44 | 110.39 | 62.68 | 58.73 | 49.33 |
| Weighted Average Number of Equity Shares at the end of the Year | 9,956,300 | 9,956,300 | 9,855,303 | 9,751,500 | 9,751,500 |
| Net Worth | 958.28 | 751.09 | 640.70 | 564.71 | 505.84 |
| **Earnings Per Share (with Bonus affect)** | | | | | |
| Basic (In Rupees) | 20.83 | 11.09 | 6.36 | 6.02 | 5.06 |
| Diluted (In Rupees) | 20.83 | 11.09 | 6.36 | 6.02 | 5.06 |
| **Return on Net Worth (%)** | 21.65 | 14.70 | 9.78 | 10.40 | 9.74 |
| **Net Asset Value Per Share (Rs)** | 96.25 | 75.44 | 65.02 | 57.97 | 51.87 |
| Nominal Value per Equity share (Rs.) | 10 | 10 | 10 | 10 | 10 |

## COMPUTATION OF EARNING PER SHARE

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| A) Weighted Average Number of Equity Shares of Rs.10 each | | | | | |
| I) Number of shares at the beginning of the year | 4,978,150 | 4,978,150 | 4,875,750 | 4,875,750 | 4,875,750 |
| II) Number of shares at the end of the year | 9,956,300 | 4,978,150 | 4,978,150 | 4,875,750 | 4,875,750 |
| III) Weighted Average Number of Equity Shares outstanding during the year | 9,956,300 | 9,956,300 | 9,855,303 | 9,751,500 | 9,751,500 |
| IV) Weighted Average Number of Potential Equity Shares outstanding during the year | - | - | - | - | - |
| V) Weighted Average Number of Equity Shares for calculating Diluted EPS | 9,956,300 | 9,956,300 | 9,855,303 | 9,751,500 | 9,751,500 |
| B) Net profit/ (Loss) after Tax adjustments available for Equity Shareholders (Rs. in Million) | 207.44 | 110.39 | 62.68 | 58.73 | 49.33 |
| C) Basic Earning Per Share (in Rupees) {B/A(III)}* | 20.83 | 11.09 | 6.36 | 6.02 | 5.06 |
| D) Diluted Earning Per Share (in Rupees) {B/A(V)}* | 20.83 | 11.09 | 6.36 | 6.02 | 5.06 |

* 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 six months/year adjusted by the number of equity shares issued during the six months/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 six months/year. Further, number of shares are after considering impact of the bonus shares in the ratio of 1 bonus share for 1 fully paid up equity share to the existing shareholders, an issue without consideration, treating the said issue as if it had occurred prior to the beginning of the year 2012-13, 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)
5) The figures disclosed above are based on the Restated Consolidated Financial Statements of the Company.

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

**ANNEXURE - X : RESTATED CONSOLIDATED STATEMENT OF CAPITALISATION**

**(Rs. In Million)**

| Sr. No | Particulars | Pre issue as at 31-03-2017 | Post issue |
|---|---|---|---|
| | **Debts** | | |
| A | Long Term Debt | 70.49 | 70.49 |
| B | Short Term Debt | 616.05 | 616.05 |
| C | **Total Debt** | **686.54** | **686.54** |
| | **Equity Shareholders Funds** | | |
| | Equity Share Capital | 99.56 | 132.77 |
| | Reserves and Surplus | 858.76 | 1,184.22 |
| D | **Total Equity** | **958.33** | **1,316.99** |
| E | **Total Capitalisation** | **1,644.87** | **2,003.53** |
| | Long Term Debt/ Equity Ratio (A/D) | 0.07 | 0.05 |
| | Total Debt/ Equity Ratio (C/D) | 0.72 | 0.52 |

**Notes :**

Long Term Debt are borrowings other than short-term borrowings and also includes current maturities of long-term debt included in other current liabilities.

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

SALASAR

**ANNEXURE - XI : RESTATED CONSOLIDATED STATEMENT OF FINANCIAL INDEBTEDNESS**

**(Rs. In Million)**

| Sr. No | Bank Name | Loan No. | Facility Key term | | | Outstanding as on March 31, 2017 | Security |
|---|---|---|---|---|---|---|---|
| | | | Loan Amount | Rate of Interest (%) | Total Term (Months) | | |
| 1 | Vehicle loan from Bank of India | 710060510000147 | 0.75 | 10.95 % | 60 | 0.11 | Hypothecation of Verna Car |
| 2 | Vehicle loan from Bank of India | 710060510000162 | 0.90 | 10.45 % | 60 | 0.55 | Hypothecation of Terrano Car |
| 3 | Vehicle loan from ICICI Bank Limited | LAGHZ00033983698 | 1.20 | 10.01 % | 36 | 0.77 | Hypothecation of Creta Car |
| 4 | Vehicle loan from Punjab National Bank | NG 2518 | 0.70 | 9.75% | 60 | 0.54 | Hypothecation of Bolero Car |
| 5 | Vehicle loan from Punjab National Bank | NG 2527 | 0.70 | 9.75% | 60 | 0.54 | Hypothecation of Bolero Car |
| 6 | Vehicle loan from Bank of India | | | | | | Hypothecation of Bolero Car |
| 7 | Cash Credit Limit from Bank of India | 710030110000015 | 400.00 | 10.50 % | - | 515.68 | Hypothecation of Raw Material, WIP, Finished Goods and Book Debts and exclusive charge over the fixed assets of the Company |
| 8 | Adhoc Cash Credit Limit from Bank of India | 710030110000015 | 50.00 | 10.50 % | - | | |
| 8 | Non Fund Based Limit from Bank of India (BG & LC) | | 600.00 | | - | 514.29 | |
| 9 | Cash Credit Limit from Punjab National Bank | 2726008700003660 | 100.00 | 11.15 % | - | 100.36 | Hypothecation of Raw Material, WIP, Finished Goods and Book Debts and exclusive charge over the fixed assets of the Subsidiary Company |

**Notes:**

1. The figures disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of Group.

2. The above statement should necessarily be read with the 'Basis of Preparation and Significant Accounting Policies of the Restated Consolidated Financial Statements' appearing in Annexure – IV, 'Statement of Material Adjustments to the Consolidated Financial Statements' appearing in Annexure - V and 'Notes to the Restated Consolidated Financial Statements' appearing in Annexure – VI.

**ANNEXURE - XII : RESTATED CONSOLIDATED STATEMENT OF DIVIDEND**

**(Rs. In Million)**

| Particulars | As at 31st March, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| **Share Capital** | | | | | |
| Equity Share Capital | 99.56 | 49.78 | 49.78 | 48.76 | 48.76 |
| **Dividend on equity shares** | | | | | |
| Dividend in % | NIL | | | | |
| Interim Dividend | | | | | |

As per our Report of even date

**For ARUN NARESH & CO.**
*Chartered Accountants,*
Firm Regn. No. 007127N

**For and on behalf of Board of Directors**

**A. K. Jain**
Partner
M.N. 084598

**Alok Kumar**
Chairman & Managing Director
DIN: 01474484

**Shashank Agarwal**
Jt. Managing Director
DIN: 00316141

**Place:** Delhi
**Dated:** June 15, 2017

**Kamlesh Kumar Sharma**
(Chief Financial Officer)

SALASAR

## SIGNIFICANT DIFFERENCES BETWEEN INDIAN GAAP AND IND AS

Our financial statements are currently prepared in accordance with Indian GAAP, which differs in certain material respects from IND AS. The following table summarizes certain areas in which differences between Indian GAAP and IND AS could be significant to our financial position and results of operations. This summary should not be taken as an exhaustive list of all the differences between Indian GAAP and IND AS. No attempt has been made to identify all recognition and measurement, disclosures, presentation or classification differences that would affect the manner in which transactions or events are presented in our consolidated financial statements (or notes thereto). Certain principal differences between Indian GAAP and IND AS that may have a material effect on our consolidated financial statements are summarized below. Our management has not quantified all of the effects of the differences discussed below. Accordingly, no assurance can be provided to investors that our consolidated financial statements would not be materially different if prepared in accordance with IND AS. Potential investors should consult their own professional advisors for an understanding of the differences between Indian GAAP and IND AS and how those differences might affect the financial information disclosed in this Prospectus.

| Sr. No. | Ind AS | Particulars | Indian GAAP | Ind AS |
|---|---|---|---|---|
| 1. | Ind AS 1 | Presentation of Financial Statements | **Other Comprehensive Income & Statement of Changes in Equity:** There is no concept of 'Other Comprehensive Income' and 'Statement of changes in equity' under Indian GAAP. | **Other Comprehensive Income:** Ind AS 1 introduces the concept of Other Comprehensive Income ("OCI"). Items of income and expenses that are not recognized in profit and loss as required or permitted by other Ind ASs are presented under OCI.<br><br>**Statement of Changes in Equity:** On the face of the Statement of Changes in Equity, it should be disclosed:<br>a. Total comprehensive income for the period, showing separately the total amounts attributable to owners of the parent and to non- controlling interest.<br>b. For each component of equity, a reconciliation between the carrying amount at the beginning and the end of the period, separately disclosing changes resulting from:<br>(i) Profit or Loss,<br>(ii) Each item of Other comprehensive Income,<br>(iii) Transactions with owners in their capacity as owners, showing separately contributions by and distributions to owners and changes in ownership interests in subsidiaries that do not result in a loss of control,<br>(iv) Any item recognized directly in equity such as bargain purchase gain recognized directly in capital reserve in accordance with Ind AS 103 Business Combinations. |

| | | | | |
|---|---|---|---|---|
| | | | **Extraordinary items:** Under Indian GAAP, Company discloses extraordinary items separately in the statement of profit and loss and are included in the determination of net profit or loss for the period. Items of income or expense to be disclosed as extraordinary should be distinct from the ordinary activities and are determined by the nature of the event or transaction in relation to the business ordinarily carried out by an entity. | **Extraordinary items:** Under Ind AS, presentation of any items of income or expense as extraordinary is prohibited. |
| 2. | Ind AS 8 | Accounting Policy, Change in Accounting Estimate and Errors | **Change in Accounting Policies:** Under Indian GAAP, Company discloses changes in accounting policies by presenting in the financial statements on a prospective basis (unless transitional provisions, if any, of an accounting standard require otherwise) together with a disclosure of the impact of the same, if material. If a change in the accounting policy has no material effect on the financial statements for the current period, but is expected to have a material effect in the later periods, the same is appropriately disclosed. | **Change in Accounting Policies:** Ind AS requires retrospective application of changes in accounting policies by adjusting the opening balance of each affected component of equity for the earliest prior period presented and the other comparative amounts for each period presented as if the new accounting policy had always been applied, unless transitional provisions of an accounting standard require otherwise. |

| | | | | |
|---|---|---|---|---|
| 3. | Ind AS 16 | Property, plant and equipment – reviewing depreciation and residual value | Under Indian GAAP, the Company currently provides Depreciation on written down value basis over the estimated useful life of the assets. | Ind AS 16 mandates reviewing the method of depreciation, estimated useful life and estimated residual value of an asset at least once in a year. The effect of any change in the estimated useful and residual value shall be taken prospectively. Ind AS 101 allows current carrying value under Indian GAAP for items of property, plant and equipment to be carried forward as the cost under Ind AS. |
| 4. | Ind AS 12 | Deferred Taxes | Under Indian GAAP, the Company account for Deferred Tax resulting from "timing differences" between taxable and accounting income using the tax rates and laws that have been substantially enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future | As per Ind AS 12 Income Taxes, deferred tax is determined with reference to the balance sheet approach i.e. based on the differences between carrying value of the assets/ liabilities and their respective tax base.<br><br>Using the balance sheet approach, there could be additional deferred tax charge/income on account of:<br><br>i. All Ind AS opening balance sheet adjustments.<br>ii. Actuarial gain and losses accounted in Other Comprehensive Income.<br>iii. Indexation of freehold land<br>iv. Fair valuation adjustments (employee loans, security deposits etc.) |
| 5. | Ind AS 19 | Accounting for Employee Benefits | Currently under Indian GAAP, the Company recognizes its liability for Employee Benefits as given below:<br><br>(i) Liability towards Gratuity is considered as the defined benefit scheme and is recognized on the basis of actuarial valuation on projected unit credit method at balance sheet date.<br>(ii) Earned Leave which is encashable is considered as long term benefit and is provided on the basis of | Under Ind AS 19, the change in liability is split into changes arising out of service, interest cost and re- measurements and the change in asset is split between interest income and re-measurements.<br><br>Changes due to service cost and net interest cost/ income need to be recognized in the income statement and the changes arising out of re-measurements are to be recognized directly in Other Comprehensive Income. |

| | | | | |
|---|---|---|---|---|
| | | | actuarial valuation on projected unit credit method at balance sheet date.<br>(iii) The benefits in the form of contribution to Provident Fund and Employee State Insurance are considered as the defined contribution schemes and are recognized on the basis of the amount paid or payable for the period during which services are rendered by the employees.<br>Therefore, the Company recognizes all short term and long term employee benefits in the Statement of profit and loss. | |
| 6. | Ind AS 113 | Fair Value Measurement | Under Indian GAAP, there is no framework for measuring fair value for financial reporting. | Under IND AS , Company should requires the following to be considered in fair value measurement :<br><br>(i) The particular asset or liability that is subject of the measurement,<br>(ii) The principal market for the asset or liability,<br>(iii) The market participant; and<br>(iv) The price.<br><br>In addition, there are specific consideration for the fair value measurement of:<br>(i) Non- financial assets,<br>(ii) Liabilities,<br>(iii) Equity, and<br>(iv) Financial instruments. |

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

### OVERVIEW

We are an ISO 9001: 2008, 14001: 2004 and 18001: 2007 certified company managed by experienced promoters to address the changing needs of the customers in Infrastructure space. The objective of the company is to engineer, design, fabricate, galvanize and supply quality material to its ever growing esteemed clientele in the industry.

We took over our Company in 2005 and commenced production in 2007. Currently we own and operate 2 manufacturing facilities in India. The third unit is owned by our wholly owned subsidiary in which we get job work done of our products. The 3 units are spanned across a cumulative area of approximately 100000 square yards in the heart of National Capital Region's industrial hub on the National Highway-24. Out of the total area, 40% of it is covered to serve the operations. Our company has all the latest machines like CNC plate cutting machine, CNC angle cutting machine, CNC drilling machine, Punching and Notching machines, Hydraulic presses, Mechanical cutting presses, Welding rectifiers, MIG Welding machines, numbering machines, straightening & bending machines for making sections. The fabrication equipment and installed machinery is regularly upgraded in order to deliver flawless range at clients' end.

Our Company is led by Mr. Alok Kumar, Mr. Shashank Agarwal & Mr. Shalabh Agarwal, who have been instrumental in the growth of our business from a small fabrication unit to the position of a reliable manufacturer of galvanization products.

We consistently endeavor to adopt latest technology at our facilities. We have fully equipped in-house Galvanizing plants with annual production capacity of 100000 metric tonnes. We have supplied our products pan-India to over 100 clients as on March 31, 2017.

Our business line includes

- Telecom Towers- Angular, Tubular, Hybrid and Monopoles.
- Transmission Towers and Substation Structures.
- Solar Module Mounting Structure for Rooftop & Ground base.
- Structures for Rural Electrification.
- Customized Galvanized and non galvanized fabricated steel structures.

In addition to manufacturing, we also undertake civil foundation work, erection of towers at site thorugh sub-contracter. We have also undertaken EPC Turnkey projects for solar mounting structures for our clients.

We are one of the major private sector telecom Tower Installation and maintainnece service Provider in India. We are one of India's manufacturing partners for Ramboll (a Denmark company) technical expertise in Telecom towers structural design.

***Projects Executed & Under Process***

Our Company has executed various projects in the past among which some major projects were for Rajasthan Rajya Vidyut Prasaran Nigam Limited, NTPC Ltd (Raj), Today Green Energy Pvt Ltd, Bharti Infratel Limited, Reliance Jio Infocomm Ltd, Zamil Infra Pvt Ltd, Indus Towers Ltd, Welspun Energy Pvt Ltd and ATC Telecom Infrastructure Pvt Ltd. Among these some projects are being executed by our company on regular basis viz. Bharti Infratel Limited, Indus Towers Ltd., Welspun Energy Pvt Ltd and ATC Telecom Infrastructure Pvt Ltd.

Execution of projects of U. P. Power Transmission Corporation Ltd, Acme Cleantech Solution Pvt Ltd, Bharti Hexacom Ltd, Renew Solar Energy Pvt Ltd, Mahindra Susten Pvt Ltd, Reliance Jio Infocomm Ltd, Prayatna Developers Pvt Ltd, Paschimanchal Vidyut Vtran Nigam Ltd, Mahindra Susten Pvt. Ltd., PES Solar Pvt Ltd and many more are under process.

**Ongoing Projects**

For details kindly refer chapter titled "Our Business" beginning on page 120 of this Prospectus.

**Our Competitive Strengths & Achievements**

Since its inception, our company has worked earnestly towards providing the best quality and hence has acquired the following strengthens in the industry:

***1. Business Agreement with Ramboll***

Ramboll is a leading engineering, design and consultancy company founded in Denmark in 1945. It has a strong presence in the Nordics, North America, the UK, Continental Europe, the Middle East, and India. Ramboll is well known among mobile operators and network vendors globally for its Telecom design philosophy and its extensive involvement in international codes and standards. Ramboll Telecom is the market leader in innovative designs and supply of tower solutions with a history in analysis, design and construction of towers and masts since 1945, and nearly 30,000 masts and towers bearing its stamp worldwide. We are manufacturing partner for Ramboll's technical expertise in Structural Design of Tubular Telecom Towers.

***2. Steady financial performance***

Our volume growth during the last five Financial Years contributed to our financial strength. Our order book of Rs. 5,761.16 million as of May 31, 2017, provides us with revenue visibility for the next financial year. We have never defaulted in the repayment of our borrowings, which, together with our steady financial performance helps us present a strong credit profile to our lenders. Driven by our business growth and execution track record, we have exhibited steady financial performance and credit profile over the last few years.

***3. Optimum Galvanizing Capacity***

Our wholly owned subsidiary Salasar Stainless Limited has recently installed Galvanizing Plant of 50,000 MT which has increased our installed galvanizing capacity to 1,00,000 MT which makes us to manufacture & execute projects twice the business we have been currently doing.

***4. Customer Centric Approach***

Over the years we have developed a significant and mutually beneficial business relationship with our customers and it can be reflected in the repeat orders we get from our customers.

***5. Visible growth through a robust order book and excellent pre-qualification credentials***

We are currently pre-qualified to bid for Rural Electrification projects. With current government thrust on rural electrification, it has helped us to increase our target market size and maintain the momentum of our order book growth.

***6. Operational Excellence***

Our attention to process optimization to achieve the highest safety and quality has resulted in a culture of operational excellence, enriching it with the following strengths:

- Capability to ramp up operations in minimum time with existing facilities
- Timely delivery and competitive prices without quality compromise
- Best quality raw material procurement in line with stringent industry standards
- Skilled and technical manpower in step with industry trends
- Continually updated equipment that serve a wide variety of manufacturing needs

***7. Experienced management and promoters***

Our management has significant experience in steel & allied industry and project management. It is well qualified and experienced in the industry. This team is responsible for the growth in our business operations. In addition, our Board, with a strong combination of managerial acumen as well as entrepreneurial spirit, is equipped to handle complex business situations. The length and breadth of their experience and expertise, coupled with their strong client relationships, gives us a competitive edge in the industry. By focusing on undertaking EPC projects and geographical clustering our projects in our core areas of business, our management has led our Company to achieve strong revenue and profit growth over the last several years. Particularly, we benefit from the expertise of our Promoter and Managing Director, Mr. Alok Kumar has over 41 years of experience in in trading, manufacturing and fabrication of iron & steel and Mr. Shalabh Agarwal, Promoter and Whole-Time Director of our Company, has over 18 years of experience in sugar industry and trading, manufacturing and fabrication of iron & steel.

**FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

A developing country such as India needs to invest heavily on key sectors such as Power & Transmission, Roads, Telecommunication, Ports etc. The new Government has not just maintained investments into these sectors but has increased manifold, the short, medium and long term investments for these sectors. The company is clearly aligned with these parameters in Power & Telecommunications sectors and has therefore increased its production capacity to cater to any demand. Not just domestically but also globally the developing economies have increased their investments on their Power and infrastructures development.

Furthermore, some of our overseas customers to whom we export galvanized products to South Africa, Myanmar etc., some of them were adversely impacted by the recession in some of these economies, disruption in banking and financial systems, economic instability, unfavorable government policies, rising inflation, lowering spending power, customer confidence and political uncertainty. While the global economy has recovered to some extent, we are unable to predict with any degree of certainty the pace or sustainability of economic recovery, the volumes of federal or central, state and local government investment, or the effects of regulatory intervention

***Economy & Government policy Risk :-***

***CHANGES IN GOVERNMENT POLICIES AND BUDGETARY ALLOCATIONS FOR INVESTMENTS IN POWER AND TELECOMMUNICATION SECTOR***

Demand for our products is often affected by the Government's policies and our business relies on projects awarded or funded by the Government or State Governments. We believe that with policy and regulatory reforms continuing, there will be a positive impact on our growth, financial condition and results of operations. Our ability to benefit from the considerable investments proposed in the power and telecommunication in the medium and long term will be important factors affecting our results of operations.

***OUR BIDDING AND EXECUTION CAPABILITY***

Development for large projects in India involves a process of pre-qualifying interested companies based on their technical and financial strengths. The nature of the process is such that prequalification obtained on the basis of past projects and financial ability, based on net worth, cash accruals and bid capacity, are important elements in allowing us to bid for new projects. Also, project management capability (including our management of sub-contractors' performance) affects our profitability. As a result, these projects have greater working capital needs that increase our financial costs. We believe that we have established a good track record and a reputation for efficient project management and execution.

***INFLATION***

In recent years, India has experienced relatively high rates of inflation. While we believe inflation has not had any material impact on our business and results of operations, inflation generally impacts the overall economy and business environment and hence could affect us.

***BUSINESS COMPETITIORS***

A business risk is imposed by the competition from the competitors. There is always as possibility of the new entrants into this sector and predatory pricing by them to get the orders. All the decisions by the Company are taken only after taking into consideration, these dynamic and issue specific factors.

***TIMELY EXECUTION***

Most of the projects that the company undertakes are by their nature long term and, consequently involves a variety of implementation risks, including construction delays, delay or disruption in supply of raw materials, delays in arranging the right of way, Managing locational issues, availability of timely skilled manpower, this can lead to cost overruns., Bank guarantee encashment may also impact Company's reputation. The Company deploys a well-defined standard operating procedure – from project planning to delivery – and adheres to rigorous internal checks and balances with regard to every Projects

**SIGNIFICANT ACCOUNTING POLICIES AND PRACTICE**

1) **Basis Of Preparation Of Financial Statement**
   The financial statement of the company has been prepared in accordance with the generally accepted accountingprincipal in India (Indian GAAP) to comply with the accounting standards specified under section 133 of the companies act 2013, Read with rule 7 of the companies (account) Rules, 2014 and relevant previous of the companies act 2013, ("the companies act")/companies act 1956, ('the 1956 Act"), as applicable. The financial statement has been prepared on accrual basis under the horizontal cost convention. The accounting policies adopted in the preparation of the financial statement are consistent with those followed in the previous year.

2) **Operating Cycle**
   Based on the nature of the product/activity of the company and the normal time between acquisition of assets and their realization in cash or cash equaling, the company has determined its operating cycle as 12 month for the purpose of classification of its assets and liabilities as current and non-current

3) **Revenue Recognition**
   Revenue is recognized on accrual basis when no significant uncertainty as to measurability or collect ability exists. Export incentives under various schemes are recognized as income. Revenue is reported net to discount. Dividend are recorded when the right to receive is payable is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

**4) Use of Estimate**

The preparation of financial statement in conformity generally accepted accounting principal Require management to make estimate and assumptions that affect the reported amount of asset and liabilities on the date of financial statements and the result of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual result could differ from those estimates and revisions, if any, are recognized in the current and future periods.

**6) Fixed Assets**

Fixed assetsare stated at cost net of duty credit availed less accumulated depreciation and impairments if any. The cost includes trail run expenses (net of revenue) and borrowing costs incurred during pre-operations period. Expenses incurred on capital assets are carried forward as capital work in progress at cost till the same are ready for use.

Machinery spares which are specific to particular items of fixed assets. and whose use is irregular are capitalized as part of the cost of machinery.

**7) Depreciation**

Depreciation amount for assets is the cost of an assets, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets have been provided on the straight line method as the Useful life prescribed in schedule II to the companies Act, 2013

| Asset | Useful Life |
|---|---|
| Building and civil works | 30 Years |
| General plant and machinery | 15 Years |
| Office Equipment | 15 Years |
| Vehicle | 8 Years |
| Furniture& Fixture | 10 Years |
| Computer | 3 Years |

**8) Investment**

Long term investment and current maturity of long term investment are stated at cost, less Provision for other than temporary diminution value, current investment except for current Maturity of long term investment, comprising investment in mutual fund are stated in the lower of cost and fair value.

**9) Inventories**

Closing stocks are valued: Raw material at cost or net realizable value whichever is less whereasWIP and finished goods are valued at cost. The cost being the latest applicable purchase price since the closing stock mostly represents items out of the latest purchase.

**10) Taxation**

Current income tax comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provision of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax law applicable in counties where such operations are domiciled.

Minimum Alternative tax (MAT) paid in accordance with the tax laws in India which give rise to future economic benefits in the form of adjustment of future income tax liability is considered as an assets if these 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 reliable and it is probable that the future economic benefit associated with the asset will fructify.Differed tax expenses to benefit is recognized on timing difference beings the difference between taxable income and accounting income tax originate in one period and is likely to reverse in one or more subsequent period. Deferred tax

assets and liability are measured using the tax rated and tax laws that have been enacted or substantively enacted by the balance sheet.

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 provision for current income taxed are presented in the balance sheet after off-setting advance taxes paid and income tax provision 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 liability if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

**11) Employee Benefits**

The company has made the provision of gratuity and other retirement benefit as per acturial valuation referred in the AS -15 "Employee benefit in the financial statement.

**12) Borrowing Cost**

As per accounting standerd-16, borrowing cost attributable to the acquisition of fixed assets is capitalized as the part of the cost of fixed asset till the date it is put to use. Other borrowing cost is recognized as expenditure in the period in which they are occurred.

**13) Impairment Of Assets**

At each balance sheet date the management review the carrying amounts of its assets including 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 the higher of an assets net selling price and value in use. In assessing value in use the estimated future cash flow expected from the continuing use of the assets and from its disposal are discounted to their present value using a pretax discount rate that reflect the current market assessment of time value of money and risks specific to the asset. Reversal of impairment loss is recognized immediately as income in the statement of profit and loss.

**14) 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 of the year by weighted average number of equity shares outstanding, during the accounting periods. Diluted earnings per equity share are computed by using the weighted average number of equity shares and diluted potential equity shares outstanding during the period.

**15) 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 shit 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

**16) 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 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

**17) Related Party Transaction**

Disclosure is being made saparately for all the transaction with related partied as specified under accounting standard 18 issued by the institute of chartered accountants of india.

**18) General**

Prepaid expenses and prior period expenses/ income up to Rs. 5000/- in each case are change to relevent head of account of the current year.

**19) 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.

**DESCRIPTION OF INCOME AND EXPENDITURE ITEMS**

***Income***

**Revenue from operations:** Revenue from operations comprises of income from undertaking Manufacturing of Telecommunication Tower, Transmission & Substation contracts and trading of related items. Revenue from operations accounted 99.95%, 99.93%, 99.94%, 99.96% and 99.91 % of our total revenue for the Financial Years 2017, 2016 , 2015, 2014 and 2013 respectively.

**Other income:** Our other income comprises interest income on our fixed deposits, profit/loss on sale of our investments and fixed assets and other miscellaneous income. Other income accounted for 0.05%, 0.07%, 0.06%, 0.04% and 0.09 % of our total revenue for the Financial Years 2017, 2016, 2015, 2014 and 2013 respectively. Other income typically constitutes a small portion of our total revenue

***Expenditure***

**Cost of Material Consumed:** Cost of Material Consumed is the cost relating to consumption of Raw Materials. It constituted 66.30%, 64.58%, 70.12%, 75.43% and 70.85% of our total revenue for the Financial Years 2017, 2016, 2015, 2014 and 2013 respectively. Our major raw materials are steel – shapes & sections and Zinc

**Direct Expenses:** Direct Expenses are basically the manufacturing & operating Cost which are directly related to the Production and other works. This includes Consumption of store & Spare Parts, Power & Fuel, Installation Charges, Job Work Charges, Freight & cartage, Repair to Building & Machinery and Other related expense. Direct Expense accounted 20.86%, 16.08%, 11.77%, 12.48% and 11.28% of our total revenue for the Financial Years

2017, 2016, 2015, 2014 and 2013 respectively. Increased Direct expenses are due to erection expense of Transmission Line Towers.

**Employee benefit expenses***:* Employee benefit expenses comprise directors' salary, salaries and wages to staff & workers, contribution to provident fund and employees' welfare and other amenities. Employee benefit Expense accounted 2.74%, 3.19%, 2.87%, 2.33% and 2.72% of our total revenue for the Financial Years 2017, 2016, 2015, 2014 and 2013 respectively. The employee cost has increased because of additions to workers & staff commensurate with the increase in operations.

**Financial costs:** Financial costs comprises interest on term loans, cash credit and other credits and other borrowing costs. Financial costs accounted 1.50%, 2.17%, 2.34%, 2.83% and 2.54% of our total revenue for the Financial Years 2017, 2016, 2015, 2014 and 2013 respectively. Financial costs as a percentage of our total revenue decreased from Financial Year 2014 onwards primarily due to repayment of our Term Loans and increase in volumes.

**Depreciation and Amortisation Expenses:** Depreciation and amortization comprises depreciation of tangible assets, including our equipment, plants and furniture, office equipment, vehicles; and Depreciation accounted 0.33%, 0.43%, 0.70%, 0.23% and 0.23% of our total revenue for the Financial Years 2017, 2016, 2015, 2014 and 2013 respectively. The depreciation is higher in FY 2015 due to change in rates as prescribed under Schedule II of Companies Act 2013.

**Other expenses:** Other expenses comprises Insurance charges, audit fees for statutory audits, Legal & professional Charges, printing & stationery, repairs and maintenance performed at our offices, travelling expenses, Rent, packing material consumed, postage and courier, Freight & cartage outward, commission paid, Bad debts & Other Misc. Expense. Other Expenses accounted 5.12%, 5.49%, 7.87%, 8.13% and 6.09% of our total revenue for the Financial Years 2017, 2016, 2015, 2014 and 2013 respectively.

**Tax expenses:** Tax expenses comprise the current tax and the deferred tax offset by MAT credit if any. Tax expenses accounted 2.55%, 2.12%, 1.49%, 1.38% and 0.93% of our total revenue for the Financial Years 2017, 2016, 2015, 2014 and 2013 respectively. The tax expenses have increased due to higher profitability.

**Results of Operations**

The following table sets forth selected financial data from our consolidated profit and loss account, the components of which are also expressed as a percentage of total revenue for the periods indicated:

*(Amount in Millions)*

| Particulars | For The Year Ended March 31, | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| **INCOME** | | | | | |
| **Revenue from Operations** | | | | | |
| Sale of Products (Gross) | | | | | |
| a) Domestic Sales | 3362.19 | 2697.94 | 2328.34 | 2135.76 | 1595.76 |
| Less : Excise Duty | -308.26 | -271.85 | -239.66 | -252.33 | -159.94 |
| b) Export Sales | 67.93 | 105.67 | 512.13 | 361.05 | 57.99 |
| **Net sale of Manufacturing Products** | **3121.86** | **2531.76** | **2600.81** | **2244.48** | **1493.81** |
| As a % of Total Revenue | 83.64% | 91.46% | 94.19% | 91.53% | 89.18% |
| Trading sales | 131.66 | 2.79 | 7.16 | 77.88 | 63.60 |
| As a % of Total Revenue | 3.53% | 0.10% | 0.26% | 3.18% | 3.80% |
| Sale of Services | 457.38 | 212.93 | 100.68 | 95.50 | 113.95 |

| | | | | | |
|---|---|---|---|---|---|
| As a % of Total Revenue | 12.25% | 7.69% | 3.65% | 3.89% | 6.80% |
| Other Operating Income | 18.71 | 19.16 | 50.51 | 32.81 | 3.09 |
| As a % of Total Revenue | 0.50% | 0.69% | 1.83% | 1.34% | 0.18% |
| **Total Revenue From Operations** | **3729.61** | **2766.64** | **2759.16** | **2450.67** | **1674.45** |
| As a % of Total Revenue | 99.92% | 99.95% | 99.93% | 99.94% | 99.96% |
| Other Income | 3.00 | 1.49 | 2.04 | 1.55 | 0.67 |
| As a % of Total Revenue | 0.08% | 0.05% | 0.07% | 0.06% | 0.04% |
| **Total Revenue** | **3732.61** | **2768.14** | **2761.20** | **2452.23** | **1675.12** |
| **EXPENDITURE** | | | | | |
| Cost of Raw Material Consumed | 2474.63 | 1787.58 | 1936.15 | 1849.78 | 1186.81 |
| As a % of Total Revenue | 66.30% | 64.58% | 70.12% | 75.43% | 70.85% |
| Manufacturing and Operating Costs | 778.62 | 445.07 | 344.58 | 276.64 | 206.74 |
| As a % of Total Revenue | 20.86% | 16.08% | 12.48% | 11.28% | 12.34% |
| Purchased of Traded Goods | 96.71 | 13.54 | 6.83 | 46.87 | 61.91 |
| As a % of Total Revenue | 2.59% | 0.49% | 0.25% | 1.91% | 3.70% |
| Change in Inventories of Finished Goods, Work In Progress and Others | -255.30 | 47.41 | -15.68 | -141.36 | -20.35 |
| As a % of Total Revenue | -6.84% | 1.71% | -0.57% | -5.76% | -1.21% |
| Employee Benefits Expense | 102.38 | 88.39 | 79.16 | 57.10 | 45.52 |
| As a % of Total Revenue | 2.74% | 3.19% | 2.87% | 2.33% | 2.72% |
| Finance Cost | 56.05 | 60.10 | 64.57 | 69.45 | 42.51 |
| As a % of Total Revenue | 1.50% | 2.17% | 2.34% | 2.83% | 2.54% |
| Depreciation and Amortisation Expenses | 12.47 | 12.02 | 19.44 | 5.60 | 3.92 |
| As a % of Total Revenue | 0.33% | 0.43% | 0.70% | 0.23% | 0.23% |
| Other Expenses | 191.06 | 151.84 | 217.37 | 199.37 | 102.00 |
| As a % of Total Revenue | 5.12% | 5.49% | 7.87% | 8.13% | 6.09% |
| **Total Expenditure** | **3456.63** | **2605.96** | **2652.41** | **2363.45** | **1629.05** |
| As a % of Total Revenue | 92.61% | 94.14% | 96.06% | 96.38% | 97.25% |
| Profit Before Exceptional & Extraordinary items and tax | 275.98 | 162.17 | 108.78 | 88.77 | 46.07 |
| As a % of Total Revenue | 7.39% | 5.86% | 3.94% | 3.62% | 2.75% |
| Exceptional Items | -4.82 | 0.00 | -20.86 | 0.00 | 0.00 |
| As a % of Total Revenue | -0.13% | 0.00% | -0.76% | 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% | 0.00% |
| **Profit before tax** | 280.80 | **162.18** | **87.93** | **88.78** | **46.08** |
| **PBT Margin** | **7.52%** | **5.86%** | **3.18%** | **3.62%** | **2.75%** |
| **Tax expense :** | | | | | |
| (i) Current tax | 100.10 | 57.55 | 41.76 | 29.33 | 15.75 |
| (ii) Mat Credit | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| (iii) Deferred Tax Liability/(Assets) | -5.03 | 1.25 | -0.51 | 4.47 | -0.13 |
| **Total** | **95.07** | **58.80** | **41.25** | **33.80** | **15.62** |
| As a % of Total Revenue | 2.55% | 2.12% | 1.49% | 1.38% | 0.93% |

| | | | | | |
|---|---|---|---|---|---|
| **Profit for the year** | **185.73** | **103.37** | **46.69** | **54.99** | **30.47** |
| CSR Expenses | 2.08 | 1.37 | 0.55 | 0.00 | 0.00 |
| **As a % of Total Revenue** | **0.06%** | **0.05%** | **0.02%** | **0.00%** | **0.00%** |
| **Profit for the year** | **183.65** | **102.00** | **46.13** | **54.99** | **30.47** |
| **PAT Margin** | **4.92%** | **3.68%** | **1.67%** | **2.24%** | **1.82%** |

***Financial Year 2017 Compared to Financial Year 2016***

Our total revenue increased by Rs. 964.48 Million to Rs. 3732.61 Million for Financial Year 2017 from Rs. 2768.13 Million for Financial Year 2016, and an increase of 34.84%. The increase is primarily due to increase in domestic sales and service.

*Revenue from operations:* Revenue from operations increased by Rs. 962.97 Million to Rs. 3729.61 Million for Financial Year 2017 from Rs. 2766.64 Million for Financial Year 2016, or an increase of 34.81%. This is primarily attributable to increase in overall sales & services. We successfully implemented the transmission towers orders of Rs. 132.81 million received from Uttar Pradesh Transmission Corporation apart from other orders. The trading sales also increased due to composite orders for supply of complete transmission lines. Our production was higher by aprox. 15% but average realization price remained stagnant.

*Other income:* Other income increased by Rs. 1.51 Million to Rs.3.00 Million for Financial Year 2017 from Rs. 1.49 Million for Financial Year 2016, which was primarily attributable to an increase in Interest income due to more margin money given to bank against bank guarantees issued.

*Cost of Raw Material consumed:* Cost of raw material consumed increased by Rs. 687.05 Million to Rs. 2474.63 Million for Financial Year 2017 from Rs. 1787.58 Million for Financial Year 2016, an increase of 38.43%. This is due to increase in consumption of more raw material in line with sales. Also the prices of raw material were on higher side during the year.

*Purchase of stock-in-trade.* Our expenses on purchase of stock-in-trade increased by Rs. 83.17 Million from Rs. 13.54 million in financial year 2017 to Rs. 96.71 million in financial year 2016, primarily due to bought out items for execution of projects.

*Changes in inventories of finished goods, work-in-progress and stock-in trade.* Our closing inventories of finished goods, stock-in-progress and stock-in-trade were higher by Rs. 255.30 million for fiscal year 2017.

*Manufacturing and Operating Costs: Manufacturing and Operating Costs to Production were increased by* Rs. 333.55 *Million to* Rs. *778.62 million for financial year 2017 from* Rs. *445.07 Million for Financial Year 2016 an increase of 74.94%* This increase was primarily attributable to increase in Installation charges & tower Erection Charges & consumption of stores & spares & job work charges, which are inconsistent with increase our sales & services.

*Employee benefit expenses:* Employee benefit expenses increased by Rs. 13.99 Million to Rs. 102.38 Million for Financial Year 2017 from Rs. 88.39 Million for Financial Year 2016, an increase of 15.83%. This increase was primarily attributable to increase in no. of employees, general increments in salary, increase in directors remuneration and higher contribution towards various funds.

*Financial costs:* Financial costs decreased by Rs. 4.05 Million to Rs. 56.05 Million for Financial Year 2017 from Rs. 60.10 Million for Financial Year 2016, a decrease of 6.73%. This decrease was primarily attributable to lower interest outgo on term loans & cash credit. as we repaid term loan of Rs. 12.50 million. However, bank charges have increased due to issuance of bank guarantee for various projects.

*Depreciation and amortization:* Depreciation and amortization increased by Rs. 0.45 Million to Rs. 12.47 Million for Financial Year 2017 from Rs. 12.02 Million for Financial Year 2016, an increase of 3.72%. Increase in deprecation majorly due to addition in building & civil works & plant & machinery, vehicles.

*Other expenses:* Other expenses increased by Rs. 39.22 Million to Rs. 191.06 Million for Financial Year 2017 from Rs. 151.84 Million for Financial Year 2016, and an increase of 25.83%. Increase in other expenses was due to increase in Legal & Professional Charges & Freight & Cartage Outward, rent, rates & taxes, increase in misc. expenses.

*Net profit before tax:* Due to the reasons discussed above, our net profit before tax increased by Rs. 118.62 Million to Rs. 280.80 Million for Financial Year 2017 from Rs. 162.18 Million in Financial Year 2016, an increase of 73.14%. The margin improved from 5.86% to 7.39%.

*Tax expenses:* Our tax expenses increased by Rs. 36.27 Million to Rs. 95.07 Million for Financial Year 2017 from Rs. 58.80 Million for Financial Year 2016, an increase of 61.68%, due to increase in current tax because of higher profits.

*Net profit after tax:* Primarily due to the reasons discussed above, our net profit after tax increased by Rs. 81.65 Million to Rs. 183.65 Million in Financial Year 2017 from Rs. 102.00 Million in Financial Year 2016, and an increase of Rs.80.05%.

***Financial Year 2016 Compared to Financial Year 2015***

Our total revenue increased by Rs. 6.93 Million to Rs. 2,768.14 Million for Financial Year 2016 from Rs. 2761.20 Million for Financial Year 2015, and an increase of 0.25%. The increase is primarily due to increase in revenue from operations.

*Revenue from operations:* Revenue from operations increased by Rs. 7.48 Million to Rs. 2759.16 Million for Financial Year 2016 from Rs. 2766.64 Million for Financial Year 2015, or an increase of 0.27%. This is primarily attributable to increase in job work income offset to some extent by decrease in other operating revenue. Though the revenue from products in terms of value has decreased marginally, in terms of volume it has increased by 8.40%. This is because of sub-dued steel prices, which are directly proportionate to our Sale Prices of our products.

*Other income:* Other income decreased by Rs. 0.55 Million to Rs.1.49 Million for Financial Year 2016 from Rs. 2.04 Million for Financial Year 2015, which was primarily attributable to a decrease in Misc. Income and Interest income.

*Cost of Raw Material consumed:* Cost of raw material consumed decreased by Rs. 148.57 Million to Rs. 1787.58 Million for Financial Year 2016 from Rs. 1936.15 Million for Financial Year 2015, a decrease of 7.67%. This is due to lower raw material prices.

*Purchase of stock-in-trade.* Our expenses on purchase of stock-in-trade increased by Rs. 6.71 Million from Rs. 6.83 million in fiscal year 2015 to Rs. 13.54 million in fiscal year 2016, primarily due to bought out items for execution of projects.

*Changes in inventories of finished goods, work-in-progress and stock-in trade.* Our closing inventories of finished goods, stock-in-progress and stock-in-trade were lower by Rs. 47.41 million for fiscal year 2016.

*Manufacturing and Operating Costs: Manufacturing and Operating Costs to Production were increased by* Rs. 100*.49 Million to* Rs. *445.07 million for financial year 2016 from* Rs. *344.58 Million for Financial Year 2015 an increase of 29.16%* This increase was primarily attributable to increase in Installation charges & tower Erection Charges & consumption of stores & spares.

*Employee benefit expenses:* Employee benefit expenses increased by Rs. 9.23 Million to Rs. 88.39 Million for Financial Year 2016 from Rs. 79.16 Million for Financial Year 2015, an increase of 11.66%. This increase was primarily attributable to general increments in salary and higher contribution towards various funds.

*Financial costs:* Financial costs decreased by Rs. 4.46 Million to Rs. 60.10 Million for Financial Year 2016 from Rs. 64.57 Million for Financial Year 2015, a decrease of 6.91%. This decrease was primarily attributable to lower interest outgo on term loans & cash credit.

*Depreciation and amortization:* Depreciation and amortization decreased by Rs. 7.42 Million to Rs. 12.02 Million for Financial Year 2016 from Rs. 19.44 Million for Financial Year 2015, a decrease of 38.17%. Although there was an addition of Rs. 16.38 Million Assets the reason for decrease in due to of deprecation as per schedule II of Companies Act, 2013.

*Other expenses:* Other expenses decreased by Rs. 65.53 Million to Rs. 151.84 Million for Financial Year 2016 from Rs. 217.37 Million for Financial Year 2015, and a decrease of 30.15%. This increase was primarily attributable to reduction in Legal & Professional Charges & Freight & Cartage Outward. Our Company paid lower professional charges to Ramboll because lower sale of angular telecom towers. Also, our Company took orders on freight payable by customer.

*Net profit before tax:* Due to the reasons discussed above, our net profit before tax increased by Rs. 53.39 Million to Rs. 162.18 Million for Financial Year 2016 from Rs. 108.79 Million in Financial Year 2015, an increase of 49.07%.

*Tax expenses:* Our tax expenses increased by Rs. 17.55 Million to Rs. 58.80 Million for Financial Year 2016 from Rs. 41.25 Million for Financial Year 2015, an increase of 43.55%, due to increase in current tax & deferred tax.

*Net profit after tax:* Primarily due to the reasons discussed above, our net profit after tax increased by Rs. 55.89 Million to Rs. 102.00 Million in Financial Year 2016 from Rs. 46.12 Million in Financial Year 2015, and an increase of Rs.121.18%.

***Financial Year 2015 Compared to Financial Year 2014***

Our total revenue increased by Rs. 308.49 Million to Rs. 2759.16 Million for Financial Year 2015 from Rs. 2450.67 Million for Financial Year 2014, an increase of 12.59%. The increase was primarily due to an increase in volumes by over 17%.

*Other income:* Other income increased by Rs. 0.49 Million to Rs. 2.04 Million for Financial Year 2015 from Rs. 1.55 Million for Financial Year 2014, which was primarily attributable to an increase in Misc. Income and Interest income.

*Cost of Raw Material consumed:* Cost of raw material consumed increased by Rs. 86.37 Million to Rs. 1936.15 Million for Financial Year 2015 from Rs. 1849.78 Million for Financial Year 2014, an increase of 4.67%, which is commensurate with increase in revenue.

*Purchase of stock-in-trade.* Our expenses on purchase of stock-in-trade increased by Rs. 6.71 Million from Rs. 6.83 million in fiscal year 2015 to Rs. 13.54 million in fiscal year 2014, primarily due to bought out items used in execution of projects.

*Changes in inventories of finished goods, work-in-progress and stock-in trade.* Our closing inventories of finished goods, work-in-progress and stock-in-trade were upper by Rs. 125.68 million for fiscal year 2016.

*Manufacturing & operating costs to Production:* manufacturing expenses related to Production were increased by Rs. 67.94 Million to Rs. 344.58 million for financial year 2015 from Rs. 276.64 Million for Financial Year 2014 and an increase of 24.56 % This increase was primarily attributable to increase in Installation charges & tower Erection Charges, job work charges, freight & cartage and consumption of stores & spares in line with increase in production.

*Employee benefit expenses:* Employee benefit expenses increased by Rs. 22.06 Million to Rs. 79.16 Million for Financial Year 2015 from Rs. 57.10 Million for Financial Year 2014, and an increase of 38.63%. This increase was primarily attributable to increase in no. of employees, directors salary & contribution to various funds.

*Financial costs:* Financial costs decreased by Rs. 4.89 Million to Rs. 64.57 Million for Financial Year 2015 from Rs. 69..45 Million for Financial Year 2014, a decrease of 7.03%. This decrease was primarily attributable lower to interest out go on loans, cash credit and others.

*Depreciation and amortization:* Depreciation and amortization increased by Rs. 13.84 Million to Rs. 19.44 Million for Financial Year 2015 from Rs. 5.60 Million for Financial Year 2014, and an increase of 247.19%. There was an addition of Rs. 36.77 Million to fixed assets and rate of depreciation was also charged as per Schedule II of Companies Act, 2013.

*Other expenses:* Other expenses increased by Rs. 18.00 Million to Rs. 217.37 Million for Financial Year 2015 from Rs. 199.37 Million for Financial Year 2014, and an increase of 9.03%. This increase was primarily attributable to increase in conveyance & travelling expenses, Freight & Cartage Outward & packing Material consumed.

*Net profit before tax:* Due to the reasons discussed above, our net profit before tax increased by Rs. 20.01 Million to Rs. 108.78 Million for Financial Year 2015 from Rs. 88.77 Million in Financial Year 2014, an increase of 22.53%.

*Tax expenses:* Our tax expenses increased by Rs. 7.45 Million to Rs. 41.25 Million for Financial Year 2015 from Rs. 33.80 Million for Financial Year 2014, and increase of 22.04%, due to increase in current tax & deferred tax.

*Net profit after tax:* Primarily due to the reasons discussed above, our net profit after tax decreased by Rs. 8.85 Million to Rs. 46.12 Million in Financial Year 2015 from Rs. 54.97 Million in Financial Year 2014, or decrease of by 16.10%.

**Cash Flows of the Company**

Set forth below is a table of selected information from our standalone financial statements of cash flows for Financial Years 2017, 2016, 2015, 2014 and 2013:

*Amount (Rs in Million)*

| Particulars | Financial Year/ Periods | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Net Cash Generated from Operating activities | (36.86) | 112.81 | 109.71 | 51.31 | 74.76 |
| Net Cash Used in Investing activities | (77.43) | (30.73) | (3.76) | (188.82) | (8.74) |
| Net Cash from Financing activities | 151.51 | (85.03) | (119.11) | 156.15 | (61.57) |
| Net Increase/ decrease in cash & cash Equivalents | 37.21 | (2.96) | (13.16) | 18.65 | 4.45 |

**Operating Activities:**

Net cash generated from operating activities was Rs. (36.86) million for the financial year 2017 and consisted of net profit before tax of Rs. 280.80 million as adjusted for: -

(i) Non-cash items like; depreciation.
(ii) Interest paid of Rs. 56.05 million, partially offset by interest received of Rs. 3.00 million.
(iii) Working capital changes, primarily due to decrease in inventories of Rs. 196.67 Million, decrease in Loans & Advances of Rs. 72.24 Million, partly offset by increase in trade receivables of Rs. 207.62 Million and increase in other current assets of Rs. 169.06 Million and increase in current liabilities of Rs. 369.41 Million.
(iv) Some adjustment was made from cash generated from operation like; CSR expenses of Rs. 2.08 Million and direct taxes paid of Rs. 100.10 Million.

Net cash generated from operating activities was Rs. 112.81 Million for the financial year 2016 and consisted of net profit before tax of Rs. 162.17 million as adjusted for: -

(v) Non-cash items like; depreciation.
(vi) Interest paid of Rs. 60.10 Million, partially offset by interest received of Rs. 1.49 Million
(vii) Working capital changes, primarily due to decrease in inventories of Rs. 27.92 Million, decrease in Loans & Advances of Rs. 89.53 Million, partly offset by increase in trade receivables of Rs. 181.79Million and increase in other current assets of Rs. 3.66 Million and increase in current liabilities of Rs. 4.86 Million.
(viii) Some adjustment was made from cash generated from operation like; CSR expenses of Rs. 1.37 Million and direct taxes paid of Rs. 57.55 Million.

Net cash generated from operating activities was Rs. 109.71 Million for Financial Year 2015 and consisted of net profit before tax of Rs. 87.93 million as adjusted for: -

(i) Non-cash items, depreciation of Rs. 19.44 Million and loss on investment & advances written off of 20.86 Million.
(ii) Interest paid of Rs. 64.57 million, partially offset by interest received of Rs. 2.04 Million.
(iii) Working capital changes, primarily due to increase in inventories of Rs. 52.46 & other current assets partly offset in current liabilities of Rs. 201.43 and decreases in trade receivables of Rs. 152.27 Million.
(iv) Some adjustment were made from cash generated from operation like; CSR expenses of Rs. 0.55 Million and Direct taxes paid of Rs. 41.76 Million.

**Investing Activities:**

Net cash used in investing activities was Rs. 77.43 Million for the financial year 2017, primarily due to capital expenditure on fixed assets, and purchase of current investments, partially offset by interest received on fixed deposit receipts of Rs. 3.00 Million.

Net cash used in investing activities was Rs. 30.73 Million for the financial year 2016, primarily due to capital expenditure on fixed assets, and purchase of current investments, partially offset by interest received on fixed deposit receipts of Rs. 1.49 Million.

Net cash used in investing activities was Rs. 3.76 Million in Financial Year 2015, primarily due to capital expenditure on fixed assets partially offset by increase in long term loans of Rs. 29.23 Million and by interest received on fixed deposit receipts of Rs. 2.04 Million.

**Financing Activities:**

Net cash used in financing activities was Rs. 151.51 Million for the financial year 2017 after considering of payment of Interest of Rs. 56.05 Million after borrowings of Rs. 109.06 Million & receipt of long term security deposit of Rs. 98.50 million.

Net cash used in financing activities was Rs. 85.03 Million for the financial year 2016 after considering of payment of Interest of Rs 60.10 Million repayment of long term borrowings of Rs. 24.93 Million.

Net cash generated from financing activities was Rs. 119.11 Million in Financial Year 2015 repayment of long term borrowings of Rs. 67.34 Million & partially offset by increase in share capital of Rs. 12.80 million by interest paid of Rs. 64.57 Million.

**INDEBTEDNESS**

As of March 31, 2017, our total standalone fund based borrowings were Rs. 539.00 Million. Our borrowings comprised secured and unsecured borrowings from banks, nonbanking financial institutions and related parties. The following table summarizes our consolidated long-term and short-term indebtedness.

*Amount (Rs. in Millions)*

| Particulars | As at March 31 | | | | |
|---|---|---|---|---|---|
| | 2017 | 2016 | 2015 | 2014 | 2013 |
| Short Term Borrowings | | | | | |
| Secured | 515.68 | 396.49 | 407.24 | 447.50 | 285.29 |
| Unsecured | - | - | - | - | - |
| **Total Short Term borrowings (A)** | **515.68** | **396.49** | **407.24** | **447.50** | **285.29** |
| | | | | | |
| Long Term Borrowings | | | | | |
| Secured | 3.21 | 13.94 | 29.09 | 47.42 | 0.45 |
| Unsecured | 20.11 | 18.28 | 17.31 | 26.06 | 9.63 |
| **Total Long Term borrowings (B)** | **32.23** | **32.22** | **46.40** | **73.48** | **10.08** |
| **Total (A+B)** | **539.00** | **428.71** | **453.65** | **520.99** | **295.37** |

**QUANTITATIVE AND QUANTITATIVE DISCLOSURE OF MARKET RISK**

Our Company has put in place, a comprehensive risk management policy for identification and assessment of risks which is monitored by the risk management committee of the Company. The Committee closely monitors the process and suggests suitable measures to mitigate the risks. While the risks caused or likely to be caused by the internal happenings are promptly identified and dealt with by the Company. While the external factors still remain imponderable and still not yet under the control of the Company. Any amount of precautionary measures are taken by the Company are yet to negate the impact of these risks

***Interest Rate Risk*** We are exposed to interest rate risk resulting from fluctuations in interest rates. Increases in interest rates would increase interest expenses relating to our outstanding floating rate borrowings and increase the cost of new debt. In addition, an increase in interest rates may adversely affect our ability to service long-term debt and to finance development of new projects, all of which in turn may adversely affect our results of operations.

***Market Risk*** This is an inherent risk that is to be faced by any company, forever and cannot be wished away. India as such abhors any monopolistic business practices and actively encourages competition. Therefore, our Company is always on the lookout for any aggressive competition and takes immediate steps to counter it by offering non fiscal incentives. our company never believed in aggressive pricing as a tool to capture the market. On the other hand it trusts that quality and customer service are the two tools, which give great dividends in the long run and also ensure that the Company remains a long term player in the market. Company's backward integration in its manufacturing facilties do provide it with certain insulation from fluctuations in the market. The very large installed capacity is armour for your company to ward off competition.

***Liquidity Risk*** The liquidity risk may come in the way of smooth operation of the company due to one or the other reasons. Whenever there is blockage of funds in the hands of customers, the liquidity crunch is likely to happen

and indeed, happening, which is crippling the operations of the Company, notwithstanding the wholehearted support and hand holding from the bankers. Company is trying to mitigate this risk by exploring for other avenues for liquidity.

***Financial Risk*** Increase in operation cost as well as raw material cost poses financial risk to the Company. The impact of this risk is to some extent minimized with the escalation clause in majority of domestic orders. Even though Company is not facing any major hurdles on this front due to its short term contracts, this risk is not entirely ruled out, till your Company can implement various mitigation strategies like purchase in bulk as well as import of raw materials etc. to minimize the impact of this ever present risk.

***Input Price Risk*** Company's business is significantly dependant on availability, cost and quality of the raw materials and fuels for the construction and development of projects taken. The principal raw materials include steel, zinc, aluminum conductors, copper, diesel oil, concrete, cement, metal, ballasts, reinforcement bars, electrodes and valves etc. Prices and supply of these are varied due to economic conditions, competition, production levels, and import duties etc.

***Succession Planning Risk*** Scarcity of management resources along with growing cost pose big challenge against building an effective succession structure at senior and middle management level. The Company plans to groom its internal resources through various training programs.

## SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL STATEMENTS

In the opinion of the Board of Directors of our Company, there have not arisen, since the date of the last financial statements i.e. March 31, 2017 disclosed in this Prospectus, 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. HDFC Bank Limited on dated May 25, 2017 has sanctioned credit facilities of Rs. 3,500.00 million.
2. Company has prepaid the cash credit limits of its wholly owned subsidiary Company i.e. Salasar Stainless Limited to Punjab National Bank of Rs. 100.36 million outstanding as on March 31, 2017.
3. Company has purchased land for expension of business.

## CONTINGENT LIABILITIES NOT PROVIDED FOR

For details of our contingent liabilities for fiscal years 2017, 2016, 2015, 2014 and 2013, see the section titled "Financial Statements – Annexure VII - Restated Standalone Statement of Contingent Liabilities and Commitments" and "Financial Statements – Annexure VII - Restated Consolidated Statement of Contingent Liabilities and Commitments" on pages 244 and 313 respectively.

## OFF-BALANCE SHEET ARRANGEMENTS

As of March 31, 2017, our Company does not have any off-balance sheet arrangements, derivative instruments or other relationships with any entities.

## CONSOLIDATION

The Restated Consolidated Financial Information of the Group include the financial statement of the Holding Company and its subsidiaries and have been combined in accordance with the Accounting Standard (AS) 21 "Consolidated Financial Statements", on a line-by-line basis by adding the book value of like items of assets, liabilities, income and expenses, *after eliminating intra-group balances / transactions and unrealized profits / losses in full.* The Restated Consolidated Financial Information of the Group have been prepared using uniform accounting policies for like transactions and other events in similar circumstances as mention in those policies, in the same manner as the Holding Company's separate financial statements except as otherwise stated in the Significant Accounting Policies.

The excess / deficit of cost to the Holding Company of its investment over its portion of equity in the subsidiaries at the respective dates on which investment in subsidiaries was made is recognized in the Consolidated Financial Statements as “Goodwill on consolidation” / “Capital Reserve”. The said goodwill is mot amortized, however, it is tested for impairment at each balance sheet date and the impairment loss, if any, is provided for.

Subsidiary acquired / sold/ merged during the period have been consolidated from / up to the respective date of their acquisition / disposal / merger. The difference between the proceeds from the sale / disposal of investment in subsidiary or the amalgamation and the carrying amount of assets less liabilities as of the date of sale / disposal / merger is recognized in the Consolidated Restated Statement of Profit and Loss as profit or loss on sale / disposal / amalgamation of subsidiary.

## FINANCIAL INDEBTEDNESS

Our Company avails loans and bank facilities in the ordinary course of its business. As on date such loans are primarily for working capital requirements. Our Company has obtained necessary consents required under relevant loan documentations for undertaking the Offer including for change in its capital structure, shareholding pattern and amendment to its constitutional documents.

Pursuant to a resolution dated December 10, 2016 passed by our shareholders, our Board has been authorised 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. 5,000.00 million at any point of time.

### FINANCIAL INDEBTEDNESS OF OUR COMPANY

**The Details of indebtedness of our Company as at June 15, 2017 is provided below:**

**1. Financial Indebtedness from Bank of India.**

<table>
<tr><th>Particulars</th><th></th></tr>
<tr><td>Date of Modification of Charge</td><td>March 21, 2017</td></tr>
<tr><td>Charge Holder</td><td>Bank of India, Main Branch 59-60, G. T. Road, Ghaziabad-201001, Uttar Pradesh, India.</td></tr>
<tr><td>Credit Facilities</td><td>
<table>
<tr><td colspan="3">Working Capital Fund Based Limits (WCFBL)</td></tr>
<tr><td>Limits</td><td>Amount (In million)</td><td>Pricing/Rate of Interest/Commission etc.</td></tr>
<tr><td>CC-stocks</td><td>350.00</td><td rowspan="2">1.70 % +0.30% BSS above 1 yearly BOIMCLR (8.50%) presently 10.50 % p.a. with monthly rest (inclusive of concession at 1.00%).</td></tr>
<tr><td>CC-Book/debt (90 days)</td><td>350.00</td></tr>
<tr><td>FCL within CC limit</td><td>150.00</td><td rowspan="2">As per Bank norm</td></tr>
<tr><td>EPC/FBP/FBD</td><td>150.00</td></tr>
<tr><td>Total/Max WCFBL</td><td>700.00</td><td>-</td></tr>
<tr><td colspan="3">Non Fund Based Limits (NFBL)</td></tr>
<tr><td>BG</td><td>450.00</td><td rowspan="2">60.00% of applicable concession on charges</td></tr>
<tr><td>LC/BC</td><td>150.00</td></tr>
<tr><td>CEL (sub-limit of BG)</td><td>7.00</td><td>As per extant guidelines</td></tr>
<tr><td>Total NFBL</td><td>600.00</td><td>-</td></tr>
<tr><td>Total/Aggregate</td><td>1300.00</td><td>-</td></tr>
</table>
</td></tr>
<tr><td>Repayment</td><td>Cash Credit- on demand<br>EPC- Each EPC shall be liquidated within max 90 days from the date of release of EPC or on the expiry of the order whichever is earlier<br>FBC- Maximum usance 90 days</td></tr>
<tr><td>Margin</td><td>Stock- 25.00% on paid stocks<br>Book debts- 40.00% on O/S up to 90 days old<br>EPC- 25.00%<br>FP/FBD- 10.00% On Foreign Bills</td></tr>
</table>

**Following are the Principal Security for the above Credit Facilities:**

1. Exclusive Charge by way of Hypothecation of entire current assets of Company present and future.
2. Exclusive charge by way of Pledge of TDR (cash margin @25.00% on LC/LOC for BC limit).
3. Exclusive charge by way of Pledge of TDR (cash margin @15.00% on BG limit).

**Following are the Collateral Security for the above Credit Facilities:**

1. Exclusive charge by way of Hypothecation of Plant & Machinery and other movable fixed assets present and future of the Company.
2. Exclusive charge by way of EQM of factory land & building situate at Khasra No. 1183, 1184 & 1185, Village Kheda Dehat, Tahsil & Distt. Hapur, Uttar Pradesh.
3. Exclusive charge by way of EQM of factory land & building situate at Khasra No. 283, village Parasone, Tahsil & Distt Hapur, Uttar Pradesh.
4. Exclusive charge by way of EQM of factory land & building situate at Khasra No. 281, 265 & 282, village Parasone, Tahsil & Distt Hapur, Uttar Pradesh.

**Following are the Additional Security for the above Credit Facilities:**

1. Exclusive charge by way of EQM of factory land & building and Hypothecation of other fixed assets of Salasar Stainless Limited situate at Khasra No. 686/6, Village Kheda Dhulana Road, Pilakhuwa, Uttar Pradesh.

**Following are the personal guarantors for the above Credit Facilities:**

| Sr. No. | Name of the Guarantor | Relationship with the Company |
|---|---|---|
| 1 | Alok Kumar | Promoter, Chairman & Managing Director |
| 2 | Gyanendra Kumar Agarwal | Promoter |
| 3 | Shashank Agarwal | Jt. Managing Director |
| 4 | Shalabh Agarwal | Promoter & Whole Time Director |
| 5 | M/s Shikhar Fab Tech Pvt. Ltd. | Associate Company |
| 6 | M/s Salasar Stainless Limited | Wholly-owned Subsidiary Company |

Note: The Company shall not pay any guarantee commission to the guarantors.

**Other Terms & Conditions:**

1. The FCL limit of Rs. 150.00 million within CC limit is subject to:
   a) CC limit to be reduced proportionately for carving out FCL.
   b) Availability of FCNR (B) funds from our Treasury.
   c) Forward cover to be taken with applicable transaction costs and documentation charges.
   d) Roll over as per extent guildelines and obtaining ROI/charges from HO/Treasury.
   e) Availability of sufficient DP to cover total outstanding (FCL+CC) and the same to be monitored by the branch on monthly basis.
2. The sales booked by the Company to be to submitted to the Bank on quarterly basis.
3. The Company should scout another Bank/institution to share the credit facilities under consortium banking arrangement, in case of any additional assessment in future.
4. The Company to ensure that adequate insurance for value covering all the risks is available and the same is renewed well in time.
5. All the sanctioned/enhanced credit limits are to be utilized within a period of 6 months from the date of sanction (i.e. before September 16, 2017) failing which these facilities will lapse and any revalidation of the same will be condidered at the sole discretion of the Bank.
6. The Company to display bank's hypothecation plate/board at its unit/business premises indicating that stocks/assets are hypothecation to the Bank.

7. Panel interest of 2% will be levied on the overdue amount for the period account remains overdrawn due to irregularities such as non-payment of installments within one month of their falling due, reduction in drawing powers/limit, excess borrowings due to over limit, devolvement of L/C, invocation of Guarantee etc. If the account continues to be overdrawn for a period of 90 days the bank may consider initiation of other action also as deemed fit by the Bank.
8. Any default in complying with the terms of sanction within stipulated time will attract penal interest of 1%p.a. from the date of expiry of such time.
9. In case vof default either in the payment of interest, the repayment of the principal amounts as and when due and payable or reimbursement of all costs, charges and the expenses when demanded, you shall pay additional interest at the rate of 2% above the interest rate for the facilities on the overdue interest, cost, charges or expenses and/or from the respective due dates for payment and/or repayment.
10. A stamped undertaking to be submitted in favour of the Bank to the following effect that during the currency of bank's credit facility the firm shall not without the bank permission in writing:
    a) Effect any adverse changes in firm's capital structure.
    b) Formulate any scheme of amalgamation or merger or reconstruction.
    c) Enter into any borrowing or non borrowing arrangements either secured or unsecured with any other bank, financial institution, Company, firm or otherwise or accept deposits in excess of the limits laid down by Reserve Bank of India.
11. The credit facilities shall be utilized only for the purpose for which same are granted and said facilities shall not be diverted or siphoned off or used any other purpose.

**2. Financial Indebtedness from HDFC Bank Limited.**

**Date of Creation of Charge:** May 24, 2017*

**Charge Holder:** HDFC Bank Limited, Business Banking, 9th Floor, Ansal Classique Tower, Rajouri Garden, New Delhi-110027.

**Purpose:** Working Capital and Fixed Assets

**Interest Payment:** Monthly

**Details of Credit Facilities sanctioned are as under:**

| Sr. No. | Credit Facility | Limits (Rs. in million) | Interest Rate | Current Base rate/LIBOR rate | BG/LC Commission (%) | Tenor/ Valid Upto | Margins |
|---|---|---|---|---|---|---|---|
| 1 | Cash Credit/Letter of Credit | 180.00 | 9.00% for CC | MCLR-8.15% | 1% p.a. for LC | June 15, 2018 | 25% on stock less than 180 days & 40% on debtors less than 90 days. |
| 2 | Bank Gurantee (sub limit of CC/LC) | (50.00) | | | 1% p.a. | June 15, 2018 BG tenor upto 24 months. | CC/DP of CC to be earmarked. |
| 3 | EPC/FBP/FBD/Inland Bill Discounting | (150.00) | | | 1% p.a. | June 15, 2018. | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | (Sub Limit of CC/LC) | | | | | | |
| 4 | LC(I/F)DP/DA-90 days/Buyers credit Max.for 180 days inclusive of the LC usance (sub limit of CC/LC) | (180.00) | | | 1% p.a. | June 15, 2018. | |
| 5 | Purchase Order Funding (sub limit of CC/LC) | (100.00) | 9.00% | MCLR-8.15% | | June 15, 2018. | |
| 6 | Term loan/Letter of Credit | 20.00 | 9.15% | MCLR-8.30% | | June 15, 2018. | 25% in form of Promoter's Contribution & 10% in form of FDR in case of LC. |
| 7 | Bank Guarantee | 150.00 | | | 1% p.a. | June 15, 2018. | 15% in form of FDR |
| 8 | LC(I/F)DP/DA-90 days/Buyers credit Max.for 180 days inclusive of the LC usance (sub limit of BG Limits) | (150.00) | | | 1% p.a. | June 15, 2018. | 25% in form of FDR |
| | **Total Limits** | **350.00** | | | | | |

**Bank is in the process of filing the charge creation form with ROC.*

**Following are the Principal Security for the above Credit Facilities:**

Pari passu Charge with Bank of India as hypothecation of Stock, Book Debts and plant an machinery.

**Following are the Collateral Security for the above Credit Facilities:**

Pari Passu Charges with Bank of India as Equitable Mortgage for following properties:

1. Factory land & building situate at Khasra No. 1183, 1184 & 1185, Village Kheda Dehat, Tahsil & Distt. Hapur, Uttar Pradesh.
2. Factory land & building situated at Khasra No. 283, village Parasone, Tahsil & Distt Hapur, Uttar Pradesh.
3. Factory land & building situate at Khasra No. 281, 265 & 282, village Parasone, Tahsil & Distt Hapur, Uttar Pradesh.
4. Factory land & building and Hypothecation of other fixed assets of Salasar Stainless Limited situate at Khasra No. 686/6, Village Kheda Dhulana Road, Pilakhuwa, Uttar Pradesh.

**Other Terms & Conditions:**

1. In case of CC/OD Facility, last day of every month. Interest to be serviced within 3 days even if the utilization is within the sanctioned limits.
2. Charged @ 18% p.a. on overdue/delays/defaults of any monies payable.
3. Charges @ 0.50% p.a. on quarterly basis, on the entire unutilized portion, if averge utilization is less than 60%.
4. Promoter's tangible net worth to be maintained at Rs. 92.32 crores during the currency of the Bank finance.
5. No interest to be paid on unsecured loans in case of any over dues with Bank.Bank based on the representations made by the borrower and the furnishing of financial statements by the Borrower has extended the abovementioned credit facilities. The commitment to the proposed facilities is subject to:
   a. Guarantors not to issue any personal guarantee for any other loans without prior written permission of HDFC Bank except for car loans, personal loans, home loans, education loans to be obtained forself and family members.
   b. Borrower shall not have any account with other Banks.
   c. Borrower shall not divert any funds to any purpose and launch any new scheme of expansion without prior permission of HDFC Bank Limited.

## UNSECURED LOAN

Our Company had of Rs. 20.11 million as on March 31, 2017 towards unsecured loan outstanding from its Directors, shareholders and Group Company. The unsecured loan from shareholders relates to period before April 01, 2014 when the Companies Act 2013 comes into force & when Company was Private Limited Company. These loans are continuing even after conversion of Company into Limited. The details of unsecured loan are as under:

| Sr. No. | Name of Lenders | Relationship with Company | Interest Rate (%) | Repayment | Amount (In million) |
|---|---|---|---|---|---|
| 1 | Shashank Agarwal | Jt. Managing Director | 12.00 | On demand | 5.81 |
| 2 | Shalabh Agarwal | Whole Time Director | 12.00 | On demand | 7.50 |
| 3 | Hillview Infrabuild Limited | Associate/Group Company | Nil | On demand | 3.48 |
| 4 | Anshu Agarwal* | Relative of Director | Nil | On demand | 1.51 |
| 5 | Taru Agarwal* | Relative of Director | Nil | On demand | 1.82 |
| | **Total** | | | | **20.11** |

**Mrs. Anshu Agarwal and Mrs. Taru Agarwal also hold shares in the Company.*

**FINANCIAL INDEBTEDNESS OF OUR SUBSIDIARY COMPANY**

**SALASAR STAINLESS LIMITED**

The Corporate Guarantee given by our wholly-owned subsidiary Company i.e. M/s Salasar Stainless Limited to Bank of India for Credit Limit of Rs.1,300.00 million granted by the Bank to holding Company i.e. M/s Salasar Techno Engineering Limited.

(Rs. In Million)

| Sr. No. | Date of Creation of Charge | Charge Holder | Facility | Amount (Rs.) |
|---|---|---|---|---|
| 1 | March 21, 2017 | Bank of India, Main Branch 59-60, G. T. Road, Ghaziabad-201001, Uttar Pradesh, India. | Fund Based | 700.00 |
| | | | Non-Fund Based Limits | 600.00 |
| **Total** | | | | **1,300.00** |

**Security offered:**

Equitable Mortgage of Immovable Properties bearing Khasra/Survey No. 686/6-M, 686/6, 687, 688, 1202/1, 1202-M, 1240, 1241, 1247, 1248, 1249, 1250, 1252-M, 1253, 1254, 1252 admeasuring 39760.36 sqm. consisting factory building and other structures fixed machinery and plant and other fixtures and fittings erected or installed thereon (both present and future) situated at village Kheda Dehat, Tahsil Dhaulana, District Hapur (UP) registered in the name of M/s Salasar Stainless Limited in favour of Bank.

## SECTION VI – LEGAL AND OTHER INFORMATION
## OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated below there is no outstanding (i) criminal litigation involving our Company, Subsidiary Company, Directors, Promoters or Group Companies; (ii) action by statutory or regulatory authorities involving our Company, Subsidiary Company, Directors, Promoters or Group Companies; or (iii) claim involving our Company, Subsidiary Company, Directors, Promoters or Group Companies for any direct or indirect tax liabilities.*

*Further, except as stated in this section, there are no (i) outstanding proceedings initiated for economic offences against our Company; (ii) pending defaults or non-payment of statutory dues by our Company; (iii) material fraud against our Company in the last five years immediately preceding this Prospectus; (iv) inquiry, inspection or investigation initiated or conducted under the Companies Act against our Company or Subsidiary Company during the last five years immediately preceding the year of this Prospectus; (v) prosecutions filed (whether pending or not); compounding of offences or fines imposed under the Companies Act against our Company and its Subsidiary Company, in the last five years immediately preceding the year of this Prospectus; (vi) litigation or legal action, pending or taken, against our Promoters by any ministry or Government department or statutory authority during the last five years immediately preceding this Prospectus; (vii) other pending litigations involving our Company, Subsidiary Company, Directors, Promoters, Group Companies or any other person, as determined to be material by our Board of Directors, in accordance with the SEBI Regulations; or (viii) outstanding dues to creditors of our Company as determined to be material by our Board of Directors, in accordance with the SEBI Regulations; and (ix) outstanding dues to small scale undertaking and other creditors; and (x) over-dues or defaults to banks or financial institutions by our Company.*

*No proceedings have been initiated against our Company for economic offences and except as disclosed no penalties have been imposed upon our Company or our Subsidiary Company and Directors by Statutory or Regulatory Authorities.*

### 1. LITIGATION RELATING TO THE COMPANY

#### *1. Outstanding criminal litigation involving our Company*

*Criminal proceedings against our Company*
*NIL*

*Criminal proceedings by our Company*

Except as disclosed below, there are no pending material criminal proceedings initiated by our Company

| Sr. No. | Respondent | Court | Case Details | Current Status |
|---|---|---|---|---|
| 1. | M/s ETA Engineering Private Limited & its Directors, CFO & CEO office situated at Office No. 63, Naya No. 71, Starling Road, Chennai-600034. | In the Hon'ble Court of Civil Judge Junior Division-II Ghaziabad, Uttar Pradesh. | Compliant filed dated December 17, 2015 under Section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 1,001,000. | Pending with Hon'ble Court |
| 2. | M/s ETA Engineering Private Limited & its Directors, CFO & CEO office situated at Office No. 63, Naya No. 71, Starling Road, Chennai-600034. | In the Hon'ble Court of Civil Judge Junior Division-II Ghaziabad, Uttar Pradesh | Compliant filed under Section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 1,001,000. | Pending with Hon'ble Court |

| | | | | |
|---|---|---|---|---|
| 3. | M/s ETA Engineering Private Limited & its Directors, CFO & CEO office situated at Office No. 63, Naya No. 71, Starling Road, Chennai-600034. | In the Hon'ble Court of Civil Judge Junior Division-II Ghaziabad, Uttar Pradesh | Compliant filed under Section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 16,89,717.00 | Pending with Hon'ble Court |
| 4. | M/s. ICSA (India) Limited & its Director office situated at Plot no. 838, Vivekanand colony, kukatpali, Hyderabad-500072. | In the Hon'ble Court of Civil Judge Junior Division-II Ghaziabad, Uttar Pradesh | Complaint filed dated February 21, 2013 under Section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 1,820,526. | Pending with Hon'ble Court |
| 5. | M/s Kudos Chemie Limited & its Directors, CFO & GM office situated at village Kuranwalan, Barwala Road, Derabassi-140507, Punjab. | In the Hon'ble Court of Sub Divisional Judicial Magistrate, Derabassi | Complaint filed dated September 28, 2015 under Section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 400,000. | Pending with Hon'ble Court |
| 6. | M/s Kudos Chemie Limited & its Directors, CFO & GM office situated at village Kuranwalan, Barwala Road, Derabassi-140507, Punjab. | In the Hon'ble Court of Sub Divisional Judicial Magistrate, Derabassi | Complaint filed dated December 22, 2015 under Section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 349,336. | Pending with Hon'ble Court |
| 7. | M/s. Dristi Aircon (P) Limited and its Director office situated at 16/32, II Floor, Old Rajender Nagar, Delhi | In the Hon'ble Court of Civil Judge Junior Division, Ghaziabad, Uttar Pradesh | Complaint filed dated October 03, 2013 under Section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 496,671. | Pending with Hon'ble Court |
| 8. | Balareddy (Director of a cient company who had given cheque on his personal liability) | In the Hon'ble Court of 7 ACJ,Senior Division, Ghaziabad | Complaint filed under Section 138 of Negotiable Instrument Act, 1881 for recovery of approx Rs. 18,50,000. | Pending with Hon'ble Court |

**2. *Material outstanding litigation involving our Company***

*Civil litigations against our Company*
*NIL*

*Civil litigations by our Company*

Except as disclosed below, there are no pending material civil proceedings initiated by our Company

| Sr. No. | Respondent | Court | Case Details | Current Status |
|---|---|---|---|---|
| 1. | M/s ETA Engineering Private Limited & its Directors, CFO & CEO office situated at Office No. 63, Naya No. 71, Starling Road, Chennai-600034. | Hon'ble high Court, Chennai. | Winding up petition filed with Hon'ble high Court, Chennai.<br><br>Amount Involved: Rs. 36,91,717. | Pending with Hon'ble Court |

### 3. *Pending actions by statutory or regulatory authorities against our Company*

Our Company had received notice bearing reference no. EFD/DRAIV/OW/33331/8/2016 dated December 09, 2016 issued from Enforcement Department, SEBI for violation of provisions of Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 in the matter of non-disclosure of purchase/sale of shares in the scrip of Ashutosh Paper Mills Limited. List of dates and events w.r.t Settlement Application filed with under Securities Exchange Board of India (Settlement of Administrative and Civil Proceedings) Regulations, 2014 are given as under:

| Sr. No. | Date | Particulars |
|---|---|---|
| 1. | 09.12.2016 | Our Company had received Notice of Approved Enforcement Action (Ref: EFD/DRAIV/OW/33331/8/2016) for Violation of Regulation 13(3) r/w 13(5) of SEBI (Prohibition of Insider Trading) Regulations, 1992 and Regulation 29(2) r/w 29(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. The violation was regarding non disclosure of 2,42,700 (3.72%) shares of Ashutosh Paper Mills Ltd sold by Salasar on 27.12.2011 and 28.12.2011. |
| 2. | 09.01.2017 | In response thereto, our Company filed an Application for Settlement by letter dated 09.01.2017 (filed with SEBI on 23.01.2017) |
| 3. | 08.03.2017 | Our Company was in receipt of Show Cause Notice dated 08.03.2017 (Ref: SEBI/HO/EAD/5176/2017) for the same exact violation as alleged in aforesaid Notice of Approved Enforcement Action dated 09.12.2016 |
| 4. | 21.03.2017 | Our Company by letter dated 21.03.2017, informed the Ld. Adjudicating Officer, SEBI that it had already filed Application for Settlement for the alleged violation mentioned in the SCN. |
| 5. | 23.03.2017 | SEBI vide letter dated 23.03.2017 (Ref: SEBI/HO/EFD2/CSD/OW/P/2017/0000006470/1) returned the Application for Settlement due to certain deficiencies. Further, SEBI advised our Company to file a revised Application for Settlement. |
| 6. | 13.04.2017 | Our Company vide letter dated 13.04.2017, submitted revised Application for Settlement as advised by SEBI whereby a reference was also made to the SCN dated 08.03.2017 issued against our Company. |

Presently, our Company is awaiting for communication from SEBI wherein the Company will be called before Internal Committee meeting for formulating settlement terms. If the application rejected by the internal settlement committee then matter will go to adjudicating officer thereafter adjudicating officer will pass order and may impose the penalty.

### 4. *Tax proceedings against our Company*

Provided below is a summary of direct and indirect taxation proceedings pending against our Company.

| Nature of tax involved | Number of cases outstanding | Amount involved in such proceedings (in Rs. million) |
|---|---|---|
| Direct tax | 6 | 2.10 |
| **Sub-total (A)** | **6** | **2.10** |
| Indirect tax | 1 | Unidentified* |
| **Sub-total (B)** | **1** | **Unidentified** |
| **Total (A+B)** | **7** | **2.10** |

*A survey was conducted by office of Deputy commissioner (SIB), Commercial Tax, Ghaziabad on December 12, 2016 in our factory premises situated at unit I Khasra No. 265, 281-283, Village –Parsaun-Dasna, P.O. Jindal Nagar, Distt.-Hapur, Uttar Pradesh-201313 and Unit II: Khasra No. 1184 & 1185, Village –Khera, P.O. Pikhuwa, Distt.-Hapur, Uttar Pradesh-245304. The department has seized certain documents related to our operations. We have not received any notice or intimation seeking for the information/documents

5. ***Proceedings initiated against our Company for economic offences***

As on the date of this Prospectus, there are no proceedings that have been initiated against our Company for any economic offences.

6. ***Default and non – payment of statutory dues***

As on the date of this Prospectus, our Company does not owe any statutory dues and has not made any defaults or committed any acts involving non-payments of its statutory dues.

7. ***Material frauds against our Company***

No material frauds have been committed against our Company during the past five years.

8. ***Details of any inquiry, inspection or investigation initiated or conducted under the Companies Act, 2013 or the Companies Act, 1956***

No inspection, inquiry or investigation have been initiated or conducted against our Company under the Companies Act, 2013 or the Companies Act 1956 during the past five years.

9. ***Outstanding dues to small scale undertakings***

No outstanding dues to small scale undertakings as on the date of this Prospectus.

10. ***Outstanding litigation against any other persons or companies whose outcome could have an adverse effect on our Company.***

Except as described in the sub-section titled "Civil proceedings against our Company" on page 349, there is no outstanding litigation against any other persons or companies whose outcome could have an adverse effect on our Company.

**II. LITIGATION INVOLVING OUR SUBSIDIARY**

1. ***Outstanding litigation involving our Subsidiary***

*Criminal proceedings against our Subsidiary*
*NIL*

*Criminal proceedings by our Subsidiary*

Except as disclosed below, there are no pending material criminal proceedings initiated by our wholly owned subsidiary

| Sr. No. | Respondent | Court | Case Details | Current Status |
|---|---|---|---|---|
| 1. | M/s Kudos Chemie Limited & its Directors, | In the Hon'ble Court of Sub | Notice dated May 27, 2015 under | Pending with Hon'ble Court |

| | | | | |
|---|---|---|---|---|
| | CFO & GM office situated at village Kuranwalan, Barwala Road, Derabassi-140507, Punjab. | Divisional Judicial Magistrate, Derabassi | Section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 700,000. | |
| 2. | M/s Kudos Chemie Limited & its Directors office situated at village Kuranwalan, Barwala Road, Derabassi-140507, Punjab. | In the Hon'ble Court of Civil Judge Junior Division-II Gautam Budh Nagar, Uttar Pradesh. | Notice dated December 17, 2015 under Section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 272,382. | Pending with Hon'ble Court |
| 3. | M/s Neon Alloys situated at 91/95 kikaa street, goragandhi house, gulal badhi, Mumbai-400004. | In the Hon'ble Court of Civil Judge Junior Division-II Distt. Hapur, Uttar Pradesh. | Notice dated February 26, 2016 under Section 138 of Negotiable Instrument Act, 1881 for recovery of Rs. 1,352,732. | Pending with Hon'ble Court |

**2. *Material outstanding litigation involving our Subsidiary***

*Civil proceedings against our Subsidiary*

A case for recovery of 45,087.08 pounds (Rs. 3.78 million ) has been filed in the Hon'ble Manchester County Court by M/s. SPI (Materials) Limited towards loss suffered due to supply of defective material and cost thereon. The case is still pending with Hon'ble Court.

*Civil proceedings by our Subsidiary*

NIL

**3. *Pending action by statutory or regulatory authorities against our Subsidiary***

As on the date of this Prospectus, there are no pending actions by statutory or regulatory authorities against our Subsidiary.

**4. *Tax proceedings against our Subsidiary***

Provided below is a summary of direct and indirect taxation proceedings pending against our Subsidiary Company.

| Nature of tax involved | Number of cases outstanding | Amount involved in such proceedings (in Rs. million) |
|---|---|---|
| Direct tax | 1 | 0.03 |
| **Sub-total (A)** | **1** | **0.03** |
| Indirect tax | a) Central Sales Tax (AY 2012-13) | 2.83 |
| | b) Entry Sales Tax (AY 2012-13) | 2.01 |
| | c) Local Sales Tax (AY 2012-13) | 2.93 |
| **Sub-total (B)** | **3** | **7.77** |
| **Total (A+B)** | **4** | **7.80** |

Except as disclosed below, there are no tax proceedings against our Company, as on the date of this Prospectus.

a) The Deputy Commissioner (SIB), Commercial Tax, Ghaziabad had carried out survey of our Company on March 07, 2013. On the basis of documents collected by them & submitted by us they raised demand of Rs. 2.93 million, Rs. 2.01 million and Rs. 2.83 million towards VAT, Entry Tax and Central Sales Tax, respectively for the FY 2012-13 respectively towards discrepancies in sales & purchases of the stainless pipes for the above said year. Our Company had filed an appeal against the above order with additional commissioner (Appeals) Commercial Tax, Ghaziabad, U.P. The matter is currently pending.

***5. Details of any inquiry, inspection or investigation initiated or conducted under the Companies Act, 2013 or the Companies Act, 1956***

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or the Companies Act, 1956 against our Subsidiary in the last five years.

***6. Details of prosecutions filed (whether pending or not); fines imposed or compounding of offences done in the last five years.***

There have been no prosecutions filed, fines imposed or compounding of offences done involving our Subsidiary, in the last five years.

## III. LITIGATION INVOLVING OUR PROMOTERS

***1. Outstanding criminal litigation involving our Promoters***

*Criminal proceedings against our Promoters*
*NIL*

*Criminal proceedings by our Promoters*
*NIL*

***2. Material outstanding litigation involving our Promoters***

*Civil proceedings against our Promoters*
*NIL*

*Civil proceedings by our Promoters*
*NIL*

***3. Tax proceedings against our Promoters***

| Name of Promoters | Nature of tax involved | Amount involved in such proceedings (in Rs.) |
|---|---|---|
| Mr. Gyanendra Kumar Agarwal | TDS Demand | Negligible |
| Mr. Alok Kumar | Nil | NA |
| Mr. Shalabh Agarwal | NIL | Negligible |
| Ms. Tripti Gupta | NIL | NA |

***4. Pending action by statutory or regulatory authorities against our Promoters***

As on the date of this Prospectus, there are no pending actions by statutory or regulatory authorities against our Promoters.

***5. Other material outstanding litigation involving our Promoters***

As on the date of this Prospectus, there is no other pending litigation involving our Promoters, determined to be material by our Board of Directors.

***6. Litigation or legal action by the Government of India or any statutory authority in last five years***

There is no litigation or legal action pending or taken by a ministry, department of the government or statutory authority during the last five years preceding the date of this Prospectus against our Promoters and no direction has been issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action.

***7. Other proceedings against our Promoters***

*Nil*

## IV. LITIGATION INVOLVING OUR DIRECTORS

***1. Outstanding criminal litigation involving our Directors***

*Criminal proceedings against our Directors*
*NIL*

*Criminal proceedings by our Directors*
*NIL*

***2. Material outstanding litigation involving our Directors***

*Civil proceedings against our Directors*
*NIL*

*Civil proceedings by our Directors*
*NIL*

***3. Tax proceedings against our Directors***

| Name of Promoters | Nature of tax involved | Amount involved in such proceedings (in Rs.) |
|---|---|---|
| Mr. Shalabh Agarwal | Income Tax Demand | Negligible |

***4. Pending action by statutory or regulatory authorities against our Directors***

As on the date of this Prospectus, there are no pending actions by statutory or regulatory authorities against our Directors.

***5. Other material outstanding litigation involving our Directors***

As on the date of this Prospectus, there is no other pending litigation involving our Directors, determined to be material by our Board.

***6. Other proceedings against our Directors***

Except as disclosed in the sub-section titled "*Other proceedings against our Promoters*" on page 349, there are no other proceedings pending against our Directors.

## V. LITIGATION INVOLVING OUR GROUP COMPANIES

***1. Outstanding criminal litigation involving our Group Companies***

*Criminal proceedings against our Group Companies*
*NIL*

*Criminal proceedings by our Group Companies*
*NIL*

***2. Material outstanding litigation involving our Group Companies***

*Civil proceedings against our Group Companies*
*NIL*

*Civil proceedings by our Group Companies*
*Nil*

***3. Tax proceedings against our Group Companies***

Provided below is a summary of direct and indirect taxation proceedings pending against our Subsidiary Company.

| Nature of tax involved | Number of cases outstanding | Amount involved in such proceedings (in Rs. million) |
|---|---|---|
| Direct tax | 1 | 0.05 |
| **Sub-total (A)** | **1** | **0.05** |
| Indirect Tax | Nil | Nil |
| **Sub-total (B)** | **Nil** | **Nil** |
| **Total (A+B)** | **1** | **0.05** |

***4. Pending action by statutory or regulatory authorities against our Group Companies***

As on the date of this Prospectus, there are no pending actions by statutory or regulatory authorities against our Group Companies.

***5. Other material outstanding litigation involving our Group Companies***

As on the date of this Prospectus, there are no other material pending litigation involving our Group Companies.

## MATERIAL DEVELOPMENTS

Except as stated in the chapter titled *"Management's Discussion and Analysis of Financial Conditions and Results of Operations"* beginning on page 326 of this Prospectus, no material developments have taken place after March 31, 2017, the date of the latest balance sheet, that would materially adversely affect the performance 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 Stock Exchanges.

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 the Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of the 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 except as mentioned on page 349 of this Prospectus.
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 except as mentioned on page 349 of this Prospectus.
h. Following are the creditors as on March 31, 2017 to whom Company owes sum exceeding Rs. 0.10 million and are outstanding for more than 30 days as certified by the management of Our Company.

| Sr. No. | List of Creditors | Amount (Rs.In million) |
|---|---|---|
| ***CREDITORS (CONSUMABLE)*** | | |
| 1. | Jagannath Trading Company | 0.11 |
| 2. | Mittal Hardware | 0.11 |
| 3. | Shree Mahalaxmi Timber | 0.13 |
| 4. | Vtech Solution | 0.13 |
| 5. | Crane Control Equipments | 0.16 |
| 6. | Bhagwati Decoiling & Processing Co.(P) Ltd. | 0.19 |
| 7. | Dev Bhoomi Enterprises | 0.20 |
| 8. | New Technology Engineering | 0.20 |
| 9. | Kalyani Chemicals | 0.21 |
| 10. | Chaudhary Timber Ind.(P) Ltd. | 0.34 |
| 11. | Ador Welding Limited | 0.34 |
| 12. | Tirupati Balaji Concrete Udyog | 1.33 |
| 13. | Pasondia Cables Pvt Ltd | 2.12 |

| | | |
|---|---|---|
| 14. | Bikaner Ceramics Pvt. Ltd. | 3.38 |
| 15. | Neelu Packing Industries | 4.97 |
| | **Total (a)** | **13.91** |
| ***CREDITORS (CONTRACTOR)*** | | |
| 16. | PRAMOD Kumar | 0.10 |
| 17. | Munna Kumar Thakur (Contractor) | 0.12 |
| 18. | Anil | 0.14 |
| 19. | Monika Jindal (Cont.) | 0.18 |
| 20. | KARAN Contractor | 0.28 |
| 21. | Jai Enterprises (Cont.) | 0.40 |
| 22. | ROSHAN Contractor | 0.48 |
| | **Total (b)** | **1.70** |
| **CREDITORS (OTHERS)** | | |
| 23. | Shivraj Packing Industries | 0.10 |
| 24. | Sonu Tomer Enterprises | 0.13 |
| 25. | Karam Industries (Uk) | 0.26 |
| 26. | Global Suraksha Group Security Pvt. Ltd. | 0.36 |
| 27. | Aahil Fabrication | 0.54 |
| 28. | Gba Steels And Metals Pvt. Ltd. | 7.43 |
| 29. | Multitex Filtration Engineers Ltd | 7.45 |
| 30. | Swamiji Transmission Pvt. Ltd. | 9.04 |
| 31. | Vits Total Power Solutions Pvt. Ltd. (V) | 48.16 |
| 32. | Aarvanss Buildwell And Infracon Llp | 75.13 |
| | **Total (c)** | **148.60** |
| **CREDITORS (RAW MATERIAL)** | | |
| 33. | Nohar Chand & Sons Steels Pvt Ltd | 0.11 |
| 34. | Sonds Nuts & Bolts | 0.15 |
| 35. | Gaurang Products Pvt. Ltd. | 0.41 |
| 36. | Varun Steels | 0.42 |
| 37. | Shri Shyam Ji Steels | 0.44 |
| 38. | Garg Fasteners | 0.61 |
| 39. | Nishant Steel Industries | 0.70 |
| 40. | K.L. Steels (P) Ltd. | 0.71 |
| 41. | Supra Industries Pvt Ltd | 0.78 |
| 42. | Vikrant Iron Pvt. Ltd. | 1.01 |
| 43. | V.K. Enterprises | 1.03 |
| 44. | Cell-Com Teleservices Pvt.Ltd. | 1.04 |
| 45. | Forex Fastners Pvt. Ltd. | 1.09 |
| 46. | Udehra Fastners Limited | 1.24 |
| 47. | Parasnath Buildwell Pvt. Ltd. | 1.31 |
| 48. | Shri Shanti Nath Steel | 1.50 |

| | | |
|---|---|---|
| 49. | Mangal Deep Steels | 1.57 |
| 50. | Safe Towers Pvt. Ltd (Unit-Ii)- Vendor | 1.67 |
| 51. | Roshan Impex Pvt. Ltd. | 1.78 |
| 52. | Shree Balaji Steels | 2.39 |
| 53. | Prime Metals & Chemicals | 5.03 |
| 54. | Hindustan Zinc Ltd. | 5.04 |
| 55. | J.D. Steel Corporation | 5.09 |
| 56. | Brij Steels | 5.43 |
| 57. | Bharti Overseas | 6.55 |
| 58. | Panna Lal & Co. | 7.04 |
| 59. | Hi-Tech Pipes Ltd | 9.55 |
| 60. | Tata Steel Ltd - Ghaziabad | 22.70 |
| 61. | Shree Ram Overseas | 38.68 |
| | **Total (d)** | **125.03** |
| CREDITORS (TRANSPORT) | | |
| 62. | Mmtc Transport Company | 0.10 |
| 63. | Rtg Transport Systems | 0.11 |
| 64. | Equity Logistic Solutions Pvt. Ltd. | 0.15 |
| 65. | Sky Supply Chain Solution Pvt. Ltd. | 0.21 |
| 66. | Baba Haridas Oil Carriers | 0.31 |
| 67. | Tiger Logistics (India) Ltd. | 0.74 |
| | **Total (e)** | **1.64** |
| CREDITORS MISCELLANEOUS | | |
| 68. | Capital Udyog | 0.12 |
| 69. | Vaps & Co. | 0.17 |
| 70. | Jindal Pipes Limited | 1.71 |
| 71. | Ashish Enterprises | 2.02 |
| 72. | Nikhil And Company | 2.89 |
| 73. | Amit Roadways | 5.04 |
| 74. | Salasar Stainless Debtors A/C | 8.24 |
| **Total (f)** | | **20.19** |
| **Total [(a)+(b)+(c)+(d)+(e)+(f)]** | | **311.07** |

SALASAR

## 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 143 of this Prospectus.

### I. APPROVALS IN RELATION TO THE ISSUE

1. Our Board has, pursuant to a resolution passed at its meeting held on November 01, 2016 authorized the Issue.
2. Our shareholders have pursuant to a resolution passed at their meeting dated December 10, 2016 under Section 62(1)(c) of the Companies Act 2013, authorized the Issue.
3. In-principle approval from the NSE dated April 05, 2017.
4. In-principle approval from the BSE dated April 26, 2017.

### II. INCORPORATION DETAILS

1. Corporate Identity Number: U23201DL2001PLC174076.
2. Certificate of Incorporation dated October 24, 2001 issued by the Registrar of Companies, Rajasthan vide CIN number U23201RJ2001PTC17253 in the name of Salasar Petrochemicals Private Limited.
3. Fresh Certificate of Incorporation dated June 13, 2006 issued by the Registrar of Companies, Rajasthan consequent upon change of Name from Salasar Petrochemicals Private Limited to Salasar Techno Engineering Private Limited.
4. Change of Corporate Identity Number of Company dated December 26, 2007 from U23201RJ2001PTC17253 to U23201DL2001PTC174076 due to change in registered office from one State or (Registrar of Companies, Rajasthan) to another State (Registrar of Companies NCT of Delhi & Haryana).
5. Fresh Certificate of Incorporation dated August 16, 2016 issued by the Registrar of Companies NCT of Delhi & Haryana consequent upon conversion to public limited 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:AAICS6856K | Perpetual | - |
| 2. | Allotment of Tax Deduction Account Number (TAN) | Income Tax Department, Govt. of India | TAN:MRTS04572B | Perpetual | - |

| Sr. No. | Nature of License / Approvals | Authority | Particulars of License / Approvals | Validity Period | Special conditions, if any |
|---|---|---|---|---|---|
| 3. | Allotment of Taxpayers Identification Number (TIN) for the Unit I* & Unit II*. | Department of Commercial Tax, Govt. of Uttar Pradesh. | TIN: 09189102795 | Perpetual | Valid till the business is discontinued. |
| 4. | Registration Under Central Sale Tax Act, 1956 for the Unit I* & Unit II*. | Assistance Commissioner, Department of Sale Tax, Hapur, Uttar Pradesh. | Registration No. 09189102795C | Perpetual | Valid till the business is discontinued. |
| 5. | Registration under Central Excise unit 1 | Central Board of Excise and Customs, Uttar Pradesh | Registration No. AAFCM1402JXM001 | Perpetual | - |
| 6. | Registration under Central Excise unit 1I | Central Board of Excise and Customs, Uttar Pradesh | Registration No. AAICS6856KXM002 | Perpetual | - |
| 7. | Registration for Service Tax for property situated at Unit I*. | Central Board of Excise and Customs, Central Excise Division, Hapur, Uttar Pradesh. | Service Tax Registration: AAICS6856KST001 | Perpetual | **Taxable Service:** Erection, commissioning and installation service, works contract. |
| 8. | Registration for Service Tax for property situated at Unit II*. | Central Board of Excise and Customs, Central Excise Division, Hapur, Uttar Pradesh. | Service Tax Registration: AAICS6856KST002 | Perpetual | **Taxable Service:** Erection, commissioning and installation services. |
| 9. | Registration under Goods and Service Tax. | Central Board of Excise and Customs, Central Excise Division, Hapur, Uttar Pradesh. | Provisional ID/Registration Number: 09AAICS6856K1Z1 | 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' State Insurance Act, 1948 for the Factory situate at Unit I*.& Unit II*. | Assistant Director, Sub Regional Office, E.S.I Corporation, Noida. | Code No.- 67670361490010502 | Perpetual | - |
| 2. | Registration under Employees Provident Funds and Miscellaneous Act, 1952 | Employees Provident Fund Organization, Regional Office, Ministry of Labour and Employment, Govt. of India. | EPF Code: MRMRT0040694000 | Perpetual | - |
| 3. | Registration and license to work a factory situated at Unit I* under Factories Act, 1948 | Directorate Industrial Safety & Health, Uttar Pradesh. | Registration No. GZB-4724 | December 31, 2017 | - |
| 4. | Registration and license to work a factory situated at Unit II*. | Directorate Industrial Safety & Health, Uttar Pradesh, Hapur. | Registration No. GZB-5043 | December 31, 2017 | - |
| 5. | Consent order from State Pollution Control Board (Air Pollution) for the Factory situated at Unit I*. | Uttar Pradesh Pollution Control Board, Hapur | Consent No. 1228/C-1/Air consent/30/2016 | January 01, 2016 to December 31, 2017 | - |
| 6. | Consent order from State Pollution Control Board (Air Pollution) for the Factory situated at Unit II*. | Uttar Pradesh Pollution Control Board, Hapur | Consent No. 1562/C-1/Air consent/27/2016 | January 01, 2016 to December 31, 2017 | - |

| Sr. No. | Nature of License / Approvals | Authority | Particulars of License / Approvals | Validity Period | Special conditions, if any |
|---|---|---|---|---|---|
| 7. | Consent order from State Pollution Control Board (Water Pollution) for the Factory situated at Unit I*. | Uttar Pradesh Pollution Control Board, Hapur | Consent No. 1460/C-1/Water consent/26/2016 | January 01, 2016 to December 31, 2017 | - |
| 8. | Consent order from State Pollution Control Board (Water Pollution) for the Factory situated at Unit II*. | Uttar Pradesh Pollution Control Board, Hapur | Consent No. 1796/C-1/Water consent/19/2016 | January 01, 2016 to December 31, 2017 | - |
| 9. | Certificate of Importer-Exporter Code (IEC) | Ministry of Commerce and Industry, office of Jt. Director General of Foreign Trade. | IEC Number: 0508011396 | Perpetual | - |
| 10. | License under Contract Labour (Regulation and Abollition) Act, 1970 for the factory situated at Khasra No. 265, Village Parsaun Dasna, Distt. Hapur, Uttar Pradesh. | Office of the Licensing Officer, Govt. of Uttar Pradesh. | License No. UPCLAL75000003 | December 21, 2016 to September 16, 2017 | License for doing the work of (Loading, Unloading). |
| 11. | License under Contract Labour (Regulation and Abollition) Act, 1970 for the factory situated at Khasra No. 1184-1185, Village Khera, Distt. Hapur, Uttar Pradesh. | Office of the Licensing Officer, Govt. of Uttar Pradesh. | License No. UPCLAL75000005 | December 21, 2016 to September 16, 2017 | License for doing the work of (Loading, Unloading). |

**C. Other Registration and Certificates**

| Sr. No. | Nature of License / Approvals | Authority | Particulars of License / Approvals | Validity Period | Special conditions, if any |
|---|---|---|---|---|---|
| 1. | Registration under District Industries Center, Hapur for the factory situated at Unit II*. | Govt. of Uttar Pradesh, Office of the General Manager, District Industries Center, Hapur. | EM Number: 090091208472 | Perpetual | - |
| 2. | Registration under District Industries Center, Hapur for the factory situated at Unit I*. | Govt. of Uttar Pradesh, Office of the General Manager, District Industries Center. | EM Number: 090091209178 | Perpetual | - |
| 3. | Certification for ISO 9001:2015 for the factory situated at Unit II*. | United Registrar of Systems, Certification | Certificate No. 76312/A/0002/NB/En | August 29, 2016 to August 28, 2019 | Scope of Activities- Manufacture of Galvanized Steel Structures |
| 4. | Certification for ISO 9001:2015 for the factory situated at Unit I*. | United Registrar of Systems, Certification | Certificate No. 76312/A/0001/NB/En | August 29, 2016 to August 28, 2019 | Scope of Activities- Manufacture of Galvanized Steel Structures |
| 5. | Certification for ISO 14001:2015 for the factory situated at Unit II*. | United Registrar of Systems, Certification | Certificate No. 76312/B/0002/NA/En | September 01, 2016 to August 31, 2019 | Scope of Activities- Manufacture of Galvanized Steel Structures |
| 6. | Certification for ISO 14001:2015 for the factory situated Unit I*. | United Registrar of Systems, Certification | Certificate No. 76312/B/0001/NA/En | September 01, 2016 to August 31, 2019 | Scope of Activities- Manufacture of Galvanized Steel Structures |

| Sr. No. | Nature of License / Approvals | Authority | Particulars of License / Approvals | Validity Period | Special conditions, if any |
|---|---|---|---|---|---|
| 7. | Certification for OHSAS 18001:2007 for the factory situated Unit I*. | United Registrar of Systems, Certification | Certificate No. 76312/C/0001/UK/En | April 24, 2017 to April 23, 2020 | Scope of Activities- Manufacture of Galvanized Steel Structures |
| 8. | Certification for OHSAS 18001:2007 for the factory situated Unit II*. | United Registrar of Systems, Certification | Certificate No. 76312/C/0002/UK/En | April 24, 2017 to April 23, 2020 | Scope of Activities- Manufacture of Galvanized Steel Structures |

***Unit I:** Khasra No. 265, 281-283, Village –Parsaun-Dasna, P.O. Jindal Nagar, Distt.-Hapur, Uttar Pradesh-201313*

***Unit II:** Khasra No. 1184 & 1185, Village –Khera, P.O. Pikhuwa, Distt.-Hapur, Uttar Pradesh-245304.*

**APPROVALS IN RELATION TO OUR SUBSIDIARY SALASAR STAINLESS LIMITED ("SSL")**

## I. INCORPORATION DETAILS

1. Corporate Identity Number: U27205DL2010PLC201399.
2. Certificate of Incorporation dated April 09, 2010 issued by the Registrar of Companies, NCT of Delhi & Haryana.
3. Certificate of Commencement of Business dated May 06, 2010 issued by the Registrar of Companies, NCT of Delhi & Haryana.

## II. APPROVALS/ LICENSES IN RELATION TO THE BUSINESS OF OUR COMPANY

### 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:AAOCS1486R | Perpetual | - |
| 2. | Allotment of Tax Deduction Account Number (TAN) | Income Tax Department, Govt. of India | TAN:MRTS07319E | Perpetual | - |
| 3. | Allotment of Taxpayers Identification Number (TIN) | Department of Commercial Tax, Govt. of Uttar Pradesh, Hapur | TIN: 09489202840 | Perpetual | - |

| Sr. No. | Nature of License / Approvals | Authority | Particulars of License / Approvals | Validity Period | Special conditions, if any |
|---|---|---|---|---|---|
| 4. | Registration under Central Sales Tax Act, 1956. | Assistance Commissioner, CST, Hapur, Uttar Pradesh. | Registration No. 09489202840 | Perpetual | - |
| 5. | Registration under Central Excise | Central Board of Excise and Customs, Uttar Pradesh | Registration No. AAOCS1486REM001 | Perpetual | - |
| 6. | Registration under Employees' State Insurance Act, 1948 for the Factory situated at Khasra No. 686/6, Village Kheda Pilak, Distt. Hapur, Uttar Pradesh. | Assistant Director, Sub Regional Office, E.S.I Corporation, Noida. | Code No.-67000600860000606 | Perpetual | - |
| 7. | Registration under Employees Provident Fund Organisation, Meerut, Uttar Pradesh. | Deputy Director, ESIC Noida. | Registration No. MRMRT2909110199 | Perpetual | - |
| 8. | Licence under the Factories Act, 1948 for the factory situated at Khasra No. 686/6, Village Kheda Pilak, Distt. Hapur, Uttar Pradesh. | DDF Labour Dept., Division Office, Ghaziabad. | Registration No. UPFA75000019 | January 01, 2017 to December 31, 2017 | - |
| 9. | License under Contract Labour (Regulation and Abollition) Act, 1970 for the factory situated at Khasra No. 686/6, Village Kheda Pilak, Distt. Hapur, Uttar Pradesh. | Office of the Licensing Officer, Govt. of Uttar Pradesh. | License No. UPCLAL75000004 | December 21, 2016 to September 16, 2017 | License for doing the work of (Loading/Unloading & staking). |

| Sr. No. | Nature of License / Approvals | Authority | Particulars of License / Approvals | Validity Period | Special conditions, if any |
|---|---|---|---|---|---|
| 10. | Registration under Goods and Service Tax. | Central Board of Excise and Customs, Central Excise Division, Hapur, Uttar Pradesh. | Provisional ID/Registration Number: 09AAOCS1486R1Z9 | Perpetual | - |

## INTELLECTUAL PROPERTY

**1. Intellectual Property of Our Company**

We have filed the application form TM-1 for registration of our Logo SALASAR under the Trademarks Act, 1999 dated December 21, 2016.

| Sr. No. | Trademark/Logo | Date of Application | Application No. | Class | Current Status |
|---|---|---|---|---|---|
| 2. | SALASAR | December 21, 2016 | 3438534 | 6 | Objected |

Further, we have filed reply dated February 28, 2017 with registar of Trademark against objection raised by the authority for reconsideration.

**2. Intellectual Property of Our Subsidiary Salasar Stainless Limited.**

Our Subsidiary Company had not made any application for registration of Logo SALASAR SALASAR STAINLESS LTD. under the trademarks Act, 1999.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

*Corporate Approvals*

- Our Board has authorized the Fresh Issue of Equity shares by a resolution dated November 01, 2016, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013.
- Our shareholders have, pursuant to a special resolution passed at the Extra Ordinary General Meeting of our Company held on December 10, 2016 at our Registered office of the Company under Section 62(1)(c) of the Companies Act 2013, authorized the Issue.
- The IPO Committee has approved this Prospectus pursuant to its Resolution dated July 01, 2017.
- Our Company has received in-principle approval from NSE vide letter dated April 05, 2017.
- Our Company has received in-principle approval from BSE vide letter dated April 26, 2017.

### PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoters, our Directors and our Promoter Group, the Group Companies or persons in control of our Company 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 except we have received show cause notice from SEBI dated December 09, 2016 for violation of provisions of SEBI (Prohibition of Insider Trading) Regulations, 1992. For further details please refer chapter "Outstanding Litigation and Material Developments" on page 349 of this Prospectus.

The Companies with which our Promoters, our Directors or persons in control of our Company are/ were associated as promoter, director or person 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 promoters or directors. For further details, please see chapter titled "Our Management" on page 154 of this Prospectus.

### PROHIBITION BY RBI

Neither our Company or Subsidiary, nor our Promoters, or the relatives (as defined under the Companies Act) of our Promoter, Directors or Group Companies have been identified as wilful defaulters by the RBI or any other governmental authority in accordance with the guidelines on wilful defaulters issued by the RBI.

Further except as disclosed in chapter titled "Outstanding Litigation and Material Developments" on page 349 of this Prospectus, there has been no violation of any securities laws committed by our Company, Subsidiary, Directors, Promoters, Promoter Group and Group Companies in the past and no such proceedings are currently pending against any of them.

### ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in accordance with the Regulation 26(1) of the SEBI (ICDR) Regulations as explained below:

1. Our Company has had net tangible assets of at least Rs. 30 million in each of the preceding three full years (of 12 months each);
2. Our Company has a minimum average pre-tax operating profit of Rs.150 million, calculated on a restated and consolidated basis, during the three most profitable years out of the immediately preceding five years;
3. Our Company has a net worth of at least Rs. 10 million in each of the three preceding full years (of 12 months each);
4. The aggregate size of the proposed issue and all previous issues made in the same fiscal is not expected to exceed five times the pre-issue net worth as per the audited balance sheet of our Company for the preceding Fiscal; and
5. Our Company has not changed its name within the last one year other than the conversion into a public limited company.

Our Company's net tangible assets, pre-tax operating profit and net worth derived from the Restated Financial Information included in this Prospectus as of, and for the last five years ended March 31 are set forth below:

*(Rs. In Million, unless otherwise stated)*

| Particular | For the Financial Year ended March 31, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2017 | | 2016 | | 2015 | | 2014 | | 2013 | |
| | Standalone | Consolidated | Standalone | Consolidated | Standalone | Consolidated | Standalone | Consolidated | Standalone | Consolidated |
| Net tangible assets, as restated[1] | 910.12 | 958.32 | 726.47 | 751.14 | 624.47 | 644.60 | 565.54 | 565.27 | 510.55 | 506.54 |
| Monetary Assets, as restated[2] | 57.81 | 63.83 | 20.59 | 23.94 | 23.55 | 27.01 | 36.70 | 39.50 | 18.06 | 20.78 |
| Monetary assets, as restated as a % of net tangible assets, as restated | 6.35% | 6.66% | 2.83% | 3.19% | 3.77% | 4.22% | 6.49% | 6.99% | 3.54% | 4.10% |
| Pre-tax operating profit, as restated[3] | 329.03 | 374.82 | 220.79 | 259.73 | 171.32 | 220.15 | 156.68 | 207.92 | 87.92 | 152.09 |
| Net worth as restated[4] | 910.12 | 958.32 | 726.47 | 751.14 | 624.47 | 640.74 | 565.54 | 565.27 | 510.55 | 506.54 |

1. 'Net tangible assets' means the restated net assets excluding intangible fixed assets, intangibles under development, goodwill on consolidation, deferred tax assets/ liability.
2. 'Monetary Assets' comprise cash and bank balances.
3. 'Pre-tax operating profit/(loss)' means net profit before the aggregate of tax, extraordinary items, exceptional items, finance costs, other income and minority interest.
4. 'Net worth' has been defined as the aggregate value of the paid up share capital, securities premium account, general reserve, capital reserve and surplus in statement of profit and loss.

Further, in accordance with Regulation 26(4) of the SEBI Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will be not less than 1,000 failing which the entire application money shall be refunded. In case of delay, if any, in refund within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

**Our Company is in compliance with the following conditions specified under Regulation 4(2) of the SEBI Regulations:**

(a) Our Company, our Promoters, the members of our Promoter Group, our Directors and the persons in control of our Company are not debarred from accessing the capital markets under any order or direction passed by SEBI;
(b) The companies with which our Promoters, our Directors or persons in control of our Company are or were associated as promoter, directors or persons in control are not debarred from accessing capital markets under any order or direction passed by SEBI;
(c) Our Company has received the in-principle approvals from the NSE and the BSE pursuant to their letters dated April 05, 2017 and April 26, 2017, respectively. For the purposes of this issue, the NSE shall be the Designated Stock Exchange.
(d) Our Company along with the Registrar to the Issue has entered into tripartite agreements dated July 12, 2016 and June 27, 2016 with the NSDL and CDSL, respectively, for dematerialization of the Equity Shares.
(e) The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing this Prospectus.

## DISCLAIMER CLAUSE OF SEBI

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE PROSPECTUS 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 THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE PROSPECTUS. THE LEAD MANAGER, SARTHI CAPITAL ADVISORS PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE PROSPECTUS, THE LEAD MANAGER, SARTHI CAPITAL ADVISORS PRIVATE LIMITED ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGE THEIR RESPONSIBILITIES ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, SARTHI CAPITAL ADVISORS PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JULY 03, 2017, IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992. WHICH READS AS FOLLOWS:**

**WE, THE LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:**

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, CIVIL LITIGATIONS, CRIMINAL LITIGATIONS, DISPUTES WITH COLLABORATORS 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 COMPANY, 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 COMPANY, WE CONFIRM THAT:**

   A. **THE PROSPECTUS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") 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 SECURITIES AND EXCHANGE BOARD OF INDIA, 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, 1956 TO THE EXTENT APPLICABLE, THE COMPANIES ACT, 2013, AS APPLICABLE, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AS AMENDED (THE "SEBI REGULATIONS") AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.**

4. **WE SHALL SATISFY OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS. - NOT APPLICABLE**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES 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 SECURITIES AND EXCHANGE BOARD OF INDIA TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.**

6. **WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO EQUITY SHARES 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. - NOT APPLICABLE**

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 SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S**

**CONTRIBUTION SHALL BE KEPT IN A 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 COMPANY 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/COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. – COMPLIED WITH TO THE EXTENT APPLICABLE**

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40(3) OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE, ALL MONIES RECEIVED OUT OF THE ISSUE SHALL BE CREDITED/TRANSFERRED TO A SEPARATE BANK ACCOUNT AS REFERRED TO IN SUB-SECTION (3)N OF SECTION 40 OF THE COMPANIES ACT, 2013.**

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. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES IN THE OFFER/ISSUE HAVE TO BE ISSUED IN DEMATERIALISED FORM ONLY.**

11. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI REGULATIONS 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 COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY AND**

    B. **AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE SEBI FROM TIME TO TIME.**

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI REGULATIONS WHILE MAKING THE ISSUE.- NOTED FOR COMPLIANCE**

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, 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 SEBI REGULATIONS, 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 (WHO IS RESPONSIBLE FOR PRICING THE ISSUE)', AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR DETAILS ARE ENCLOSED IN "ANNEXURE - A"**

17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTION HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS."- COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS OF THE COMPANY, IN ACCORDANCE WITH ACCOUNTING STANDARD 18, CERTIFIED BY M/S VAPS & CO, CHARTERED ACCOUNTANTS, PURSUANT TO ITS CERTIFICATE DATED JUNE 15, 2017.**

18. **WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THESE REGULATIONS.– NOT APPLICABLE.**

**Note:**

The filing of this Prospectus does not, however, absolve any person who has authorized the issue of this Prospectus from any liabilities under section 34 or section 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory and/or 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 this 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, National Capital Territory of Delhi and Haryana, in terms of sections 26, 30, 33(1) and 33(2) of the Companies Act, 2013.**

## DISCLAIMER STATEMENT FROM OUR COMPANY, OUR DIRECTORS 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. It is clarified that the Directors, affiliates, associates, and officers accept no responsibility for any statements made. Anyone placing reliance on any other source of information, including our Company's website www.salasartechno.com or the respective websites of any of Group Companies or Subsidiary or of any affiliate of our Company, 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 Issue Agreement for Issue Management entered into among the Lead Manager and our Company dated January 09, 2017.

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.*

None among our Company or any member of the syndicate shall be liable for any failure in downloading the applications due to faults in any software/hardware system or otherwise.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company 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/issue, 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.

The Lead Managers and their respective affiliates and associates may engage in transactions with, and perform services for, our Company and its Group Companies or affiliates or third parties in the ordinary course of business

and have engaged, or may in the future engage, in transactions including underwriting and investment banking transactions with our Company and its Group Companies or affiliates or third parties, for which they have received, and may in the future receive, compensation.

## 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 competent to contract under the Indian Contract Act, 1872, as amended,, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian/Domestic 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, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 250.00 million and pension funds with minimum corpus of Rs. 250.00 million. National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI and permitted Non-Residents including FPIs, FIIs and Eligible NRIs, AIFs, FVCIs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) at New Delhi, India only.

This Prospectus does not constitute an Issue or an invitation to purchase Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an issue or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

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 SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of 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 under the U.S. Securities Act of 1933, as amended (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 state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in compliance with 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.**

Applicants are advised to ensure that any application from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. 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.

## PRICE INFORMATION OF PAST ISSUES HANDLED BY THE LEAD MANAGER

**Price information of past issues handled by Sarthi Capital Advisors Private Limited***

| Sr. No. | Issue Name | Issue Size (Cr) | Issue Price (Rs.) | Listing date | Opening price on listing date | +/- % change in closing price, [+/- % change in closing Benchmark]- 30th calendar 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. | Bothra Metals & Alloys Limited | 12.21 | 25.00 | March 25, 2013 | 25.50 | 11.00 [3.88] | 7.40 [-0.75] | 30.00 [6.23] |
| 2. | Tiger Logistics (India) Limited | 7.52 | 66.00 | September 12, 2013 | 69.20 | -13.17 [4.17] | -7.38 [7.02] | -8.10 [10.34] |
| 3. | R J Bio-Tech Limited | 5.00 | 20.00 | September 25, 2013 | 21.00 | 92.97 [4.17] | 63.49 [5.92] | 36.05 [11.08] |
| 4. | RCI Industries & Technologies Limited | 11.52 | 40.00 | January 21, 2014 | 41.00 | -8.02 [-3.36] | 6.31 [7.12] | -2.76 [21.01] |
| 5. | B.C. Power Controls Limited | 10.36 | 18.00 | March 14, 2014 | 17.15 | 1.10 [3.10] | 1.10 [17.27] | 2.21 [24.06] |
| 6. | Starlit Power Systems Limited | 2.95 | 18.00 | October 22, 2014 | 18.10 | -3.96 [5.78] | -17.68 [7.46] | -33.51[4.10] |
| 7. | JLA Infraville Shoppers Limited | 2.00 | 10.00 | November 12, 2014 | 11.05 | 5.17 [-2.35] | 68.97 [1.24] | 72.84 [-1.79] |
| 8. | Akme Starhousing Finance Limited | 4.80 | 30.00 | March 20, 2015 | 32.00 | -3.94 [-1.33] | 6.14 [-4.05] | 11.81 [-8.10] |
| 9. | Mahabir Metallex Limited | 3.90 | 10.00 | March 27, 2015 | 10.30 | 22.77 [-1.03] | 21.78 [1.59] | 2.97 [-5.96] |
| 10. | Pecos Hotels And Pubs Limited | 2.29 | 50.00 | August 11, 2015 | 56.00 | -4.69 [-8.05] | -6.10 [-6.26] | 7.14 [-12.84] |
| 11. | Shaival Reality Limited | 5.28 | 100.00 | October 01, 2015 | 100.50 | -0.50 [6.06] | 0.00 [4.02] | 0.00 [0.08] |
| 12. | Ahimsa Industries Limited | 3.79 | 25.00 | October 15, 2015 | 26.00 | -3.08 [-4.56] | -3.08 [-7.54] | -3.08 [-5.75] |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 13. | Fourth Dimension Solutions Limited | 8.68 | 30.00 | January 22, 2016 | 31.80 | 107.78 [-2.53] | 94.44 [6.60] | 108.33 [15.40] |
| 14. | Hi-Tech Pipes Limited | 13.65 | 50.00 | February 25, 2016 | 60.00 | 2.55 [9.25] | 65.11 [13.83] | 100.85 [23.84] |
| 15. | Wealth First Portfolio Managers Limited | 8.40 | 50.00 | March 30, 2016 | 52.00 | -4.85 [1.48] | -4.76 [5.08] | -4.95 [12.77] |
| 16. | HEC Infra Projects Limited | 5.39 | 100.00 | March 30, 2016 | 102.00 | 21.66 [1.48] | 15.93 [5.08] | 10.32 [12.77] |
| 17. | Crown Lifters Limited | 6.68 | 121.00 | September 27, 2016 | 122.80 | 0.92 [-1.05] | -12.84 [-9.17] | -30.73[3.89] |
| 18. | Husys Consulting Limited | 4.20 | 69.00 | September 27, 2016 | 72.90 | 1.82 [-1.05] | -42.08 [-9.17] | -26.57[3.89] |
| 19. | AVSL NIndustries Limited | 5.18 | 36.00 | October 06, 2016 | 38.00 | -25.83 [-2.44] | -21.67 [-5.96] | -6.94[6.38] |
| 20. | Jet Knitwears Limited | 4.22 | 39.00 | October 07, 2016 | 46.80 | 102.99 [-2.3] | 70.94 [-4.87] | 45.51[6.53] |
| 21. | Jet Freight Logistics Limited | 4.06 | 28.00 | December 06, 2016 | 33.60 | 61.16 [1.60] | 116.07[10.07] | 101.34[18.81] |
| 22. | Libas Designs Limited | 13.60 | 68.00 | January 09, 2017 | 78.25 | -3.36 [6.67] | -8.26[11.48] | - |
| 23. | Focus Lighting and Fixtures Limited* | 4.05 | 45.00 | April 13, 2017 | 54.00 | 143.52 [3.22] | - | - |
| 24. | M K Proteins Limited* | 10.23 | 70.00 | April 18, 2017 | 72.00 | -0.14 [3.56] | - | - |
| 25. | Infobeans Technologies Limited* | 36.78 | 58.00 | May 02, 2017 | 69.60 | -2.30 [3.25] | - | - |
| 26. | Jalan Transolutions (India) Limited* | 17.71 | 46.00 | May 31, 2017 | 42.25 | - | - | - |
| 27. | Shri Ram SwitchGears Limited* | 5.07 | 19.00 | June 07, 2017 | 22.80 | - | - | - |

Sources: www.bseindia.com / www.nseindia.com

***The Companies mentioned above as past issues are listed on SME Platform of BSE & NSE.***

Notes:

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 30$^{th}$/90$^{th}$180$^{th}$ day is not a trading day (trading holiday), closing price on BSE/NSE of the next trading day has been considered.
4. In case 30$^{th}$/90$^{th}$180$^{th}$ day there is no trade then the closing price of the next day when trading has taken place has been considered.

**TABLE 2: SUMMARY STATEMENT OF DISCLOSURE**

| Financial year | Total no. of IPOs | Total funds raised ( Rs. In. Cr) | No. of IPOs trading at discount – 30th calendar days from listing | | | No. of IPOs trading at premium – 30th calendar days from listing | | | No. of IPOs trading at discount - 180th calendar 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* | 37.93 | - | 1 | 1 | 2 | - | 2 | - | 2 | 1 | 1 | 1 | - |
| 17-18 | 5* | 73.84 | - | - | 2 | 1 | - | - | - | - | - | - | - | - |

*Following points to be noted:

1. The fields left blank in Table 1 indicates that the shares of respective companies have not reached the consequent milestones.

## 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 website of the Lead Manager at www.sarthiwm.in.

## DISCLAIMER CLAUSE OF THE NSE

National Stock Exchange of India Limited (NSE) has given permission vide letter dated April 05, 2017, to use its name in the offer document in respect of the proposed public issue of equity shares. The disclaimer clause of stock 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/1911 dated April 05, 2017 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 the 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."

## DISCLAIMER CLAUSE OF THE BSE

BSE Limited (BSE) has given permission vide letter dated April 26, 2017, to use its name in the offer document in respect of the proposed public issue of equity shares. The disclaimer clause of stock exchange is as given below:

"BSE Limited ("the Exchange") has given vide its letter dated April 26, 2017 permission to this Company to use the Exchange's name in this offer document as one of the stock exchange on which this Company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:-

a) Warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
b) Warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
c) Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

And it shuld not for any reason be deemed or construed that this offer document has been cleared or approved bt the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acqusitions whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever."

## FILING

This copy of Prospectus has been filed with SEBI at 5th Floor, Bank of Baroda Building,16, Sansad Marg, New Delhi - 110 001.

A copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration with the Registrar of Companies situated at the address mentioned below:

**The Registrar of Companies, NCT of Delhi and Haryana**

4th Floor, IFCI Tower
61, Nehru Place
New Delhi 110 019, India
**Tel:** +91 11 2623 5707
**Fax:** +91 11 2623 5702

## LISTING

The Equity Shares offered through this Prospectus are proposed to be listed on the NSE and the BSE. Applications will be made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares. The NSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalized.

If the permissions to deal in, and for an official quotation of our Equity Shares are not granted by stock exchanges mentioned above, our Company will forthwith repay, 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 of the Equity Shares at the Stock Exchanges are taken within Six Working Days from the Issue Closing Date or within such other period as may be prescribed.

## CONSENTS

Consents in writing of: (a) the Promoters, the Chairman & Managing Director, Joint Managing Director, Whole Time Directors, Directors, the Company Secretary and Compliance Officer, Chief Financial Officer, the Statutory Auditor, Peer Review Auditor, Secretarial Auditor, the Banker to the Company; and (b) Lead manager, Registrar to the Issue, Legal Advisor to the Issue to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Section 26 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 SEBI, NSE & BSE.

## EXPERT TO THE ISSUE

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated January 04, 2017 from our Statutory Auditors, namely, VAPS & Co., Chartered Accountants, to include its name as required under the Companies Act, 2013 in this Prospectus and as an "Expert" as defined under Section 2(38) of the Companies Act, 2013 in respect of the Statement of Tax Benefits, dated June 10, 2017 and consent dated January 17, 2017 from Peer Review Auditors, namely, Arun Naresh & Co., Chartered Accountants of the reports of the Peer Review Auditor on the Restated Standalone Financial Information, on the Restated Consolidated Financial Information, both dated June 15, 2017 and included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus. The term "expert" and consent thereof, does not represent an expert or consent within the meaning under the U.S. Securities Act.

## EXPENSES OF THE ISSUE

The expenses of this Issue include, among others 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 89 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 June 25, 2016, issued by the Lead Manager to our Company, the copy of which is available for inspection at our Registered Office from 10.00 am to 4.00 pm on Working Days from the date of the Prospectus until the Issue Closing Date.

**Fees Payable to the Registrar to the Issue**

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated January 09, 2017, a copy of which is available for inspection at our Registered Office from 10.00 am to 4.00 pm on Working Days from the date of the Prospectus until the Issue Closing Date.

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

This Issue has not been underwritten as on the date of this Prospectus.

## PREVIOUS RIGHTS AND PUBLIC ISSUES DURING THE LAST FIVE YEARS

Our Company has not made any public or rights issues during the five years preceding the date of this Prospectus.

## PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled *"Capital Structure"* beginning on page 64 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:

There are no companies under the same management which have made any capital issue during the last three years.

## PERFORMANCE VIS-À-VIS OBJECTS

Our Company has not undertaken any public or rights issue during the last ten years preceding the date of this Prospectus. Accordingly, the requirement to disclose performance vis-à-vis objects in respect of earlier offerings does not apply to our Company.

## PERFORMANCE VIS-À-VIS OBJECTS – LAST ISSUE OF GROUP COMPANIES, SUBSIDIARIES OR ASSOCIATES

Neither our Subsidiary nor our Group Companies have undertaken any public or rights issue in the ten years preceding the date of the Prospectus. Accordingly, the requirement to disclose performance vis-à-vis objects in respect of earlier offerings does not apply to our Subsidiary or our Group Companies.

## 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.

## PARTLY PAID-UP SHARES

Our Company does not have any partly paid-up Equity Shares as on the date of this Prospectus.

## OUTSTANDING PREFERENCE SHARES

Our Company does not have any outstanding preference shares as on date of this Prospectus.

## STOCK MARKET DATA FOR OUR EQUITY SHARES

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

## MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement provides for retention of records with the Registrar to the Issue for a period of at least three years from the date of commencement of trading of the Equity Shares, to enable the investors to approach the Registrar to the issue for redressal of their grievances.

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

All grievances of the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as name of the sole or first Applicant, Anchor Investor Application Form number, Applicant DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Applicant, number of Equity Shares applied for, Application Amount paid on submission of the Anchor Investor Application Form and the name and address of the LM where the Anchor Investor Application Form was submitted by the Anchor Investor.

The Registrar to the issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Applicant. Our Company, the LM and the Registrar to the issue accept no responsibility for errors, omissions, commission or any acts of SCSBs, Syndicate Members, RTA including any defaults in complying with its obligations under applicable SEBI Regulations.

## 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 January 20, 2017. For further details, please refer to the chapter titled "*Our Management*" beginning on page 154 of this Prospectus.

Our Company has appointed Ms. Bavneet Kaur as the Company Secretary and Compliance Officer and she may be contacted at the following address:

**SALASAR TECHNO ENGINEERING LIMITED**

E-20, South Extension I,

New Delhi – 110049, India

**Tel:** +91 11 41648566/8577

**Email:** compliance@salasartechno.com

**Website:** www.salasartechno.com

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund instructions/unblocking the amount, *etc*.

## DISPOSAL OF INVESTOR GRIEVANCES BY LISTED COMPANIES UNDER THE SAME MANAGEMENT

As on the date of this Prospectus, none of our Subsidiary or Group Companies are listed on any stock exchange. Accordingly, the requirement to disclose details of investor grievances by listed companies under the same management as our Company does not apply.

## CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS

There has been no change in the statutory auditors of our Company in the last three financial years.

## CAPITALISATION OF RESERVES OR PROFITS

Save and except as stated in the chapter titled "*Capital Structure*" beginning on page 64 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.

# SECTION VII: ISSUE INFORMATION
## TERMS OF THE ISSUE

The Equity Shares being issued and Allotted in this issue will be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, SCRA, SCRR, the Articles of Association, the terms of this Prospectus, the Prospectus, the Abridged Prospectus, Application Form, the Revision Form, the CAN, the Allotment Advice, the SEBI Listing Regulations 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 applicable laws, guidelines, rules, notifications and regulations relating to issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and any other authorities while granting their approval for the Issue.

## RANKING OF THE EQUITY SHARES

The Equity Shares being issued pursuant to the Issue shall be subject to the provisions of the Companies Act and the Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including rights to receive dividend. The Allottees upon Allotment of the Equity Shares under the Issue, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see "Main Provisions of the Articles of Association" beginning on page 443 of this Prospectus.

## MODE OF PAYMENT OF DIVIDEND

Our Company shall pay dividends, if declared, to the Equity Shareholders in accordance with the provisions of Companies Act, the Articles of Association and provisions of the SEBI Listing Regulations. For further details in relation to dividends, see "Dividend Policy" and "Main Provisions of the Articles of Association" beginning on pages 192 and 443, respectively of this Prospectus.

## FACE VALUE AND ISSUE PRICE

The face value of each Equity Share is Rs. 10 per Equity Share and the Issue Price is Rs. 108 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 95 of this Prospectus. At any given point of time there shall be only one denomination of Equity Shares of our Company, subject to applicable laws.

## COMPLIANCE WITH SEBI REGULATIONS

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;

- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and the Articles of Association of our Company; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and the Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "Main Provisions of Articles of Association" beginning on page 443 of this Prospectus.

## OPTION TO RECEIVE SECURITIES IN DEMATERIALIZED FORM

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialized form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialized form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated July 12, 2016 entered into between NSDL, our Company and the Registrar to the Issue;
- Agreement dated June 27, 2016 entered into between CDSL, our Company and the Registrar to the Issue.

## MARKET LOT AND TRADING LOT

Since trading of the Equity Shares is in dematerialized form, the tradable lot is one Equity Share. Allotment in the Issue will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of 125 Equity Shares. For the method of Basis of Allotment, see "Issue Procedure" on page 389 of this Prospectus.

## 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-tenants with benefits of survivorship.

## NOMINATION FACILITY TO APPLICANTS

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 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 Corporate 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 dematerialised 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.

## 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 Exchanges 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 Exchanges, 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 a fresh initial public offering of Equity Shares, our Company shall file a fresh Prospectus with SEBI.

## PERIOD OF OPERATION OF SUBSCRIPTION LIST

See “Issue Structure – Issue Programme” from pages 387 to 388 of this Prospectus.

## MINIMUM SUBSCRIPTION

If our Company does not receive minimum subscription of 90% of the Issue or the Company does not make the minimum Allotment for at least 25% of the post-issue equity share capital of our Company in terms of Rule 19(2)(b)(i) of the SCRR, our Company shall forthwith refund the entire subscription amount received, but not later than 15 days of the Issue Closing date. If there is a delay beyond the prescribed time, our Company shall pay interest prescribed under the applicable laws.

Further, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 26(4) of the SEBI Regulations.

## ARRANGEMENT FOR DISPOSAL OF ODD LOTS

Since our Equity Shares will be traded in dematerialized form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

## JURISDICTION

The Hon’ble courts of New Delhi will have exclusive jurisdiction in relation to this Issue.

## RESTRICTIONS ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for lock-in of the Pre-Issue Equity Share capital of our Company, the minimum Promoter's contribution as detailed in "Capital Structure" on page 64 of this Prospectus and except as provided in the Articles of Association, there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on transmission of Equity Shares and on their consolidation or splitting, except as provided in the Articles of Association. For details, see "Main Provisions of the Articles of Association" beginning on page 443 of this Prospectus.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (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 state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

## ISSUE STRUCTURE

This Issue is being made in terms of SEBI (ICDR) Regulations, 2009, as amended from time to time. The Issue is of 3,321,000 Equity Shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs. 108/- per Equity Share (including Share Premium of Rs. 98/- per Equity Share) for aggregating Rs. 358.67 million ('the Issue') by our Company. 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 383 and 389 of this Prospectus.

The Issue is being made through Fixed Price Process.

| Particulars of the Issue | Net Issue to Public | Retail Individual Investors | Non-Institutional Investors |
|---|---|---|---|
| Number of Equity Shares available for Allotment/allocation | 3,321,000 Equity Shares | Not less than 1,660,500 Equity Shares (excluding Reservation for Employees) or Issue less allocation to QIBs and Non-Institutional Investors | Not less than 1,660,500 Equity Shares or Issue less allocation to Retail Individual Investors |
| Percentage of Issue Size available for Allotment/allocation | 100.00% of the Issue size | 50.00% of the Issue size | 50.00% of the Issue size |
| Basis of Allotment/allocation | Proportionate subject to minimum allotment of 125 Equity Shares and further allotment in multiples of 125 Equity Shares each. For further details please refer to the "Basis of Allocation" on page 402 of this Prospectus. | The allotment to each Retail Individual Investor shall not be less than the minimum Application Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. | Proportionate. |
| Mode of Application | All Applicants must compulsorily apply through the ASBA Process (online or the Physical Form) | | |
| Minimum Application Size | 125 Equity Shares and in multiples of 125 Equity Shares thereafter | Such number of Equity Shares that the Application Amount does not exceeds Rs. 200,000 and in multiples of 125 Equity Shares thereafter | Such number of Equity Shares that the Application Amount exceeds Rs. 200,000 and in multiples of 125 Equity Shares thereafter |
| Maximum Application Size | Such number of Equity Shares not exceeding the Issue size subject to applicable limits to the Applicants. | Such number of Equity Shares such that the Application Amount does not exceed Rs. 200,000 | Such number of Equity Shares not exceeding the Issue size subject to applicable limits to the Applicants. |
| Application Lot size | 125 Equity Shares. | | |
| Mode of Allotment | Dematerialized Form | | |

| Particulars of the Issue | Net Issue to Public | Retail Individual Investors | Non-Institutional Investors |
|---|---|---|---|
| Allotment/Allocation lot | A minimum of 125 Equity Shares and thereafter in multiples of 125 Equity Share. | | |
| Trading Lot | One Equity Share | | |
| Terms of Payment | The entire Application Amount shall be blocked in the ASBA Account by the SCSBs at the time of submission of Application Form. | | |

Additional Equity Shares would be allocated to the remaining Applicants in the category to which the Applicant belonged for further allocation on a proportionate basis. For further details, see "Issue Procedure – Basis of Allocation" and "Main Provisions of Articles of Association" on pages 402 and 443 of this Prospectus, respectively.

## ISSUE PROGRAMME

| | |
|---|---|
| ISSUE OPENING DATE | JULY 12, 2017 |
| ISSUE CLOSING DATE | JULY 17, 2017 |

Applications and any revision in application shall be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST") during the Issue Period (except on the Issue Closing Date) at the SCSBs designated branches as mentioned on the Application Form except that:

(i) in case of applications by Non-Institutional Applicants, the applications and the revisions in applications shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 4.00 p.m. (IST); and

(ii) in case of applications by Retail Individual Applicants, the applications and the revisions in applications shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 5.00 p.m. (IST), which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by LM to the Stock Exchanges.

For the avoidance of doubt, it is clarified that applications not uploaded on the electronic bidding system will be rejected.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

## 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 and CIR/CFD/POLICYCELL/11/2015 notified by SEBI (the "General Information Document") read with 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 the section "Part B – General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general and in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the ICDR Regulations. The General Information Document has been updated to reflect amendments to the ICDR Regulations and provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue. All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 in relation to clarifications on streamlining the process of public issue of equity shares and convertibles.*

*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 Applicants, allowing registrar, share transfer agents, collecting depository participants and stock brokers to accept application forms. Further, SEBI, by its circular (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.*

*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 Memorandum are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Prospectus.*

## PART A

### FIXED PRICE ISSUE PROCEDURE

This Issue is being made in terms of Regulation 26(1) 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 Registrar 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.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories, at the discretion of our Company, the Lead Manager and the Designated Stock Exchange.

As per the provisions Section 29 of the Companies Act, 2013, the Allotment of Equity Shares in the Issue shall be only in dematerialized 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 Application forms which do not have the details of the applicants i.e. depository account, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected. The Equity Shares on Allotment shall, however, be traded only in the dematerialized segment of the Stock Exchanges, as mandated by SEBI.

## APPLICATION FORM

Please note that all the Applicants (other than Anchor Investors) shall mandatorily apply in the Issue through ASBA process only, In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015.

Copies of the ASBA Forms and the abridged prospectus will be available with the Designated Intermediaries and Registered Office of our Company. An electronic copy of the ASBA Form were available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Issue Opening Date. ASBA Applicants must provide bank account details and authorization to block funds in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected. ASBA Applicants were also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB at the time of submitting the Application. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. 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.

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 |

**Excluding electronic Application Forms*

***Electronic Application forms will also be available for download on the website of the NSE (www.nseindia.com) and BSE (www.bseindia.com).*

## 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;
- Venture Capital Funds registered with SEBI;
- Foreign Venture Capital Investors 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. 250.00 million and who are authorized under their constitution to hold and invest in equity shares;
- Pension Funds with minimum corpus of Rs. 250.00 million 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.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (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 state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in compliance with 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.**

## PARTICIPATION BY ASSOCIATES AND AFFILIATES OF THE LEAD MANAGER ("LM")

The Lead Manager 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 and BSE Limited i.e. www.bseindia.com

## OPTION TO SUBSCRIBE IN THE ISSUE

a) Investors will get the allotment of Equity Shares in dematerialization form only.
b) The Equity Shares, on allotment, shall be traded on Stock Exchanges in demat segment only.
c) A single Application From any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

## 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.

## 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/FII'S ON REPATRIATION/ NON-REPATRIATION BASIS

Application Forms have been made available for Eligible NRIs at our Company's registered Office and at the office of Lead Manager to the Issue. Eligible NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment.

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to the companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein. The Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRI's on repatriation basis. Allotment of Equity Shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws. The Company does not require approvals from FIPB or RBI for the issue of equity shares to eligible NRIs, FIIs, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour) and should authorise their SCSBs to block their Non-Resident Ordinary ("NRO") accounts the full application amount, at the time of submission of the Application Form.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non- Residents (blue in colour). NRIs applying on a repatriation basis should authorise their SCSBs to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") accounts the full application amount, at the time of submission of the Application Form.

## APPLICATION BY FPIs (INCLUDING FIIs)

On January 07, 2014, SEBI notified the 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'. On March 13, 2014, the RBI amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the FII Regulations. Accordingly, such FIIs can participate in the Issue in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the FPI Regulations.

The issue of Equity Shares to a single FPI or FII should not exceed 10% of our post-Issue paid- up capital. In respect of an FPI or FII investing in the Equity Shares on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of our total issued capital of the Company or 5% of the total issued capital, in case such sub-account is a foreign corporate or an individual. In accordance with the foreign investment limits applicable to our Company, such investment must be made out of funds raised or collected or brought from outside India through normal banking channels and the investment must not exceed the overall ceiling specified for FIIs. Under the portfolio investment scheme, the aggregate issue of equity shares to FIIs and their sub-accounts should not exceed 24% of post-issue paid-up equity capital of a company. However, this limit can be increased to the permitted sectoral cap/statutory limit, as applicable to our Company after obtaining approval of its Board of Directors followed by a special resolution to that effect by its shareholders in their general meeting. As on the date of this Prospectus, no such resolution has been recommended to the shareholders of our Company for adoption.

Subject to compliance with all applicable Indian laws, rules, regulations guidelines and approvals in terms of Regulation 15A(1) of the SEBI (Foreign Institutional Investors) Regulations 1995, as amended, by the SEBI (Foreign Institutional Investors)(Amendment) Regulations, 2008 ('SEBI FII Regulations'), an FII, as defined in the SEBI FII Regulations, or its sub account may issue, deal or hold, off shore derivative instruments (defined under the SEBI FII Regulations, as any instrument, by whatever name called, which is issued overseas by a foreign institutional investor 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 foreign regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. The FII or sub-account is also required to ensure that no further issue or transfer of any offshore derivative instrument issued by it is made to any persons that are not regulated by an appropriate foreign regulatory authority as defined under the SEBI FII Regulations. Associates and affiliates of the underwriters including the LM that are FIIs may issue offshore derivative instruments against Equity Shares Allotted to them in the Issue. Any such offshore derivative instrument does not constitute any obligation or claim or claim on or an interest in, our Company.

In case of FII's in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

## 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:

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 an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations.

Notwithstanding as prescribed under the general information document, AIFs that are owned or controlled by Non-Resident investors, VCFs and Non-Resident investors, including multilateral and bilateral financial institutions and any other QIB that is a Non-Resident and/or owned or controlled by Non-Residents/Persons resident outside India, as defined under FEMA are not eligible to participate in this Issue. Any application received from such category of investor(s) or application wherein a foreign address is provided by the depositories would be rejected.

## 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 IRDAI, a certified copy of certificate of registration issued by IRDAI 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:

1. equity shares of a company: the lower of 10% of the outstanding Equity Shares (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;
2. the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
3. the industry sector to which the investee company belongs: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (a), (b) and (c) above, as the case may be.

In addition, the IRDAI 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 IRDAI Investment Regulations.

Insurance companies participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

## 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. 250.00 million, 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 BY SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 02, 2013 respectively. 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.

## APPLICATION 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 reserves the right to reject any Application without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

## APPLICATIONS BY ELIGIBLE EMPLOYEES

The Application must be for a minimum of 125 Equity shares and in multiples of 125 Equity Shares.

Application under Employee Reservation Portion by Eligible Employees shall be:

(a) Made only in the prescribed Application Form or Revision Form.
(b) The Application must be for a minimum of 125 Equity Shares and in multiples of 125 Equity Shares.
(c) Only Eligible Employees would be eligible to apply in this Issue under the Employee Reservation Portion.
(d) Application by Eligible Employees will have to apply like any other applicants.
(e) Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue. In case of under-subscription in the Net Issue, spill over to the extent of under-subscription shall be permitted from the Employee Reservation Portion subject to the Net Issue constitution 10% of the Post-Issue share capital of our Company.

If the aggregate demand in this category is greater than 71,000 Equity Shares, the allocation shall be made on a proportionate basis. For the method of proportionate basis of allocation, refer to "Basis of Allocation" beginning on page 402 of this Prospectus.

## APPLICATION UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, 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. 250.00 million (subject to applicable law) and pension funds with a minimum corpus of Rs. 250.00 million, 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.

Our Company in consultation with the Lead Manager in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application form.

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.**

## INFORMATION FOR THE APPLICANTS

a) Our Company will file the Prospectus with the Registrar of Companies, National Capital Territory of Delhi & Haryana 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 and BSE Limited i.e. www.bseindia.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.

## 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 5, 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 as per the terms of this Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- Ensure that you have Applied as per the Fixed Price Process;
- Read all the instructions carefully and complete the applicable Application Form in the prescribed 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;
- Ensure that you have mentioned the correct ASBA Account number in the ASBA Form;
- All Applicants should submit their application through ASBA process only;
- Ensure while Applying through a Designated Intermediary that the Application Form is submitted to a Designated Intermediary only in the Specified Locations and that the SCSB where the ASBA Account, as specified in the Application Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit Application Forms (a list of such branches is available on the website of SEBI);
- Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
- Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary

account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;

- If the first applicant is not the bank account holder, ensure that the Application form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the application form;
- Ensure that you tick the correct investor category, as applicable, in the Application Form to ensure proper upload of your Application in the online IPO system of the Stock Exchanges;
- Ensure that the signature of the first Applicant in case of joint Applicants, is included in the application form;
- Ensure that you request for and receive a stamped acknowledgement of the Application form from the concerned SCSBs;
- Except for Application (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Application by persons resident in the state of Sikkim, who, in terms of the SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same; and (c) all other applications in which PAN is not mentioned, will be considered rejected;
- Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- Ensure that the category and the investor status is indicated;
- Ensure that in case of Application under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- Ensure that Application submitted by any person outside India is in compliance with applicable foreign and Indian laws;
- Ensure that you Submit revised Application to the same Designated Intermediary/SCSBs, through whom the original Application was placed and obtain a revised acknowledgment;
- Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediary. Instruct your respective banks not to release the funds blocked in the ASBA Account under the ASBA process until six Working Days from the date of closing of the Issue;
- Ensure that you have correctly signed the authorization/undertaking box in the ASBA Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the ASBA Form; and
- Applications on a repatriation basis shall be in the names of individuals, or in the name of Eligible NRIs, FIIs, FPIs, but not in the names of minors, firms or partnerships, foreign nationals (excluding NRIs) or their nominees. Applications by Eligible NRIs for a application Amount of up to Rs. 200,000 would be considered under the Retail Portion for the purposes of allocation and applications for application Amount of more than Rs. 200,000 would be considered under Non-Institutional Portion for the purposes of allocation.

***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 SCSBs or Bankers of the Issue;
- Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- The payment of the Application Amount in any mode other than blocked amounts in the bank account maintained with an SCSB shall not be accepted under the ASBA process;

- Do not send Application Forms by post; instead submit the same to a Designated Intermediary or SCSBs only;
- Do not submit the Application Forms to the Escrow Collection Bank(s) (assuming that such bank is not a SCSB), our Company and the Registrar to the Issue (assuming that the Registrar to the Issue is not one of the RTAs);
- Do not Apply for an Application Amount exceeding Rs. 200,000 (for Applications by Retail Individual Investors);
- Do not fill up the Application Form such that the Equity Shares Apply for exceeds the Issue size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus;
- Do not instruct your respective banks to release the funds blocked in your ASBA Account;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;
- Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
- Do not submit Application on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicants;
- Do not submit Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- Do not submit your Application after 3.00 pm on the Issue Closing Date;
- Do not Apply if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per demographic details provided by the Depository);
- Do not withdraw your Application or lower the size of your Application (in terms of quantity of the Equity Shares or the Application Amount) at any stage, if you are a QIB or a Non-Institutional Investor;
- Do not submit Applications to a Designated Intermediary at a location other than specified locations;
- Do not submit Applications to a Designated Intermediary unless the SCSB where the ASBA Account is maintained, as specified in the Application Form, has named at least one branch in that location for the Designated Intermediary to deposit the Application Forms.

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

## 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.

## GROUNDS FOR REJECTIONS

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, 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;
- 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;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole Applicant;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;

- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date;
- Detailed of ASBA Account not provided in the Application Form and Amount not blocked in ASBA within prescribed time.
- More than five application forms blocked from one ASBA Account.

## 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.

## 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."***

***Shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.***

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

## FILING OF THE PROSPECTUS WITH THE ROC

The Company will file a copy of the Prospectus with the Registrar of Companies, National Capital Territory of Delhi & Haryana 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 and one widely circulated Hindi language national daily newspaper.

## DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into Public Issue Account with the Banker to the Issue. Upon approval of the Basis of Allotment by the designated Stock Exchange, the Registrar to the Issue shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Share. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue. Pursuant to confirmation of such corporate actions, the Registrar to the Issue will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensure the credit of shares to the successful Applicant's depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the SCSBs Banks to Public Issue Account on the Designated Date.

## BASIS OF ALLOCATION

Allotment will be made in consultation with the Designated Stock Exchange i.e. National Stock Exchange of India Limited (NSE). 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 minimum application lot (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 125 equity shares the allotment will be made as follows:
   a) Each successful applicant shall be allotted 125 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 125 equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of 125 equity shares subject to a minimum allotment of 125 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 125 equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the issue specified under the Capital Structure mentioned in this 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.

The Executive Director / Managing Director of NSE – the Designated Stock Exchange in addition to Lead Manager and Registrar to the 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 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 unblock the amount from the Applicant's Bank Account as per the written instruction from lead Manager and the Registrar.

**As per RBI regulations, OCBs are not permitted to participate in the issue.**

**There is no reservation for Non Residents, NRIs, FIIs and Foreign Venture Capital Funds and all Non Residents, NRIs, FIIs and Foreign Venture Capital Funds will be treated on the same basis with other categories for the purpose of allocation.**

## DISPOSAL OF APPLICATION AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working day of the date of Allotment of Equity Shares.

The Company shall use best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) where the Equity Shares are proposed to be listed are taken within 6 (six) working days of closure of the issue.

## 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 exchanges 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 that 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 the Companies Act, 2013, the ICDR Regulations and 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(3) 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 Exchanges where listing is sought has been received.

## EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has entered into following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

(a) We have entered into tripartite agreement between NSDL, the Company and the Registrar to the Issue on July 12, 2016.

(b) We have entered into tripartite agreement between CDSL, the Company and the Registrar to the Issue on June 27, 2016.

The Company's Equity shares bear an ISIN No. INE170V01019

- 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 ACCOUNT) 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.**

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/cms/sebi_data/attachdocs/1480483399603.html. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

## ASBA PROCESS

Applicant 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 Exchanges. 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 Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily 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 stockinvest, 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.

## PART B

### General Information Document for Investing in Public Issue

*This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. Bidders/Applicants should not construe the contents of this General Information legal advice and should consult their own legal advisor and other advisors in relation to the legal matters concerning the issue. For taking on investment decision, the Bidders/Applicants should rely on their own examination of the issuer and the issue, and should carefully read the Red Herring Prospectus/Prospectus before investing in the issue.*

### SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building Process as well as to the Fixed Price Issues. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders/ Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations").

Bidders/ Applicants should note that investment in equity and equity related securities involves risk and Bidder/ Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/ or for subscribing to securities in an Issue and the relevant information about the issuer undertaking the Issue are set out in the Red Herring Prospectus ("RHP"). Prospectus filed by the issuer with the Registrar of Companies ("RoC"). Bidders/ Applicants should carefully read the entire RHP/ Prospectus and the Bid cum Application Form/ and the Abridged Prospectus of the issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/ or overlap between the disclosure included in this document and the RHP/ Prospectus, the disclosures in the RHP/ Prospectus shall prevail. The RHP/ Prospectus of the issuer are available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India ("SEBI") at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/ Applicants see "Glossary and Abbreviations".

### SECTION 2: BRIEF INTRODUCTION TO IPOs/ FPOs

#### 2.1 Initial public issue (IPO)

An IPO means an issue of specified securities by an unlisted issuer to the public for subscription and may include an Issue for Sale of specified securities to the public by any existing holder of such securities in an unlisted issuer.

For undertaking an IPO, an Issuer is, among other things, required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations. For details of compliance with the eligibility requirements by the Issuer Bidders/ Applicants may refer to the RHP/ Prospectus.

#### 2.2 Further public issue (FPO)

An FPO means an issue of specified securities by a listed Issuer to the public for subscription and may include Issue for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is, among other things, required to comply with the eligibility requirements in terms of Regulation 26/Regulation 27 of the SEBI ICDR Regulations. For details of compliance with the eligibility requirements by the Issuer Bidders/ Applicants may refer to the RHP/ Prospectus.

### 2.3 Other Eligibility Requirements

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, the Companies Act (to the extent applicable), the Securities Contracts (Regulation) Rules, 1957 (the "SCRR"), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/ Applicants may refer to the RHP/ Prospectus.

### 2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, an Issuer can either determine the Issue Price through the Book Building Process ("Book Built Issue") or undertake a Fixed Price Issue ("Fixed Price Issue"). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/ Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue Price cannot be lesser than the face value of the securities.

Bidders/ Applicants should refer to the RHP/ Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

### 2.5 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/ Applicants) and not more than ten Working Days. Bidders/ Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/ Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of the Stock Exchange(s).

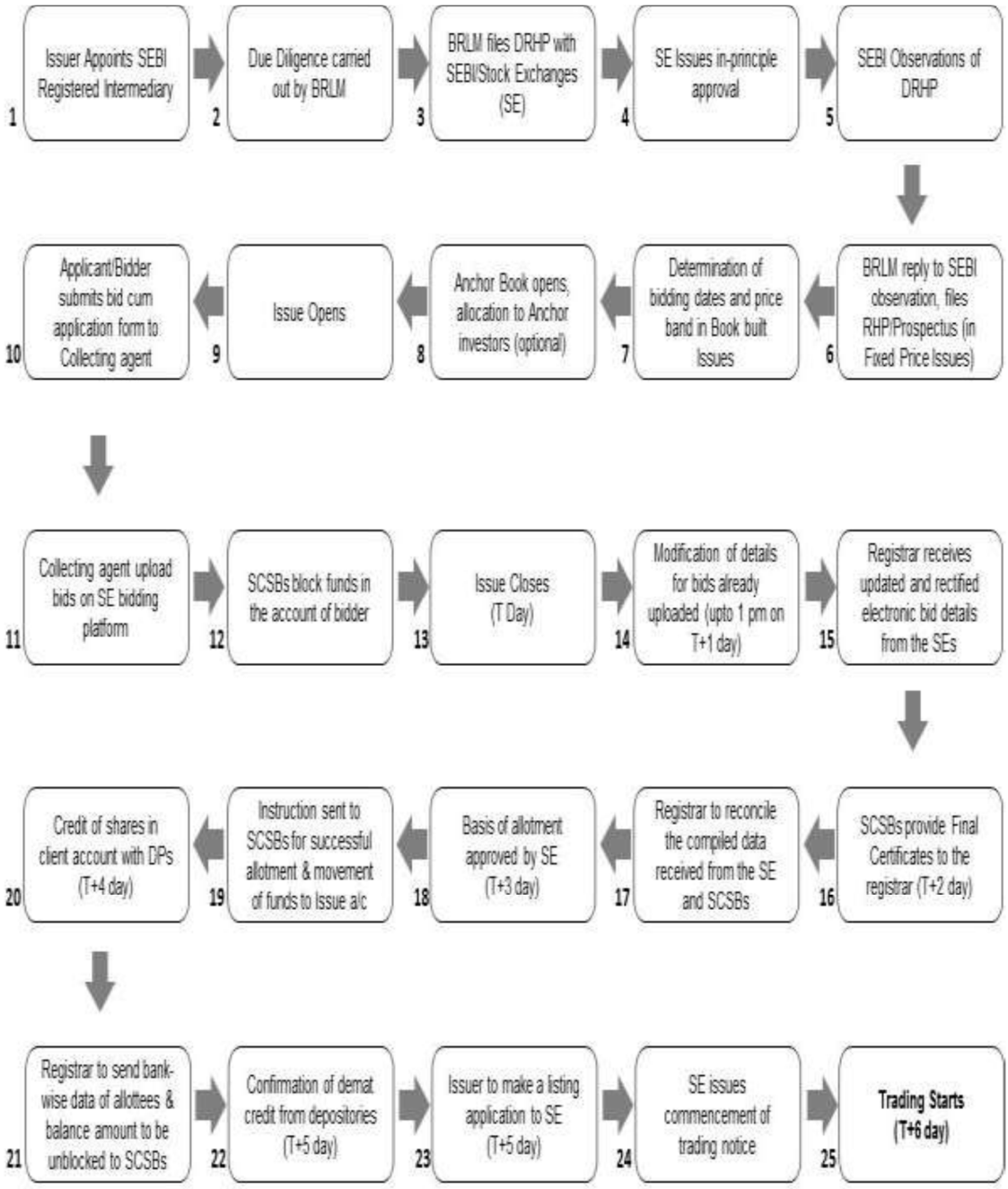
In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/ Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges, Lead Managers, and the advertisement in the newspaper(s) issued in this regard.

### 2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/ Applicants may note that this is not applicable for Fast Track FPOs.:

- In case of Issue other than Book Built Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:

  (i) Step 7 : Determination of Issue Date and Price
  (ii) Step 10: Applicant submits ASBA Form with any of the Designated Intermediaries


1 Issuer Appoints SEBI Registered Intermediary
2 Due Diligence carried out by BRLM
3 BRLM files DRHP with SEBI/Stock Exchanges (SE)
4 SE Issues in-principle approval
5 SEBI Observations of DRHP
6 BRLM reply to SEBI observation, files RHP/Prospectus (in Fixed Price Issues)
7 Determination of bidding dates and price band in Book built Issues
8 Anchor Book opens, allocation to Anchor investors (optional)
9 Issue Opens
10 Applicant/Bidder submits bid cum application form to Collecting agent
11 Collecting agent upload bids on SE bidding platform
12 SCSBs block funds in the account of bidder
13 Issue Closes (T Day)
14 Modification of details for bids already uploaded (upto 1 pm on T+1 day)
15 Registrar receives updated and rectified electronic bid details from the SEs
16 SCSBs provide Final Certificates to the registrar (T+2 day)
17 Registrar to reconcile the compiled data received from the SE and SCSBs
18 Basis of allotment approved by SE (T+3 day)
19 Instruction sent to SCSBs for successful allotment & movement of funds to Issue a/c
20 Credit of shares in client account with DPs (T+4 day)
21 Registrar to send bank-wise data of allottees & balance amount to be unblocked to SCSBs
22 Confirmation of demat credit from depositories (T+5 day)
23 Issuer to make a listing application to SE (T+5 day)
24 SE issues commencement of trading notice
25 Trading Starts (T+6 day)

## SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

***Each Bidder should check whether it is eligible to apply under applicable law.*** Furthermore, certain categories of Bidders, such as NRIs, FIIs, FPIs and FVCIs may not be allowed to Bid in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the RHP/ Prospectus for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/ Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Bidder/ Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/ Applications by HUFs may be considered at par with Bids/ Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, bidding under the QIBs category;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals Bidding only under the Non Institutional Bidders ("NIBs") category;
- FPIs other than Category III foreign portfolio investors Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIBs category;
- Trusts/ societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/ societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; and
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

## SECTION 4: APPLYING IN THE ISSUE

**Book Built Issue:** Bidders should only use the specified ASBA Form (or in case of an Anchor Investors, the Anchor Investor Application Form) bearing the stamp of any of the Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the Lead Managers, the Designated Intermediaries at the Bidding Centres and at the Registered Office. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date. For further details regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/ Prospectus.

**Fixed Price Issue:** Applicants should only use the specified Bid cum Application Form bearing the stamp of the relevant Designated Intermediaries, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the Designated SCSB Branches of the SCSBs and at the Registered Office and Corporate Office of the Issuer. For further details regarding availability of Bid cum Application Forms, Bidders may refer to the Prospectus.

Bidders/ Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/ Applicants is as follows:

| Category | Colour of the Bid cum Application Form |
|---|---|
| Resident Indian, Eligible NRIs applying on a non-repatriation basis | White |
| NRIs, FVCIs, FIIs, their sub-accounts (other than sub-accounts which are foreign corporate(s) or foreign individuals bidding under the QIB), FPIs on a repatriation basis | Blue |
| Anchor Investors (where applicable) & Bidders /Applicants Bidding/ applying in the Reserved Category | As specified by the Issuer |

Securities issued in an IPO can only be in dematerialised form in accordance with Section 29 of the Companies Act, 2013. Bidders/ Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

## 2.1 INSTRUCTIONS FOR FILLING THE BID CUM APPLICATION FORM

Bidders/ Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/ Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

SALASAR

Sample of Common Application form –R

| COMMON APPLICATION FORM | XYZ LIMITED - INITIAL PUBLIC ISSUE - R<br>Registered Office: _____ | FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS |
|---|---|---|

TEAR HERE

LOGO

To,
The Board of Directors
XYZ LIMITED

| FIXED PRICE ISSUE |
|---|
| ISIN - INEXXXXXXXX |

ISSUE OPENS ON :
ISSUE CLOSES ON :

Application Form No.

| BROKER/SCSB/DP/RTA STAMP & CODE | SUB-BROKER'S/SUB-AGENT'S STAMP & CODE |
|---|---|
| | |
| **BANK BRANCH STAMP & CODE** | **BANK BRANCH SERIAL NO.** |
| | |
| **REGISTRAR'S SERIAL NO.** | |
| | |

**1. NAME & CONTACT DETAILS OF SOLE / FIRST APPLICANT**

Mr. / Ms.

Address _____

Email _____

Tel. No. (with STD code) / Mobile

**2. PAN OF SOLE / FIRST APPLICANT**

**3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS** ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

**4. APPLICATION DETAILS**

**No. of Equity Shares of ₹ __/- each applied at the Issue Price i.e. at ₹ ___ per share**

| (In figures) | | (In words) | |
|---|---|---|---|

**5. CATEGORY (✓)**

- ☐ **Retail Individual Applicant**
- ☐ **Non-Institutional Applicant**
- ☐ **QIB**

**6. INVESTOR STATUS (✓)**

- ☐ Individual(s) - IND
- ☐ Hindu Undivided Family* - HUF
- ☐ Bodies Corporate - CO
- ☐ Banks & Financial Institutions - FI
- ☐ Mutual Funds - M F
- ☐ Non-Resident Indians - NRI (Non-Repatriation basis)
- ☐ National Investment Fund - NIF
- ☐ Insurance Funds - I F
- ☐ Insurance Companies - IC
- ☐ Venture Capital Funds - VCF
- ☐ Alternative Investment Funds - AIF
- ☐ Others (Please specify) - OTH___

** HUF should apply only through Karta (Application by HUF would be treated at par with individual)*

**7. PAYMENT DETAILS** | **PAYMENT OPTION : FULL PAYMENT**

Amount Paid (₹ in figures) (₹ in words) _____

**ASBA** Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE 'INVESTORS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

| 8A. SIGNATURE OF SOLE / FIRST APPLICANT | 8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) | BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange system) |
|---|---|---|
| Date: _____, 2017 | I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue<br>1)<br>2)<br>3) | |

TEAR HERE

LOGO

XYZ LIMITED
INITIAL PUBLIC ISSUE - R

**Acknowledgement Slip for Broker/SCSB/ DP/RTA**

Application Form No.

DPID / CLID

PAN of Sole / First Applicant

| Amount Paid (₹ in figures) | Bank & Branch | Bank's Stamp & Signature |
|---|---|---|
| ASBA Bank A/c No. | | |
| Received from Mr./Ms. _____ | | |
| Telephone / Mobile | Email | |

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

| No. of Equity Shares | In Figure | In Words | Stamp & Signature of Broker / SCSB / DP / RTA |
|---|---|---|---|
| Amount Paid (₹) | | | |

ASBA Bank A/c No. _____
Bank & Branch _____

Name of Sole / First Applicant

**Acknowledgement Slip for Applicant**

Application Form No.

PLEASE FILL IN BLOCK LETTERS

Printed by : www.westernpress.in

SALASAR

Sample of Common Application form –NR

TEAR HERE

| COMMON APPLICATION FORM | XYZ LIMITED - INITIAL PUBLIC ISSUE - NR<br>Registered Office: _____ | FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIS, FIIS, FVCIS ETC, APPLYING ON A REPATRIATION BASIS |
|---|---|---|

LOGO

To,
The Board of Directors
XYZ LIMITED

| FIXED PRICE ISSUE |
|---|
| ISIN - XXXXXXXXX |

ISSUE OPENS ON :
ISSUE CLOSES ON :

Application Form No.

| BROKER/SCSB/DP/RTA STAMP & CODE | SUB-BROKER'S/SUB-AGENT'S STAMP & CODE |
|---|---|
| | |
| **BANK BRANCH STAMP & CODE** | **BANK BRANCH SERIAL NO.** |
| | |
| **REGISTRAR'S SERIAL NO.** | |
| | |

**1. NAME & CONTACT DETAILS OF SOLE / FIRST APPLICANT**

Mr. / Ms.

Address _____

Email _____

Tel. No. (with STD code) / Mobile

**2. PAN OF SOLE / FIRST APPLICANT**

**3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS** ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

**4. APPLICATION DETAILS**

**No. of Equity Shares of ₹ ___/- each applied at the Issue Price i.e. at ₹ ___ per share**

(In figures) (In words)

**5. CATEGORY (✓)**

☐ **Retail Individual Applicant**
☐ **Non-Institutional Applicant**
☐ **QIB**

**6. INVESTOR STATUS (✓)**

☐ Non-Resident Indians (Repatriation basis) - NRI
☐ Foreign Institutional Investor - FII
☐ Foreign Venture Capital Investor - FVCI
☐ FII Sub Account Corporate / Individual - FIISA
☐ Foreign Portfolio Investors - FPI
☐ Others (please specify) - OTH

**7. PAYMENT DETAILS** **PAYMENT OPTION : FULL PAYMENT**

Amount Paid (₹ in figures) (₹ in words) _____

**ASBA** Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE 'INVESTORS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

| 8A. SIGNATURE OF SOLE / FIRST APPLICANT | 8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) | BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange system) |
|---|---|---|
| Date: _____, 2017 | I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue<br>1)<br>2)<br>3) | |

TEAR HERE

LOGO

**XYZ LIMITED**
**INITIAL PUBLIC ISSUE - NR**

**Acknowledgement Slip for Broker/SCSB/ DP/RTA**

Application Form No.

DPID / CLID

PAN of Sole / First Applicant

| Amount Paid (₹ in figures) | Bank & Branch | Bank's Stamp & Signature |
|---|---|---|
| ASBA Bank A/c No. | | |
| Received from Mr./Ms. _____ | | |
| Telephone / Mobile | Email | |

TEAR HERE

**XYZ LIMITED - INITIAL PUBLIC ISSUE - NR**

| | In Figure | In Words | Stamp & Signature of Broker / SCSB / DP / RTA |
|---|---|---|---|
| No. of Equity Shares | | | |
| Amount Paid (₹) | | | |

ASBA Bank A/c No. _____
Bank & Branch _____

Name of Sole / First Applicant

**Acknowledgement Slip for Applicant**

Application Form No.

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

### 2.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST BIDDER/APPLICANT

(a) Bidders/ Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(b) **Mandatory Fields:** Bidders/ Applicants should note that the name and address fields are compulsory and Email and/ or telephone number/ mobile number fields are optional. Bidders/ Applicants should note that the contact details mentioned in the Bid-cum Application Form/ Application Form may be used to dispatch communications(including refund intimations and letters notifying the unblocking of the bank accounts of ASBA Bidders) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, Designated Intermediaries and the registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

(c) **Joint Bids/ Applications:** In the case of Joint Bids/ Applications, the Bids/ Applications should be made in the name of the Bidder/ Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/ Applicant would be required in the Bid cum Application Form/ Application Form and such first Bidder/ Applicant would be deemed to have signed on behalf of the joint holders. All communications may be addressed to such Bidder/ Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

(d) Impersonation: Attention of the Bidders/ Applicants is specifically drawn to the provisions of subsection (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

***"Any person who:***

***a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or***

***b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or***

***c) otherwise induces directly or indirectly a company to allot, or register any transfer of securities to him, or to any other person in a fictitious name,***

***shall be liable for action under Section 447."***

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

(e) **Nomination Facility to Bidder/ Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of Allotment of the Equity Shares in dematerialised form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/ Applicants should inform their respective DP.

### 2.1.2 FIELD NUMBER 2: PAN OF SOLE/ FIRST BIDDER/ APPLICANT

a) PAN (of the sole/ first Bidder/ Applicant) provided in the Bid cum Application Form/ Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.

b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/ Applications on behalf of the Central or State Government, Bids/ Applications by officials appointed by the courts and Bids/ Applications by Bidders/ Applicants residing in Sikkim ("PAN Exempted Bidders/ Applicants"). Consequently, all Bidders/ Applicants, other than the PAN Exempted Bidders/ Applicants, are required to disclose their

PAN in the Bid cum Application Form/ Application Form, irrespective of the Bid/ Application Amount. Bids/Applications by the Bidders/ Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

c) The exemption for the PAN Exempted Bidders/ Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

d) Bid cum Application Forms which provide the GIR Number instead of PAN may be rejected.

e) Bids by Bidders whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/ MRD/ DP/ 22/ 2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

### 2.1.3 FIELD NUMBER 3: BIDDERSDEPOSITORY ACCOUNT DETAILS

a) Bidders should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form. The DP ID and Client ID provided in the Bid cum Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form is liable to be rejected.**

b) Bidders should ensure that the beneficiary account provided in the Bid cum Application Form is active.

c) Bidders should note that on the basis of the PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidder may be deemed to have authorised the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/ Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for any other correspondence(s) related to an Issue.

d) Bidders are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/ Applicants' sole risk.

### 2.1.4 FIELD NUMBER 4: BID OPTIONS

a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/ RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Issue Opening Date in case of an FPO.

b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs/ FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details Bidders may refer to (Section 5.6 (e))

c) **Cut-Off Price:** Retail Individual Bidders or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIBs and such Bids from QIBs and NIBs may be rejected.

d) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the Lead Managers may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of Rs. 10,000 to Rs. 15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.

e) **Allotment:** The Allotment of specified securities to each RIB shall not be less than the minimum Bid Lot, subject to availability of shares in the RIB category, and the remaining available shares, if any, shall

be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may to the RHP/ Prospectus or the advertisement regarding the Price Band published by the Issuer.

**2.1.4.1 Maximum and Minimum Bid Size**

a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Bidders and Retail Individual Shareholders must be for such number of shares, so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed Rs. 200,000.

In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category (with it not being eligible for Discount, if any) then such Bid may be rejected if it is at the Cut-off Price.

For NRIs, a Bid Amount of up to Rs. 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding Rs. 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

b) Bids by QIBs and NIBs must be for such minimum number of shares, such that the Bid Amount exceeds Rs. 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/ Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at 'Cut-off Price'.

c) RIB may revise or withdraw their Bids until Bid/Issue Closing Date. . QIBs and NIB's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after Bidding and are required to pay the Bid Amount upon submission of the Bid.

d) In case the Bid Amount reduces to Rs. 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Bidders who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

e) For Anchor Investors, if applicable, the Bid Amount shall be at least `100 million. One-third of the Anchor Investor Category shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.

f) A Bid cannot be submitted for more than the Issue size.

g) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

h) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the highest number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. If there is/are one or more bids at prices at or above the Issue Price, the Bid for the highest number of

equity Shares shall be considered for Allotment This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e)).

#### 2.1.4.2 Multiple Bids

(a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

(b) Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(c) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:

(i) All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

(ii) For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(d) The following Bids may not be treated as multiple Bids:

(i) Bids by Reserved Categories Bidding in their respective Reservation Category as well as bids made by them in the Net Issue Category in public category.

(ii) Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

(iii) Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

(iv) Bids by Anchor Investors under the Anchor Investor Category and the QIB Category.

### 2.1.5 FIELD NUMBER 5: CATEGORY OF BIDDERS

(a) The categories of Bidders identified as per the SEBI ICDR Regulations, for the purpose of Bidding, allocation and Allotment in the Issue are RIBs, NIBs and QIBs.

(b) Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with the SEBI ICDR Regulations, with one-third of the Anchor Investor Category reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, Bidders may refer to the RHP/ Prospectus.

(c) An Issuer can make reservation for certain categories of Bidders as permitted under the SEBI ICDR Regulations. For details of any reservations made in the Issue, Bidders/ Applicants may refer to the RHP/ Prospectus.

(d) The SEBI ICDR Regulations, specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder may refer to the RHP/ Prospectus.

### 2.1.6 FIELD NUMBER 6: INVESTOR STATUS

(a) Each Bidder should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Bidders, such as NRIs, FIIs, FPIs and FVCIs may not be allowed to Bid in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders are requested to refer to the RHP/ Prospectus for more details.

(c) Bidders/ Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

(d) Bidders should ensure that their investor status is updated in the Depository records.

### 2.1.7 FIELD NUMBER 7: PAYMENT DETAILS

(a) The full Bid Amount (net of any Discount, as applicable) shall be blocked in the ASBA Account base on the authorisation provide in the ASBA Form. If the Discount is applicable in the Issue, the RIB should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked for Bid Amount net of Discount. Only in cases where the RHP/ Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount issued, if any.

(b) Bidders who Bid at Cut-off Price shall arrange to block the Bid Amount based on the Cap Price.

(c) All Bidders (except Anchor Investors) have to participate in the Issue only through the ASBA mechanism.

(d) Bid Amount cannot be paid in cash, cheques, or demand drafts, through money order or through postal order.

#### 2.1.7.1 Additional Payment Instructions for NRIs

**2.1.7.2** The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

#### 2.1.7.3 Instructions for Anchor Investors

(a) Anchor Investors may submit their Bids through a Book Running Lead Manager.
(b) Payments should be made either by RTGS, direct credit or NEFT.
(c) The Escrow Collection Banks shall maintain the monies in the Escrow Accounts for and on behalf of the Anchor Investors until the Designated Date.

#### 2.1.7.4 Payment Instructions for ASBA Bidders

(a) Bidders, except Anchor Investors, may submit the ASBA Form either:
   i. in electronic mode through the internet banking facility issued by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
   ii. in physical mode to any Designated Intermediary.

(b) Bidders must specify the Bank Account number in the ASBA Form. The ASBA Form submitted by a Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.

(c) Bidders should ensure that the ASBA Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder.

(d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.

(f) Bidders should submit the Bid cum Application Form only at the Bidding Centres, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations.

(g) Bidders bidding through a Designated Intermediary, other than a SCSB, should note that ASBA Forms submitted them may not be accepted, if the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has not named at least one branch at that location for the Designated Intermediaries to deposit ASBA Forms.

(h) Bidders bidding directly through the SCSBs should ensure that the ASBA Form is submitted to a Designated SCSB Branch where the ASBA Account is maintained.

(i) Upon receipt of the ASBA Form, the Designated SCSB Branch may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the ASBA Form.

(j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the ASBA Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

(k) If sufficient funds are not available in the ASBA Account, the Designated SCSB Branch may not accept such Bids and such bids are liable to be rejected.

(l) Upon submission of a completed ASBA Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated SCSB Branch to block the Bid Amount specified in the ASBA Form in the ASBA Account maintained with the SCSBs.

(m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Accounts, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.

(n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

#### 4.1.7.2.1 Unblocking of ASBA Account

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Accounts designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (iv) above may be transferred to the Public Issue Accounts, and (v) details of rejected Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder other than Anchor Investors to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the ASBA Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Issue Closing Date.

#### 2.1.7.5 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) Bidders applying under RIB Category, Retail Individual Shareholder and are only eligible for discount. For Discounts issued in the Issue, Bidders may refer to the RHP/ Prospectus.

(c) The Bidders entitled to the applicable Discount in the Issue may block the Bid Amount less Discount.

(d) Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RIB category.

### 2.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

(a) Only the First Bidder is required to sign the Bid cum Application Form. Bidders should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the Bidder, then the signature of the ASBA Account holder(s) is also required.

(c) The signature has to be correctly affixed in the authorization/ undertaking box in the ASBA Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the ASBA Form.

(d) Bidders/ Applicants must note that Bid cum Application Form without signature of Bidder/Applicant and/ or ASBA Account holder is liable to be rejected.

### 2.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

(a) Bidders should ensure that they receive the Acknowledgment Slip duly signed and stamped by the Designated Intermediary, as applicable, for submission of the ASBA Form.

(b) All communications in connection with Bids/Applications made in the Issue may be addressed as under:

(i) In case of queries related to Allotment, non-receipt of Allotment Advice, credit of Allotted Equity Shares, refund intimations, the Bidders should contact the Registrar to the Issue.
(ii) In case of Bids submitted to the Designated Branches of the SCSBs, the Bidders should contact the relevant Designated SCSB Branch.
(iii) In case of queries relating to uploading of Bids by a Syndicate Member, the Bidders should contact the relevant Syndicate Member.
(iv) In case of queries relating to uploading of Bids by a Registered Broker, the Bidders should contact the relevant Registered Broker.
(v) In case of Bids submitted to the RTA, the Bidders should contact the relevant RTA.
(vi) In case of Bids submitted to the CDP, the Bidders should contact the relevant DP.
(vii) Bidder may contact the Company Secretary and Vice President - Legal and Compliance Officer or the BRLM(s) in case of any other complaints in relation to the Issue.

(c) The following details (as applicable) should be quoted while making any queries –
(i) full name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for , amount paid on application.
(ii) name and address of the Designated Intermediary, where the Bid was submitted;
(iii) in case of Bids other than from Anchor Investors, ASBA Account number in which the amount equivalent to the Bid Amount was blocked; or
(iv) in case of Bids by Anchor Investor, details of direct credit and name of the issuing bank thereof.

For further details, Bidder may refer to the RHP/Prospectus and the Bid cum Application Form.

## 2.2 INSTRUCTIONS FOR FILLING THE REVISION FORM

(a) During the Bid/Issue Period, any Bidder (other than QIBs and NIBs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.

(b) RIB may revise their bids or withdraw their Bids on or before the Bid/Issue Closing Date.

(c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.

(d) The Bidder can make this revision any number of times during the Issue Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same Designated Intermediary through which such Bidder/ Applicant had placed the original Bid. Bidders are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:

SALASAR

Sample of Common Revision form –R

| COMMON REVISION FORM | XYZ LIMITED - INITIAL PUBLIC ISSUE - REVISION R<br>Registered Office: _____ | FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS |
|---|---|---|

TEAR HERE

LOGO

To,
The Board of Directors
XYZ LIMITED

| FIXED PRICE ISSUE |
|---|
| ISIN - INEXXXXXXX |

ISSUE OPENS ON :
ISSUE CLOSES ON :

Application Form No.

| BROKER/SCSB/DP/RTA STAMP & CODE | SUB-BROKER'S/SUB-AGENT'S STAMP & CODE |
|---|---|
| | |
| **BANK BRANCH STAMP & CODE** | **BANK BRANCH SERIAL NO.** |
| | |
| **REGISTRAR'S SERIAL NO.** | |
| | |

**1. NAME & CONTACT DETAILS OF SOLE / FIRST APPLICANT**

Mr. / Ms.

Tel. No. (with STD code) / Mobile

**2. PAN OF SOLE / FIRST APPLICANT**

**3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS** ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

**PLEASE CHANGE MY APPLICATION** ☐ **PHYSICAL**

**4. FROM (as per last Application or Revision)**

| Options | No. of Equity Shares applied (Application must be in multiples of _____ equity shares) (In Figures) | | | | | | | Price per Equity Share ₹ ____ (In Figures) | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | Issue Price | | | | Discount, if any | | | | Net Price | | | |
| | 7 | 6 | 5 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 |
| Option 1 | | | | | | | | | | | | | | | | | | | |
| (OR) Option 2 | | | NOT APPLICABLE | | | | | | | | | NOT APPLICABLE | | | | | | | |
| (OR) Option 3 | | | NOT APPLICABLE | | | | | | | | | NOT APPLICABLE | | | | | | | |

**5. TO (Revised Application)**

| Options | No. of Equity Shares applied (Application must be in multiples of _____ equity shares) (In Figures) | | | | | | | Price per Equity Share ₹ ____ (In Figures) | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | Issue Price | | | | Discount, if any | | | | Net Price | | | |
| | 7 | 6 | 5 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 | 4 | 3 | 2 | 1 |
| Option 1 | | | | | | | | | | | | | | | | | | | |
| (OR) Option 2 | | | NOT APPLICABLE | | | | | | | | | NOT APPLICABLE | | | | | | | |
| (OR) Option 3 | | | NOT APPLICABLE | | | | | | | | | NOT APPLICABLE | | | | | | | |

**6. PAYMENT DETAILS** | **PAYMENT OPTION : Full Payment**

Amount Paid (₹ in figures) (₹ in words) _____

**ASBA** Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE 'INVESTORS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

| 7A. SIGNATURE OF SOLE / FIRST APPLICANT | 7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) | BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange system) |
|---|---|---|
| | I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue | |
| | 1) | |
| | 2) | |
| Date: _____, 2017 | 3) | |

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LOGO

**XYZ LIMITED**
**INITIAL PUBLIC ISSUE - REVISION - R**

**Acknowledgement Slip for Broker/SCSB/ DP/RTA**

Application Form No.

DPID / CLID

PAN of Sole / First Applicant

| Additional Amount Paid (₹ in figures) | Bank & Branch | SCSB Branch Stamp & Signature |
|---|---|---|
| ASBA Bank A/c No. | | |
| Received from Mr./Ms. _____ | | |
| Telephone / Mobile | Email | |

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XYZ LIMITED - REVISION - R

| No. of Equity Shares | In Figure | In Words |
|---|---|---|
| Additional Amount Paid (₹) | | |

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Applicant

**Acknowledgement Slip for Applicant**

ASBA Bank A/c No. _____
Bank & Branch _____

Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

**2.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/ FIRST BIDDER, PAN OF SOLE/ FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER**

Bidders should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

**2.2.2 FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

(a) Apart from mentioning the revised options in the Revision Form, the Bidder must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and such Bidder is changing only one of the options in the Revision Form, the Bidder must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.

(b) In case of revision, Bid options should be provided by Bidders in the same order as provided in the Bid cum Application Form.

(c) In case of revision of Bids by RIBs and Retail Individual Shareholders, such Bidders should ensure that the Bid Amount, subsequent to revision, does not exceed Rs. 200,000. In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIBs and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.

(d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds Rs. 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP/ Prospectus. If, however, the RIB does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RIB and the RIB is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, RIBs and Bids by under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked after the Allotment is finalised.

**2.2.3 FIELD 6: PAYMENT DETAILS**

(a) All Bidders are required to authorise blocking of the full Bid Amount (less Discount (if applicable) along with the Bid Revision Form . In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount issued, if any.

(b) Bidder may issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

(c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds Rs. 200,000, the Bid may be considered for allocation under the Non-Institutional Category in

terms of the RHP/ Prospectus. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of Allotment, such that additional amount is required to be blocked and the Bidder is deemed to have approved such revised Bid at the Cut-off Price.

(d) In case of a downward revision in the Price Band, RIBs and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked after the finalisation of the Basis of Allotment.

### 2.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Bidders may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

## 2.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

### 2.3.1 FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/ FIRST BIDDER, PAN OF SOLE/ FIRST BIDDER& DEPOSITORY ACCOUNT DETAILS OF THE BIDDER

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

### 2.3.2 FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT

(a) The Issuer may mention the Issue Price or Price Band in the Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).

(b) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the Lead Managers may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of Rs. 10,000 to Rs. 15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.

(c) Applications by RIBs and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed Rs. 200,000.

(d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds Rs. 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.

(e) An application cannot be submitted for more than the Issue size.

(f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.

(g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

(h) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:

i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple applications by a Bidder and may be rejected.
ii. For applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(i) The following applications may not be treated as multiple Bids:

i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.
ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.
iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its subaccounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

### 2.3.3 FIELD NUMBER 5: CATEGORY OF APPLICANTS

i. The categories of applicants identified as per the SEBI ICDR Regulations for the purpose of Bidding, allocation and Allotment in the Issue are RIBs, individual applicants other than RIB's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
ii. An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
iii. The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

### 2.3.4 FIELD NUMBER 6: INVESTOR STATUS

Applicants should refer to instructions contained in paragraphs 4.1.6.

### 2.3.5 FIELD 7: PAYMENT DETAILS

(a) All Bidders (other than Anchor Investors) are required to only make use of ASBA for applying in the Issue.
(b) Bid Amount cannot be paid in cash, through money order, cheque, demand draft or through postal order or through stock invest.

#### 2.3.5.1 Payment instructions for Applicants

Applicants should refer to instructions contained in paragraphs 4.1.7.2.

#### 2.3.5.2 Unblocking of ASBA Account

Applicants should refer to instructions contained in paragraphs 4.1.7.2.1.

#### 2.3.5.3 Discount (if applicable)

Applicants should refer to instructions contained in paragraphs 4.1.7.3.

### 2.3.6 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

## 2.4 SUBMISSION OF BID CUM APPLICATION FORM/ REVISION FORM

**Bidders may submit completed Bid-cum-application form/ Revision Form in the following manner:-**

| Mode of Application | Submission of Bid cum Application Form |
|---|---|
| Anchor Investor s Application Form | To the Lead Managers of the Syndicate at the locations mentioned in the Anchor Investor Application Form |
| ASBA Form | (a) To the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the RTA at the Designated RTA Location or the CDP at the designated CDP Location .<br>(b) To the Designated SCSB Branches |

(a) Bidders should submit the Revision Form to the same Designated Intermediary through which such Bidder had placed the original Bid.

(b) Upon submission of the Bid-cum-Application Form, the Bidder will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/ Applicant.

(c) Upon determination of the Issue Price and filing of the Prospectus with the ROC the Bid-cum-Application Form will be considered as the application form.

# SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of the SEBI ICDR Regulations. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

## 5.1 SUBMISSION OF BIDS

(a) During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Lead Managers to register their Bid.
(b) In case of Bidders (excluding NIBs and QIBs) Bidding at Cut-off Price the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable).
(c) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders are requested to refer to the RHP.

## 5.2 ELECTRONIC REGISTRATION OF BIDS

(a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject

to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

(b) On the Bid/Issue Closing Date, Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

(c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries (i) are given till 1:00 pm on the next Working Day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the after which the Stock Exchange(s) send the bid information to the Registrar further processing. Bid/Issue Period with respect to the Bidders other than the Bids received from the Retail Individual Bidders and (ii) shall submit the Bid cum Application Form and modification (at periodic intervals) on a day to day basis during the Bid/Issue Period with respect to Bids received from Retail Individual Bidders after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

## 5.3 BUILD UP OF THE BOOK

(a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the Lead Managers at the end of the Bid/Issue Period.

(b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/Issue Period.

## 5.4 WITHDRAWAL OF BIDS

(a) RIBs can withdraw their Bids until Bid/Issue Closing Date. In case a RIB wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary, who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

(b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account upon or after the finalisation of Basis of Allotment. QIBs and NIBs can neither withdraw nor lower the size of their Bids at any stage.

## 5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

(a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:

i. the Bids accepted by the Designated Intermediaries,
ii. the Bids uploaded by the Designated Intermediaries, and
iii. the Bid cum application forms accepted but not uploaded by the Designated Intermediaries.

(b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.

(c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

(d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) the BRLMs and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.

(e) All bids by QIBs, NIBs & RIBs Bids can be rejected on technical grounds listed herein.

### 5.5.1 GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Lead Managers Designated Intermediaries or at the time of finalisation of the Basis of Allotment. Bidders/ Applicants are advised to note that the Bids/Applications are liable to be rejected, among other things, on the following grounds, which have been detailed at various placed in this GID:

(a) Bid by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
(b) Bids by OCBs;
(c) In case of partnership firms, Bid for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;
(d) In case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum application form/ Application Form;
(e) Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
(f) Bids by any person outside India if not in compliance with applicable foreign and Indian laws;
(g) PAN not mentioned in the Bid cum Application Form except for Bids by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
(h) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
(i) Bids for lower number of Equity Shares than the minimum specified for that category of investors;
(j) Bids at a price less than the Floor Price & Bids/ Applications at a price more than the Cap Price;
(k) Bids at Cut-off Price by NIBs and QIBs;
(l) The amounts mentioned in the Bid cum Application Form do not tally with the amount payable for the value of the Equity Shares Bid for;
(m) Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
(n) Submission of more than five Bid cum Application Forms through a single ASBA Account;
(o) Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
(p) Multiple Bids as defined in this GID and the RHP/ Prospectus;
(q) Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form at the time of blocking such Bid Amount in the bank account;
(r) In case of Anchor Investors, Bids were sufficient funds are not available in Anchor Investor Escrow Accounts as per final certificate from the Escrow Collection Banks;
(s) Where no confirmation is received from SCSB for blocking of funds;
(t) Bids by Bidders (other than Anchor Investors) not submitted through ASBA process or Bids/Applications by QIBs (other than Anchor Investors) and Non-Institutional Bidders accompanied with cheque(s) or demand draft(s);
(u) Bids submitted to a Designated Intermediary at locations other than the Bidding Centres or to the Escrow Collection Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;
(v) Bids not uploaded on the Stock Exchanges bidding system; and;
(w) Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form.

## 5.6 BASIS OF ALLOCATION

(a) The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain

details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP/ Prospectus. For details in relation to allocation, the Bidder may refer to the RHP/ Prospectus.

(b) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and in consultation with the Lead Managers and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed Category in QIB Category is not available for subscription to other categories.

(c) In case of under subscription in the Net Issue, spill-over to the extent of such under subscription may be permitted from the Reserved Category to the Net Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/ Applicants may refer to the RHP.

(d) **Illustration of the Book Building and Price Discovery Process**

*Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.*

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of Rs. 20 to Rs. 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the issuer at various prices and is collated from Bids received from various investors.

| Bid Quantity | Bid Amount (In Rs.) | Cumulative Quantity | Subscription |
|---|---|---|---|
| 500 | 24 | 500 | 16.67% |
| 1,000 | 23 | 1,500 | 50,00% |
| 1,500 | 22 | 3,000 | 100.00% |
| 2,000 | 21 | 5,000 | 166.67% |
| 2,500 | 20 | 7,500 | 250.00% |

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

**(e) Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of bidding ("Alternate Book Building Process").

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIBs, NIBs are Allotted Equity Shares at the Floor Price and Allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted

to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/ or quantity and also decide whether a Bidder be allowed single or multiple bids.

## SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

Applicants may submit an Application Form either in physical form to any of the Designated Intermediaries or in the electronic form to the SCSB or the Designated SCSB Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date.

In a fixed price Issue, allocation in the net issue to the public category is made as follows: minimum fifty percent to Retail Individual Bidders; and remaining to (i) individual investors other than Retail Individual Bidders; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders may refer to the relevant section of the GID.

## SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Bidders and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP/ Prospectus. No Retail Individual Bidder is will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Bidder Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Net Issue (excluding any Issue for Sale of specified securities). However, in case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable.

### 7.1 ALLOTMENT TO RIBs

Bids received from the RIBs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIBs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIBs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot ("**Maximum RIB Allottees**"). The Allotment to the RIBs will then be made in the following manner:

(a) In the event the number of RIBs who have submitted valid Bids in the Issue is equal to or less than Maximum RIB Allottees, (i) all such RIBs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIBs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

(b) In the event the number of RIBs who have submitted valid Bids in the Issue is more than Maximum RIB Allottees, the RIBs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

### 7.2 ALLOTMENT TO NIBs

Bids received from NIBs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIBs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full Allotment may be made to NIBs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Portion.

### 7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

(a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Portion; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for Allotment to all QIBs as set out at paragraph 7.4(b) below;

(b) In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

### 7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

(a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the Issuer and the Selling Shareholders in consultation with the Lead Managers, subject to compliance with the following requirements:

i. not more than 60% of the QIB Category will be allocated to Anchor Investors;

ii. one-third of the Anchor Investor Category shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:

- a maximum number of two Anchor Investors for allocation up to Rs. 100 million;
- a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than Rs. 100 million and up to Rs. 2,500 million subject to minimum Allotment of Rs. 50 million per such Anchor Investor; and
- a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than Rs. 2,500 million and an additional 10 Anchor Investors for every additional

Rs. 2,500 million or part thereof, subject to minimum Allotment of Rs. 50 million per such Anchor Investor.

(b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(c) **In the event that the Issue Price is higher than the Anchor Investor Issue Price**: Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

(d) **In the event the Issue Price is lower than the Anchor Investor Issue Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

## 7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIBs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

(a) Bidders may be categorized according to the number of Equity Shares applied for;

(b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

(c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;

(d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;

(e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all bidders in such categories may be arrived at after such rounding off; and

(f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

## 7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Accounts, as per the

terms of the Escrow Agreement, into the Public Issue Accounts with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Category shall be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue. Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/ Applicants who have been Allotted Equity Shares in the Issue.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of Equity Shares to the successful Bidders Depository Account will be completed within six Working Days of the Bid/Issue Closing Date.

## SECTION 8: INTEREST AND REFUNDS

### 8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer shall ensure that all steps for the completion of the necessary formalities for listing a commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/Issue Closing Date. The Registrar to the Issue may initiate corporate actions for credit to Equity Shares the beneficiary account with Depositories, and within six Working Days of the Bid/Issue Closing Date.

### 8.2 GROUNDS FOR REFUND

#### 8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/ list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/ Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/ Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) or obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than Rs. 5 lakhs but which may extend to Rs. 50 lakhs and every officer of the Issuer 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 lakhs, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from Bidders.

If such money is not refunded to the Bidders within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/ Prospectus.

#### 8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

If the Issuer does not receive a minimum subscription of 90% of the Net Issue (excluding any issue for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, take steps to unblock

the entire subscription amount received within six Working Days of the Bid/Issue Closing Date and repay without interest, all moneys received from Anchor Investors.. In case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Issue involving a fresh Issue and the Offer for Sale, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Issue for Sale.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of 15 days from the Bid/Issue Closing Date, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum.in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

### 8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be Allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

### 8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations comes for an Issue under Regulation 26(2) of SEBI ICDR Regulations but fails to Allot at least 75% of the Net Issue to QIBs, in such case full subscription money is to be refunded.

## 8.3 MODE OF REFUND

(a) In case of ASBA Bids: Within six Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Accounts on for unsuccessful Bid and also or for any excess amount blocked on Bidding.

(b) **In case of Anchor Investors:** Within six Working Days of the Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.

(c) In case of Anchor Investors, the Registrar to the Issue may obtain from the depositories the bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

### 8.3.1 Electronic mode of making refunds for Anchor Investors

The payment of refund, if any, may be done through various electronic modes as mentioned below:

**(a) NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Anchor Investors

through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

**(b) Direct Credit**—Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

**(c) RTGS**— Anchor Investors having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any**,** through RTGS.

Please note that refunds through the modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Collection Bank.

For details of levy of charges, if any, for any of the above methods, Anchor Investors may refer to RHP/Prospectus.

### 8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum if the refund instructions have not been given to the clearing system in the prescribed manner. Instructions for unblocking of funds in the ASBA Account are not dispatched within 15 days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/Issue Closing Date, if Allotment is not made within the timelines prescribed under applicable law.

## SECTION 9: GLOSSARY AND ABBREVIATIONS

*Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.*

| Term | Description |
|---|---|
| Acknowledgement Slip | The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form |
| Allotment/ Allot/ Allotted | The allotment of Equity Shares pursuant to the Issue to successful Bidders/ Applicants |
| Allotment Advice | Note or advice or intimation of Allotment sent to the Bidders/ Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges. |
| Allottee | An Bidder/ Applicant to whom the Equity Shares are Allotted |
| Anchor Investor | A Qualified Institutional Buyer, applying under the Anchor Investor Category in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus |
| Anchor Investor Application Form | The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus |
| Anchor Investor Escrow | Account opened with the Escrow Collection Bank and in whose favour the Anchor |
| Accounts | Investors will transfer money through NECS/direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid |
| Anchor Investor Category | Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the Lead Managers to Anchor Investors on a discretionary basis One-third of the Anchor Investor Category is reserved for domestic Mutual Funds, |

| Term | Description |
|---|---|
| | subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors |
| Application Supported by | An application, whether physical or electronic, used by Bidders, other than Anchor |
| Blocked Amount/ / ASBA | investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB |
| ASBA Account | An account maintained with an SCSB which may be blocked by such SCSBs to the extent of the Bid Amount of the Bidder |
| ASBA Bidder | All Bidders except Anchor Investors. |
| ASBA Form | Application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus |
| Banker(s) to the Issue | The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Anchor Investors Escrow Accounts for the Anchor Investors may be opened, and as disclosed in the RHP/ Prospectus and Bid cum Application Form of the Issuer |
| Basis of Allotment | Basis on which the Equity Shares may be Allotted to successful Bidders under the Issue |
| Bid | An indication to make an issue during the Bid/Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Issue Period by the Anchor Investors pursuant to submission of the Anchor Investor Application Forms, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application |
| Bid Amount | The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicant upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount |
| Bid/Issue Closing Date | The date after which the Syndicate, Registered Brokers, the SCSBs, RTAs , DP as the case may be, may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/ bidders may refer to the RHP/ Prospectus for the Issue Closing Date |
| Bid/Issue Opening Date | The date on which the Syndicate, the SCSBs, RTAs, DP as the case may be, may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/ bidders may refer to the RHP/ Prospectus for the Issue Opening Date |
| Bid/Issue Period | Except in the case of Anchor Investors (if applicable), the period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Bidders/ Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Issue Period for QIBs one working day prior to the Issue Closing Date in accordance with the SEBI ICDR Regulations. Applicants/ bidders may refer to the RHP/ Prospectus for the Issue Period |

| Term | Description |
|---|---|
| Bidder | Any prospective investor who makes a Bid pursuant to the terms of the RHP/ Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder should be construed to mean an Bidder |
| Book Built Process/ Book Building Process/ Book Building Method | The book building process as provided under the SEBI ICDR Regulations, in terms of which the Issue is being made |
| Broker Centres | Broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) |
| BRLM(s)/ Book Running | The Book Running Lead Manager to the Issue as disclosed in the RHP/ Prospectus and |
| Lead Manager(s)/ Lead | the Bid cum Application Form of the Issuer. In case of issues undertaken through the |
| Manager/ LM | fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM |
| CAN/ Confirmation of | Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who |
| Allocation Note | have been allocated the Equity Shares, after the Anchor Investor Issue Period |
| Cap Price | The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted |
| Client ID | Client Identification Number maintained with one of the Depositories in relation to demat account |
| Collecting Depository | A depository participant as defined under the Depositories Act, 1996, registered with |
| Participant or CDPs | SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the websites of BSE and NSE |
| Cut-off Price | Issue Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIBs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/ Applicants are entitled to Bid at the Cut-off Price |
| DP | Depository Participant |
| DP ID | Depository Participant's Identification Number |
| Depositories | National Securities Depository Limited and Central Depository Services (India) Limited |
| Demographic Details | Details of the Bidders including the Bidder's address, name of the Bidder's father/ husband, investor status, occupation and bank account details |
| Designated SCSB Branches | Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders (excluding Anchor Investors) and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries |
| Designated CDP Locations | Such locations of the CDPs where Bidders can submit the ASBA Forms The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) |
| Designated Date | Date on which funds are transferred by the Escrow Collection Banks from the Anchor Investor Escrow Accounts and instructions are given to the SCSBs to unblock the ASBA Accounts and transfer the amounts blocked by the SCSBs from the ASBA Accounts, as the case may be, to the Public Issue Accounts or the Refund Account, as appropriate, in terms of the Red Herring Prospectus and the aforesaid |

| Term | Description |
|---|---|
| | transfer and instructions shall be issued only after the finalisation of Basis of Allotment in consultation with the Designated Stock Exchange |
| Designated Intermediaries | Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect ASBA Forms from the Bidders, in relation to the Issue |
| Designated RTA Locations | Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) |
| Designated Stock Exchange | The designated stock exchange as disclosed in the RHP/ Prospectus of the Issuer |
| Discount | Discount to the Issue Price that may be provided to Bidders/ Applicants in accordance with the SEBI ICDR Regulations. |
| Draft Prospectus | The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band |
| Equity Shares | Equity Shares of the Issuer |
| Escrow Agreement | Agreement entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager(s), the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof |
| Escrow Collection Bank(s) | Refer to definition of Banker(s) to the Issue |
| FCNR Account | Foreign Currency Non-Resident Account |
| First Bidder | The Bidder whose name appears first in the Bid cum Application Form or Revision Form |
| FII(s) | Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India |
| Fixed Price Issue/ Fixed Price Process/ Fixed Price Method | The Fixed Price process as provided under the SEBI ICDR Regulations, in terms of which the Issue is being made |
| Floor Price | The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto |
| FPIs | Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 |
| FPO | Further public offering |
| Foreign Venture Capital Investors or FVCIs | Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000 |
| IPO | Initial public offering |
| Issue | Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable |
| Issuer/ Company | The Issuer proposing the initial public offer/ further public offer as applicable |
| Issue Price | The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s) |

| Term | Description |
|---|---|
| Maximum RIB Allottees | The maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot. |
| MICR | Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf |
| Mutual Fund | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996 |
| Mutual Funds Portion | 5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/ Prospectus and Bid cum Application Form |
| NEFT | National Electronic Fund Transfer |
| NRE Account | Non-Resident External Account |
| NRI | NRIs from such jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the RHP/ Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares |
| NRO Account | Non-Resident Ordinary Account |
| Net Issue | The Issue less reservation portion |
| Non-Institutional Investors or | All Bidders, including sub accounts of FIIs registered with SEBI which are foreign |
| NIBs | corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than Rs. 200,000 (but not including NRIs other than Eligible NRIs) |
| Non-Institutional Category | The Category of the Issue being such number of Equity Shares available for allocation to NIBs on a proportionate basis and as disclosed in the RHP/ Prospectus and the Bid cum Application Form |
| Non-Resident | A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs, FPIs and FVCIs registered with SEBI |
| OCB/ Overseas Corporate | A company, partnership, society or other corporate body owned directly or indirectly to |
| Body | the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA |
| Offer for Sale | Public issue of such number of Equity Shares as disclosed in the RHP/ Prospectus through an issue for sale by the Selling Shareholders |
| Other Investors | Investors other than Retail Individual Bidders in a Fixed Price Issue. These include individual applicants other than retail individual bidders and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for. |
| PAN | Permanent Account Number allotted under the Income Tax Act, 1961 |
| Price Band | Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation |
| Pricing Date | The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Issue Price |

| Term | Description |
|---|---|
| Prospectus | The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Issue Price ,the size of the Issue and certain other information |
| Public Issue Accounts | Bank accounts opened under Section 40(3) of the Companies Act, 2013, to receive monies from the Anchor Investor Escrow Accounts and the ASBA Accounts on the Designated Date |
| QIB Category | The Category of the Issue being such number of Equity Shares to be allocated to QIBs on a proportionate basis |
| Qualified Institutional Buyers or QIBs | As defined under the SEBI ICDR Regulations |
| RTGS | Real Time Gross Settlement |
| Red Herring Prospectus/ RHP | The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are issued and the size of the Issue. The RHP may be filed with the RoC at least three days before the Issue Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus |
| Refund Account(s) | The account opened with Refund Bank(s), from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made |
| Refund Bank(s) | Refund bank(s) as disclosed in the RHP/ Prospectus and Bid cum Application Form of the Issuer |
| Registrar and Share Transfer | Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI |
| Registered Broker | Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the Syndicate and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI |
| Registrar to the Issue/ RTI | The Registrar to the Issue as disclosed in the RHP/ Prospectus and Bid cum Application Form |
| Reserved Portion/ Categories | Categories of persons eligible for making application/ Bidding under reservation Category |
| Reservation Portion | The Category of the Issue reserved for such category of eligible Bidders as provided under the SEBI ICDR Regulations |
| Retail Individual Bidders/ | Bidders who apply or bid for a value of not more than Rs. 200,000 in any of the bidding |
| RIBs | options in the Issue (including HUFs applying through their Karta), which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion, and the remaining Equity Shares to be Allotted on a proportionate basis than Rs. 200,000 |
| Retail Individual Shareholders | Shareholders of a listed Issuer who applies or bids for a value of not more than Rs. 200,000 |
| Retail Category | The portion of the Issue being such number of Equity Shares available for allocation to RIBs which shall not be less than the minimum Bid Lot, subject to availability in RIB category and the remaining shares to be Allotted on proportionate basis. |
| Revision Form | The form used by the Bidders, including ASBA Bidders, in an issue through Book Building Process to modify the quantity of Equity Shares and/ or bid price indicates therein in any of their Bid cum Application Forms or any previous Revision Form(s) |
| RoC | The Registrar of Companies |
| SEBI | The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 |

| Term | Description |
|---|---|
| SEBI ICDR Regulations | The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 |
| Self-Certified Syndicate Bank(s) or SCSB(s) | Banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time-to-time |
| Specified Locations | Refer to definition of Broker Centres |
| Stock Exchanges/ SE | The stock exchanges as disclosed in the RHP/ Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed |
| Syndicate | The Book Running Lead Manager(s) and the Syndicate Member collection of Bid cum Application Forms by Syndicate Members |
| Syndicate Member(s)/ SM | The Syndicate Member(s) as disclosed in the RHP/ Prospectus |
| Underwriters | The Book Running Lead Manager(s) and the Syndicate Member(s) |
| Underwriting Agreement | The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date |
| Working Day | Working Day" means all days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business, provided however, with reference to (a) announcement of Price Band; and (b) Bid/Issue Period, "Working Days" shall mean all days, excluding Saturdays, Sundays and public holidays, on which the commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 |

## 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 fulfillment 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; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. 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 PROVISIONS OF THE ARTICLES OF ASSOCIATION

Pursuant to Schedule I of the Companies Act, 2013 and the SEBI Regulations, 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.

### CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

| Title of Article | Article Number and contents |
|---|---|
| Share Capital | **3.**<br><br>The Authorised Share Capital of the Company shall be such amount, divided into such class(es) denomination(s) and number of shares in the Company as stated in Clause V of the Memorandum Of Association of the Company, with power to increase or reduce such Capital from time to time and power to divide the shares in the Capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the regulations of the Company or the provisions of the Company or the provisions of the law for the time being in force. |
| Increase of capital by the Company how carried into effect | **4.**<br><br>The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Companies Act, 2013. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Companies Act, 2013. |
| New Capital same as existing capital | **5.**<br><br>Except so far as otherwise provided by the conditions of issue or by These Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise. |
| Non Voting Shares | **6.**<br><br>The Board shall have the power to issue a part of authorised capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force. |

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| Redeemable Preference Shares | **7.**<br><br>Subject to the provisions of Section 55 of the Companies Act, 2013, the Company shall have the power to issue preference shares which are or at the option of the Company, liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption. |
| Voting rights of preference shares | **8.**<br><br>The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares. |
| Provisions to apply on issue of Redeemable Preference Shares | **9.**<br><br>On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions-shall take effect:<br><br>(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption.<br><br>(b) No such Shares shall be redeemed unless they are fully paid.<br><br>(c) The premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed.<br><br>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Companies Act, 2013 apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.<br><br>(e) Subject to the provisions of Section 55 of the Companies Act, 2013, the redemption of preference shares hereunder may be affected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. |
| Reduction of capital | **10.**<br><br>The Company may (subject to the provisions of section 52, 55(1) & (2) of the Companies Act, 2013 and Section 80 of the Companies Act, 1956, to the extent applicable, and Section 100 to 105 of the Companies Act, 1956, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce |

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| | (a) the share capital;<br><br>(b) any capital redemption reserve account; or<br><br>(c) any security premium account.<br><br>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted. |
| Purchase of own Shares | **11.**<br><br>The Company shall have power, subject to and in accordance with all applicable provisions of the Act, to purchase any of its own fully paid Shares whether or not they are redeemable and may make a payment out of capital in respect of such purchase. |
| Sub-division consolidation and cancellation of Shares | **12.**<br><br>Subject to the provisions of Section 61 of the Companies Act, 2013 and other applicable provisions of the Act, the Company in General Meeting may, from time to time, sub-divide or consolidate its Shares, or any of them and the resolution whereby any Share is sub-divided may determine that, as between the holders of the Shares resulting from such sub-divisions, one or more of such Shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other(s). Subject as aforesaid, the Company in General Meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the Shares so cancelled. |

**MODIFICATION OF RIGHTS**

| Title of Article | Article Number and contents |
|---|---|
| Modification of rights | **13.**<br><br>Whenever the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of Shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be modified, commuted, affected, abrogated, dealt with or varied with the consent in writing of the holders of not less than three-fourth of the issued capital of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of Shares of that class, and all the provisions hereafter contained as to General Meeting shall mutatis mutandis apply to every such Meeting. This Article is not to derogate from any power the Company would have if this Article was omitted.<br><br>The rights conferred upon the holders of the Shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of Shares of that class, be deemed not to be modified, commuted, affected, dealt with or varied by the creation or issue of further Shares ranking pari passu therewith. |

| Title of Article | Article Number and contents |
|---|---|
| Restriction on allotment and return of allotment | **14.**<br><br>The Board of Directors shall observe the restrictions on allotment of Shares to the public contained in Section 39 of the Companies Act, 2013, and shall cause to be made the returns as to allotment provided for in Section 39 of the Companies Act, 2013. |
| Further issue of shares | **15.**<br><br>(1) Where at any time, a company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered-<br><br>(a) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:—<br><br>(i) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;<br><br>(ii) unless the articles of the company otherwise provide, the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) shall contain a statement of this right;<br><br>(iii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not dis-advantageous to the shareholders and the company;<br><br>(b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be prescribed; or<br><br>(c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed.<br><br>(2) The notice referred to in sub-clause (a)(i) of Clause (1) shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue. |

| Title of Article | Article Number and contents |
|---|---|
| | (3) Nothing aforesaid shall apply to the increase of the subscribed capital of a company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:<br><br>Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting. |
| Shares at the disposal of the Directors | **16.**<br><br>Subject to the provisions of Section 62 of the Companies Act, 2013 and these Articles, the Shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 53 of the Companies Act, 2013) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting. |
| Power to offer Shares/options to acquire Shares | **16A**<br><br>(1) Without prejudice to the generality of the powers of the Board under Article 16 or in any other Article of these Articles of Association, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.<br><br>(2) In addition to the powers of the Board under Article 16A (1), the Board may also allot the Shares referred to in Article 16A (1) to any trust, whose principal objects would *inter alia* include further transferring such Shares to the Company's employees [including by way of options, as referred to in Article 16A (1)] in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit. |

| Title of Article | Article Number and contents |
|---|---|
| | (3) The Board, or any Committee thereof duly authorized for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 16A (1) and (2) above. |
| Application of premium received on Shares | **17.**<br><br>(1) Where the Company issues Shares at a premium whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on these Shares shall be transferred to an account, to be called "the securities premium account" and the provisions of the Act relating to the reduction of the share capital of the Company shall except as provided in this Article, apply as if the securities premium account were paid up share capital of the Company.<br><br>(2) The securities premium account may, notwithstanding anything in clause (1) thereof be applied by the Company:<br><br>(a) In paying up unissued Shares of the Company, to be issued to the Members of the Company as fully paid bonus shares;<br>(b) In writing off the preliminary expenses of the Company;<br>(c) In writing off the expenses of or the commission paid or discount allowed or any issue of Shares or debentures of the Company ; or<br>(d) In providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.<br>(e) For the purchase of its own shares or other securities under Section 68 of the Companies Act, 2013. |
| Power also to Company in General Meeting to issue Shares | **18.**<br><br>In addition to and without derogating from the powers for that purpose conferred on the Board under these Articles, the Company in General Meeting may, subject to the provisions of Section 62 of the Companies Act, 2013, determine that any Shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 52 and 53 of the Companies Act, 2013) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option or right to call for or buy allotted Shares of any class of the Company either (subject to compliance with the provisions of Sections 52 and 53 of the Companies Act, 2013) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment, or disposal of any Shares. |
| Power of General Meeting to authorize Board to offer | **18A**<br><br>(1) Without prejudice to the generality of the powers of the General Meeting under Article 18 or in any other Article of these Articles of Association, the General Meeting may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, determine, or |

| Title of Article | Article Number and contents |
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| Shares/Options to employees | give the right to the Board or any Committee thereof to determine, that any existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) be allotted/granted to its employees, including Directors (whether whole-time or not), whether at par, at discount or a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force. The General Meeting may also approve any Scheme/Plan/ other writing, as may be set out before it, for the aforesaid purpose.<br><br>(2) In addition to the powers contained in Article 18A (1), the General Meeting may authorize the Board or any Committee thereof to exercise all such powers and do all such things as may be necessary or expedient to achieve the objectives of any Scheme/Plan/other writing approved under the aforesaid Article. |
| Shares at a discount | **19.**<br><br>The Company shall not issue Shares at a discount except the issue of Sweat Equity Shares of a class already issued, if the following conditions are fulfilled, namely:<br><br>(a) the issue is authorized by a special resolution passed by the company;<br><br>(b) the resolution specifies the number of shares, the current market price, consideration, if any, and the class or classes of directors or employees to whom such equity shares are to be issued;<br><br>(c)not less than one year has, at the date of such issue, elapsed since the date on which the company had commenced business; and<br><br>(d) where the equity shares of the company are listed on a recognized stock exchange, the sweat equity shares are issued in accordance with the regulations made by the Securities and Exchange Board in this behalf and if they are not so listed, the sweat equity shares are issued in accordance with the prescribed rules. |
| Installments of Shares to be duly paid | **20.**<br><br>If by the conditions of any allotment of any Shares the whole or any part of the amount or issued price thereof shall, be payable by installments, every such installment shall when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the Shares or his legal representatives, and shall for the purposes of these Articles be deemed to be payable on the date fixed for payment and in case of non-payment the provisions of these Articles as to payment of interest and expenses forfeiture and like and all the other relevant provisions of the Articles shall apply as if such installments were a call duly made notified as hereby provided. |

| Title of Article | Article Number and contents |
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| The Board may issue Shares as fully paid-up | **21.**<br><br>Subject to the provisions of the Act and these Articles, the Board may allot and issue Shares in the Capital of the Company as payment for any property purchased or acquired or for services rendered to the Company in the conduct of its business or in satisfaction of any other lawful consideration. Shares which may be so issued may be issued as fully paid-up or partly paid up Shares. |
| Acceptance of Shares | **22.**<br><br>Any application signed by or on behalf of an applicant for Share(s) in the Company, followed by an allotment of any Share therein, shall be an acceptance of Share(s) within the meaning of these Articles, and every person who thus or otherwise accepts any Shares and whose name is therefore placed on the Register of Members shall for the purpose of this Article, be a Member. |
| Deposit and call etc., to be debt payable | **23.**<br><br>The money, if any which the Board of Directors shall on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them shall immediately on the inscription of the name of the allottee in the Register of Members as the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly. |
| Liability of Members | **24.**<br><br>Every Member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to pay to the Company the portion of the capital represented by his Share which may, for the time being, remain unpaid thereon in such amounts at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company's requirements require or fix for the payment thereof. |
| Dematerialisation<br><br>of securities | **25.(A)**<br><br>**Definitions:**<br><br>**Beneficial Owner** "Beneficial Owner" means a person whose name is recorded as such with a Depository.<br><br>**SEBI** "SEBI" means the Securities and Exchange Board of India.<br><br>**Bye-Laws** "Bye-Laws" mean bye-laws made by a depository under Section 26 of the Depositories Act, 1996;<br><br>**Depositories Act** "Depositories Act" means the Depositories Act, 1996 including any statutory modifications or re-enactment thereof for the time being in force;<br><br>**Depository** "Depository" means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992; |

| Title of Article | Article Number and contents |
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| | **Record** "Record" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI;<br><br>**Regulations** "Regulations" mean the regulations made by SEBI;<br><br>**Security** "Security" means such security as may be specified by SEBI. |
| Dematerialisation of securities | **25.(B)**<br><br>Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialised form, the Company shall enter into an agreement with the depository to enable the investor to dematerialise the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act. |
| Options to receive security certificates or hold securities with depository | **25.(C)**<br><br>Every person subscribing to securities offered by the Company shall have the option to receive the Security certificates or hold securities with a depository.<br><br>Where a person opts to hold a Security with a depository, the Company shall intimate such depository the details of allotment of the Security, and on receipt of such information the depository shall enter in its record the name of the allotted as the Beneficial Owner of that Security. |
| Securities in depositories to be in fungible form | **25.(D)**<br><br>All Securities held by a Depository shall be dematerialised and shall be in a fungible form; |
| Rights of depositories and beneficial owners | **25.(E)**<br><br>(1) Notwithstanding anything to the contrary contained in the Articles, a Depository shall be deemed to be a registered owner for the purposes of effecting transfer of ownership of Security on behalf of the Beneficial Owner;<br>(2) Save as otherwise provided in (1) above, the Depository as a registered owner shall not have any voting rights or any other rights in respect of Securities held by it;<br>(3) Every person holding equity share capital of the Company and whose name is entered as Beneficial Owner in the Records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the Securities held by a Depository. |
| Depository To Furnish Information | **25.(F)**<br><br>Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf. |

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| Service of documents | **25.(G)**<br><br>Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs. |
| Option to opt out in respect of any security | **25.(H)**<br><br>If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall on receipt of information as above make appropriate entries in its Records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be. |
| Sections 45 and 56 of the Companies Act, 2013 not to apply | **25.(I)**<br><br>Notwithstanding anything to the contrary contained in the Articles:<br><br>(1) Section 45 of the Companies Act, 2013 shall not apply to the Shares held with a Depository;<br>(2) Section 56 of the Companies Act, 2013 shall not apply to transfer of Security affected by the transferor and the transferee both of whom are entered as Beneficial Owners in the Records of a Depository. |
| Share certificate | **26.**<br><br>(a) Every Member or allottee of Shares is entitled, without payment, to receive one certificate for all the Shares of the same class registered in his name.<br>(b) Any two or more joint allottees or holders of Shares shall, for the purpose of this Article, be treated as a single Member and the certificate of any Share which may be the subject of joint ownership may be delivered to any one of such joint owners, on behalf of all of them. |
| Limitation of time for issue of certificates | **26A.**<br><br>Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be. Every certificate of Shares shall be under the seal of the company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that in respect of a Share or Shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of Shares to one or several joint holders shall be a sufficient delivery to all such holder. |

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| Renewal of share certificates | **27.**<br><br>No certificate of any Share or Shares shall be issued either in exchange for those, which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the pages on the reverse for recording transfer have been duly utilised unless the certificate in lieu of which it is issued is surrendered to the Company.<br><br>PROVIDED THAT no fee shall be charged for issue of new certificate in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilized. |
| Issue of new certificate in place of one defaced, lost or destroyed | **28.**<br><br>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new Certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.<br><br>Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulations or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.<br><br>The provision of this Article shall mutatis mutandis apply to Debentures of the Company. |
| The first name joint holder deemed sole holder | **29.**<br><br>If any Share(s) stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and all or any other matters connected with Company except voting at Meetings and the transfer of the Shares be deemed the sole holder thereof but the joint holders of a Share shall severally as well as jointly be liable for the payment of all incidents thereof according to the Company's Articles. |
| Issue of Shares without Voting Rights | **30.**<br><br>In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such share upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law. |

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| Buy-Back of Shares and Securities | **31.**<br><br>Notwithstanding anything contained in these articles, in the event it is permitted by law for a company to purchase its own shares or securities, the Board of Directors may, when and if thought fit, buy back, such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, provision of section 67 and SEBI (Buy Back of Shares) Regulations as may be permitted by law. |
| Employees Stock Options Scheme/ Plan | **32.**<br><br>The Directors shall have the power to offer , issue and allot Equity Shares in or Debentures (Whether fully/ partly convertible or not into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article collectively referred to as "the Employees") as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust, plan or proposal that may be formulated , created, instituted or set up by the Board of Directors or the Committee thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit. |
| Sweat Equity | **33.**<br><br>Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition. |
| Postal Ballot | **34.**<br><br>The Company may pass such resolution by postal ballot in the manner prescribed by Section 110 of the Companies Act, 2013 and such other applicable provisions of the Act and any future amendments or re-enactment thereof and as may be required by any other law including Listing Agreement entered with Stock Exchanges. Notwithstanding anything contained in the provisions of the Act, the Company shall in the case of a resolution relating to such business, as the Central Government may, by notification, declare to be conducted only by postal ballot, get such resolution passed by means of postal ballot instead of transacting such business in a general meeting of the Company. |
| Company not bound to recognize any interest in Shares other than of registered holder | **35.**<br><br>Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them. |

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| Trust recognized | **36.**<br><br>(a) Except as ordered, by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof, any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.<br><br>(b) Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or of a person of unsound mind (except in case where they are fully paid) or in the name of any firm or partnership. |
| Declaration by person not holding beneficial interest in any Shares | **37.**<br><br>(1) Notwithstanding anything herein contained a person whose name is at any time entered in Register of Member of the Company as the holder of a Share in the Company, but who does not hold the beneficial interest in such Shares, shall, if so required by the Act within such time and in such forms as may be prescribed, make declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such Share in the manner provided in the Act.<br><br>(2) A person who holds a beneficial interest in a Share or a class of Shares of the Company, shall if so required by the Act, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the Shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in the Act.<br><br>(3) Whenever there is a change in the beneficial interest in a Share referred to above, the beneficial owner shall, of so required by the Act, within the time prescribed, from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed in the Act<br><br>(4) Notwithstanding anything contained in the Act and Articles 35 and 36 hereof, where any declaration referred to above is made to the Company, the Company shall, if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration. |
| Funds of Company not to be applied in purchase of Shares of the Company | **38.**<br><br>No funds of the Company shall except as provided by Section 67 of the Companies Act, 2013 be employed in the purchase of its own Shares, unless the consequent reduction of capital is effected and sanction in pursuance of Sections 52, 55 (to the extent applicable) of Companies Act, 2013 and Sections 80 and 100 to 105 of the Companies Act, 1956 and these Articles or in giving either directly or indirectly and |

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| | whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any Share in the Company in its holding Company. |

**UNDERWRITING AND BROKERAGE**

| Title of Article | Article Number and contents |
|---|---|
| Commission may be paid | **39.**<br><br>Subject to the provisions of Section 40 of the Companies Act, 2013, the Company may at anytime pay commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares in or debentures of the Company. |
| Brokerage | **40.**<br><br>The Company may on any issue of Shares or Debentures or on deposits pay such brokerage as may be reasonable and lawful. |
| Commission to be included in the annual return | **41.**<br><br>Where the Company has paid any sum by way of commission in respect of any Shares or Debentures or allowed any sums by way of discount in respect to any Shares or Debentures, such statement thereof shall be made in the annual return as required by Section 92 to the Companies Act, 2013. |

**DEBENTURES**

| Title of Article | Article Number and contents |
|---|---|
| Debentures with voting rights not to be issued | **42.**<br><br>(a) The Company shall not issue any debentures carrying voting rights at any Meeting of the Company whether generally or in respect of particular classes of business.<br><br>(b) Payments of certain debts out of assets subject to floating charge in priority to claims under the charge may be made in accordance with the provisions of Section 327 of the Companies Act, 2013.<br><br>(c) Certain charges (which expression includes mortgage) mentioned in Section 77 of the Companies Act, 2013 shall be void against the Liquidator or creditor unless registered as provided in Section 77 of the Companies Act, 2013.<br><br>(d) A contract with the Company to take up and pay debentures of the Company may be enforced by a decree for specific performance. |

| Title of Article | Article Number and contents |
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| | (e) Unless the conditions of issue thereof otherwise provide, the Company shall (subject to the provisions of Section 56 of the Companies Act, 2013) within six months after the allotment of its debentures or debenture-stock and within one month after the application for the registration of the transfer of any such debentures or debentures-stock have completed and ready for delivery the certificate of all debenture-stock allotted or transferred.<br><br>(f) The Company shall comply with the provisions of Section 71 of the Companies Act, 2013 as regards supply of copies of Debenture Trust Deed and inspection thereof.<br><br>(g) The Company shall comply with the provisions of Section 2(16), 77 to 87 (inclusive) of the Companies Act, 2013 as regards registration of charges. |

**CALLS**

| Title of Article | Article Number and contents |
|---|---|
| Directors may make calls | **43.**<br><br>(a) Subject to the provisions of Section 49 of the Companies Act, 2013 the Board of Directors may from time to time by a resolution passed at a meeting of a Board (and not by a circular resolution) make such calls as it thinks fit upon the Members in respect of all moneys unpaid on the Shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed time and each Member shall pay the amount of every call so made on him to person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine. No call shall be made payable within less than one month from the date fixed for the payment of the last preceding call.<br><br>(b) The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof. |
| Notice of call when to be given | **44.**<br><br>Not less than fourteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment and the person or persons to whom such call shall be paid. |
| Call deemed to have been made | **45.**<br><br>A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board of Directors and may be made payable by the Members of such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Board of Directors. |

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| Directors may extend time | **46.**<br><br>The Directors may, from time to time, at their discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who from residence at a distance or other cause, the Directors may deem fairly entitled to such extension, but no member shall be entitled to such extension, save as a matter of grace and favour. |
| Amount payable at fixed time or by installments to be treated as calls | **47.**<br><br>If by the terms of issue of any Share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the Share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly. |
| When interest on call or installment payable | **48.**<br><br>If the sum payable in respect of any call or installment is not paid on or before the day appointed for the payment thereof, the holder for the time being or allottee of the Share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at such rate not exceeding ten percent per annum as Directors shall fix from the day appointed for the payment thereof up to the time of actual payment but the Directors may waive payment of such interest wholly or in part. |
| Evidence in action by Company against share holder | **49.**<br><br>On the trial of hearing of any action or suit brought by the Company against any Member or his Legal Representatives for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the Member in respect of whose Shares the money is sought to be recovered is entered on the Register of Members as the holder or as one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the Shares in respect of which the money is sought to be recovered, that the resolution making the call is duly recorded in the minute book and the notice of such call was duly given to the Member or his legal representatives sued in pursuance of these Articles and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt. |
| Payment in anticipation of calls may carry interest | **50.**<br><br>The Directors may, if they think fit, subject to the provisions of Section 50 of the Companies Act, 2013, agree to and receive from any Member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to |

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| | participate in profits or dividend. The Directors may at any time repay the amount so advanced.<br><br>The Members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.<br><br>The provisions of these Articles shall *mutatis mutandis* apply to the calls on Debentures of the Company. |

**LIEN**

| Title of Article | Article Number and contents |
|---|---|
| Partial payment not to preclude forfeiture | **51.**<br><br>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, or any indulgence granted by the Company in respect of the payment of such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided. |
| Company's lien on Shares/ Debentures | **52.**<br><br>The Company shall have first and paramount lien upon all Shares/Debentures (other than fully paid up Shares/ Debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/ Debentures and no equitable interest in any Share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/Debentures; Unless otherwise agreed the registration of a transfer of Shares/ Debentures shall operate as a waiver of the Company's lien if any, on such Shares/Debentures. The Directors may at any time declare any Shares/ Debentures wholly or in part exempt from the provisions of this Article. |
| As to enforcing lien by sale | **53.**<br><br>The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has lien for the purpose of enforcing the same.<br><br>PROVIDED THAT no sale shall be made:-<br><br>(a) Unless a sum in respect of which the lien exists is presently payable; or<br>(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.<br><br>For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such Shares and may authorize one of their members to execute a transfer there from on behalf of and in the name of such Members |

| Title of Article | Article Number and contents |
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| | The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the Shares be affected by any irregularity, or invalidity in the proceedings in reference to the sale. |
| Application of proceeds of sale | **54.**<br>(a) The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable, and<br>(b) The residue if any, after adjusting costs and expenses if any incurred shall be paid to the person entitled to the Shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the Shares before the sale). |

**FORFEITURE OF SHARES**

| Title of Article | Article Number and contents |
|---|---|
| If money payable on Shares not paid notice to be given | **55.**<br>If any Member fails to pay the whole or any part of any call or any installments of a call on or before the day appointed for the payment of the same or any such extension thereof, the Board of Directors may, at any time thereafter, during such time as the call for installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment. |
| Sum payable on allotment to be deemed a call | **56.**<br>For the purposes of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment. |
| Form of notice | **57.**<br>The notice shall name a day, (not being less than fourteen days form the day of the notice) and a place or places on and at which such call in installment and such interest thereon at such rate not exceeding eighteen percent per annum as the Directors may determine and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-payment at or before the time and at the place appointed, Shares in respect of which the call was made or installment is payable will be liable to be forfeited. |
| In default of payment Shares to be forfeited | **58.**<br>If the requirements of any such notice as aforesaid are not complied with, any Share or Shares in respect of which such notice has been given may at any time thereafter before payment of all calls or installments, interests and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture. |

| Title of Article | Article Number and contents |
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| Notice of forfeiture to a Member | **59.**<br>When any Share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid. |
| Forfeited Shares to be the property of the Company and may be sold etc. | **60.**<br>Any Share so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit. |
| Member still liable for money owning at the time of forfeiture and interest | **61.**<br>Any Member whose Shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding eighteen percent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if it thinks fit, but shall not be under any obligation to do so. |
| Effects of forfeiture | **62.**<br>The forfeiture of a Share shall involve the extinction at the time of the forfeiture, of all interest in and all claims and demand against the Company in respect of the Share and all other rights incidental to the Share, except only such of those rights as by these Articles are expressly saved. |
| Power to annul forfeiture | **63.**<br>The Board of Directors may at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit. |
| Declaration of forfeiture | **64.**<br>(a) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or the Secretary of the Company, and that Share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.<br><br>(b) The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed off.<br><br>(c) The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share.<br><br>(d) Any such purchaser or allotee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might |

| Title of Article | Article Number and contents |
|---|---|
| | have accrued upon the Share before the time of completing such purchase or before such allotment.<br><br>(e) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the Shares. |
| Provisions of these articles as to forfeiture to apply in case of nonpayment of any sum | **65.**<br>The provisions of these Articles 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 Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified. |
| Cancellation of shares certificates in respect of forfeited Shares | **66.**<br>Upon sale, re-allotment or other disposal under the provisions of these Articles, the certificate or certificates originally issued in respect of the said Shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said Shares to the person or persons entitled thereto. |
| Evidence of forfeiture | **67.**<br>The declaration as mentioned in Article 64(a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share. |
| Validity of sale | **68.**<br>Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively. |
| Surrender of Shares | **69.**<br>The Directors may subject to the provisions of the Act, accept surrender of any share from any Member desirous of surrendering on such terms and conditions as they think fit. |

**TRANSFER AND TRANSMISSION OF SHARES**

| Title of Article | Article Number and contents |
|---|---|
| No transfers to minors etc. | **70.**<br>No Share which is partly paid-up or on which any sum of money is due shall in any circumstances be transferred to any minor, insolvent or person of unsound mind. |
| Instrument of transfer | **71.**<br>The instrument of transfer shall be in writing and all provisions of Section 56 of the Companies Act, 2013 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. |
| Application for transfer | **72.**<br>(a) An application for registration of a transfer of the Shares in the Company may be made either by the transferor or the transferee.<br><br>(b) Where the application is made by the transferor and relates to partly paid Shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.<br><br>(c) For the purposes of clause (b) above notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address, given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post. |
| Execution of transfer | **73.**<br>The instrument of transfer of any Share shall be duly stamped and executed by or on behalf of both the transferor and the transferee and shall be witnessed. The transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The requirements of provisions of Section 56 of the Companies Act, 2013 and any statutory modification thereof for the time being shall be duly complied with. |
| Transfer by legal representatives | **74.**<br>A transfer of Share in the Company of a deceased Member thereof made by his legal representative shall, although the legal representative is not himself a Member be as valid as if he had been a Member at the time of the execution of the instrument of transfer. |
| Register of Members etc when closed | **75.**<br>The Board of Directors shall have power on giving not less than seven days pervious notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situated to close the Register of Members and/or the Register of debentures holders , in accordance with Section 91 of the Companies Act, 2013 and rules made thereunder, at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board. |

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| Directors may refuse to register transfer | **76.**<br>Subject to the provisions of Section 58 & 59 of the Companies Act, 2013, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares. |
| Death of one or more joint holders of Shares | **77.**<br>In case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognised by the Company as having any title or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him with any other person. |
| Titles of Shares of deceased Member | **78.**<br>The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks it, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 and 56 of the Companies Act, 2013. |
| Notice of application when to be given | **79.**<br>Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Companies Act, 2013. |
| Registration of persons entitled to Shares otherwise than by transfer (Transmission Clause) | **80.**<br>Subject to the provisions of the Act and Article 77 hereto, any person becoming entitled to Share in consequence of the death, lunacy, bankruptcy or insolvency of any Member or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered |

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| | as a holder, he shall execute an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the Shares. This clause is hereinafter referred to as the "Transmission Clause". |
| Refusal to register nominee | **81.** Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration. |
| Person entitled may receive dividend without being registered as a Member | **82.** A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the Share. |
| No fee on transfer or transmissions | **83.** No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate & Letters of Administration, Certificate of Death or Marriage, Power of Attorney or other similar document. |
| Transfer to be presented with evidence of title | **84.** Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the Shares and generally under and subject to such conditions and regulations as the Board may, from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board. |
| `<br>Company not liable for disregard of a notice prohibiting registration of transfer | **85.** The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or 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 to be required to regard or attend to give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit. |

## CONVERSION OF SHARES INTO STOCK AND RECONVERSION

| Title of Article | Article Number and contents |
|---|---|
| Share may be converted into stock | **86.**<br><br>The Company may, by Ordinary Resolution convert any fully paid up Share into stock, and reconvert any stock into fully paid-up Shares. |
| Transfer of stock | **87.**<br><br>The several holders of such stock may transfer their respective interest therein or any part thereof in the same manner and subject to the same regulations under which the stock arose might before the conversion, have been transferred, or as near thereto as circumstances admit.<br><br>PROVIDED THAT the Board may, from time to time, fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the Shares from which stock arose. |
| Right of stock holders | **88.**<br><br>The holders of stock shall, according to the amount of stock held by them, have the same right, privileges and advantages as regards dividends, voting at meeting of the Company, and other matters, as if they held them in 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 those privileges or advantages. |
| Regulation applicable to stock and share warrant | **89.**<br><br>Such of the regulations of the Company as are applicable to the paid up Shares shall apply to stock and the words "Share" and "Shareholder" in these regulations shall include "stock" and "stock holder" respectively. |

## BORROWING POWERS

| Title of Article | Article Number and contents |
|---|---|
| Power to borrow | **90.**<br><br>Subject to the provisions of Sections 73, 74 and 179 of the Companies Act, 2013 and these Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any such sum or sums of money for the purposes of the Company from any source.<br><br>PROVIDED THAT, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board of Directors shall not borrow such money without the sanction of the Company in General Meeting. No debts incurred by the Company in excess of the |

| Title of Article | Article Number and contents |
|---|---|
| | limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded. |
| The payment or repayment of moneys borrowed | **91.**<br><br>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 of Directors may think fit, and in particular in pursuance of a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of bonds, debentures or debentures stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its un-called capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued. |
| Bonds, Debentures, etc. to be subject to control of Directors | **92.**<br><br>Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider being for the benefit of the Company. |
| Terms of issue of Debentures | **93.**<br><br>Any Debentures, Debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into Shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of Shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. However, Debentures with the right to conversion into or allotment of Shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution. |
| Mortgage of uncalled capital | **94.**<br><br>If any uncalled capital of the Company is included in or charged by mortgage or other security, the Directors may, subject to the provisions of the Act and these Articles, make calls on the Members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security has been executed. |
| Indemnity may be given | **95.**<br><br>Subject to the provisions of the Act and these Articles, if the Directors or any of them or any other person shall incur or about to incur any liability as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability. |

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| Related Party Transactions | **96.**<br><br>**A.** Subject to the provisions of the Act, the Company may enter into cotracts with the Related Party which are at arm's length and are in ordinary course of business of the company with approval of the Audit Committee and subsequently Board.<br><br>**B.** Subject to the provisions of the Act, the Company may enter into contracts with the related parties which are of such nature wherein it requires consent of shareholders in terms of Act or Listing Agreement or any other law for the time being in force, with approval of the shareholders in the general meeting. |

**MEETING OF MEMBERS**

| Title of Article | Article Number and contents |
|---|---|
| Annual General Meeting | **97.**<br><br>(a) An Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of next.<br><br>(b) Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96(1) of the Act to extend the time with which any Annual General Meeting may be held.<br><br>(c) Every Annual General Meeting shall be called at a time during business hours i.e. 9 a.m. to 6 p.m., on a day that is not a public holiday, and shall be held at the office of the Company or at some other place within the city in which the Registered Office of the Company is situated as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.<br><br>(d) The company may in any one Annual General Meeting fix the time for its subsequent Annual General Meeting.<br><br>(e) Every Member of the Company shall be entitled to attend, either in person or by proxy and the Auditors of the Company shall have the right to attend and be heard at any General Meeting which he attends on any part of the business which concerns him as an Auditor.<br><br>(f) At every Annual General Meeting of the Company, there shall be laid on the table the Director's Report and Audited statement of accounts, the Proxy Register with proxies and the Register of Director's Shareholding, which Registers shall remain open and accessible during the continuance of the Meeting. |

| Title of Article | Article Number and contents |
|---|---|
| | (g) The Board shall cause to be prepared the annual list of Members, summary of share capital, balance sheet and profit and loss account and forward the same to the Registrar in accordance with Sections 159, 161 and 220 of the Act. |
| Report statement and registers to be laid before the Annual General Meeting | **98.**<br><br>The Company shall in every Annual General Meeting in addition to any other Report or Statement lay on the table the Director's Report and audited statement of accounts, Auditor's Report (if not already incorporated in the audited statement of accounts), the Proxy Register with proxies and the Register of Director's Shareholdings, which Registers shall remain open and accessible during the continuance of the Meeting. |
| Extra-Ordinary General Meeting | **99.**<br><br>All General Meeting other than Annual General Meeting shall be called Extra-Ordinary General Meeting. |
| Requisitionists' Meeting | **100.**<br><br>(1) Subject to the provisions of Section 111 of the Companies Act, 2013, the Directors shall on the requisition in writing of such number of Members as is hereinafter specified:-<br><br>(a) Give to the Members of the Company entitled to receive notice of the next Annual General Meeting, notice of any resolution which may properly be moved and is intended to be moved at that meeting.<br>(b) Circulate to the Members entitled to have notice of any General Meeting sent to them, any statement with respect to the matter referred to in any proposed resolution or any business to be dealt with at that Meeting.<br><br>(2) The number of Members necessary for a requisition under clause (1) hereof shall be such number of Members as represent not less than one-tenth of the total voting power of all the Members having at the date of the resolution a right to vote on the resolution or business to which the requisition relates; or<br><br>(3) Notice of any such resolution shall be given and any such statement shall be circulated, to Members of the Company entitled to have notice of the Meeting sent to them by serving a copy of the resolution or statement to each Member in any manner permitted by the Act for service of notice of the Meeting and notice of any such resolution shall be given to any other Member of the Company by giving notice of the general effect of the resolution in any manner permitted by the Act for giving him notice of meeting of the Company. The copy of the resolution shall be served, or notice of the effect of the resolution shall be given, as the case may be in the same manner, and so far as practicable, at the same time as notice of the Meeting and where it is not practicable for it to be served or given at the time it shall be served or given as soon as practicable thereafter. |

| Title of Article | Article Number and contents |
|---|---|
| | (4) The Company shall not be bound under this Article to give notice of any resolution or to circulate any statement unless:<br><br>(a) A copy of the requisition signed by the requisitionists (or two or more copies which between them contain the signature of all the requisitionists) is deposited at the Registered Office of the Company.<br>i. In the case of a requisition, requiring notice of resolution, not less than six weeks before the Meeting;<br>ii. In the case of any other requisition, not less than two weeks before the Meeting, and<br><br>(b) There is deposited or tendered with the requisition sum reasonably sufficient to meet the Company's expenses in giving effect thereto.<br><br>PROVIDED THAT if, after a copy of the requisition requiring notice of a resolution has been deposited at the Registered Office of the Company, an Annual General Meeting is called for a date six weeks or less after such copy has been deposited, the copy although not deposited within the time required by this clause, shall be deemed to have been properly deposited for the purposes thereof.<br><br>(5) The Company shall also not be bound under this Article to circulate any statement, if on the application either of the Company or of any other person who claims to be aggrieved, the Company Law Board is satisfied that the rights conferred by this Article are being abused to secure needless publicity for defamatory matter.<br><br>(6) Notwithstanding anything in these Articles, the business which may be dealt with at Annual General Meeting shall include any resolution for which notice is given in accordance with this Article, and for the purposes of this clause, notice shall be deemed to have been so given, notwithstanding the accidental omission in giving it to one or more Members. |
| Extra-Ordinary General Meeting by Board and by requisition<br><br>When a Director or any two Members may call an Extra Ordinary General Meeting | **101.**<br><br>(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of the Members as herein provided, forthwith proceed to convene Extra-Ordinary General Meeting of the Company.<br><br>(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors. |

| Title of Article | Article Number and contents |
|---|---|
| Contents of requisition, and number of requisitionists required and the conduct of Meeting | **102.**<br><br>(1) In case of requisition the following provisions shall have effect:<br><br>(a) The requisition shall set out the matter for the purpose of which the Meeting is to be called and shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company.<br><br>(b) The requisition may consist of several documents in like form each signed by one or more requisitionists.<br><br>(c) The number of Members entitled to requisition a Meeting in regard to any matter shall be such number as hold at the date of the deposit of the requisition, not less than one-tenth of such of the paid-up share capital of the Company as that date carried the right of voting in regard to that matter.<br><br>(d) Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (c) shall apply separately in regard to each such matter and the requisition shall accordingly be valid only in respect of those matters in regard to which the conditions specified in that clause are fulfilled.<br><br>(e) If the Board does not, within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a Meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the Meeting may be called:<br><br>(i) by the requisitionists themselves; or<br><br>(ii) by such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one tenth of the paid-up share capital of the Company as is referred to in sub clauses (c) of clause (I) whichever is less.<br><br>PROVIDED THAT for the purpose of this sub-clause, the Board shall, in the case of a Meeting at which a resolution is to be proposed as a Special Resolution, be deemed not to have duly convened the Meeting if they do not give such notice thereof as is required by sub-section (2) of Section 114 of the Companies Act, 2013.<br><br>(2) A meeting called under sub-clause (c) of clause (1) by requisitionists or any of them:<br><br>(a) shall be called in the same manner as, nearly as possible, as that in which meeting is to be called by the Board; but<br><br>(b) shall not be held after the expiration of three months from the date of deposit of the requisition.<br><br>PROVIDED THAT nothing in sub-clause (b) shall be deemed to prevent a Meeting duly commenced before the expiry of the period of three months aforesaid, from adjourning to some days after the expiry of that period. |

| Title of Article | Article Number and contents |
|---|---|
| | (3) Where two or more Persons hold any Shares in the Company jointly; a requisition or a notice calling a Meeting signed by one or some only of them shall, for the purpose of this Article, have the same force and effect as if it has been signed by all of them.<br>(4) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to duly to call a Meeting shall be repaid to the requisitionists by the Company; and any sum repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default. |
| Length of notice of Meeting | **103.**<br>(1) A General Meeting of the Company may be called by giving not less than twenty-one days notice in writing.<br>(2) A General Meeting may be called after giving shorter notice than that specified in clause (1) hereof, if consent is accorded thereto:<br>(i) In the case of Annual General Meeting by all the Members entitled to vote thereat; and<br>(ii) In the case of any other Meeting, by Members of the Company holding not less than ninety-five percent of such part of the paid up share capital of the Company as gives a right to vote at the Meeting.<br>PROVIDED THAT where any Members of the Company are entitled to vote only on some resolution, or resolutions to be moved at a Meeting and not on the others, those Members shall be taken into account for the purposes of this clause in respect of the former resolutions and not in respect of the later. |
| Contents and manner of service of notice and persons on whom it is to be served | **104.**<br>(1) Every notice of a Meeting of the Company shall specify the place and the day and hour of the Meeting and shall contain a statement of the business to be transacted thereat.<br>(2) Subject to the provisions of the Act notice of every General Meeting shall be given;<br>(a) to every Member of the Company, in any manner authorized by Section 101 of the Companies Act, 2013**;**<br>(b) to the persons entitled to a Share in consequence of the death or insolvency of a Member, by sending it through post in a prepaid letter addressed to them by name or by the title of representative of the deceased, or assignees of the insolvent, or by like description, at the address, if any in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; and<br>(c) to the Auditor or Auditors for the time being of the Company<br>(3) Every notice convening a Meeting of the Company shall state with reasonable prominence that a Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of himself and that a proxy need not be a Member of the Company. |

| Title of Article | Article Number and contents |
|---|---|
| Special and ordinary business and explanatory statement | **105.**<br><br>(1) **(a)** In the case of an Annual General Meeting all business to be transacted at the Meeting shall be deemed special, with the exception of business relating to<br>(i) the consideration of the accounts, balance sheet, the reports of the Board of Directors and Auditors;<br>(ii) the declaration of dividend;<br>(iii) the appointment of Directors in the place of those retiring; and<br>(iv) the appointment of, and the fixing of the remuneration of the Auditors, and<br>**(b)** In the case of any other meeting, all business shall be deemed special.<br><br>(2) Where any items of business to be transacted at the Meeting of the Company are deemed to be special as aforesaid, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business, including in particular the nature of the concern or interest, if any, therein of every Director.<br>PROVIDED THAT where any such item of special business at the Meeting of the Company relates to or affects, any other company, the extent of shareholding interest in that other company of every Director of the Company shall also be set out in the statement, if the extent of such shareholding interest is not less than twenty percent of the paid up-share capital of the other company.<br><br>(3) Where any item of business consists of the according of approval to any document by the Meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid. |
| Omission to give notice not to invalidate proceedings | **106.**<br><br>The accidental omission to give such notice as aforesaid to or non-receipt thereof by any Member or other person to whom it should be given, shall not invalidate the proceedings of any such Meeting. |

**MEETING OF MEMBERS**

| Title of Article | Article Number and contents |
|---|---|
| Notice of business to be given | **107.**<br><br>No General Meeting, Annual or Extra-Ordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the Meeting. |
| Quorum | **108.**<br><br>Five Members entitled to vote and present in person shall be quorum for General Meeting and no business shall be transacted at the General Meeting unless the quorum requisite is present at the commencement of the Meeting. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Companies Act, 2013. The President of India or the Governor |

| Title of Article | Article Number and contents |
|---|---|
| | of a State being a Member of the Company shall be deemed to be personally present if it is presented in accordance with Section 113 of the Companies Act, 2013. |
| If quorum not present when Meeting to be dissolved and when to be adjourned | **109.**<br><br>If within half an hour from the time appointed for holding a Meeting of the Company, a quorum is not present, the Meeting, if called by or upon the requisition of the Members shall stand dissolved and in any other case the Meeting shall stand, adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday, at the same time and place or to such other day and at such other time and place as the Board may determine. If at the adjourned meeting also, a quorum is not present within half an hour from the time appointed for holding the Meeting, the Members present shall be a quorum and may transact the business for which the Meeting was called. |
| Resolution passed at adjourned Meeting | **110.**<br><br>Where a resolution is passed at an adjourned Meeting of the Company, the resolution for all purposes is treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date. |
| Chairman of General Meeting. | **111.**<br><br>At every General Meeting the Chair shall be taken by the Chairman of the Board of Directors. If at any Meeting, the Chairman of the Board of Directors is not present within ten minutes after the time appointed for holding the Meeting or though present, is unwilling to act as Chairman, the Vice Chairman of the Board of Directors would act as Chairman of the Meeting and if Vice Chairman of the Board of Directors is not present or, though present, is unwilling to act as Chairman, the Directors present may choose one of themselves to be a Chairman, and in default or their doing so or if no Directors shall be present and willing to take the Chair, then the Members present shall choose one of themselves, being a Member entitled to vote, to be Chairman. |
| Act for resolution sufficiently done or passed by Ordinary Resolution unless otherwise required | **112.**<br><br>Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently done so or passed if effected by an Ordinary Resolution unless either the Act or the Articles specifically require such act to be done or resolution be passed by a Special Resolution. |
| Business confined to election of Chairman whilst the Chair is vacant | **113.**<br><br>No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant. |

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| Chairman may adjourn Meeting | **114.**<br>(a) The Chairman may with the consent of Meeting at which a quorum is present and shall if so directed by the Meeting adjourn the Meeting from time to time and from place to place.<br>(b) No business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place<br>(c) When a Meeting is adjourned for thirty days or more notice of the adjourned Meeting shall be given as in the case of an original Meeting.<br>(d) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned Meeting. |
| How questions are decided at Meetings | **115.**<br>Every question submitted to a General Meeting shall be decided in the first instance by a show of hands unless the poll is demanded as provided in these Articles. |
| Chairman's declaration of result of voting on show of hands | **116.**<br>A declaration by the Chairman of the Meeting that on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the book containing the minutes of the proceeding of the Company's General Meeting shall be conclusive evidence of the fact, without proof of the number or proportion of votes cast in favour of or against such resolution. |
| Demand of poll | **117.**<br>Before or on the declaration of the result of the voting on any resolution on a show of hands a poll may be ordered to be taken by the Chairman of the Meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding Shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand. |
| Time of taking poll | **118.**<br>A poll demanded on a question of adjournment or election of a Chairman shall be taken forthwith. A poll demanded on any other question shall be taken at such time not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the Meeting may direct and the result of the poll shall be deemed to be the decision of the Meeting on the resolution on which the poll was taken. |
| Chairman's casting vote | **119.**<br>In the case of equality of votes, the Chairman shall both on a show of hands and on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a Member. |

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| Appointment of scrutineers | **120.**<br><br>Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutineers to scrutinise the vote given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a Member (not being an officer or employee of the Company) present at the Meeting, provided such a Member is available and willing to be appointed. The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and fill vacancies in the office of the scrutineer arising from such removal or from any other cause. |
| Demand for poll not to prevent transaction of other business | **121.**<br><br>The demand for a poll shall not prevent transaction of other business (except on the question of the election of the Chairman and of an adjournment) other than the question on which the poll has been demanded. |
| Special notice | **122.**<br><br>Where by any provision contained in the Act or in these Articles, special notice is required for any resolution, the notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the Meeting at which it is to be moved, exclusive of the day which the notice is served or deemed to be served on the day of the Meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its Members notice of the resolution in the same manner as it gives notice of the Meeting, or if that is not practicable shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the Meeting. |

**VOTES OF MEMBERS**

| Title of Article | Article Number and contents |
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| Member paying money in advance not to be entitled to vote in respect thereof | **123.**<br><br>A Member paying the whole or a part of the amount remaining unpaid on any Share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of moneys so paid by him until the same would but for such payment become presently payable. |
| Restriction on exercise of voting rights of Members who have not paid calls | **124.**<br><br>No Member shall exercise any voting rights in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien. |

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| Number of votes to which Member entitled | **125.**<br><br>Subject to the provisions of Article 123, every Member of the Company holding any equity share capital and otherwise entitled to vote shall, on a show of hands when present in person (or being a body corporate present by a representative duly authorized) have one vote and on a poll, when present in person (including a body corporate by a duly authorized representative), or by an agent duly authorized under a Power of Attorney or by proxy, his voting right shall be in proportion to his share of the paid-up equity share capital of the Company.<br><br>Provided however, if any preference shareholder is present at any meeting of the Company, (save as provided in sub-section (2) of Section 47 of Companies Act, 2013) he shall have a right to vote only on resolutions before the Meeting which directly affect the rights attached to his preference shares.<br><br>A Member is not prohibited from exercising his voting rights on the ground that he has not held his Shares or interest in the Company for any specified period preceding the date on which the vote is taken. |
| Votes of Members of unsound mind | **126.**<br><br>A Member of unsound mind, or in respect of whom 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. |
| Votes of joint Members | **127.**<br><br>If there be joint registered holders of any Shares, one of such persons may vote at any Meeting personally or by an agent duly authorized under a Power of Attorney or by proxy in respect of such Shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the Meeting, and if more than one of such joint holders be present at any Meeting either personally or by agent or by proxy, that one of the said persons so present whose name appears higher on the Register of Members shall alone be entitled to speak and to vote in respect of such Shares, but the other holder(s) shall be entitled to vote in preference to a person present by an agent duly authorized under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register of Members in respect of such Shares. Several executors or administrators of a deceased Member in whose name Shares stand shall for the purpose of these Articles be deemed joint holders thereof. |
| Representation of body corporate | **128.**<br><br>(a) A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member or creditor of the Company (including a holder of Debentures) authorize such person as it thinks fit by a resolution of its Board of Directors or other governing body, to act as its representative at any Meeting of the Company or any class of shareholders of the Company or at any meeting of the creditors of the Company or Debenture-holders of the Company. A person authorized by resolutions aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member, shareholder, creditor or holder of Debentures of the Company. The production |

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| | of a copy of the resolution referred to above certified by a Director or the Secretary of such body corporate before the commencement of the Meeting shall be accepted by the Company as sufficient evidence of the validity of the said representatives' appointment and his right to vote thereat.<br>(b) Where the President of India or the Governor of a State is a Member of the Company, the President or as the case may be the Governor may appoint such person as he thinks fit to act as his representative at any Meeting of the Company or at any meeting of any class of shareholders of the Company and such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a Member of the Company. |
| Votes in respects of deceased or insolvent Members | **129.**<br>Any person entitled under the Transmission Article to transfer any Shares may vote at any General Meeting in respect thereof in the same manner as if he was the registered holder of such Shares; provided that at least forty-eight hours before the time of holding the Meeting or adjourned Meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of the right to transfer such Shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such Meeting in respect thereof. |
| Voting in person or by proxy | **130.**<br>Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorized in accordance with Section 105 of the Companies Act, 2013. |
| Rights of Members to use votes differently | **131.**<br>On a poll taken at a Meeting of the Company a Member entitled to more than one vote or his proxy, or other persons entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses |
| Proxies | **132.**<br>Any Member of the Company entitled to attend and vote at a Meeting of the Company, shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote instead of himself. PROVIDED that a proxy so appointed shall not have any right whatsoever to speak at the Meeting. Every notice convening a Meeting of the Company shall state that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself, and that a proxy need not be a Member of the Company. |
| Proxy either for specified meeting or for a period | **133.**<br>An instrument of proxy may appoint a proxy either for the purposes of a particular Meeting specified in the instrument and any adjournment thereof or it may appoint a proxy for the purpose of every Meeting to be held before a date specified in the instrument and every adjournment of any such Meeting. |

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| No proxy to vote on a show of hands | **134.**<br><br>No proxy shall be entitled to vote by a show of hands. |
| Instrument of proxy when to be deposited | **135.**<br><br>The instrument appointing a proxy and the Power of Attorney or authority (if any) under which it is signed or a notarially certified copy of that Power of Attorney or authority, shall be deposited at the Registered Office of the Company at least forty-eight hours before the time for holding the Meeting at which the person named in the instrument purposes to vote and in default the instrument of proxy shall not be treated as valid. |
| Form of Proxy | **136.**<br><br>Every instrument of proxy whether for a specified Meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms as prescribed in the Companies Act, 2013, and signed by the appointer or his attorney duly authorized in writing or if the appointer is a body corporate, be under its seal or be signed by any officer or attorney duly authorized by it. |
| Validity of votes given by proxy notwithstanding revocation of authority | **137.**<br><br>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 revocation of the proxy or of any Power of Attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Company at the Registered Office before the commencement of the Meeting or adjourned Meeting at which the proxy is used provided nevertheless that the Chairman of any Meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and of the same not having been revoked. |
| Time for objection to vote | **138.**<br><br>No objection shall be made to the qualification of any voter or to the validity of a vote except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting, shall be valid for all proposes and such objection made in due time shall be referred to the Chairman of the Meeting. |
| Chairman of any Meeting to be the judge of Validity of any value | **139.**<br><br>The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The decision of the Chairman shall be final and conclusive. |
| Custody of Instrument | **140.**<br><br>If any such instrument of appointment is confined to the object of appointing at attorney or proxy for voting at Meetings of the Company, it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. If |

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| | such instrument embraces other objects, a copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company. |

**DIRECTORS**

| Title of Article | Article Number and contents |
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| Number of Directors | **141.**<br><br>Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Companies Act, 2013, the number of Directors shall not be less than three and not more than fifteen.<br><br>**141**(a) First Directors of the Company were:<br><br>(i) Shri Aashok Aggarwal<br><br>(ii) Shri Shyam Avtar Gupta |
| Appointment of Directors | **142.**<br><br>The appointment of Directors of the Company shall be in accordance with the provisions of the Act and these Articles, to the extent applicable. |
| Debenture Directors | **143.**<br><br>Any Trust Deed for securing Debentures may if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of Debentures, of some person to be a Director of the Company and may empower such Trustees or holder of Debentures, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions contained herein. |
| Nominee Director or Corporation Director | **144.**<br><br>(a) Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any Finance Corporation or Credit Corporation or to any Financing company or body, (which corporation or body is hereinafter in this Article referred to as "the corporation") out of any loans granted or to be granted by them to the Company or so long as the corporation continue to hold Debentures in the Company by direct subscription or private placement, or so long as the Corporation holds Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time any person or persons as a Director, whole time or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee |

| Title of Article | Article Number and contents |
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| | Director(s)") on the Board of the Company and to remove from such office any persons so appointed and to appoint any person or persons in his/their places.<br><br>(b) The Board of Directors of the Company shall have no power to remove from office the Nominee Director(s). Such Nominee Director(s) shall not be required to hold any Share qualification in the Company. Further Nominee Director shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Directors(s) shall be entitled to the same rights and privileges and be subject to the obligations as any other Director of the Company.<br><br>(c) The Nominee Director(s) so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation and the Nominee Director/s so appointed in exercise of the said power, shall *ipso facto* vacate such office immediately on the moneys owing by the Company to the Corporation being paid off.<br><br>(d) The Nominee Director(s) appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and all the Meetings of the Committee of which the Nominee Director(s) is/are Member(s) as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.<br><br>(e) The sitting fees in relation to such Nominee Director(s) shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any other fees, commission, moneys or remuneration in any form is payable to the Nominee Director of the Company, such fees, commission, moneys and remuneration in relation to such Nominee Director(s) shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director(s), in connection with their appointment or Directorship, shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s provided that if any such Nominee Director/s is/are an officer(s) of the Corporation..<br><br>Provided also that in the event of the Nominee Director(s) being appointed as Whole-time Director(s); such Nominee Director/s shall exercise such power and duties as may be approved by the lenders and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of Company. Such Nominee Director shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Corporation(s) nominated by him. |
| Special Director | **145.**<br><br>(a) In connection with any collaboration arrangement with any company or corporation or any firm or person for supply of technical know-how and/or machinery or technical advice the directors may authorize such company, corporation, firm or person herein-after in this clause referred to as |

| Title of Article | Article Number and contents |
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| | "collaboration" to appoint from time to time any person as director of the company (hereinafter referred to as "special director") and may agree that such special director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for office of such director, so however that such special director shall hold office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the Company and such collaborator under the collaboration arrangements or at any time thereafter.<br><br>(b) The collaborators may at any time and from time to time remove any such special director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as special director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to the Company at its registered office.<br><br>(c) It is clarified that every collaborator entitled to appoint a director under this article may appoint one such person as a director and so that if more then one collaborator is so entitled there may be at any time as may special directors as the collaborators eligible to make the appointment. |
| Limit on number of non-retiring Directors | **146.**<br><br>The provisions of Articles 143, 144 and 145 are subject to the provisions of Section 152 of the Companies Act, 2013 and number of such Directors appointed shall not exceed in the aggregate one third of the total number of Directors for the time being in office. |
| Alternate Director | **147.**<br><br>The Board may appoint, an Alternate Director recommended for such appointment by the Director (hereinafter in this Article called "the Original Director") to act for him during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meetings of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such Meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director appointed under this Article shall vacate office as and when the Original Director returns to the State in which the meetings of the Board are ordinarily held and if the term of office of the Original Director is determined before he returns to as aforesaid, any provisions in the Act or in these Articles for automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not the Alternate Director. |
| Directors may fill in vacancies | **148.**<br><br>The Directors shall have power at any time and from time to time to appoint any 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 hold office only up to the date to which the Director in whose place he is appointed |

| Title of Article | Article Number and contents |
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| | would have held office, if it had not been vacated as aforesaid. However, he shall then be eligible for re-election. |
| Additional Directors | **149.**<br><br>Subject to the provisions of Section 161 of the Companies Act, 2013 the Directors shall have the power at any time and from time to time to appoint any other person to be a Director as an addition to the Board ("Additional Director") so that the total number of Directors shall not at any time exceed the maximum fixed by these Articles. Any person so appointed as an Additional Director to the Board shall hold his office only up to the date of the next Annual General Meeting and shall be eligible for election at such Meeting. |
| Qualification shares | **150.**<br><br>A Director need not hold any qualification shares. |
| Directors' sitting fees | **151.**<br><br>The fees payable to a Director for attending each Board meeting shall be such sum as may be fixed by the Board of Directors not exceeding such sum as may be prescribed by the Central Government for each of the meetings of the Board or a Committee thereof and adjournments thereto attended by him. The Directors, subject to the sanction of the Central Government (if any required) may be paid such higher fees as the Company in General Meeting shall from time to time determine. |
| Extra remuneration to Directors for special work | **152.**<br><br>Subject to the provisions of Sections 188 and 197 of the Companies Act, 2013, if any Director, being willing, shall be called upon to perform extra services (which expression shall include work done by a Director as a Member of any Committee formed by the Directors or in relation to signing share certificate) or to make special exertions in going or residing or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Director, and such remuneration may be either in addition to or in substitution for his share in the remuneration herein provided.<br><br>Subject to the provisions of the Act, a Director who is neither in the whole time employment nor a Managing Director may be paid remuneration either:<br><br>i. by way of monthly, quarterly or annual payment with the approval of the Central Government; or<br>ii. by way of commission if the Company by a Special Resolution authorized such payment. |
| Traveling expenses incurred by Directors on Company's business | **153.**<br><br>The Board of Directors may subject to the limitations provided by the Act allow and pay to any Director who attends a meeting of the Board of Directors or any Committee thereof or General Meeting of the Company or in connection with the business of the Company at a place other than his usual place of residence, for the purpose of attending a Meeting such sum as the Board may consider fair compensation for |

| Title of Article | Article Number and contents |
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| | traveling, hotel, and other incidental expenses properly incurred by him in addition to his fees for attending such Meeting as above specified. |
| Director may act notwithstanding vacancy | **154.**<br><br>The continuing Director or Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board, the Director or Directors may act for the purpose of increasing the number of Directors or that fixed for the quorum or for summoning a General Meeting of the Company but for no other purposes. |
| Board resolution necessary for certain contracts | **155.**<br><br>(1) Subject to the provisions of Section 188 of the Companies Act, 2013, except with the consent of the Board of Directors of the Company, a Director of the Company or his relative, a firm in which such a Director or relative is partner, any other partner in such a firm or a private company of which the Director is a member or director, shall not enter into any contract with the Company:<br><br>(a) For the sale, purchase or supply of goods, materials or services; or<br><br>(b) for underwriting the subscription of any Share in or debentures of the Company;<br><br>(c) nothing contained in clause (a) of sub-clause (1) shall affect:-<br><br>(i) the purchase of goods and materials from the Company, or the sale of goods and materials to the Company by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or<br><br>(ii) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other for sale, purchase or supply of any goods, materials and services in which either the Company, or the Director, relative, firm, partner or private company, as the case may be regularly trades or does business.<br><br>**PROVIDED THAT** such contract or contracts do not relate to goods and materials the value of which, or services the cost of which, exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts.<br><br>(b) Notwithstanding any contained in sub-clause (1) hereof, a Director, relative, firm partner or private company as aforesaid may, in circumstances of urgent necessity, enter without obtaining the consent of the Board, into any contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or cost of such services exceeds rupees five thousand in the aggregate in any year comprised in the period of the contract; but in such a case the consent of the Board shall be obtained at a Meeting within three months of the date on which the contract was entered into. |

| Title of Article | Article Number and contents |
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| | (c) Every consent of the Board required under this Article shall be accorded by a resolution passed at a meeting of the Board required under clause (1) and the same shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the data on which was entered into.<br><br>(d) If consent is not accorded to any contract under this Article, anything done in pursuance of the contract will be voidable at the option of the Board.<br><br>(e) The Directors, so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established. |
| Disclosure to the Members of Directors' interest in contract appointing Managers, Managing Director or Whole-time Director | **156.**<br><br>When the Company:-<br><br>(a) enters into a contract for the appointment of a Managing Director or Whole-time Director in which contract any Director of the Company is whether directly or indirectly, concerned or interested; or<br><br>(b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 190 of the Companies Act, 2013 shall be complied with. |
| Directors of interest<br><br>General notice of disclosure | **157.**<br><br>(a) A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 of the Companies Act, 2013.<br><br>(b) A general notice, given to the Board by the Director to the effect that he is a director or is a member of a specified body corporate or is a member of a specified firm under Sections 184 of the Companies Act, 2013 shall expire at the end of the financial year in which it shall be given but may be renewed for a further period of one financial year at a time by fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that is brought up and read at the first meeting of the Board after it is given. |
| Directors and Managing Director may contract with Company | **158.**<br><br>Subject to the provisions of the Act the Directors (including a Managing Director and Whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or otherwise, nor shall any such contract or any contracts or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any profit realized by such |

| Title of Article | Article Number and contents |
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| | contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as provided by Section 184 of the Companies Act, 2013 and in this respect all the provisions of Section 184 and 189 of the Companies Act, 2013 shall be duly observed and complied with. |
| Disqualification of the Director | **159.**<br><br>A person shall not be capable of being appointed as a Director of the Company if:-<br><br>(a) he has been found to be of unsound mind by a Court of competent jurisdiction and the finding is in force;<br><br>(b) he is an undischarged insolvent;<br><br>(c) he has applied to be adjudged an insolvent and his application is pending;<br><br>(d) he has been convicted by a Court of any offence involving moral turpitude sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed form the date of expiry of the sentence;<br><br>(e) he has not paid any call in respect of Shares of the Company held by him whether alone or jointly with others and six months have lapsed from the last day fixed for the payment of the call; or<br><br>(f) an order disqualifying him for appointment as Director has been passed by a Court, unless the leave of the Court has been obtained for his appointment. |
| Vacation of office by Directors | **160.**<br><br>The office of Director shall become vacant if:-<br><br>(a) he is found to be of unsound mind by a Court of competent jurisdiction; or<br><br>(b) he applies to be adjudged an insolvent; or<br><br>(c) he is adjudged an insolvent; or<br><br>(d) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for less than six months; or<br><br>(e) he fails to pay any call in respect of Shares of the Company held by him, whether alone or jointly with others within six months from the last date fixed for the payment of the call unless the Central Government, by a notification in the Official Gazette removes the disqualification incurred by such failure; or<br><br>(f) absents himself from three consecutive meetings of the Board of Directors, or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board; or<br><br>(g) he (whether by himself or by any person for his benefit or on his account or any firm in which he is a partner or any private company of which he is a director), accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 185 of the Companies Act, 2013; or<br><br>(h) he being in any way whether directly or indirectly concerned or interested in a contract or arrangement or proposed contract or arrangement, entered into or to |

| Title of Article | Article Number and contents |
|---|---|
| | be entered into by or on behalf of the Company fails to disclose the nature of his concern or interest at a meeting of the Board of Directors as required by Section 184 of the Companies Act, 2013; or<br>(i) he is removed by an Ordinary Resolution of the Company before the expiry of his period of notice; or<br>(j) if by notice in writing to the Company, he resigns his office, or<br>(k) having been appointed as a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company. |
| Vacation of office by Directors (contd.) | **161.**<br>Notwithstanding anything contained in sub-clauses (c), (d) and (i) of Article 160 hereof, the disqualification referred to in these clauses shall not take effect:<br>(a) for thirty days from the date of the adjudication, sentence or order;<br>(b) where any appeal or petition is preferred within thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed of; or<br>(c) where within the seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of. |
| Removal of Directors | **162.**<br>(a) The Company may subject to the provisions of Section 169 and other applicable provisions of the Companies Act, 2013 and these Articles by Ordinary Resolution remove any Director not being a Director appointed by the Central Government in pursuance of Section 242 of the Companies Act, 2013 before the expiry of his period of office.<br>(b) Special Notice as provided by these Articles or Section 115 of the Companies Act, 2013 shall be required of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the Meeting at which he is removed.<br>(c) On receipt of notice of a resolution to remove a Director under this Article; the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a Member of a Company) shall be entitled to be heard on the resolution at the Meeting.<br>(d) where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding reasonable length) and requests their notification to Members of the Company, the Company shall, unless the representations are, received by it too late for it to do so: |

| Title of Article | Article Number and contents |
|---|---|
| | (i) in the notice of the resolution given to the Members of the Company state the fact of the representations having been made, and<br><br>(ii) send a copy of the representations to every Member of the Company to whom notice of the Meeting is sent (before or after the representations by the Company) and if a copy of the representations is not sent as aforesaid because they were received too late\or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representation shall be read out at the Meeting:<br><br>**Provided** that copies of the representation need not be sent or read out at the Meeting if, on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights concerned by this sub-clause are being abused to secure needless publicity for defamatory matter.<br><br>(e) A vacancy created by theremoval of the Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board, in pursuance of Article 153 or Section 161 of the Companies Act, 2013 be filled by the appointment of another Director in his place by the Meeting at which he is removed, provided special notice of the intended appointment has been given under clause (b) hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.<br><br>(f) If the vacancy is not filled under sub-clause (e) hereof, it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable of Article 148 or Section 161 of the Companies Act, 2013 and all the provisions of that Article and Section shall apply accordingly<br><br>Provided that the Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.<br><br>(g) Nothing contained in this Article shall be taken:-<br><br>(i) as depriving a person removed hereunder of any compensation of damages payable to him in respect of the termination of his appointment as Director, or<br><br>(ii) as derogating from any power to remove a Director which may exist apart from this Article. |
| Interested Directors not to participate or vote in Board's proceedings | **163.**<br><br>No Director shall as a Director take part in the discussion of or vote on any contract arrangement or proceedings entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, not shall his presence count for the purpose of forming a quorum at the time of any such discussion or voting, and if he does vote, his vote shallbe void.<br><br>Provided however, that nothing herein contained shall apply to:-<br><br>(a) any contract of indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company; |

| Title of Article | Article Number and contents |
|---|---|
| | (b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely;<br>(i) in his being:<br>(a) a director of such company; and<br>(b) the holder of not more than shares of such number of value therein as is requisite to qualify him for appointment as a director, thereof, he having been nominated as director by the company, or<br>(ii) in his being a member holding not more than two percent of its paid-up share capital. |
| Director may be director of companies promoted by the Company | **164.**<br>A Director 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 benefit received as director or shareholder of such company except in so far Section 197 or Section 188 of the Companies Act, 2013 may be applicable. |

**ROTATION AND APPOINTMENT OF DIRECTORS**

| Title of Article | Article Number and contents |
|---|---|
| Rotation of Directors | **165.**<br>Not less than two third of the total number of Directors shall:<br>(a) Be persons whose period of the office is liable to termination by retirement by rotation and<br>(b) Save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting. |
| Retirement of Directors | **166.**<br>Subject to the provisions of Articles 145 and 147, the non-retiring Directors should be appointed by the Board for such period or periods as it may in its discretion deem appropriate. |
| Retiring Directors | **167.**<br>Subject to the provisions of Section 152 of the Companies Act, 2013 and Articles 143 to 154, at every Annual General Meeting of the Company, one-third or such of the Directors for the time being as are liable to retire by rotation; or if their number is not three or a multiple of three the number nearest to one-third shall retire from office. The Debenture Directors, Nominee Directors, Corporation Directors, Managing Directors if any, subject to Article 180, shall not be taken into account in determining the number of |

| Title of Article | Article Number and contents |
|---|---|
| | Directors to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation. |
| Appointment of Technical or Executive Directors | **168.**<br>(a) The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares and shall not be entitled to vote at any meeting of the Board of Directors.<br>(b) Subject to the provisions of Section 161 of the Companies Act, 2013 if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid. |
| Ascertainment of Directors retiring by rotation and filling of vacancies | **169.**<br>Subject to Section 152 of the Companies Act, 2013 the Directors retiring by rotation under Article 167 at every Annual General Meeting shall be those, who have been longest in office since their last appointment, but as between those who became Directors on the same day, those who are to retire shall in default of and subject to any agreement amongst themselves be determined by the lot. |
| Eligibility for re-election | **170.**<br>A retiring Director shall be eligible for re-election and shall act as a Director throughout and till the conclusion of the Meeting at which he retires. |
| Company to fill vacancies | **171.**<br>At the General Meeting, at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto. |
| Provision in default of appointment | **172.**<br>(a) If the place of retiring Director is not so filled up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.<br>(b) If at the adjourned Meeting also, the place of the retiring Director is not filled up and the Meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned Meeting, unless:<br>(i) at that Meeting or the previous Meeting a resolution for the re-appointment of such Director has been put to the Meeting and lost.<br>(ii) the retiring Director has by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be so re-appointed. |

| Title of Article | Article Number and contents |
|---|---|
| | (iii) he is not qualified or is disqualified for appointment.<br>(iv) a resolution, whether Special or Ordinary is required for his appointment or re-appointment by virtue of any provisions of the Act, or<br>(v) section 162 of the Companies Act, 2013 is applicable to the case |
| Company may increase or reduce the number of Directors or remove any Director | **173.**<br>Subject to the provisions of Section 149 and 152 of the Companies Act, 2013 the Company may by Ordinary Resolution from time to time, increase or reduce the number of Directors and may alter qualifications. |
| Appointment of Directors to be voted individually | **174.**<br>(a) No motion, at any General Meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has been first agreed to by the Meeting without any vote being given against it.<br>(b) A resolution moved in contravention of clause (a) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided where a resolution so moved has passed no provisions or the automatic re-appointment of retiring Directors in default of another appointment as therein before provided shall apply.<br>(c) For the purposes of this Article, a motion for approving a person's appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment. |
| Notice of candidature for office of Directors except in certain cases | **175.**<br>(1) No person not being a retiring Director shall be eligible for election to the office of Director at any General Meeting unless he or some other Member intending to propose him has given at least fourteen days' notice in writing under his hand signifying his candidature for the office of a Director or the intention of such person to propose him as Director for that office as the case may be, along with a deposit of one lakh rupees or such higher amount as may be prescribed which shall be refunded to such person or, as the case may be, to such Member, if the person succeeds in getting elected as a Director or gets more than twenty-five per cent. of total valid votes cast either on show of hands or on poll on such resolution.<br>(2) The Company shall inform its Members of the candidature of the person for the office of Director or the intention, of a Member to propose such person as candidate for that office in such manner as may be prescribed. |

| Title of Article | Article Number and contents |
|---|---|
| | (3) Every person (other than Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Companies Act, 2013 signifying his candidature for the office of a Director) proposed as a candidate for the office a Director shall sign and file with the Company his consent in writing to act as a Director, if appointed.<br><br>(4) A person other than:<br>(a) a Director appointed after retirement by rotation or immediately on the expiry of his term of office, or<br>(b) an Additional or Alternate Director or a person filling a casual vacancy in the office of a Director under Section 161 of the Companies Act, 2013 appointed as a Director or re-appointed as an additional or alternate Director, immediately on the expiry of his term of office<br>shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filled with the Registrar his consent in writing to act as such Director. |
| Disclosure by Directors of their holdings of their Shares and debentures of the Company | **176.**<br><br>Every Director and every person deemed to be Director of the Company by virtue of Section 170 of the Companies Act, 2013 shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section. Any such notice shall be given in writing and if it is not given at a meeting of the Board the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the next meeting of the Board after it is given. |
| Votes of Body Corporate | **177.**<br><br>A body corporate, whether a company within the meaning of the Act or not, which is a member of the Company, may by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the company or at any meeting of any class of members of the company and the persons so authorized shall be entitled to exercise the same rights and power (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise as if it were an individual member of the company and the production of a copy of the Minutes of such resolution certified by a director or the copy of the Minutes of such resolution certified by a Director or the Secretary of such body corporate as being a true copy of the Minutes of such resolution shall be accepted as sufficient evidence of the validity of the said representative's appointment and of his right to vote. |

**MANAGING DIRECTOR**

| Title of Article | Article Number and contents |
|---|---|
| Powers to appoint Managing Director | **178.**<br><br>Subject to the provisions of Section 196 and 203 of the Companies Act, 2013 the Board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors or Whole-time Directors of the Company, for a fixed term not exceeding five years as to the period for which he is or they are to hold such office, and may, from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.<br><br>(a) The Managing Director shall perform such functions and exercise such powers as are delegated to him by the Board of Directors of the Company in accordance with the provisions of the Companies Act, 2013 and Companies Act, 1956, to the extent applicable.<br><br>(b) Subject to the provisions of Section 152 of the Companies Act, 2013 the Managing Director shall not be, while he continues to hold that office, subject to retirement by rotation. |
| Remuneration of Managing Director | **179.**<br><br>Subject to the provisions of Sections 196 and 197 of the Companies Act, 2013 a Managing Director shall, in addition to any remuneration that might be payable to him as a Director of the Company under these Articles, receive such remuneration as may from time to time be approved by the Company. |
| Special position of Managing Director | **180.**<br><br>Subject to any contract between him and the Company, a Managing or Whole-time Director shall not, while he continues to hold that office, be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire but (subject to the provision of any contract between him and the Company), he shall be subject to the same provisions as to resignation and removal as the Directors of the Company and shall, *ipso facto* and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause. |
| Powers of Managing Director | **181.**<br><br>The Director may from time to time entrust to and confer upon a Managing Director or Whole-time Director for the time being such of the powers exercisable under these provisions by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions, as they think expedient and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf and from time to time, revoke, withdraw, alter, or vary all or any of such powers. |

| Title of Article | Article Number and contents |
|---|---|
| | **182.**<br><br>The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Whole-time Director or Whole-time Directors of the Company and may exercise all the powers referred to in these Articles. |
| | **183.**<br><br>Receipts signed by the Managing Director for any moneys, goods or property received in the usual course of business of the Company or for any money, goods, or property lent to or belonging to the Company shall be an official discharge on behalf of and against the Company for the money, funds or property which in such receipts shall be acknowledged to be received and the persons paying such moneys shall not be bound to see to the application or be answerable for any misapplication thereof. The Managing Director shall also have the power to sign, accept and endorse cheques on behalf of the Company. |
| | **184.**<br><br>The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit. |
| | **185.**<br><br>Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company. |
| Appointment and powers of Manager | **186.**<br><br>The Board may, from time to time, appoint any person as Manager (under Section 2(53) of the Companies Act, 2013) to manage the affairs of the Company. The Board may from time to time entrust to and confer upon a Manager such of the powers exercisable under these Articles by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient. |

**WHOLE TIME DIRECTOR**

| Title of Article | Article Number and contents |
|---|---|
| Power to appoint Whole-Time Director and/or Whole-time Directors | **187.**<br><br>Subject to the provisions of the Act and of these Articles, the Board may from time to time with such sanction of the Central Government as may be required by law appoint one or more of its Director/s or other person/s as Whole-Time Director or Whole-Time Directors of the Company out of the Directors/persons nominated under Article only either for a fixed term that the Board may determine or permanently for life time upon such terms and conditions as the Board may determine and thinks fit. The Board may by ordinary resolution and/or an agreement/s vest in such Whole-Time Director or Whole Time Directors such of the powers, authorities and functions hereby vested in the Board generally as it thinks fit and such powers may be made exercisable and for such period or periods and upon such conditions and subject to such restrictions as it may be determined or specified by the Board and the Board has the powers to revoke, withdraw, alter or vary all or any of such powers and/or remove or dismiss him or them and appoint another or others in his or their place or places again out of the Directors/persons nominated under Article 188 only. The Whole Time Director or Whole Time Directors will be entitled for remuneration as may be fixed and determined by the Board from time to time either by way of ordinary resolution or a Court act/s or an agreement/s under such terms not expressly prohibited by the Act. |
| To what provisions Whole time Directors shall subject | **188.**<br><br>Subject to the provisions of Section 152 of the Companies Act, 2013 and these Articles, a Whole Time Director or Whole Time Directors shall not, while he/they continue to hold that office, be liable to retirement by rotation but (subject to the provisions of any contract between him/they and the Company) he/they shall be subject to the same provision as to resignation and removal as the other Directors and he/they shall *ipso facto* and immediately ceases or otherwise cease to hold the office of Director/s for any reason whatsoever save that if he/they shall vacate office whether by retirement, by rotation or otherwise under the provisions of the Act in any Annual General Meeting and shall be re-appointed as a Director or Directors at the same meeting he/they shall not by reason only of such vacation, cease to be a Whole Time Director or Whole Time Directors. |
| Seniority of Whole Time Director and Managing Director | **189.**<br><br>If at any time the total number of Managing Directors and Whole Time Directors is more than one-third who shall retire shall be determined by and in accordance with their respective seniorities. For the purpose of this Article, the seniorities of the Whole Time Directors and Managing Directors shall be determined by the date of their respective appointments as Whole Time Directors and Managing Directors of the Company. |

**PROCEEDINGS OF THE BOARD OF DIRECTORS**

| Title of Article | Article Number and contents |
|---|---|
| Meeting of Directors | **190.**<br><br>The Directors may meet together as a Board for the dispatch of business from time to time, and unless the Central Government by virtue of the provisions of Section 173 of the Companies Act, 2013 allow otherwise, Directors shall so meet at least once in every three months and at least four such Meetings shall be held in every year. The Directors may adjourn and otherwise regulate their Meetings as they think fit. The provisions of this Article shall not be deemed to have been contravened merely by reason of the fact that the meeting of the Board which had been called in compliance with the terms of this Article could not be held for want of a quorum. |
| Quorum | **191.**<br><br>(a) Subject to Section 174 of the Companies Act, 2013 the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one third being rounded off as one) or two Directors whichever is higher.<br><br>PROVIDED that where at any time the number of interested Directors at any meeting exceeds or is equal to two-third 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.<br><br>(b) For the purpose of clause (a)<br><br>(i) "Total Strength" means total strength of the Board of Directors of the Company determined in pursuance of the Act after deducting there from number of the Directors if any, whose places may be vacant at the time, and<br><br>(ii) "Interested Directors" mean any Directors whose presence cannot by reason of any provisions in the Act count for the purpose of forming a quorum at a meeting of the Board at the time of the discussion or vote on any matter. |
| Procedure when Meeting adjourned for want of quorum | **192.**<br><br>If a meeting of the Board could not be held for want of quorum then, the Meeting shall automatically stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till thenext succeeding day which is not a public holiday at the same time and place, unless otherwise adjourned to a specific date, time and place. |
| Chairman of Meeting | **193.**<br><br>The Chairman of the Board of Directors shall be the Chairman of the meetings of Directors, provided that if the Chairman of the Board of Directors is not present within five minutes after the appointed time for holding the same, meeting of the Director shall choose one of their members to be Chairman of such Meeting. |

| Title of Article | Article Number and contents |
|---|---|
| Question at Board meeting how decided | **194.**<br><br>Subject to the provisions of Section 203 of the Companies Act, 2013 questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote. |
| Powers of Board meeting | **195.**<br><br>A meeting of the Board of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act, or the Articles for the time being of the Company which are vested in or exercisable by the Board of Directors generally. |
| Directors may appoint Committee | **196.**<br><br>The Board of Directors may subject to the provisions of Section 179 and other relevant provisions of the Companies Act, 2013 and of these Articles delegate any of the powers other than the powers to make calls and to issue debentures to such Committee or Committees and may from time to time revoke and discharge any such Committee of the Board, either wholly or in part and either as to the persons or purposes, but every Committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation(s) that may from time to time be imposed on it by the Board of Directors. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointments, but not otherwise, shall have the like force and effect, as if done by the Board. |
| Meeting of the Committee how to be governed | **197.**<br><br>The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding article. Quorum for the Committee meetings shall be two. |
| Circular resolution | **198.**<br><br>(a) A resolution passed by circulation without a meeting of the Board or a Committee of the Board appointed under Article 197 shall subject to the provisions of sub-clause (b) hereof and the Act, be as valid and effectual as the resolution duly passed at a meeting of Directors or of a Committee duly called and held.<br><br>(b) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation if the resolution has been circulated in draft together with necessary papers if any to all the Directors, or to all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case may be) and to all other Directors or members of the Committee at their usual addresses in India or to such other addresses outside India specified by any such Directors or members of the Committee and has been approved by such of the Directors or members of the Committee, as are then in India, or by a majority of such of them as are entitled to vote on the resolution. |

| Title of Article | Article Number and contents |
|---|---|
| Acts of Board or Committee valid notwithstanding defect in appointment | **199.**<br><br>All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered; that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid; or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provision contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director; provided nothing in the Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated. |

**POWERS OF THE BOARD**

| Title of Article | Article Number and contents |
|---|---|
| General powers of management vested in the Board of Directors | **200.**<br><br>The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid Articles, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.<br><br>Provided that the Board shall not, except with the consent of the Company in General Meeting :-<br><br>(a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking;<br><br>(b) remit, or give time for the repayment of, any debt due by a Director,<br><br>(c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition or any such undertaking as is referred to in clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;<br><br>(d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose;<br><br>(e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Section 349 |

| Title of Article | Article Number and contents |
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| | and 350 of the Act during the three financial years immediately preceding whichever is greater, provided that the Company in the General Meeting or the Board of Directors shall not contribute any amount to any political party or for any political purposes to any individual or body;<br><br>(i) Provided that in respect of the matter referred to in clause (d) and clause (e) such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which moneys may be borrowed by the Board under clause (d) of as the case may be total amount which may be contributed to charitable or other funds in a financial year under clause (e)<br><br>(ii) Provided further that the expression "temporary loans" in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financing expenditure of a capital nature. |
| Certain powers to be exercised by the Board only at Meetings | **201.**<br><br>(1) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at the meeting of the Board;<br><br>(a) the power to make calls, on shareholders in respect of money unpaid on their Shares,<br><br>(b) the power to issue Debentures,<br><br>(c) the power to borrow moneys otherwise than on Debentures,<br><br>(d) the power to invest the funds of the Company, and<br><br>(e) the power to make loans<br><br>Provided that the Board may, by resolution passed at a Meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company, the powers specified in sub-clause (c),(d) and (e) to the extent specified below.<br><br>(2) Every resolution delegating the power referred to in sub-clause (1)(c) above shall specify the total amount outstanding at any one time, upto which moneys may be borrowed by the delegate.<br><br>(3) Every resolution delegating the power referred to in sub-clause (1)(d) above shall specify the total amount upto which the funds of the Company may be invested, and the nature of the investments which may be made by the delegate.<br><br>(4) Every resolution delegating the power referred to in sub-clause (1)(e) above shall specify the total amount upto which loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases. |
| | **202.** |

| Title of Article | Article Number and contents |
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| Certain powers of the Board | Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say, power:<br><br>(1) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.<br><br>(2) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 76 and 208 of the Act.<br><br>(3) Subject to Section 292 and 297 and other provisions applicable of the Act to purchase or otherwise acquire for the Company any property, right or privileges which the Company is authorized to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.<br><br>(4) At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in share, bonds, debentures, mortgages, or other securities of the Company, and any such Shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.<br><br>(5) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.<br><br>(6) To accept from any Member, as far as may be permissible by law to a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed.<br><br>(7) To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purpose and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees.<br><br>(8) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claim or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon either according to Indian law or according to foreign law and either in India or abroad and to observe and perform or challenge any award made thereon.<br><br>(9) To act on behalf of the Company in all matters relating to bankruptcy and insolvency, winding up and liquidation of companies.<br><br>(10) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company. |

| Title of Article | Article Number and contents |
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| | (11) Subject to the provisions of Sections 291, 292, 295, 370, 372 and all other applicable provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being Shares of this Company), or without security and in such manner as they may think fit and from time to time vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name.<br><br>(12) To execute in the name and on behalf of the Company, in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.<br><br>(13) To open bank account and to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose.<br><br>(14) To distribute by way of bonus amongst the staff of the Company a Share or Shares in the profits of the Company and to give to any Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as a part of the working expenses of the Company.<br><br>(15) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 293(1)(e) of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.<br><br>(16) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to depreciation fund, or to an insurance fund, or as reserve fund or any special fund to meet contingencies or to repay redeemable preference shares or debentures or debenture stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purpose referred to in the preceding clause), as the Board may in their absolute discretion, think conducive to the interest of the Company and subject to Section 292 of the Act, to invest several sums so set aside or so much thereof as required to be invested, upon such investments (other than Shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any such part thereof for |

| Title of Article | Article Number and contents |
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| | the benefit of the Company, in such a manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the general reserve or reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of redeemable preference shares or debentures or debenture stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however, to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.<br><br>(17) To appoint, and at their discretion, remove or suspend, such general managers, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisors, research workers, laborers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think and the provisions contained in the four next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause.<br><br>(18) To appoint or authorize appointment of officers, clerks and servants for permanent or temporary or special services as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require securities in such instances and of such amounts as the Board may think fit and to remove or suspend any such officers, clerks and servants. Provided further that the Board may delegate matters relating to allocation of duties, functions, reporting etc. of such persons to the Managing Director or Manager.<br><br>(19) From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such local Boards, and to fix their remuneration or salaries or emoluments.<br><br>(20) Subject to Section 292 of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow money, and to authorize the members for the time being of any such local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such terms and subject to such conditions as the Board may think fit, and Board may at any time remove any person so appointed, and may annul or vary any such delegation.<br><br>(21) At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or person to be the Attorney or Attorneys of the |

| Title of Article | Article Number and contents |
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| | Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and subject to the provisions of Section 292 of the Act) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of any company, or the shareholders, directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretions for the time being vested in them.<br><br>(22) Subject to Sections 294 and 297 and other applicable provisions of the Act, for or in relation to any of the matters aforesaid or, otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.<br><br>(23) From time to time to make, vary and repeal bye-laws for the regulations of the business of the Company, its officers and servants.<br><br>(24) To purchase or otherwise acquire any land, buildings, machinery, premises, hereditaments, property, effects, assets, rights, credits, royalties, business and goodwill of any joint stock company carrying on the business which the Company is authorized to carry on in any part of India.<br><br>(25) To purchase, take on lease, for any term or terms of years, or otherwise acquire any factories or any land or lands, with or without buildings and out-houses thereon, situated in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit. And in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.<br><br>(26) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as it may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company, either separately or co jointly, also to insure all or any portion of the goods, produce, machinery and other articles imported or exported-by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.<br><br>(27) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.<br><br>(28) To sell from time to time any articles, materials, machinery, plants, stores and other articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.<br><br>(29) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the |

| Title of Article | Article Number and contents |
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| | possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.<br>(30) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on freehold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.<br>(31) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.<br>(32) To let, sell or otherwise dispose of subject to the provisions of Section 293 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.<br>(33) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.<br>(34) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with. |

**MANAGEMENT**

| Title of Article | 4B4BArticle Number and contents |
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| Appointment of different categories of Key managerial personnel | **203.**<br>The Company shall have the following whole-time key managerial personnel,—<br>(*i*) managing director, or Chief Executive Officer or manager and in their absence,<br>a whole-time director;<br>(*ii*) company secretary; and<br>(*iii*) Chief Financial Officer |

**MINUTES**

| Title of Article | Article Number and contents |
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| Minutes to be made | **204.**<br>(1) The Company shall cause minutes of all proceedings of General Meeting and of all proceedings of every meeting of the Board of Directors or every Committee thereof within thirty days of the conclusion of every such meeting concerned by making entries thereof in books kept for that purpose with their pages consecutively numbered.<br>(2) Each page of every such books shall be initialed or signed and the last page of the record of proceedings of each Meeting in such books shall be dated and signed:<br>(a) in the case of minutes of proceedings of a meeting of Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.<br>(b) in the case of minutes of proceeding of the General Meeting, by the Chairman of the said meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period by a Director duly authorized by the Board for the purpose. |
| Minutes to be evidence of the proceeds<br><br>Books of minutes of General Meeting to be kept | **205.**<br>(a) The minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board or every Committee kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein.<br>(b) The books containing the aforesaid minutes shall be kept at the Registered Office of the Company and be open to the inspection of any Member without charge as provided in Section 119 and Section 120 of the Companies Act, 2013 and any Member shall be furnished with a copy of any minutes in accordance with the terms of that Section. |
| Presumptions | **206.**<br>Where the minutes of the proceedings of any General Meeting of the Company or of any meeting of the Board or of a Committee of Directors have been kept in accordance with the provisions of Section 118 of the Companies Act, 2013 until the contrary is proved, the meeting shall be deemed to have been duly called and held, all proceedings thereat to have been duly taken place and in particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid. |

**THE SECRETARY**

| Title of Article | Article Number and contents |
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| Secretary | **207.**<br><br>The Directors may from time to time appoint, and at their discretion, remove any individual, (hereinafter called "the Secretary") to perform any functions, which by the Act are to be performed by the Secretary, and to execute any other ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall be made according to the provisions of the Companies (Appointment and Qualifications of Secretary) Rules, 1988. |
| The Seal, its custody and use | **208.**<br><br>(a) The Board shall provide for the safe custody of the seal.<br><br>(b) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence. |

**DIVIDENDS AND CAPITALISATION OF RESERVES**

| Title of Article | Article Number and contents |
|---|---|
| Division of profits | **209.**<br><br>(a) 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 Share in the Company, dividends may be declared and paid according to the amounts of the Shares RR;<br><br>(b) No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of this Article as paid on the Shares. |
| The Company at General Meeting may declare dividend | **210.**<br><br>The Company in General Meeting may declare dividends, to be paid to Members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Companies Act, 2013 but no dividends shall exceed the amount recommended by the |

| Title of Article | Article Number and contents |
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| | Board of Directors. However, the Company may declare a smaller dividend than that recommended by the Board in General Meeting. |
| Dividends out of profits only | **211.**<br><br>No dividend shall be payable except out of profits of the Company arrived at the manner provided for in Section 123 of the Companies Act, 2013. |
| Interim Dividend | **212.**<br><br>The Board of Directors may from time to time pay to the Members such interim dividends as in their judgment the position of the Company justifies. |
| Debts may be deducted | **213.**<br><br>(a) The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.<br><br>(b) The Board of Directors may retain the dividend payable upon Shares in respect of which any person is, under the Transmission Article, entitled to become a Member or which any person under that Article is entitled to transfer until such person shall become a Member or shall duly transfer the same. |
| Capital paid-up in advance to carry interest, not the right to earn dividend | **214.**<br><br>Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits. |
| Dividends in proportion to amounts paid-up | **215.**<br><br>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 provided that it shall rank for dividends as from a particular date such Share shall rank for dividend accordingly. |
| No Member to receive dividend while indebted to the Company and the Company's right in respect thereof | **216.**<br><br>No Member shall be entitled to receive payment of any interest or dividend or bonus in respect of his Share or Shares, whilst any money may be due or owing from him to the Company in respect of such Share or Shares (or otherwise however either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend to any Member all such sums of money so due from him to the Company. |

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| Effect of transfer of Shares | **217.**<br><br>A transfer of Shares shall not pass the right to any dividend declared therein before the registration of the transfer. |
| Dividend to joint holders | **218.**<br><br>Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares. |
| Dividend how remitted | **219.**<br><br>The dividend payable in cash may be paid by cheque or warrant sent through post directly to registered address of the shareholder entitled to the payment of the dividend or in 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. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transit or for any dividend lost, to the Member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means. |
| Notice of dividend | **220.**<br><br>Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holders of Share in the manner herein provided. |
| Reserves | **221.**<br><br>The Directors may, before recommending or declaring any dividend set aside out of the profits of the Company such sums as they think proper as reserve or reserves, which shall, at the discretion of the Directors, be applicable for meeting contingencies or for any other purposes to which the profits of the Company may be properly applied 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 Directors may from time to time think fit. |
| Dividend to be paid within time required by law. | **222.**<br><br>The Company shall pay the dividend, or send the warrant in respect thereof to the shareholders entitled to the payment of dividend, within such time as may be required by law from the date of the declaration unless:-<br><br>(a) where the dividend could not be paid by reason of the operation on any law; or<br>(b) where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with; or<br>(c) where there is dispute regarding the right to receive the dividend; or<br>(d) where the dividend has been lawfully adjusted by the Company against any sum due to it from shareholder; or |

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| | (e) where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company. |
| Unpaid or unclaimed dividend | **223.**<br><br>(a) Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, to any shareholder entitled to the payment of dividend, the Company shall within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called "Salasar Techno Engineering Limited*(year)*Unpaid Dividend Account".<br><br>(b) Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under section 125 of the Companies Act, 2013.<br><br>(c) No unclaimed or unpaid divided shall be forfeited by the Board. |
| Set-off of calls against dividends | **224.**<br><br>Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the Members of such amount as the Meeting fixes but so that the call on each Member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the Members, be set off against the calls. |
| Dividends in cash | **225.**<br><br>No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being unpaid on any Shares held by Members of the Company. |
| Capitalisation | **226.**<br><br>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:<br><br>(a) That is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and<br><br>(b) That such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportion.<br><br>(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;<br><br>(a) paying up any amount for the time being unpaid on any Shares held by such Members respectively, or |

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| | (b) paying up in full unissued Shares of the Company to be allocated and distributed, credited as fully paid up, to and amongst Members in the proportion aforesaid, or<br>(c) partly in the way specified in sub clause (a) and partly in that specified in sub-clause(b)<br>(3) A security premium account and capital redemption reserve account may, for the purpose of this Article, only be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus shares. |
| Board to give effect | **227.**<br>The Board shall give effect to the resolution passed by the Company in pursuance of above Article. |
| Fractional certificates | **228.**<br>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall;<br>(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid Shares and<br>(b) Generally do all acts and things required to give effect thereto.<br>(2) The Board shall have full power:<br>(a) to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions, also<br>(b) to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalised of the amounts remaining unpaid on their existing Shares.<br>(3) Any agreement made under such authority shall be effective and binding on all such Members.<br>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit. |

**ACCOUNTS**

| Title of Article | Article Number and Contents |
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| Books to be kept | **229.**<br><br>(1) The Company shall keep at its Registered Office proper books of account as would give a true and fair view of the state of affairs of the Company or its transactions with respect to:<br><br>(a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place<br><br>(b) all sales and purchases of goods by the Company<br><br>(c) the assets and liabilities of the Company and<br><br>(d) if so required by the Central Government, such particulars relating to utilisation of material or labour or to other items of cost as may be prescribed by the Government<br><br>Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.<br><br>(2) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of clause (1) if proper books of account relating to the transaction effected at the branch are kept at that office and proper summarised returns, made upto date at intervals of not more than three months, are sent by the branch office to the Company at its Registered Office or the other place referred to in sub-clause (1). The books of accounts and other books and papers shall be open to inspection by any Director during business hours. |
| Inspection by Members | **230.**<br><br>No Members (not being a Director) shall have any right of inspecting any account books or documents of the Company except as allowed by law or authorized by the Board. |
| Statements of accounts to be furnished to General Meeting | **231.**<br><br>The Board of Directors shall from time to time in accordance with Sections 129, 133, and 134 of the Companies Act, 2013, cause to be prepared and laid before each Annual General Meeting a profit and loss account for the financial year of the Company and a balance sheet made up as at the end of the financial year which shall be a date which shall not precede the day of the Meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act. |
| Right of Members or others to copies of balance sheet and Auditors' report and | **232.**<br><br>(1) The Company shall comply with the requirements of Section 136 of the Companies Act, 2013.<br><br>(2) The copies of every balance sheet including the Profit & Loss Account, the Auditors' Report and every other document required to be laid before the Company |

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| statement under Section 136 | in General Meeting shall be made available for inspection at the Registered Office of the Company during working hours for a period of 21 days before the Annual General Meeting.<br><br>(3) A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid, as the Company may deem fit will be sent to every Member of the Company and to every trustee of the holders of any Debentures issued by the Company not less than 21 days before the date of the Meeting. |
| Accounts to be audited | **233.**<br><br>Once at least in every year the accounts of the Company shall be examined, balanced and audited and the correctness of the profit and loss Account and the balance sheet ascertained by one or more Auditor or Auditors. |
| Appointment of Auditors | **234.**<br><br>(1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 139 to 146 of the Companies Act, 2013.<br><br>(2) The Company shall at each Annual General Meeting appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting. The company shall place the matter relating to such appointment for ratification by members at every annual general meeting. The company shall also inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the Registrar within fifteen days of the meeting in which the auditor is appointed.<br><br>(3) The company or shall not appoint or re-appoint—<br><br>(*a*) an individual as auditor for more than one term of five consecutive years; and<br><br>(*b*) an audit firm as auditor for more than two terms of five consecutive years:<br><br>Provided that—<br><br>(*i*) an individual auditor who has completed his term under clause (*a*) shall not be eligible for re-appointment as auditor in the same company for five years from the completion of his term;<br><br>(*ii*) an audit firm which has completed its term under clause (*b*), shall not be eligible for re-appointment as auditor in the same company for five years from the completion of such term:<br><br>(4) Subject to the provisions of Clause (1) and the rules made thereunder, a retiring auditor may be re-appointed at an annual general meeting, if—<br><br>(*a*) he is not disqualified for re-appointment; |

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| | (*b*) he has not given the company a notice in writing of his unwillingness to be re-appointed; and<br><br>(*c*) a special resolution has not been passed at that meeting appointing some other auditor or providing expressly that he shall not be re-appointed.<br><br>(5) Where at any annual general meeting, no auditor is appointed or re-appointed, the existing auditor shall continue to be the auditor of the company.<br><br>(6) Any casual vacancy in the office of an auditor shall be filled by the Board of Directors within thirty days, but if such casual vacancy is as a result of the resignation of an auditor, such appointment shall also be approved by the company at a general meeting convened within three months of the recommendation of the Board and he shall hold the office till the conclusion of the next annual general meeting.<br><br>(7) Special notice shall be required for a resolution at an annual general meeting appointing as auditor a person other than a retiring auditor, or providing expressly that a retiring auditor shall not be re-appointed, except where the retiring auditor has completed a consecutive tenure of five years or, as the case may be, ten years, as provided under Clause (3). |
| Accounts when audited and approved to be conclusive except as to errors discovered within 3 months | **235.**<br><br>Every account when audited and approved by a General Meeting shall be conclusive except as regards any errors discovered therein within the next three months after the approval thereof. Whenever any such error is discovered within that period, the account shall be corrected, and amendments effected by the Directors in pursuance of this Article shall be placed before the Members in General Meeting for their consideration and approval and, on such approval, shall be conclusive. |

**DOCUMENTS AND NOTICES**

| Title of Article | Article Number and Contents |
|---|---|
| To whom documents must be served or given | **236.**<br><br>Document or notice of every Meeting shall be served or given on or to (a) every Member (b) every person entitled to a Share in consequence of the death or insolvency of a Member and (c) the Auditor or Auditors for the time being of the Company |
| Members bound by documents or notices served on | **237.**<br><br>Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which prior to his name and address being entered in the Register of |

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| or given to previous holders | Members shall have been duly served on or given to the person from whom he derived, his title to such Share. |
| Service of documents on the Company | **238.**<br><br>A document may be served on the Company or an officer thereof by sending it to the Company or officer at the Registered Office of the Company by post under a certificate of posting or by registered post or by leaving it at its Registered Office. |
| Authentication of documents and proceedings | **239.**<br><br>Save as otherwise expressly provided in the Act, a document or proceedings requiring authentication by the Company may be signed by a Director, the Managing Director, or the Secretary or other authorized officer of the Company and need not be under the Seal of the Company. |

**REGISTERS AND DOCUMENTS**

| Title of Article | Article Number and Contents |
|---|---|
| Registers and documents to be maintained by the Company | **240.**<br><br>The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following:<br><br>(a) Register of investments made by the Company but not held in its own name, as required by Section 187 of the Companies Act, 2013<br><br>(b) Register of mortgages and charges as required by Section 85 of the Companies Act, 2013 and copies of instruments creating any charge requiring registration according to Section 85 of the Companies Act, 2013.<br><br>(c) Register and index of Members and debenture holders as required by Section 88 of the Companies Act, 2013.<br><br>(d) Foreign register, if so thought fit, as required by Section 88 of the Companies Act, 2013.<br><br>(e) Register of contracts, with companies and firms in which Directors are interested as required by Section 189 of the Companies Act, 2013.<br><br>(f) Register of Directors and Secretaries etc. as required by Section 170 of the Companies Act, 2013.<br><br>(g) Register as to holdings by Directors of Shares and/or Debentures in the Company as required by Section 170 of the Companies Act, 2013.<br><br>(h) Register of investments made by the Company in Shares and Debentures of the bodies corporate in the same group as required by Section 186 of the Companies Act, 2013. |

| Title of Article | Article Number and Contents |
|---|---|
| | (i) Copies of annual returns prepared under Section 92 of the Companies Act, 2013 together with the copies of certificates and documents required to be annexed thereto under Section 92 of the Companies Act, 2013. |
| Inspection of Registers | **241.**<br><br>The registers mentioned in clauses (f) and (i) of the foregoing Article and the minutes of all proceedings of General Meetings shall be open to inspection and extracts may be taken therefrom and copies thereof may be required by any Member of the Company in the same manner to the same extent and on payment of the same fees as in the case of the Register of Members of the Company provided for in clause (c) thereof. Copies of entries in the registers mentioned in the foregoing article shall be furnished to the persons entitled to the same on such days and during such business hours as may be consistent with the provisions of the Act in that behalf as determined by the Company in General Meeting. |

**WINDING UP**

| Title of Article | Article Number and Contents |
|---|---|
| Distribution of assets | **242.**<br><br>If the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the Members in the proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, on the Shares held by them respectively, and if in the winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the Shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions. |
| Distribution in specie or kind | **243.**<br><br>(a) If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with the sanction of a Special Resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidator, with the like sanction, shall think fit.<br><br>(b) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributions (except |

| Title of Article | Article Number and Contents |
|---|---|
| | where unalterably fixed by the Memorandum of Association and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories, shall be determined on any contributory who would be prejudicial thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 494 of the Act.<br><br>(c) In case any Shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said Shares may within ten days after the passing of the Special Resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall, if practicable act accordingly. |
| Right of shareholders in case of sale | **244.**<br><br>A Special Resolution sanctioning a sale to any other Company duly passed pursuant to Section 319 of the Companies Act, 2013 may subject to the provisions of the Act in like manner as aforesaid determine that any Shares or other consideration receivable by the liquidator be distributed against the Members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said sanction. |
| Directors and others right to indemnity | **245.**<br><br>Every Director or officer, or servant of the Company or any person (whether an officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors, out of the funds of the Company to pay all costs, charges, losses and damages which any such person may incur or become liable to pay by reason of any contract entered into or any act, deed, matter or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act, neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, officer or Auditor or other office of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favour, or in which he is acquitted or in connection with any application under Section 463 of the Companies Act, 2013 in which relief is granted to him by the Court. |
| Director, officer not responsible for acts of others | **246.**<br><br>Subject to the provisions of Section 201 of the Act, no Director, Auditor or other officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of the title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested for any loss or damages arising from the insolvency or tortuous act of any person, firm or Company to or with whom any moneys, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgment, |

| Title of Article | Article Number and Contents |
|---|---|
| | omission, default or oversight on his part of for any other loss, damage, or misfortune whatever shall happen in relation to execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty. |

**SECRECY CLAUSE**

| Title of Article | Article Number and Contents |
|---|---|
| Secrecy Clause | **247.**<br><br>Every Director/Manager, Auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or any other person-employed in the business of the Company shall, if so required by the Director, before entering upon his duties, sign a declaration pledging himself, to observe a strict secrecy respecting all transactions and affairs of the Company with the Company customers and the state of the accounts with individuals and in matter thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained. |
| No Member to enter the premises of the Company without permission | **248.**<br><br>No Member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Board of Directors or Managing Director, or to inquire discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose. |

SALASAR

## 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 entered into more than two years before the date of this Prospectus), which are or may be deemed material have been entered or to be entered into by our Company. These contracts, copies of which will be attached to the copy of this Prospectus, delivered to the Registrar of Companies for registration and also the documents for inspection referred to hereunder, may be inspected at our Registered Office and our Corporate Office from 10.00 am to 4.00 pm on Working Days from the date of this Prospectus until the issue Closing Date.

### Material Contracts to the Issue

1. Mandate letter dated June 25, 2016 issue by the Lead manager to our Company.

2. Issue Agreement dated January 09, 2017 between our Company and the Lead Manager.

3. Agreement dated January 09, 2017 between our Company and the Registrar to the Issue.

4. Public Issue Account agreement dated June 14, 2017 among our Company, the Lead Manager, the Public Issue Bank/Banker to Issue, and the Registrar to the Issue.

5. Tripartite agreement dated July 12, 2016, among NSDL, our Company and the Registrar to the Issue.

6. Tripartite agreement dated June 27, 2016, among CDSL, our Company and the Registrar to the Issue.

### Material Documents to the Issue

1. Our Memorandum and Articles of Association, as amended from time to time.

2. Our certificate of incorporation dated October 24, 2001, fresh certificate of incorporation dated June 13, 2006 upon change of name from “Salasar Petrochemicals Private Limited” to “Salasar Techno Engineering Private Limited” and certificate of incorporation dated August 16, 2016 consequent to conversion of our Company to a public limited company.

3. Resolution of the Board of Directors dated November 01, 2016, authorising the Issue.

4. Resolution of the shareholders dated December 10, 2016, under section 62(1)(c) of the Companies Act, 2013 authorising the Issue.

5. Resolutions of the Board dated July 03, 2017 and the IPO Committee dated July 01, 2017, approving the Prospectus.

6. Examination reports of the Auditors, M/s Arun Naresh & Co., Chartered Accountants, dated June 15, 2017 on the Restated Standalone Financial Statements and Restated Consolidated Financial Statements included in this Prospectus.

7. Certificate issued dated June 16, 2017 by M/s VAPS & Co., Chartered Accountants statutory Auditors of the Company.

8. Statement of tax benefits from M/s VAPS & Co., Chartered Accountants dated June 10, 2017.

9. Industry report titled "***Industry Research Report on Steel and Allied Sector***", prepared by CARE Advisory dated December 23, 2016.

10. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Review Auditor, Banker to our Company, the Lead Manager, Registrar to the Issue, Legal Advisor to act in their respective capacities.

11. Copy of approval from NSE *vide* letter dated April 05, 2017 to use the name of NSE in this Prospectus for listing of Equity Shares on NSE.

12. Copy of approval from BSE *vide* letter dated April 26, 2017 to use the name of BSE in this Prospectus for listing of Equity Shares on BSE.

13. Due Diligence Certificate dated July 03, 2017 from the Lead Manager.

14. SEBI observation letter dated May 16, 2017.

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, with the approval of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

SALASAR

## 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 this 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 this Prospectus are true and correct.

**Signed by the Directors of our Company**

| Name | DIN | Designation | Signature |
|---|---|---|---|
| Alok Kumar | 01474484 | Chairman & Managing Director | |
| Shashank Agarwal | 00316141 | Jt. Managing Director | |
| Shalabh Agarwal | 00316155 | Whole Time Director | |
| Tripti Gupta | 06938805 | Whole Time Director | |
| Anil Kumar Jain | 00204935 | Non-Executive & Independent Director | |
| Sanjay Chandak | 07663328 | Non-Executive & Independent Director | |
| Vijay Kumar Jain | 00281757 | Non-Executive & Independent Director | |
| Amit Jain | 06783422 | Non-Executive & Independent Director | |

**Signed by Company Secretary & Compliance Officer and Chief Financial Officer**

**Bavneet Kaur**
**Company Secretary & Compliance Officer**

**Kamlesh Kumar Sharma**
**Chief Financial Officer**

Date: July 03, 2017
Place: Delhi